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Speaker: Honourable Wade Verge, MHA

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The House met at 1:30 p.m.

MR. SPEAKER (Verge): Order, please!

Admit strangers.

I am very pleased today to welcome to the public gallery a group of students from Holy Name of Mary Academy in Lawn. They are here with their teachers Lori Strang, Hannah Annebury and Jean Ann Lambert.

Welcome to the House of Assembly.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: I am also very pleased today to welcome to the Speaker's gallery Mrs. Cyrilda Poirier, President of the Provincial Francophone Federation; Mrs. Roxanne Leduc, Assistant Executive Director of the Provincial Francophone Federation; Jim Prowse, Manager of the Office of French Services; and, Natalie Matthews, the Office of French Services.

Welcome to the House of Assembly.

SOME HON. MEMBERS: Hear, hear!

Statements by Members

MR. SPEAKER: Today we will hear members' statements from members representing the Districts of St. John's North, Mount Pearl South, Bonavista South, Port de Grave, Labrador West, and St. John's East.

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

MR. KIRBY: Mr. Speaker, today I would like to recognize the tremendous efforts of the committee of volunteers who organized the Safe Grad at Prince of Wales Collegiate which was held on May 15.

As a result of their hard work and dedication throughout the 2014-2015 school year, these school volunteers ensured that this year's Safe Grad was an amazing time for this year's graduating class.

There were about thirty parent volunteers involved this year and their help was immeasurable. This incredible team of parent

and school volunteers were exceptionally generous with their time. They could be counted on anytime where they were needed to help out.

I would like to single out the following individuals who were leads on the subcommittees for Safe Grad 2015: Co-Chair and Secretary Irene Batstone, Co-Chair and Decorator Kathy Pretty, Past Chair and Treasurer Carol O'Keefe, Food and Refreshments Co-Chairs Bev Preston and Susan Jackman, Entertainment Co-Chairs Christine Wheaton and Enid Pendergast, Fundraising Co-Chairs Ruth Mandville and Ruth Power-Blackmore, and Teacher Representatives Elizabeth Tuff and Jennifer Gibbons.

I ask all hon. members to join me in recognizing the hard work of all of the Prince of Wales Collegiate Safe Grad committee volunteers.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. LANE: Mr. Speaker, it gives me great pleasure to rise in this hon. House to recognize an individual who has made a tremendous difference in my community. Long-time Mount Pearl resident, Mr. Reg White is the very definition of what it means to be a community leader.

Whether it be through Mount Pearl Minor Hockey, baseball, softball, the First United Church, the Frosty Festival, or anything else that is going on in the City of Mount Pearl, you will find Reg with his sleeves rolled up making a contribution to the cause. This has not gone unnoticed in our community, as Reg has been inducted into the Mount Pearl Sports Hall of Fame and has been honoured as one of Mount Pearl's Citizens of the Year.

In addition to his great work in our city, Reg has volunteered with Habitat for Humanity for the past seventeen years and in that time has worked on nearly thirty builds, including a Global Village build in Thailand two years ago. He can also be found volunteering almost daily at the Habitat for Humanity ReStore in St. John's.

On May 15, in Fredericton, New Brunswick, Reg was honoured nationally as Habitat Canada's Volunteer of the Year.

I ask all members of this hon. House to join me in congratulating Reg on this accomplishment and thank him for the significant contribution he has made to our community.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. LITTLE: Mr. Speaker, hon. colleagues, I rise today to recognize Bonavista native, Adam Parly, on his career as a hockey player in the National Hockey League.

Adam is the son of Stan and Lorraine Parly. He has two older brothers, Neil and Todd, currently working at Long Harbour. The family is very close and they had to make many sacrifices in order to commit whatever they could towards Adam's hockey career.

Prior to his hockey career, Adam played ball hockey as a junior. In 2003, he was named the most valuable defenseman in the junior nationals by the Canadian Ball Hockey Association. In 2004, he won a bronze medal with Team Canada at the World Ball Hockey Association championships in Slovakia.

Adam turned professional in 2005 and started his career with the American Hockey League, playing with Omaha AK-Sar-Ben Knights. He appeared in seventy games in his first full American Hockey League season in 2006-2007. Adam made his debut in 2008-2009 into the NHL. He began his career with the Calgary Flames and subsequently played with the Dallas Stars and Buffalo Sabres. In 2013, he signed on and is currently playing with the Winnipeg Jets.

Mr. Speaker, hon. colleagues, please join me in recognizing Adam Parly on his accomplishments as a professional hockey player and another person from this great

Province who represents us all on the national and international scene.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. LITTLEJOHN: Thank you, Mr. Speaker.

I rise today to give thumbs up to the Grade 2 classes of All Hallows Elementary for their involvement in a national agriculture program called Little Green Thumbs.

In this program, students planted various kinds of vegetables like tomatoes, beans, cucumbers, and peppers in earth boxes set up in their classrooms. Each class was linked to a Department of Agriculture coordinator who worked with the students to facilitate the garden classrooms. The students then took care of their plants, watering, snipping, and cutting when needed. The excitement and eagerness of experiencing nature in the classroom was very evident.

When the plants were ready for harvest, the classes had tasting parties and shared the vegetables with others in the school. This helped them understand where their food comes from and encourages healthier food and nutrition choices in their daily lives.

The students also grew along with their plants. Their teachers say they showed positive growth in reading, writing, observing data, and overall a better caring of their environment. They are now eagerly planning a year-end celebration in the Little Green Thumbs program.

I ask all members to join me today in congratulating the Grade 2 classes of All Hallows Elementary on their Little Green Thumbs.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Labrador West.

SOME HON. MEMBERS: Hear, hear!

MR. MCGRATH: Thank you, Mr. Speaker.

I stand in this hon. House today to congratulate the organizers of the community rally to support laid off workers at IOC in Labrador West.

On Monday evening, several hundred residents of Labrador West gathered at the Union Centre parking lot on Hudson Drive to walk in unison supporting and showing their support for those affected in the upcoming layoff in June. This layoff, of course, will add to the recent list of adverse downturns in the economy within the iron ore industry and have a very negative effect on our communities. It was somewhat uplifting to see the community come together in such a strong show of support for the people and the community as a whole.

Walking alongside the employees of IOC and listening to the effect this will have on their daily and day-to-day living puts a different perspective on what many of us take for granted. I applaud the United Steelworkers of America Local 5795, and all those who helped organize this event. It showcased the comradery, the loyalty, and the tenacity of the people of Labrador West.

I ask all members to join me in recognizing the efforts of the communities in Labrador West.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. MURPHY: Mr. Speaker, unlike my beloved Montreal Canadiens, the Gonzaga Vikings have had a golden year in hockey this year – with some silver thrown in for good measure.

The Vikings won the City Championship, they won the Confederation Cup for the first time since 2008, and they won their regional championship to compete in 4As. They won silver in the Darryl Reid tournament, a Grand Falls-Windsor tournament, and the Dragon's Lair tournament in Chicago.

Head coach Ryan Morgan, assistant coaches Kris Abbott and Peter Keough, teachers' representative Krista Grimes, and team manager Kelly Hutton should all be commended on their work with these boys – who, in addition to their great playing, have also been involved in the Canadian National Institute for the Blind Courage Canada Program, helping children with visual impairments to skating at Mile One.

Congratulations to Captain Adam Caines, Assistant Captains Coady Barron, Michael Connors and Cameron Dunn, and the other great Vikings of the team: Joel Bishop, Sam Bishop, Iain Gamba, Brady Holwell, Eric Hutchings, Matt Hickey, Jack Hutton, Zack Fitzpatrick, Ben Jessome, Matty Marshall, Eric McKay, David Penney, Henry Power, Daniel Rice, Robin Schilg, Ryan Shea, John Simms, Chris Smith, Joey Walsh, and Owen Winsor.

I ask all hon. members to join me in congratulating Gonzaga Vikings on an outstanding hockey season.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Statements by Ministers.

Statements by Ministers

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

SOME HON. MEMBERS: Hear, hear!

MR. CRUMMELL: Thank you, Mr. Speaker.

Mr. Speaker, I rise in this hon. House to note that next week, from June 2 to 4, the provincial government will carry out Roadcheck 2015. During this period, Service NL enforcement staff will engage in a road check blitz for commercial vehicles.

Roadcheck 2015 is an initiative of the Commercial Vehicle Safety Alliance, and represents a major undertaking by vehicle safety enforcement personnel across Canada, the United States, and Mexico.

Mr. Speaker, during these three days, highway enforcement officers and weigh scale inspectors from the Motor Registration Division of Service NL will conduct spot checks of commercial vehicles to promote road safety, and to remind owners and operators of safe operating practices. Staff will be checking for mechanical deficiencies, reviewing driver records, inspecting cargo securement, and monitoring compliance with other legislation. These roadside inspections will be conducted in accordance with nationally developed inspection criteria for commercial vehicles.

Mr. Speaker, road safety is a key concern of our government. Roadcheck 2015 provides an excellent opportunity to promote safe driving practices among commercial vehicle operators, and emphasize the significance of provincial and national laws that promote road safety. Service NL is tasked with that responsibility of ensuring vehicles transporting cargo and passengers in our Province are mechanically fit, operated by qualified personnel, and compliant with federal and provincial legislation. We take that responsibility very seriously. Newfoundland and Labrador's continued participation in Roadcheck demonstrates our ongoing commitment in this regard.

As we prepare for Roadcheck 2015, I want to take this opportunity to recognize the great work of our dedicated enforcement staff, who perform their duties faithfully every day. Their work is greatly appreciated by our government, and vital to the safety of motorists throughout Newfoundland and Labrador. I also want to applaud the efforts of everyone in the commercial transport industry who promote road safety and best practices. These professionals always perform well during Roadcheck, and throughout the year, and I thank them for setting a strong standard of practice for others.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. LANE: Thank you, Mr. Speaker.

I would like to thank the minister for the advance copy of his daily Ministerial Statement.

Mr. Speaker, over here in the Official Opposition we want to also recognize next week as Roadcheck 2015. We are certainly very supportive of this initiative. Anything we can do to keep our highways safe is a good thing.

I encourage the government to continue down that road of making our highways safe, and not just with this initiative but initiatives such as working with MADD Avalon to improving issues around impaired driving, working with SOPAC to improve moose safety on our highways, and to ensure that we get the lines painted on our roads so we can actually see where we are going. That would certainly go a long way in avoiding accidents and dealing with all the ruts and all the potholes. We even have communities like Rose Blanche where they are actually canoeing in the potholes. So we certainly need to address things like that.

I thank the minister for this initiative. Obviously, there is a lot of work to be done. I ask the minister to roll up his sleeves and get it done.

SOME HON. MEMBERS: Hear, hear!

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

MR. MURPHY: I thank the minister for the advance copy of his statement here today, Mr. Speaker.

There is no doubt that the staff at the National Safety Code do some good work in protecting our fellow motorists out there. The dedication of the enforcement staff is second to none in sometimes very trying conditions. I think the minister recognizes that.

Roadcheck 2015 ensures compliance with the rules of the safety of our roads but government also should recognize our roadways have become hazards in their own right, Mr. Speaker. Good roads themselves help keep maintenance costs down, especially to heavy equipment operators out there. That in itself, Mr. Speaker, coupled with a good maintenance program, leads to a culture of safety in its own right.

Thank you very much.

MR. SPEAKER: The hon. the Acting Minister of Education and Early Childhood Development.

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, I rise in this hon. House to recognize May 30 as Provincial Francophonie Day.

Mr. Speaker, since 1999, the Government of Newfoundland and Labrador has been recognizing Francophonie Day in the Province. Each year Francophones, Acadians, and their many friends and partners, including the provincial government, have come together to raise the Franco-Newfoundland and Labrador flag just outside the House of Assembly.

Once again this year a ceremony is organized by the Francophone Federation of Newfoundland and Labrador to be held tomorrow just outside the East Block of the Confederation Building. My colleague, the MHA for the District of Port au Port, will attend the ceremony and join the Francophone community in raising their flag. There are also other ceremonies taking place around the Province in areas such as the Port au Port Peninsula and in Labrador to mark this important day.

Mr. Speaker, I am very pleased to inform you that an important milestone has been reached by the Francophone community centre in St. John's this year. The School and Community Centre des Grands-Vents is celebrating its tenth anniversary. This centre has become the heart of the Francophone community in the St. John's area serving as a place where the Francophone community's arts, heritage, and culture truly come to life.

This year also marks the twentieth anniversary of the Office of French Services in the Government of Newfoundland and Labrador. The office provides French language training, translation, linguistic support, and community liaison services to government departments. It also provides a vital link between the Government of Newfoundland and Labrador and the Francophone and Acadian community in all regions of the Province.

For their many accomplishments and their contributions to the historical, cultural, linguistic, and economic fabric of our Province, I ask all hon. members to join me in congratulating the Francophone and Acadian community of Newfoundland and Labrador.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. MITCHELMORE: Mr. Speaker, I thank the minister for an advance copy of his statement.

[Speaks French.]

Je désolé if I did not get that out absolutely right. It has been about thirteen years since I have taken a French course. It may be an opportunity to go back and look at the services that we do offer here within the Confederation Building and encourage others.

The Official Opposition joins the government in celebrating Francophonie Day. Despite the small and scattered Francophone and Acadian population in our Province, almost 25,000 Newfoundlanders and Labradorians speak both of our official languages and more and more children are opting for French immersion. We must strive to make these opportunities more readily available.

The French Shore Historical Society in my district highlights Croque as once the administrative headquarters for the French migratory fishery on the French Shore. Conche has a 222-foot Jacobean tapestry. I congratulate the centre and the French Services for marking these milestones and welcome the dignitaries here today.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Signal Hill – Quidi Vidi.

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

I too thank the minister for the advance copy of his statement.

I remember well when I was on the Ministerial Advisory Committee on French in Education, established by then Education Minister Gerry Ottenheimer in the 1970s, looking into, for the first time, the inclusion of French in our school system. How delighted I am to stand here today and see how far this Province has come in recognizing the existence of French language, French culture, and the people of the French-speaking community.

Monsieur, je dis félicitations tout le monde les Francophones de Terre-Neuve-et-Labrador, le Centre Scolaire et Communautaire des Grands-Vents, et le Bureau des services en français.

Merci.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Bonjour to the minister.

The hon. the Minister of Transportation and Works.

SOME HON. MEMBERS: Hear, hear!

MR. BRAZIL: Thank you, Mr. Speaker.

I stand to inform this hon. House of a new innovative approach to road maintenance. I am pleased to announce today that through a Budget 2015 allocation of \$600,000, we will purchase four asphalt recyclers to enhance our ability to make longer-lasting repairs to roads during colder months.

The period of time between late March and early May is the most difficult time for road conditions. After the winter, we see large potholes appear. People are anxious to have them repaired and we want to make sure that these repairs are done and are long lasting.

Spring is difficult, Mr. Speaker, due to regular freezing and thawing. A pothole forms when water soaks into the ground beneath the pavement. The water freezes, then it expands,

causing the pavement to break apart from underneath. When the temperature rises, the water melts and leaves a hole underneath the pavement. The pressure of many vehicles driving over it pushes the pavement down and creates the potholes.

In the warmer months, permanent repairs can be made. However, in the colder months when the asphalt plants are not open, crews use cold patch. This product is not as flexible as the hot asphalt mix and does not last as long.

The purchase of asphalt recyclers will enable us to reuse old asphalt and to make longer-lasting repairs to provincial roads during the cold season. This not only benefits those who travel on our provincial roads and highways, but will help keep old asphalt out of our landfills.

Mr. Speaker, this is one of the many strategic investments this government is making in key areas of our transportation network. Over the past three years, more than \$400 million has helped maintain, upgrade, and enhance hundreds of kilometres of roads, as well as replace twenty-three bridges, and repair forty others.

The asphalt recyclers will be purchased for the upcoming winter season and placed in four regions of the Province. I will be pleased to provide an update on their use as we continue to work to provide safe and reliable transportation networks throughout Newfoundland and Labrador.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. OSBORNE: Thank you, Mr. Speaker.

After twelve years in government, this is what they come up with as a new and innovative way of improving our roadwork. I will agree with the minister, however, that cold patch does not last very long. Potholes and the need for patching, however, are indicative of a much bigger problem. I am hoping that the minister does not see this as a measure to put off

infrastructure spending where roadwork is needed.

Mr. Speaker, while asphalt recyclers should be a better remedy to cold patching, it should not be considered as an option to further delay necessary roadwork. I am happy to see that there is an effort being made to recycle asphalt, as opposed to sending it to the landfill, so we look forward to seeing the results of these asphalt recyclers.

I will say, though, on a lighter note, Mr. Speaker, I have noticed that the minister has been a little bit edgy lately. I understand now why. I am delighted to see that he is finally coming off the patch.

SOME HON. MEMBERS: Hear, hear!

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

MR. MURPHY: I am not going to top that one.

I thank the minister for the advance copy of his statement here today, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. MURPHY: While this is a good announcement, it does not belittle the fact that government has neglected road issues for a long time. Even the Auditor General says that they have been playing catch-up with the amount of neglect of our roads out there.

I think, Mr. Speaker, he tagged it at the time as something in the order of \$800 million that we needed to see back in the roads and bridges. That is shameful in itself. A proper road maintenance schedule for our roads would have prevented these problems from happening in the first place.

So I ask the minister, perhaps he can address this a little bit further in the future and come out with a plan for roads and bridges so that we can deal with that.

MR. SPEAKER: Order, please!

MR. MURPHY: Thank you very much.

MR. SPEAKER: Order, please!

Oral Questions.

Oral Questions

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

MR. BALL: Thank you, Mr. Speaker.

In Estimates this year, the minister said that he has accepted a closure plan for Wabush Mines. He said we have accepted their plan and it will now go through various stages. However, a community that is directly impacted by this – this is of course the Town of Wabush – says that they have not been consulted on this plan.

I ask the Premier: Why did you accept a closure plan that did not include consultations with the Town of Wabush?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, in order for anyone to operate a mine in this Province they have to go through various steps and stages around getting their licensing. One aspect of that, which is covered through the legislation, is that they have to provide financing for rehabilitation and closure.

In the event that the mine closes, Mr. Speaker, their environmental obligations – they have to provide funding, proof of that funding. We have that funding from Cliffs Resources to ensure that the rehab and closure plan is implemented. Discussions are ongoing all the time, Mr. Speaker, with these aspects.

As for whether the town are aware of the full plan, I would have to check that out, Mr. Speaker. If they are not, I have no problem letting them know what the stages are because it is important for the people on the ground and important for the town as well. We will certainly work with them, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

I think the people in Wabush would be some of the first people that you would think who would be included in this round of consultations. They are the people who are impacted the most.

A big issue in Labrador West is dust control from this site, and already this year we are seeing an increase in dust in this area. We understand that with the closure plan accepted, there is a limit to the amount of dust control in this region. Not only is this an environmental hazard but this is a health hazard as well, and the minister said at the time they are monitoring the situation.

I ask the Premier: Aside from monitoring this, looking at this, what are you doing to actually control the high levels of dust as a result of the closure of Wabush mines?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, the Leader of the Opposition raises a very important issue for residents of Wabush. It has been an ongoing issue, but the responsibility and the obligation rests with the company.

What we have been doing, we have gone back to the company with respect to their obligations as well as their closure plan, and how it fits in that particular aspect of the environment. As well, we are also considering internally whether the company complies or whether we take the actual money for the rehab and closure and get the work done, but we are in consultation with the Town of Wabush. We understand it is very serious for the people of Wabush and we will be proactive in working with them to ensure that we do what we can to mediate the dust issue in Lab West – I am sorry, in Wabush.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

Well, the responsibility actually cannot be left to this company and it cannot be left to the responsibility of the Town of Wabush. The responsibility for dust control in Lab West, in the community of Wabush, squarely lies, clearly lies with this government I say, Mr. Speaker.

Government spent \$65,000 for insurance on the idle Roddickton pellet plant last year. They spent \$84,000 the year before. When asked last year, the minister said the \$84,000 insurance payment would be the last that this government would make.

I ask the Premier: Why did you spend another \$65,000 on the insurance for this private company when you said last year that there would be no more payments?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, there are two points to his question. The Minister Responsible for Forestry can answer the second part, but I just want to clarify a point he made, that the responsibility of this dust cleanup is not with the Town of Wabush. That has never been implied. It has never been indicated by this government, Mr. Speaker.

It is the responsibility of Cliffs Resources, the owner-operator of the Wabush Mines. There is money in place to take care of this. We are working through a process. We have been clear to the company that they have a responsibility. We have been clear to the people of Wabush that, as a government, we will work with them, we will work with the company, and if we have to use the money to clean up the dust, we will use the money, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

Well, as I mentioned, \$65,000 on an idle Roddickton pellet plant last year, another \$84,000 the year before, this to pay insurance for a private company.

I ask the Premier: Why are you spending \$65,000 again this year for insurance, when clearly last year you said it would be the last payment that was made?

MR. SPEAKER: The hon. the Minister Responsible for the Forestry and Agrifoods Agency.

SOME HON. MEMBERS: Hear, hear!

MR. GRANTER: Mr. Speaker, the provincial government has invested nearly \$10 million to diversify, or attempt to diversify, the forestry on the Northern Peninsula, and especially with regard to Holson Forest Products. There is an asset down there that is sitting there.

We invested again this past winter, or the company did some investments this past winter for a new business plan. They are shopping that around now, Mr. Speaker, a new engineering plan, a new business plan. We hope someone out there in the market will pick up, with regard to the pellet industry, and advance that along.

I have an asset down there, Mr. Speaker, without any insurance on it. It was imperative that the government would provide the insurance cost this particular year, just in case a travesty or a disaster would take place.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

I need some clarification here. The minister just said that after a \$10 million investment they are now shopping this investment around to see if there is any interest.

Can the minister please explain what it is you are shopping around?

MR. SPEAKER: The hon. the Minister Responsible for the Forestry and Agrifoods Agency.

SOME HON. MEMBERS: Hear, hear!

MR. GRANTER: Mr. Speaker, it is interesting that on a day in, day out basis the Opposition parties stand in this House and they talk about rural diversification in the economy.

This government stepped up to the plate a number of years ago to assist Holson Forest Products on the Northern Peninsula, to help diversify the economy in that particular part of the Province in the forestry industry. We stepped up to the plate. Unfortunately, Mr. Speaker, it has not worked to date.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. GRANTER: The company has gone back this past January and redesigned the business plan. They had engineering work done. Let me be clear, the company is out shopping their business plan around to see if they will get any partners, Mr. Speaker, to advance the forest industry on the Northern Peninsula.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

I will ask the minister, or the Premier, whoever decides to answer the question – \$10 million you talked about investment in rural Newfoundland.

I ask the minister, or the Premier: How many jobs has that \$10 million created?

MR. SPEAKER: The hon. the Minister Responsible for the Forestry and Agrifoods Agency.

SOME HON. MEMBERS: Hear, hear!

MR. GRANTER: Mr. Speaker, as I said, we have invested in that particular company on the Northern Peninsula. I am sure that the members

of the Opposition and in the Third Party would ask all of us as governments, and as we move things along, to invest in rural parts of the Province. They stand on their feet on a day-to-day basis to invest in rural parts of the Province. We stepped up to the plate, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. GRANTER: We stepped up on the South Coast in the fishery, we stepped up in the fishery around the coastal parts of the Province, we stepped up in the forest industry, Mr. Speaker, and we will continue to do so.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The hon. the Leader of the Official Opposition.

MR. BALL: Thank you, Mr. Speaker.

Well, I guess we will find out how many jobs were going to be created when the second business plan gets done because government is now spending \$120,000 for this company, the very same company, to do another business plan and an engineering study.

I ask the Premier: After \$10 million in taxpayers' money given to this private company, why are you spending another \$120,000 on yet another business plan?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Mr. Speaker, if you listen to the member's opposite, it sounds like it is a bad thing to invest in business and partnerships in Newfoundland and Labrador. We have invested in numerous opportunities in Newfoundland and Labrador and we have created thousands of jobs, Mr. Speaker.

Just yesterday, we asked the member opposite if he supported a great project that is underway in Labrador, Mr. Speaker, one called Muskrat Falls. He could not say yesterday if he supports

it or not. He is not sure if he supports it, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DAVIS: That project is creating thousands of jobs in Newfoundland and Labrador and it will create revenue for Newfoundlanders and Labradorians for generations to come, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: The minister just mentioned about the great success story that has happened on the South Coast. Aquaculture on the South Coast is providing more jobs than anyone could ever imagine, Mr. Speaker, and members opposite are opposed to it.

SOME HON. MEMBERS: Hear, hear!

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

Order, please!

MR. BALL: Thank you, Mr. Speaker.

Since the Premier is on his feet talking about investment in rural Newfoundland and Labrador, I ask the Premier: How many jobs of this \$10 million investment in the Roddickton pellet plant create? How many jobs?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Mr. Speaker, I will stand on my feet all day long, if member's opposite want, and talk about the diversification in the economy that we are creating over on this side of the House.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: We will talk about the jobs that we are creating, Mr. Speaker. We will talk about the jobs that we are creating. We are not afraid to make a decision. They can stand in the House all day long and stand behind their secrets

because they have lots of them over there. There are lots of secrets over there.

We are tested every single day on our policies. We are creating an economy. We are creating growth and development in businesses. We are creating jobs and opportunity in rural and small parts of the Province. We make no apologies for it. As a matter of fact, Mr. Speaker, we celebrate it and we will continue to do our best efforts to partner with businesses throughout Newfoundland and Labrador to drive our economy.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The hon. the Leader of the Official Opposition.

MR. BALL: Thank you, Mr. Speaker.

The story in Roddickton continues because government also gave this very same company a power-generating asset at a very nominal cost. In turn, what did the company do? It sold the asset to a Quebec competitor for millions of dollars.

I ask the Premier: Why did you allow profits from the sale of a public asset to go to a private company? Why did you allow this company to flip this asset?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, I would ask the member perhaps to check his facts. It is a wood chip plant I assume he is referring to. I will stand to be corrected too, but it is a plant that was opened –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. DALLEY: It was a plant that was opened in 1990, a five-megawatt plant in the St. Anthony, Roddickton, and Main Brook area, Mr. Speaker. Through the efforts of government at the time and the federal government, there was

some money supported to interconnect the Great Northern Peninsula to access lower-priced, more reliable electricity.

Through that process then, as a result of that, there was no need for the facility. So it went through the PUB in 1996 and, Mr. Speaker, the Liberal government approved the sale in 2001.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The hon. the Member for The Straits – White Bay North.

MR. MITCHELMORE: Mr. Speaker, the Office of Public Engagement Estimates were not debated in committee as scheduled. I have written the Government House Leader's staff, minister, and asked Office of Public Engagement officials when the committee will get the opportunity to question their spending. These requests have been ignored.

Mr. Speaker, since the government claims to have an Open Government Initiative, when will the minister schedule an Estimates meeting for the Office of Public Engagement?

MR. SPEAKER: The hon. the Minister Responsible for the Office of Public Engagement.

SOME HON. MEMBERS: Hear, hear!

MR. KENT: Mr. Speaker, even members opposite may acknowledge that I answer every question I am asked in this hon. House.

I say to the hon. member, there are three hours of Concurrence debate coming up. There is also going to be, I believe, about two-and-a-half hours dedicated to debate of Executive Council Estimates, of which the Office of Public Engagement is a part. There will be ample time

in this House. I would be happy to answer any of the questions the member has related to the budget for the Office of Public Engagement.

SOME HON. MEMBERS: Hear, hear!

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

MR. MITCHELMORE: Mr. Speaker, it is very clear that being an open, accountable, and transparent government is not a priority of this government or this minister. If that was so, he would call an Estimates committee meeting that was –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. MITCHELMORE: – already scheduled when you have access to ministerial –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. MITCHELMORE: – staff, office staff, to ask line by line questions. All other Estimates committee meetings that were scheduled were debated here in the House of Assembly in committee, and they have been voted on. This government hallmarks the Office of Public Engagement, but yet will not bring it into an Estimates committee meeting where you can have staff and debate that for three hours in the House of Assembly.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. MITCHELMORE: So I ask the minister: Will he reconsider his answer and have an Estimates committee meeting for the Office of Public Engagement?

MR. SPEAKER: Order, please!

MR. MITCHELMORE: We should know, and we should have that ability to question where spending is.

MR. SPEAKER: Order, please!

The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Thank you, Mr. Speaker.

The minister has clearly articulated the opportunities and abilities that exist here in the House of Assembly to ask questions. That opportunity is going to exist, Mr. Speaker, as we go through the Budget process.

There are many hours of discussion left, Mr. Speaker. There will be opportunity for open discussion and transparency, and all the questions they have.

I can tell you, Mr. Speaker, it is somewhat in contrast to members opposite who are building a very strong history of secrecy. They have secret leadership funding. They have secret \$10,000 Toronto balls –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DAVIS: The secret ball in Toronto, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DAVIS: Now they are secretly writing off their debts, Mr. Speaker, and not saying who is responsible.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DAVIS: When are members opposite going to start to live by their own policies, Mr. Speaker, and be open and transparent?

SOME HON. MEMBERS: Hear, hear!

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

MR. MITCHELMORE: Mr. Speaker, the only thing open and transparent about this

government is their unwillingness to be open and transparent for their Open Government Initiative.

Mr. Speaker, the sunken *Manolis L* is a serious threat to our environment and the economy of Newfoundland and Labrador. Correspondence from the City of St. John's confirms that the federal government has no intention of being proactive and remove the 600,000 litres of fuel and oil.

I ask the Minister of Environment: Has he met personally with the federal minister, as committed, on May 4, and did he get a commitment to remove that oil permanently?

MR. SPEAKER: The hon. the Minister of Environment and Conservation.

SOME HON. MEMBERS: Hear, hear!

MR. CRUMMELL: Thank you, Mr. Speaker.

Mr. Speaker, the Opposition continues to play politics with something that fundamentally everybody in this Province is onside on. He knows exactly where I stand on this issue. He knows where everybody on this side of the House stands on this issue.

I have spoken with Minister Shea. I have spoken with Minister Aglukkaq just the other day, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CRUMMELL: They are all onside looking for a long-term solution, Mr. Speaker.

We need to have timelines built around removing that oil. That is the solution we are looking for, Mr. Speaker. We will continue to put their feet to the fire. A long-term solution is what everybody is looking for. We will work with the people of the Province to make sure that happens.

SOME HON. MEMBERS: Hear, hear!

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

MR. MITCHELMORE: So he has confirmed for the House that he has not met personally as committed.

Mr. Speaker, the Minister of Fisheries has not received a response from the LIFO report given in person five weeks ago, and has been ineffective in getting the feds to pay for fisheries research, retaining Coast Guard radio, and keeping valuable halibut quotas.

I ask the minister: Given your poor track record and inability to get results from DFO, why would the people of this Province accept that you can deliver on mitigating an oil spill to protect the commercial fishery in Newfoundland and Labrador?

MR. SPEAKER: The hon. the Minister of Fisheries and Aquaculture.

SOME HON. MEMBERS: Hear, hear!

MR. GRANTER: It is interesting, Mr. Speaker, when he talks about a poor track record. We talk about the committee that we sit on. He was hammering and knocking on the door to sit on that committee with us so it cannot be about a poor track record.

Mr. Speaker, yes, he is a part of the committee, as well as Members of the Third Party. We went to Ottawa and we did a presentation to the hon. federal minister. We have requested a report back.

We know that the situation with regard to LIFO this particular year has been transferred over, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. GRANTER: We expect a decision to be made on LIFO from now until the next season starts, Mr. Speaker. As soon as we get that decision, he will be notified.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Humber East.

MR. FLYNN: Mr. Speaker, government announced they were consolidating administrative support functions with the four health boards and the Centre for Health Information. They said it would mean a loss of 180 to 230 full-time equivalent positions. We are hearing Western Health is going to lose over 100 positions as a result of the consolidation.

I ask the minister: Can he confirm if this is true?

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

SOME HON. MEMBERS: Hear, hear!

MR. KENT: Mr. Speaker, what you are seeing here today is once again misinformation being spread by members of the Opposition for their own cheap political gain, and it is offensive.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. KENT: We have made it clear what our plan is around a new shared services organization to make our health care system more efficient and more effective. I have outlined that there could be a reduction of between 180 and 230 full-time positions system wide, Mr. Speaker. At this point there is no precise determination on how many positions will be affected in each region. This is a plan that will roll out over the next five years towards full implementation. At the end of the day, it will allow our regional health authorities to focus on what matters most, delivering quality health care.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Humber East.

MR. FLYNN: Mr. Speaker, my colleague asked about the loss of positions in each region a few weeks ago, and at the time the minister said the location of the losses has yet to be determined. People in the region are very concerned about the number of potential job losses, given the poor track record of promises they have made to the people of the West Coast.

I ask the minister: Will he table a list of all the anticipated job losses in each of the regions as a result of this –

AN HON. MEMBER: Amalgamation.

MR. FLYNN: – amalgamation? Sorry.

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Mr. Speaker, a minister referenced that this is a plan that is expected to roll out over the next number of years, a five-year period. We have initiated a number of five-year plans to create efficiencies in government and government operations. The people of the Province asked us to find better ways of doing business, more effective ways –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DAVIS: – to deliver services, and we are doing that. Instead of laying off people, we are doing it – in large numbers in one day, Mr. Speaker –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DAVIS: – we are laying out plans, we are developing plans. We are trying to find, and we will find, the most effective way to do those back operations, Mr. Speaker, that are most effective, gets best value for the people of the Province, and will also allow us to continue on delivering quality health care in Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

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

MR. LANE: Mr. Speaker, we have been informed that Memorial University sets its own parking fines. Consequently, illegal blue zone parking fines are currently set at only \$20. This creates no deterrent and is inconsistent with the City of St. John's where fines are set at \$400.

I ask the minister: Will you direct Memorial University to raise its fines for illegal blue zone parking to \$400 in order to discourage this illegal activity and ensure proper access for persons with disabilities at MUN?

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

SOME HON. MEMBERS: Hear, hear!

MR. CRUMMELL: Thank you, Mr. Speaker.

Mr. Speaker, we are absolutely committed to the inclusion of persons with disabilities in all aspects of our society. Our government has shown time and time again examples of exactly that.

Mr. Speaker, our hiring practice here within government is exemplary right across this Province. We are held up as a model to include people in all aspects of our society.

When it comes to Memorial University, Mr. Speaker, they do have different statutes that oversee their operation. We have had consultations with Memorial University and we are looking at exactly that.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. LANE: Thank you, Mr. Speaker.

I would suggest to the minister that he stop looking and start doing.

When government brought in its new blue zone parking regulations, it set a range for fines from \$100 to \$400. Despite feedback from disability advocates that an across the Province fine of \$400 should be applied to ensure consistency, government ignored this good advice. The Province's three cities did not ignore that advice. On their own initiative they opted for the higher fine.

I ask the minister: Will you reconsider your approach and amend the blue zone parking

regulations to reflect higher fines Province-wide for those who disregard the needs of people with mobility issues?

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

SOME HON. MEMBERS: Hear, hear!

MR. CRUMMELL: Thank you, Mr. Speaker.

Mr. Speaker, this past year we partnered with the Coalition of Persons with Disabilities. We are working very closely with them on education and awareness when it comes to blue zone parking. We are hearing different things out there from the disability community, but that is not one of the things that I have heard.

Municipalities do have the ability to set their own fines. That is their right. It is within their legislation, Mr. Speaker.

We just increased fines in 2012. We are satisfied with the level of fines. We have no plans to change them at this point in time.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. OSBORNE: Thank you, Mr. Speaker.

We are hearing from local food banks that more and more people are showing up at their doors. We are also hearing from soup kitchens that more and more people are showing up at their doors.

The Newfoundland and Labrador Housing and Homelessness Network has reported a steady rise in homelessness and hidden homelessness. In 2003, 300 people; in 2005, 600 people; in 2007, 1,200. The OrgCode report estimates 5,500 people in 2012.

I ask the minister: Do you consider this to be a successful outcome of the Poverty Reduction Strategy, the fact that this number has doubled every two year?

MR. SPEAKER: The hon. the Minister of Seniors, Wellness and Social Development.

SOME HON. MEMBERS: Hear, hear!

MR. JACKMAN: Mr. Speaker, anytime we hear of people who have to avail of food banks and other people find themselves in difficult situations, it is certainly something that is cause for concern.

I will say that working through the OrgCode, as we have done, working with the various stakeholders that are involved, we certainly look forward to improving on those stats, Mr. Speaker.

MR. SPEAKER: The hon. the Member for St. John's South, has time for a quick question.

MR. OSBORNE: Thank you, Mr. Speaker.

Rental allowance is not enough to support rental rates –

MR. SPEAKER: The member has time for a quick question.

MR. OSBORNE: Thank you, Mr. Speaker.

I ask the minister: The number of people who are homeless, are they added into the statistics of people on social services?

MR. SPEAKER: The hon. the Minister of Seniors, Wellness and Social Development, has time for a quick reply.

SOME HON. MEMBERS: Hear, hear!

MR. JACKMAN: Mr. Speaker, that is something I will check into and I will report back to him.

MR. SPEAKER: The hon. the Member for Signal Hill – Quidi Vidi.

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

Yesterday, the Premier declared that we are the only jurisdiction in the country that does not engage in private-public partnerships, especially

in long-term care. Obviously, he is not doing his homework.

I ask the Premier: How can he justify the proposed policy change without a thorough, transparent investigation into the implications of privatization of long-term care in this Province when it is now proving to be the wrong choice elsewhere?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Thank you, Mr. Speaker.

Through this process, we have engaged with Partnerships BC. It is a Crown corporation of the Province of British Columbia that have proven that public-private partnerships can be done very, very successfully, very effectively, and deliver good services to citizens, not only in British Columbia but in other provinces where Partnerships BC have partnered with those who have less experience, as we do with such arrangements, Mr. Speaker.

We have engaged with them because they have a considerable depth of knowledge –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DAVIS: – and have had great success in public-private partnerships, Mr. Speaker. They are giving us good advice and leadership on the development of long-term care.

We know that long-term care is required in our Province. We know we need more long-term care to alleviate the backlogs in our hospitals, Mr. Speaker, and we are moving forward to provide better services to those in hospital, and need hospital beds, and also to our aging population.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Signal Hill – Quidi Vidi.

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

I ask the Premier why he has not taken time to study the reports of the Auditor Generals of Ontario and Saskatchewan – not the companies that are involved in the delivery of private operations – indicating that private-public partnerships are not working economically or any other way in those provinces?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Thank you, Mr. Speaker.

I can tell you that the department, the minister, and government have looked closely at the experiences in other provinces. As I have said, and I have just clearly articulated here moments ago, we are partnering with Partnerships BC that have a good track record, Mr. Speaker. They have a wealth of experience and knowledge. As a result of that, they provided a very good plan and a very good partnership model that we are following.

This is about long-term care for our aging population, Mr. Speaker. This is about alleviating people who are sitting in stretchers in emergency rooms because there is not an acute care bed available. This is about people who have surgeries cancelled because there is not an acute care bed available.

We all know there are backlogs in hospitals. Roughly 15 per cent of acute care beds are being occupied by the people who require an alternative level of care. Our project is going to ensure that those alternative levels of care are available, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Signal Hill – Quidi Vidi.

MS MICHAEL: Mr. Speaker, I ask the Premier: Does he stand by his minister's scathing attack on the workers in our health care system which is being used to justify the privatization of long-term care?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Mr. Speaker, the member opposite is well aware that I, myself –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DAVIS: – the Minister of Health, and ministers in my government have stood here in this House on countless occasions and praised the work of public servants in Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: I have done it over and over and over again. I have stood here right in this House, Mr. Speaker, and I have done it. I have done it publicly and I have conveyed the same sentiments to public servants themselves.

We hold our public servants in high regard. They provide good services to the people of Newfoundland and Labrador, Mr. Speaker. It has nothing to do with what the member opposite is talking about unfortunately. We do great work.

I tell you our hospitals are second to none, our health care is second to none. Our doctors do good. Our nurses do good. The professionals who work in health care do a fabulous job and they provide good care to the people of the Province, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MS ROGERS: Mr. Speaker, when we all leave here this evening we all have a home to go to. Many at-risk youth who age out of care end up in the most deplorable boarding houses where they are in danger. Their places are like your worst nightmare.

Does the minister even know how many vulnerable youth are living in these unsafe conditions?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Mr. Speaker, housing and homelessness is a significant issue. I can tell you it is a matter for us, and it is a priority for us as a government. I can tell you we do significant work in dealing with people who need assistance and support in housing, and not only just the housing itself, but individuals need assistance and support in maintaining housing.

We have partnered with numerous organizations throughout the Province, Mr. Speaker, especially for young people. The member brings up the youth in Newfoundland and Labrador. Choices for Youth is probably the best example I can come up with. It is a fabulous organization, Mr. Speaker. It takes young people who need supports and assistance in Newfoundland and Labrador. I can tell you they have countless success stories of turning around the lives of young Newfoundlanders and Labradorians, not giving them a handout, but giving them a hand up, and they become contributing members to society.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: We have many partners that do the same –

MR. SPEAKER: Order, please!

The time for Question Period has expired.

Presenting Reports by Standing and Select Committees.

Presenting Reports by Standing and Select Committees

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

MR. CROSS: Thank you, Mr. Speaker.

The Resource Committee has considered the matters to them referred and have directed me to report that they have passed without amendment, Estimates of Department of Advanced Education and Skills, Department of Business, Tourism, Culture and Rural Development, Department of

Environment and Conservation and Office of Climate Change and Energy Efficiency, the Department of Fisheries and Aquaculture, the Forestry and Agrifoods Agency, and the Department of Natural Resources.

Thank you, Mr. Speaker.

MR. SPEAKER: Further presenting reports?

Tabling of Documents.

Tabling of Documents

MR. SPEAKER: The hon. the Minister of Child, Youth and Family Services.

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

I am pleased to stand today in this hon. House to table the 2014 Annual Performance Report of the Workplace Health, Safety and Compensation Commission.

Thank you.

MR. SPEAKER: Further tabling of documents?

Notices of Motion.

Notices of Motion

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

MR. KING: Thank you, Mr. Speaker.

I give notice under Standing Order 11 that the House will not adjourn at 5:30 p.m. on Monday, June 1, 2015.

I further give notice under Standing Order 11 that the House not adjourn at 10:00 p.m. on Tuesday, June 1, 2015.

MR. SPEAKER: Further notices of motion?

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

MR. SPEAKER: The hon. the Minister of Natural Resources, standing on a Point of Order?

MR. DALLEY: Yes please.

Mr. Speaker, in Question Period as much fun as it was, there was some information that I conveyed around a question from the Leader of the Opposition. We talked about the wood chip plant on the Northern Peninsula.

I had indicated, Mr. Speaker, that the PUB approved the sale in 2000. It started under the Liberal government, the sale process, but it was not sold until 2011.

So it was our Administration but it started under the Liberal Administration, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. DALLEY: The process never got done for ten years. I certainly would like to apologize to the Leader of the Opposition because we believe that the information should be accurate.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

There is no point of order.

The hon. the Government House Leader.

MR. KING: Mr. Speaker, with the House's indulgence I gave a notice of motion, but –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The hon. the Government House Leader.

MR. KING: Thank you, Mr. Speaker.

With the House's indulgence I just want to clarify a notice of motion I just gave around the closure of the House at 5:30 p.m. Monday, June 1. I think I inadvertently said 10:00 p.m. on Tuesday. The intention was not to sit from Monday to Tuesday night. So it is 10:00 p.m. Monday night – 5:30 p.m. Monday and 10:00 p.m. Monday.

Thank you very much.

MR. SPEAKER: Thank you.

Further notices of motion?

Answers to Questions for which Notice has been Given.

Petitions.

Petitions

MR. SPEAKER: The hon. the Member for Signal Hill – Quidi Vidi.

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

To the House of Assembly of the Province of Newfoundland and Labrador in Parliament assembled –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS MICHAEL: – the petition of the undersigned residents humbly sheweth:

WHEREAS privatized nursing homes lower operating costs by paying lower wages, de-unionizing, laying people off, and cutting staff in these facilities; and

WHEREAS studies have established that for-profit nursing homes are associated with lower quality of services and poorer resident health outcomes, including an increased risk of hospitalization; and

WHEREAS Auditors General of the provinces of Nova Scotia, New Brunswick and Ontario have reported that P3s cost taxpayers more;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to immediately stop the privatization of long-term care.

And as in duty bound, your petitioners will ever pray.

I am very pleased, Mr. Speaker, to stand today on behalf of the people who have signed this

petition. They come from Central Newfoundland, from Grand Falls, and from Lewisporte it seems – from these two communities: Grand Falls-Windsor and Lewisporte.

They are expressing a concern that I personally have expressed here in this House – I questioned the Premier on it today – the concern that people have throughout the Province, and the concern that this government needs to hear. Sometimes we stand to present a petition, whether or not we agree with it, because it is our obligation to do that. I agree with this petition, Mr. Speaker.

We have reports that have been done here in Canada and reports that have been done in Great Britain that show us why P3s do not work, Mr. Speaker. The report I have in my hand is a report that has been done in England. This study shows that without any doubt there are many points about P3s that do not work. One is that the private sector does not assume the risk. The governments assumes the risk, they assume all of the risk. If things go bad, the private sector can walk away and leave the government holding what they were once running.

P3s do not guarantee better value for the money. That has been proven, one of the reasons being they are for profit. So, part of the money that comes in has to go to help them make money for themselves and for their shareholders.

Another thing that studies show is that the normal public sector option is not always considered. What happens is we stop going for what we always did, which is our public option, and P3s become the norm.

Another thing is that P3s are not better at finishing projects on time or on budget than ordinary contracts. We actually have examples of that here in Canada. If the Province and if the Premier would only study the reports in some of the other provinces they would find that is the case. They do not necessarily finish projects on time.

Also, the rules of P3s do not ensure complete transparency.

MR. SPEAKER: Order, please!

I remind the member her time has expired.

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

MR. SPEAKER: The hon. the Member for Trinity – Bay de Verde.

MR. CROCKER: Thank you, Mr. Speaker.

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

WHEREAS many communities in the District of Trinity – Bay de Verde do not have cellphone coverage; and

WHEREAS residents of the district require cellphone coverage to ensure their safety and communications abilities; and

WHEREAS cellphone coverage on many portions of the highway in the district is very poor or non-existent;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge the Government of Newfoundland and Labrador to work with the appropriate agencies to provide adequate cellphone coverage throughout the entire District of Trinity – Bay de Verde.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, it is my pleasure to stand this afternoon and enter this petition on behalf of the residents of Trinity – Bay de Verde. I have entered this petition probably at least a half a dozen times, and I will continue to do so.

The government has to realize they have a role to play in cellphone coverage in our Province, Mr. Speaker. It was quite evident this week in a statement made by the Member for Lake Melville that the government is not taking this situation seriously.

Just back a couple of days ago in debate, the member said, “When you are dealing with large urban centres and there are markets in there for

cost recovery for the companies, it is very easy to get the investment in those types of districts when you want to expand coverage.

“As you get out into the more rural areas, Mr. Speaker, everybody knows it is exponential, that graph, that costing model is going to go through the roof, because when you get out there you need to engage the federal government” Now, Mr. Speaker, that is an interesting statement from the Member for Lake Melville that we need to engage the federal government.

I have an ATIPP request here from February 12, 2015. The requestor is asking the Province, “I am requesting, under the Access to Information and Protection of Privacy Act, any briefing notes regarding cellular coverage in Newfoundland and Labrador, since January 1, 2014.” Almost eighteen months, Mr. Speaker. They want to know what the Department of Business, Tourism, Culture and Rural Development is doing when it comes to cellphone coverage in the Province and the communications with the federal government.

The Member for Lake Melville clearly says we need to engage the federal government. In an eighteen month period, here is what the ATIPP request found. “Through our search we have found no responsive records that directly address your request” So in eighteen months, Mr. Speaker, the Province has not spoken to the federal government.

Now, the Member for Lake Melville admits that we need to speak to the federal government. Why aren't we doing it? Why aren't we going to the feds? Why aren't we saying to the federal government, it is time for you to play a role in cellphone coverage in our Province?

He also goes on to say, I tell you what you get. You get the complaints over here –

MR. SPEAKER: Order, please!

I remind the member his time has expired.

MR. CROCKER: Thank you, Mr. Speaker.

MR. SPEAKER: The hon. the Member for Conception Bay South.

MR. HILLIER: Thank you, Mr. Speaker.

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

WHEREAS the Town of Conception Bay South is the second largest municipality in the Province with a population of approximately 26,000 people; and

WHEREAS recent dangerous incidents on community streets have highlighted concerns of high speed and inadequate traffic control in Conception Bay South; and

WHEREAS residents, organized groups and the town continue to raise awareness about pedestrian safety along main streets and the lack of police presence in the town;

We the undersigned, petition the House of Assembly to urge government to review the level of policing in Conception Bay South with an objective to increase policing services and improving public safety for residents.

Mr. Speaker, this is a petition that I brought forward on any number of occasions and I will continue to bring forward on behalf of the people of Conception Bay South.

I would like to first point out, Mr. Speaker, that in no way am I criticizing the work the Royal Newfoundland Constabulary do in the Town of Conception Bay South. They continually present themselves in a most professional manner as they go about their daily work. Mr. Speaker, in speaking with residents I feel the issue here is tied more to a degree of policing perception of residents in not seeing a police presence in their neighbourhoods and in the community.

Mr. Speaker, the Premier should be fully aware of these issues. He is a former member of the RNC. He was a ward councillor in the Town of Conception Bay South, and also the MHA for Topsail. He has been kept in the loop regarding council's concerns regarding policing in the town. As late as in the last couple of weeks, the mayor of our town expressed concerns on the

Conception Bay South Bypass when we had several serious accidents within a matter of a couple of days.

Mr. Speaker, this petition came about as a result of speeding and dangerous driving in our community. Route 60 and the Foxtrap Access Road, we have eight schools on those two highways. That is students walking 1.6 kilometres or miles every morning on these highways, poor shoulders, very little room to walk and, unfortunately, people disregard the speed limits and residents are concerned that they are not seeing a police presence there to get involved.

Mr. Speaker, at one point in time the Royal Newfoundland Constabulary had a neighbourhood policing office in the Town of Conception Bay South, that has since closed. It closed in 2013, and there is no indication that it will reopen at any time soon.

The Minister of Justice talks about the philosophy of policing. Mr. Speaker, I ask government to look into the perception –

MR. SPEAKER: Order, please!

I remind the member his time has expired.

MR. HILLIER: – of the low degree of policing in our town.

Thank you.

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

MR. MURPHY: Thank you very much, Mr. Speaker.

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

WHEREAS in 2011 the provincial government announced that it would lift the 8 per cent provincial portion of the HST on residential heat and light by introducing the Residential Energy Rebate; and

WHEREAS heat is a necessity of life and a health concern, particularly for seniors; and

WHEREAS the provincial government has projected oil prices to increase in the next five years;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to stop taxing home energy and to reverse its decision to abolish the Residential Energy Rebate;

As in duty bound, your petitioners will ever pray.

Mr. Speaker, I anticipate that I will be getting a few of these petitions in the mail. This one comes from the residents of Bird Cove, and I am pleased to say that to a T they have signed this petition calling upon government to reconsider its decision to get rid of the Residential Energy Rebate program.

Mr. Speaker, when we heard about it in 2011, that the government will no longer be applying the provincial tax to a portion of everybody's home energy, I think it was a great day. It was a good decision that government made. They listened to this side of the House. They listened to about 55,000 residents who had signed a petition initially in 2001 to have the necessity, we know as heat and light, not to be taxed.

Having said that, we do know government has done other things at the same time. They have decided to come out and expand on the HST rebate to some families. As one person said to me, they said they would rather see government outside of their own pockets in the first place by having government actually give back a little bit of money, rather than giving them the full amount of money they would have deserved in the first place. They are a lot less well off than what they would be had the tax gone the other way.

So, Mr. Speaker, it is going to be a couple of more times that I will be presenting this petition in the House, again asking government to reconsider its motion to get rid of the Residential Energy Rebate.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. MURPHY: I will table this on behalf of the people of Bird Cove.

Thank you very much.

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

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

WHEREAS government has a responsibility to ensure that Internet access is broadly available so that people have the right to be able to access the Internet in order to exercise and enjoy their rights to freedom of expression and opinion and other fundamental human rights; and

WHEREAS the Town of Goose Cove still remains without broadband services; and

WHEREAS residents rely on Internet services for education, business, communication, and social activity; and

WHEREAS wireless and wired technologies exist to provide broadband service to rural communities to replace slower dial-up service;

We, the undersigned, petition the House of Assembly to urge the government to assist providers to ensure the Town of Goose Cove is in receipt of broadband Internet services in Newfoundland and Labrador

And as in duty bound, your petitioners will ever pray.

Mr. Speaker, this petition once again is signed by all residents of Goose Cove, quite a number of people. All residents, I believe, in the community of Goose Cove have reached out to my office at one point or another, or in form of a petition, via a telephone call, Facebook post or message – you know reaching out in some way, shape, or form, however they can, to highlight their concerns, whether it is through a friend's house, family house, or at the public library.

Sometimes the Internet service is so poor in their own community, which is a municipality. You would think that greater preference would be given to municipalities that are trying to deliver services and deal with public infrastructure that have taxpaying citizens, for those services that are there and they are not being looked at. They are going to be some of the last communities to receive broadband Internet. We are not talking about miles here. It is not an exponential distance.

The Town of Goose Cove is only seven-point-something kilometres away from St. Anthony. It is not an exceptional distance. It is not a huge barrier. There are a couple of hundred-plus people who live in that community, eighty-four households. I see that we need to advance telecommunications there. There is a real reason for it, from a municipal perspective, from a residential perspective, and from a business perspective.

So I say, Mr. Speaker, with the federal Broadband Canada program, with provincial rural broadband and carryover dollars, and the provincial providers that offer this service interested in providing broadband, I see no reason why the barrier is there. We should form that partnership, we should be collaborative, and we should allow our communities to thrive. Not just survive, they should thrive and develop and be around for the long term.

I petition and put that out on behalf of my constituents. It is not the first time and it probably will not be the last time.

Thank you, Mr. Speaker.

MR. SPEAKER: The hon. the Member for St. George's – Stephenville East.

MR. REID: Thank you, Mr. Speaker.

I have a petition on health care from the residents of Heatherton to Highlands, Mr. Speaker.

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

WHEREAS there has not been a permanent doctor in the clinic in Jeffrey's for almost a year; and

WHEREAS the absence of a permanent doctor is seriously compromising the health care of people who live in the Heatherton to Highlands area and causing them undue hardships; and

WHEREAS the absence of a doctor or nurse practitioner in the area leaves seniors without a consistency and quality of care which is necessary for their continued good health;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge the Government of Newfoundland and Labrador to take action which will result in a permanent doctor, or other arrangements, to improve the health care services in the Heatherton to Highlands area.

Mr. Speaker, this is a situation that has gone on for quite a while now in this area. The petition says over a year, but the petition was circulated earlier. It has been about a year-and-a-half now since there has been a permanent doctor in the clinic at Jeffrey's. It is a serious situation that has gone on for quite a while, too long. It is a serious matter when people do not have access to primary health care such as a doctor in their community.

The same situation exists in the community of St. George's. For the last six months they have not had a permanent doctor there. Mr. Speaker, the absence of these doctors is having implications for the hospital in Stephenville, in the emergency room. People do not have a doctor in their own community. They have to travel a long distance and wait for long periods of time in the waiting room in Stepehnnville to see a doctor.

It is not blowing it out of proportion to say that this is a health care crisis in the Stephenville, Bay St. George area. It is a situation that needs to be addressed. It has gone on for too long. People have to wait long periods of time before they can get their tests back for serious illnesses. They have to travel long distances to have simple things like a prescription filled, Mr. Speaker. It is a serious matter that has gone on too long.

People are actually thinking of leaving the rural areas of the district because of the lack of good medical care in that area, Mr. Speaker. I have talked to several constituents who have told me stories about their grandparents who have had to travel long distances and wait in waiting rooms in Stephenville.

It is a crisis and I hope that it is addressed soon, Mr. Speaker.

MR. SPEAKER: Orders of the Day.

Orders of the Day

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

MR. KING: Thank you, Mr. Speaker.

I move, pursuant to Standing Order 11, that the House do not adjourn at 5:30 p.m. today, Thursday, May 28, 2015.

MR. SPEAKER: The motion is that the House do not adjourn at 5:30 p.m. today.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

The motion is carried.

The hon. the Government House Leader.

MR. KING: Thank you, Mr. Speaker.

I move to Motion 8, I move, pursuant to Standing Order 11, that the House not adjourn this evening at 10:00 p.m., Thursday, May 28, 2015.

MR. SPEAKER: The motion is that this House not adjourn at 10:00 p.m. today.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

The hon. the Government House Leader.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. KING: Thank you, Mr. Speaker.

At this time I would like to call from the Order Paper, second reading, number four, An Act To Amend The Canada-Newfoundland And Labrador Atlantic Accord Implementation Newfoundland And Labrador Act, Bill 2.

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Thank you, Mr. Speaker.

It is certainly a pleasure to stand today as Minister of Natural Resources to speak to Bill 2, An Act to Amend the Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act.

Mr. Speaker, this act applies to our offshore –

MR. SPEAKER: Order, please!

I would ask the minister to move the second reading of the act, as the first order of business.

MR. DALLEY: I move, seconded by the Minister of Health and Community Services, that it be now read a second time.

MR. SPEAKER: It is moved and seconded that Bill 2, An Act To Amend The Canada-Newfoundland And Labrador Atlantic Accord Implementation Newfoundland And Labrador Act, be now read a second time.

Motion, second reading of a bill, “An Act To Amend The Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland And Labrador Act.” (Bill 2)

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Thank you, Mr. Speaker.

I apologize again on behalf of our House Leader.

Today, Mr. Speaker, as the Minister of Natural Resources, I have an opportunity to speak to a piece of legislation that has been around for some time, I guess, with respect to our offshore, but there are improvements in our offshore. It is an opportunity to share with the people of the Province as to what we are putting forward today. Hopefully we will get support as well from the other side.

Mr. Speaker, over the past number of years we have taken significant steps to improve the regulatory system in our offshore and to ensure that our offshore workers operate in a safe environment. I have said it many times in this House – and I know all members of the House – our offshore is important to the Province, but we also know, more importantly, the people working in our offshore are most important.

Offshore safety or anything we can do to improve our offshore is important. As I said, we have made some initiatives, Mr. Speaker, around occupational health and safety to improve the working environments recognizing it is a risky work environment. Today, I want to turn our attention to modernizing our liability regime.

Newfoundland and Labrador’s environmental record, Mr. Speaker, over the past twenty years in the offshore has been outstanding overall. We have a strong record, but it is important that, as a government, we continue to focus on the offshore, the environmental risk and the responsibilities in the offshore, in making sure that we have a world-class liability regime in our offshore.

Mr. Speaker, this comes to light – I think most of the people would recall the issue in the Gulf of Mexico back in 2010 when they had a major oil spill. Some 4.9 million barrels of oil created quite a mess, quite a scene. At that time it was a tragic event. Eleven people had died. Oil was spilling for some eighty-seven days. Not only was the offshore engaged, but the entire world was engaged to try and deal with that environmental tragedy in the Gulf of Mexico.

It was some \$40 billion cost to get it all cleaned up with the liabilities, recognizing of course, Mr. Speaker, as well to point out that it is very close to shore. It was just some forty-one miles from offshore. We are talking about, in our offshore development, some 300 to 500 kilometres offshore. Nonetheless, the environment is important. It is important that we look at how we are going to do things to ensure that operators in our offshore are responsible for the work they do and we are able, collectively, to find ways to protect the environment.

Mr. Speaker, as a result of what happened in the Gulf of Mexico, the federal government, and indeed many jurisdictions went back and reviewed their liability levels and looked at international requirements. We have had a Turner report here as well in the Province that made some recommendations around offshore liability. Natural Resources Canada has been involved. We have been involved. The Government of Nova Scotia has been involved.

As well, the Commissioner of the Environment and Sustainable Development with the federal Auditor General's Office has also made comment around offshore liability, Mr. Speaker. As a result of that, collectively, between the provincial government, the Nova Scotia government, and the federal government, we have come together to strengthen the offshore liability.

The reason we are all involved, Mr. Speaker, is because we are all partners here. The C-NLOPB, the Canada-Newfoundland and Labrador Offshore Petroleum Board, is a joint board between the federal government and Newfoundland and Labrador. So we share that joint responsibility.

In Nova Scotia, they have a similar board where they share with the federal government. As a result of that, what we are seeing in terms of looking at offshore liability is that all three entities, Mr. Speaker, have been involved in trying to develop a stronger liability regime for the Newfoundland and Labrador offshore, and indeed for the Nova Scotia offshore, with the support of the federal government.

Mr. Speaker, many would recall that this was announced back in June of 2013 that the boards

would come together to develop a new joint policy. It was announced in 2013 about how this would look. We would collectively harmonize our legislation between Nova Scotia, Newfoundland and Labrador, and the federal government.

Nova Scotia and the federal government, Mr. Speaker, have already had their legislation put through. It has received Royal Assent. What we are bringing forward here today is essentially mirror legislation to what the federal government has developed. We have been a part of that process. I would like to lay out some of the things that we can anticipate going forward, what the companies would expect, and more importantly, what we are prepared to lay out to ensure we enhance and strengthen the support for environmental responsibility in our offshore.

Right now, Mr. Speaker, essentially, one of the biggest issues with this current legislation is that the liabilities around an oil spill – there are two aspects to it. There is what we call absolute liability. Right now that is capped at \$100 million. Companies are required to provide a letter of credit upfront for \$30 million which allowed the C-NLOPB to have immediate access to that amount of money in the event of a spill.

Beyond that, Mr. Speaker, they have to provide some sort of promissory note of around \$70 million that could also be accessed in the event of a spill. That is absolute. That is without determining fault or negligence. Built into the legislation once fault or negligence has been determined, it is unlimited liability. For now, it is \$30 million upfront in a credit, and a \$70 million promissory note. Beyond that, with the proof of fault or negligence, there is unlimited liability.

Mr. Speaker, what we are proposing through the amendments to the legislation is that we would amend the Newfoundland and Labrador accord act to include the following provisions. One key important issue that we have heard discussed before in this House is the issue of polluter pays. That is in the current act, but it is not as clear and pointed as we would like it to be.

The amendments will establish the polluter pays principle explicitly, Mr. Speaker, so that it is not open for interpretation. We will also increase

the absolute liability to \$1 billion. We will move from \$100 million to \$1 billion. That is absolute liability without any proof of fault or negligence. Companies in our offshore operating will be required to provide proof that they can have the financial capacity and demonstrate that so they can handle an absolute liability of \$1 billion.

The deposit, Mr. Speaker, currently is \$30 million. The deposit under the new amendments would be \$100 million. The opportunity will be there for the operators to create an industry fund, a pooled fund of \$250 million that can be drawn down on as well.

Mr. Speaker, the other aspect that is being proposed is that we are going to ensure that the operators are responsible for liabilities incurred by their contractors. The operators who operate out there will contract others to come in and be a part of their work, but the responsibility and the liability will rest with the operator. If the operator has an issue with a contractor through fault or negligence, it will be a requirement of the operator to deal with the contractor, not the C-NLOPB or government. The C-NLOPB will deal with the operator. Those are some changes that we will see. I will get into a few more in probably a little more detail.

One of the other aspects of the current act, Mr. Speaker, that we would like to see changed are issues around improving transparency and the clarity of the operations. One of the things that will be added here in this amendment is permitting the use of spill-treating agents, STAs. It is disbursements that will be allowed to be used in the offshore. I will speak to that. They will not arbitrarily be allowed to go make these decisions because we are looking to protect the environment and look at the net impact of environment. That is an issue with spill-treating agents, but again it is another tool that will be provided to operators in the event of a spill that will allow them, with proper approvals, to be able to deal with a potential spill.

The other amendment we will make, Mr. Speaker, is to create a situation where the C-NLOPB can release some of the information, particularly around spill response and emergency response plans. Currently under the act, they are not permitted to do so without

consent from the other side. This will allow them to release information to the public, but also to the federal government, or to share with other governments, and share with the Nova Scotia board.

Down the road, Mr. Speaker, if we potentially get more development in the Gulf region where we will have transboundaries, there will be an opportunity for sharing. Right now under the act you cannot do that. We will make some changes to allow them to share information.

Mr. Speaker, as well, through some changes through the federal environmental act, we will make amendments here now to allow the C-NLOPB to be a responsible authority to deliver and engage in environmental assessments. So, it will designate the C-NLOPB to be an environmental agent, to be able to do the assessments as a regulatory body involved with the offshore.

Let me speak about, Mr. Speaker, some of the – drill down a little bit into some of these amendments for clarity, and I am sure if there are any questions later we will get to them. Again, explicitly we are going to – we are making amendments here to reference polluter pays, to make sure that is clearly defined.

We are changing the absolute liability from \$100 million to \$1 billion, but it is remaining in place right now, as it is in the current act. Despite the amendments, this is going to stay the same, is that the at-fault or negligence, once it is determined, it is unlimited liability. So, regardless of what is upfront, the billion dollars upfront – if it is \$2 billion, or it is \$20 billion, Mr. Speaker, whatever might be the case, once fault and negligence has been proven, then the company, the operators, will be required to be responsible for damages.

As well, Mr. Speaker, as part of the amendments, the proof of financial resources, because sometimes companies come in and they have to provide proof of the financial resources around the absolute liability; even if they do their work and they did not find oil, and they cap and move on, there is still a responsibility to keep the financial resources in place for a year after, just in case there is any environmental issues. It is just added protection there. So,

once they are gone from a site, or if they did some work and they were unsuccessful in finding oil, they would still have to keep their financial resources in place for a year.

The other issue here is around the absolute liability, because there would be a little bit of debate, Mr. Speaker, one way or the other, whether it is an opportunity to increase the liability, or decrease the liability, in the event of a smaller company or a different situation. There are provisions there to do that, but it is very strict in that the board can consider whether they need to increase liability, or if there is a situation where they feel the risk is minimal, an opportunity to decrease liability.

That provision alone will involve the signature of the Minister of Natural Resources for the Province, as well as the Minister of Natural Resources for the federal government. So there is a fairly rigorous process there, Mr. Speaker, in the event that some flexibility may be needed, but the intent of the amendment is to ensure there is added strength to environmental protection in the offshore with the absolute liability at \$1 billion.

Within that \$1 billion, as I said, they have to provide financial proof for the \$1 billion, but upfront they will have to provide a letter of credit for \$100 million. So that has moved from \$30 million to \$100 million. They also have the option, if they want to create an industry-pooled fund of \$250 million where operators get together and create that pool, either way the C-NLOPB will still have immediate and unfettered access to the \$100 million or the \$250 million in the pooled fund.

I will move on here, Mr. Speaker. Another point that is covered under the amendments is the recovery of loss. Again, learning from what took place in the Gulf of Mexico, it is a \$40 billion cost, because in the event of an oil spill there are multiple things to consider. Not the least of which is the value relating to public resources, the impact on the fishery, the impact on tourism. All of that, Mr. Speaker, can have a significant impact in the event of an oil spill, as we saw in the Gulf of Mexico.

We are making some amendments here, Mr. Speaker. That companies or persons who are at

fault, or negligence is attributable to some of their actions, once it is determined we have fault or negligence, they are also responsible for any actual loss or damage incurred by any person, the costs and expenses reasonably incurred. Whether it is by the board, by the federal government, or by the Government of Newfoundland and Labrador, and they are also responsible for the loss of non-use value relating to a public resource that is affected by a spill or the authorized discharge, emission, or escape of petroleum as a result of their action.

That means, essentially, that even though you have the \$1 billion absolute, if fault and negligence is proven, then they are also responsible for the other costs that are related, not just to the cleanup. We are also going to protect the economic value that could be lost as a result of a spill.

With respect to the spill-treating agents, there are a few points here that are very important. Currently, it is not authorized to use spill-treating agents in our offshore, nor are you arbitrarily going to be able to. The amendments will provide the opportunity or permit the use, Mr. Speaker, where it is likely in using spill-treating agents there will be a net environmental benefit.

That is important to consider, because if you are going to add chemicals to clean up chemicals, then you have to be responsible and concerned about that. It has to be evaluated that if there is a net environmental benefit and it is a tool that can work, and it is a tool – Mr. Speaker, spill-treating agent disbursements were actually used in the Gulf of Mexico, but there is a process.

It is important to note, Mr. Speaker, the spill-treating agents will be established by the federal Minister of Environment. It is not done in the Province or by the C-NLOPB. It will be done by the federal Minister of Environment, but the regulations respecting the spill-treating agents will be made by the federal Minister of Natural Resources, the federal Minister of Environment, and through my department, Natural Resources.

There will be input, and no doubt our own Department of Environment will be engaged as well. The federal minister will identify the spill-treating agents and then the regulations will be

developed by the various levels of government and departments that are involved and responsible.

The other thing that is built in here, Mr. Speaker, is that in the event of a spill, if a company wants to use a spill-treating agent, first they have to get permission from the C-NLOPB. They have to do a small-scale test, do some scientific research, Mr. Speaker, and provide proof. There has to be a test. There is an element there to make a request to the board, test it, and prove it before you can use it on a larger scale.

Another amendment we are making and proposing here today is through the addition of, I guess, another regulatory compliance tool where the board right now has a responsibility to ensure compliance of legislation and regulations with the offshore. Mr. Speaker, they do not have a lot of tools to force this. If you are not in complaint, really the only hammer they have is to take the license and shut down production.

We all know, Mr. Speaker, in the event of that, there are people laid off. It has an impact on provincial revenues. It has an impact on a company, besides the actual logistics of operations. What we have done here, Mr. Speaker, we have modelled after the National Energy Board Act for non-accord areas under the administrative jurisdiction of the National Energy Board. What we are doing is adding in penalties for violations.

If we have a company that is in violation – and it may not be a significant violation, maybe something just small, but at the same time it is important that we strengthen the ability of C-NLOPB to ensure that companies are compliant – but at what cost and how do you do that? One thing we have added here, Mr. Speaker, is that penalties for a violation for individuals will be up to \$25,000, or in the case of a company up to \$100,000.

Again, the intent here, \$25,000 for an individual who is at fault, or a company who is noncompliant, it is not about punishing or trying to collect money; but it is about trying to promote compliance, that there is something else there to consider. Again, it may be relatively insignificant, but it is incumbent on the board and the expectation, Mr. Speaker, that the laws,

the rules, the regulations, the guidelines that are in place are going to have to be followed. That is another piece that will be added through this amendment.

The other point that I made earlier is that the board will be designated a responsible authority under the Canadian Environmental Assessment Act, 2012. They will be given that authority to conduct public hearings in relation to its powers and performance of its duties as they engage in environmental assessment; and if they do, they have twelve months to provide a statement on any EA application, Mr. Speaker. As well, they will establish a fund to facilitate public participation in the EAs.

Basically, the board does some strategic environmental assessments now and with the change to the act we will revert to – they were taken out for some reason in 2012, but the boards will go back now as the regulator responsible for environmental assessments as well.

Mr. Speaker, I want to point out that does not absolve the responsibility of the provincial Department of Environment or the federal Department of Environment and their acts, and the requirements for environmental assessments and so on. That is still in place. We are not changing that. All we are doing here, with the co-operation of the federal government, and under the Canadian Environmental Assessment Act, is adding some responsibility to the C-NLOPB, both in terms of functionality and efficiency, Mr. Speaker, as well as a regulator to be able to work through the environmental aspects of any application or development plan that may come forward from operators.

All of this stuff, particularly four areas around cost recovery and financial responsibility, the monetary penalties that I talked about and the spill-treating agents, that will come together under regulations. That will be laid out under the regulations. The laws around that are the regulations have to be in place one year of the federal bill coming into Royal Assent. I think that was February 26, so we have until February 26 of next year, collectively, to work together with the federal government and the Nova Scotia Offshore Petroleum Board to harmonize the legislation, try and harmonize our regulations

and guidelines – there may be some changes with guidelines, Mr. Speaker, depending on Nova Scotia and where we are in terms of development of our offshore. That is the intent and the regulations are being worked on now. The federal government is leading this. We are working with them, but again it should be in place by February 26.

Mr. Speaker, those are the number of amendments that are laid out here, and I know when we provided briefings to the Opposition, one of the issues raised was around the release of information. Based on what was in the act and the fact that we have new ATIPP legislation and access to information of how that would be interpreted and where would you go if you could not get information, if it was denied, we looked into that as well.

Currently under the act, under section 115(2), the act severely restricts the C-NLOPB to releasing information to the public. It is very clear in the act. When we look at that, Mr. Speaker –

AN HON. MEMBER: (Inaudible).

MR. DALLEY: What it means is they cannot release information – obviously, commercial or scientific information, they are still not in a position to release publicly, but there is other information that they may want to release with respect to emergency response plans, spill response plans filed by the operators. They cannot share that information under the current act.

Mr. Speaker, when we looked at the work of Mr. Wells and the commission, with respect to this act, they were very clear. They were very clear that section 115(2) of the current Accord Act should continue to prevail over ATIPPA. Basically they said that is okay. That should be allowed to stay there. They should have the right and that should stay in there. What we have done in discussion with the board as well and in the interests around some of this information is that we will increase, through amendments, the ability of the board to release more information around spill plans or response plans and so on.

Mr. Speaker, in doing that, in changing it, I guess the issue then becomes if someone wants to challenge that when the board says yes or no, where do you have to go to challenge it – whether you go to the Privacy Commissioner in this Province or you go the Privacy Commissioner of the federal government. We have checked into that, Mr. Speaker, both here and federally as well. The information we have been given is that if you want to challenge this under ATIPP, you would have to challenge it under the federal ATIPP legislation and the federal Privacy Commissioner because the boards are set up under the federal legislation.

There is an avenue. Essentially what we have done here, despite the position of Mr. Wells and the commission, we are going to make some amendments. Again, this is mirror legislation with respect to the federal government and Nova Scotia, consultations with the board themselves being able to release some information. We are providing some flexibility there to be able to do that. As well, just to point out that should there be some issue with that then you have to deal with the federal Privacy Commissioner, there is an avenue available and that is what we have been advised.

Again, understanding that this mirrors legislation with the federal government, Nova Scotia, and ourselves involving the C-NLOPB. So it is a group that have joint responsibilities here.

That highlights, Mr. Speaker, what the new amendments are. I think if we look at what we have seen in the development of our offshore, we have had twenty good years for the most part in our offshore. There are some issues. There are always risks, and what we are doing today in bringing forward new legislation that has been worked on since June 2013 is to find a way to strengthen our offshore, always looking for new ways, whether it is land tenure, whether it is schedule, whether it is occupational health and safety – and this piece is about environment, strengthening the obligation and responsibility of operators in our offshore, protecting our environment, protecting the economic opportunities that exist.

That is what this legislation is about. That is what the spirit of it is about. I think it is very

progressive. I think it is very good for our offshore. We have so much potential in our offshore. We have 5 per cent under licence; there are over 1 million square kilometres out there, a tremendous amount of seismic work going to happen over the summer. We believe and we are confident that the work that has been done – we have much, much more activity that is going to take place in our offshore and, collectively, we have to hold up to our responsibility as well to do all we can to protect what takes place in our offshore for many, many different reasons.

This legislation does that, and hopefully we will have the support of the Opposition as well. Again, I emphasize the fact that it has already been given Royal Assent in Ottawa, it has already got Royal Assent in Nova Scotia, and hopefully in a few days we will have Royal Assent here, and again strengthen the environmental protection in our offshore.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Littlejohn): The hon. the Member for Mount Pearl South.

SOME HON. MEMBERS: Hear, hear!

MR. LANE: Thank you, Mr. Speaker.

It is certainly an honour to stand in this hon. House today and speak to Bill 2, An Act to Amend the Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act. It is quite a mouthful.

Mr. Speaker, first of all, I just want to say upfront that I am certainly 100 per cent in support of this piece of legislation, of these amendments. So, I look forward to taking my time now to expound upon that and talk about all the reasons why I am supportive of it and sort of go through some of the points here. Regardless what piece of legislation it is, I think it is important that we all do our due diligence. We certainly saw that in this House of Assembly – it was before my time, but I can remember something about an expropriation of a mill and so on, and something never got due diligence. So, it is important that we do our due diligence.

Mr. Speaker, as has been said, this is really dealing with the C-NLOPB and the C-NLOPB, there are different jurisdictions involved in that – that being the federal government, the Province of Nova Scotia, and the Province of Newfoundland and Labrador. As the minister has explained, the federal government apparently has already passed these amendments to the legislation, and the Province of Nova Scotia has already passed these amendments to the legislation, and now, of course, it comes to this House of Assembly, which is basically mirror legislation of what they have already passed, and it would be up to us now to debate this particular bill and make sure we all understand what is being proposed here.

We should never take it for granted just because the federal government and Nova Scotia happen to agree with everything here that that means everything is hunky dory. We certainly do not believe in rubber-stamping things around here – any more, for sure – so it is important that we talk about these things.

Mr. Speaker, for us as a Province this is very important and when you look at all the activity that has occurred –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. LANE: Thank you, Mr. Speaker.

Mr. Speaker, as we look at all of the activity that has occurred in our offshore over the last number of years – and of course we can remember back many years ago when we first heard of Hibernia. At the time, a lot of us were certainly pleased and surprised by that announcement and we waited for a long time for it to come to fruition, but finally since it came to fruition and we had Hibernia developed, since that time we have had other discoveries. We have had other projects that have been ongoing in our offshore and we have had other wells that have been discovered. We have a number of areas in the Province certainly where exploration is currently taking place.

We know there has been a lot of seismic data that has been collected and we certainly believe that there are many opportunities for us in our

offshore when it comes to the development of offshore oil and hopefully, at some point in time, gas as well. Because we have a lot of natural gas out there and we have not reached the point in our history – because we are still really in the infancy of our offshore development. We have not reached the point yet where we have been told it is feasible to start moving into production and so on with natural gas, but that day will come as well.

We are seeing it all throughout the Province, and I actually attended a luncheon a couple of months ago now and it was held by the Mount Pearl-Paradise Chamber of Commerce and Mr. Bob Cadigan was the guest speaker. He was there representing the C-NLOPB – or sorry, NOIA, and he was outlining to everybody at that luncheon during this speech all of the current activity, the activities that are going on off our coast currently, of the discoveries, looking at some of the timelines when some of these other discoveries will actually see production, and of course that news is very exciting. It is not obviously going to happen this year. It is too bad it never happened this year because we could certainly use the money as –

MR. SPEAKER: I remind the hon. member to speak to the bill, please.

MR. LANE: Thank you, Mr. Speaker.

Again, the point I am making is that there is lots of activity taking place in our offshore and there is a lot of activity, according to Mr. Cadigan, that we will be seeing in our offshore as it relates to exploration, and to which this legislation will certainly apply.

Mr. Speaker, those are just the things that are on the horizon now. That is not to mention all of the things beyond that and the expectations beyond that, that they feel there is going to be a lot more to come. With that said, it is very important that as we develop our natural resources and as we bring these companies in to develop our natural resources – and in this case whether it be offshore oil or gas and so on, it is important that we have the proper legislation in place to govern that activity, if you will.

That relates to occupational health and safety, as well as the environment. Really, the

environmental piece is primarily what we are dealing with here today in terms of the amendment, but certainly I can recall debating in this House, I do not know if it was last year or the year before, or what have you, a piece of similar legislation which was amendments to the legislation as it relates to the activity in our offshore and the C-NLOPB around safety and enhancing safety of employees.

This kind of ties in with the safety, because we are talking safety and environment – I come from a background, prior to getting involved in politics, where what I worked at was occupational health and safety, and tied very closely to that was environment. Actually, in some programs you will actually see health, safety and environment sort of tied together as one entity and others that they sort of separate them; but they are very similar from the perspective of it is all about ensuring that, first of all, there is legislation in place. From that legislation we are going to develop regulations. From that we are going to develop policies and procedures. It could be policies or procedures relating to employees safety, or, in the case of these amendments, we would be developing policies, procedures and so on as it relates to environmental protection in the offshore.

With those policies and procedures, it is obviously going to be critical – and even with these amendments it is going to be critical that all of this information is shared with the companies, shared with the contractors that are being contracted out by these companies, shared with the supervisors, and shared with the employees. It is going to be important that training programs are put into place, or existing training programs are going to have to be updated to include these provisions.

Policies and procedures are going to have to be updated and shared with everybody. Of course, Mr. Speaker, the other piece is going to be the enforcement piece. I found, certainly in my career in the field of health and safety, which again is very similar and in many cases tied to the environment, some aspects of it at least, that you can have all the procedures you want, you can do all the training you want and awareness you want and so on, there is also the need to ensure that the regulations, the policies, procedures, and so on are enforced.

They have to be enforced internally by the companies' supervisors to make sure that the employees are in compliance with all of the regulations, including the regulations that will flow from this piece of legislation, these amendments. It is important that that enforcement take place, but it is also important from a regulatory perspective as well, which is tied in and directly referenced in here, that it has to be enforced by the governing agency, the authority, which in case is the C-NLOPB.

I would certainly hope that these amendments and so on that we are seeing here that there will be a plan in place by the C-NLOPB to ensure that this is all properly communicated to the operators, to ensure that the operators communicate this to their contractors, to ensure that there are appropriate resources with the C-NLOPB in the form of inspectors or whatever they may be called – I am going to call them inspectors. They may have a slightly different name, but to have enough inspectors out in the field to review the policies and procedures of the companies to ensure that their policies and procedures are updated based on this to ensure that supervisors are enforcing the rules, to ensure that employees are following the rules. That is going to be critical.

We certainly all trust that is going to happen. It is important that it happen, Mr. Speaker, because what we are talking about here is protecting our environment. We own these resources. We are very fortunate in this Province to have a number of renewable resources such as the fishery and such as forestry and agriculture and so on –

MR. SPEAKER: I am going to remind the hon. member to speak to the amendments of the bill, please.

MR. LANE: Thank you, Mr. Speaker.

We are also very fortunate to have our offshore oil, our non-renewable resources; offshore oil that belongs to us. We are very fortunate to have it, but if we are going to have companies coming in to develop these resources and to derive all the benefits – and there are a lot of benefits; we know there are a lot of benefits through the oil companies. When they come in and they develop these resources, there is a large profit margin at the end of the day there for them

– and there is nothing wrong with that. Profit is not a dirty word. It is important that we partner with these organizations, these corporations, to make this happen because without them, it could not happen.

At the end of the day, it is our resource. We own it, and yes, we will get a return from that resource whether it be through royalties, whether it be through employment opportunities, whether it be through spinoff and so on; but when they are actually doing the work, providing those benefits to themselves, providing those benefits to the people of Newfoundland and Labrador, it is important that we ensure that as that is being done that they are doing it safely, that they are protecting our workers who are out there on the rigs and on the supply boats, but also important that they are protecting our environment.

It is critical that while they are doing this that they are protecting our environment. Because if they do not protect our environment, there is going to be all kinds of ramifications for us, whether it be to our tourist industry –

MR. SPEAKER: I ask the hon. member for third time and the final time to speak to the amendments of the bill. The amendments for the bill are very specific, I remind the hon. member, and I ask the hon. member for his co-operation.

Thank you.

MR. LANE: Thank you, Mr. Speaker.

I certainly intend to do that. I was just trying to give some context and some background to why this is so important to us, and the impact it will have on us if it is not done properly. That is the point I am trying to make, Mr. Speaker.

One of the things here, of course, the principles that we see here, that we heard the minister speak to, is the principle of polluter pays. We have the polluter-pay principle, which basically means, of course –

MR. WISEMAN: (Inaudible).

MR. LANE: Mr. Speaker, if the Minister of Finance would like to speak to this bill, he is certainly welcome to when I sit down. I look

forward to his words of wisdom and wit, as normal.

When we talk about polluter pays here and the amendment to the act that relates to that, really what we are talking about here is that if a company is out in our offshore developing our resources and as a result of the activities that are taking place, that they are doing, that there is a spill, then this amendment is basically sort of chiseling in stone – because I would have thought that it was always their responsibility anyway. It should have been. Perhaps I think that they are saying it is just sort of cementing that, putting it quite clear, the concept that, look, you are responsible.

Now, whether or not the spill results as a result of negligence, whether or not the spill is a result of poor policies and procedures, whether the spill is a result of poor training, failure to train, lack of supervision, and so on – so, things that you could say the company, it would be their fault because they did not do these things that they ought to have do, or even if it was a result of other things. It could be ice conditions; the member here talks about we have icebergs and so on out in our offshore that could cause an accident, cause a spill, whatever.

At the end of the day, the company that is out there is going to be responsible for that liability, for that cleanup. I am very glad to see that, and it is too bad we have not seen that more onshore when we talk about things like Come By Chance, Abitibi.

Anyway, I will move on. What we have done here is we are increasing the no-fault liability cap and proof of financial capacity to \$1 billion, up from \$30 million. It is going from \$30 million up to \$1 billion. Now, that is a good thing.

AN HON. MEMBER: Big jump.

MR. LANE: That is a big jump. That is the no liability cap. So, regardless of if you can prove that – and what we are talking about here, as I understand it, regardless if we can prove whether the company acted in negligence or not, they are going to be liable up to \$1 billion. Before, that was only \$30 million. We can sort of assume that if we have a rig and he is out

‘drigging’ – out ‘drigging’; I am confusing drilling now with jigging and I am saying ‘drigging.’

Anyway, if they are out drilling in our offshore and as a result of that activity there is an oil spill, I think we can all kind of assume that it occurred as a result of that activity. What we are saying is that for up to a billion dollars of liability we do not have to prove that they did it; they are going to assume that they did it. Now, if we prove that they did it, then there is unlimited liability.

So there are two pieces of liability here, if you will. There is the no-fault liability up to a billion now, and then there is the unlimited liability, which would kick in if we could prove, without a shadow of a doubt – and I am assuming there would be a legal process and appeals and maybe court processes and all that kind of stuff if we ever got to that point. If there was a spill there and let’s say for argument sake in the past the spill was \$50 million, so in the past it was \$50 million then we could only recover \$30 million. Then we would have to take them to court, or through some kind of appeal process, or whatever the case might be, to prove without a shadow of a doubt that they are responsible for the other \$20 million.

Now under this change, that \$30 million goes to \$1 billion. So, hopefully, we would not have a spill that would go beyond – well, hopefully we will not have a spill at all, first of all. Hopefully, we will not have a spill at all because hopefully they are going to follow these recommendations, they are going to follow this legislation, they are going to do everything properly and then we will not be in that case; but if we were in that case, up to a billion dollars without proving fault, they are on the hook. Then if it is over a billion dollars to clean up the mess, then we are going to have to prove that they did it without a shadow of a doubt, and I guess like I said there will be some sort of court process to do that. That is then where the other liability would kick in, the unlimited, but we would have to prove it.

Of course when we are talking liability, as the minister referenced – and it is here in the notes somewhere; I will get to it eventually – it is not just the liability associated to cleaning up the

spill, if there was a spill, we are also talking about other costs associated to it.

In addition to actually cleaning up the spill, there could be other costs incurred; for example, the loss of the product. So, in other words, if they spilled X amount of oil that could not be recovered, well that is oil that could have been sold, that we could have collected royalties on. Therefore we are out the royalty share of the oil that could have been sold, so we could recover that money as well.

There are also things like chemicals for cleanup and so on; that all comes into the cleanup costs. From that perspective, Mr. Speaker, we are certainly in support of that. I am no expert in this field; I cannot say for certain that \$1 billion is a good number. I am assuming that the people at the C-NLOPB, the experts that would have been used, the people in the federal government and so on, our own people, our own professionals that work in the Department of Natural Resources that would have been involved, I would assume they have the expertise to be able to look at this and say yes, a billion dollars liability is a good number. That it is reasonable.

I do not know. Maybe a normal spill might cost \$2 billion for all I know. I doubt it because I do not think they would do it, but I am just going to take it for granted that the \$1 billion is a good number. I certainly know it is much better than \$30 million. It is a lot better than \$30 million, so if nothing else, it is a huge improvement for sure. That is the first point that I just want to clarify and speak to.

In addition to that, we are going to be increasing the direct access deposit required for drilling or production from \$30 million to \$100 million. Again, that is the deposit that the companies are paying, the corporation is paying when they go out to drill. They have to pay a deposit. That was \$30 million and now it is \$100 million. That is more three times – we have more than tripled that amount.

Again, I do not know – as a layperson here in the House of Assembly, I am not an expert in that field. Neither is anybody else that I am aware of in this House of Assembly when it comes to this, but certainly as a layperson

looking at that I do not know if \$100 million is a good number. I know it is three times better than \$30 million so again, I am going to assume, take it for granted, that the due diligence was done and that the people in our Natural Resources, our experts, the federal government and so on, that they are satisfied that this is a good number. So if they are telling me it is a good number, I am going to assume that it is a good number. Like I said, from a layperson's point of view, I know it is three times better than the number that was there. Again, I view that as a positive.

That is for a single operator and, of course, and then if you have multiple operators that are involved in a project and so on they can put in a deposit of \$250 million as a pooled fund. I am not sure – it says \$250 million; it does not say what it was. I know for a single operator it went from \$30 million to \$100 million; for pooled, multiple operators it is \$250 million. I do not know if there was ever anything in place for pooled before and this is like totally new, or if it was at a certain level and it went up. It is saying \$250 million, but I am going to take them on their numbers with the experts that were used that again these are good numbers.

Like I already said the unlimited – and these numbers whether it be the \$30 million to \$1 billion, whether it be the \$30 million deposit to the \$100 million deposit, whether it be the \$250 million pooled fund that would be paid as a deposit for multiple operators, all of these things apply to the no-fault liability cap.

All this money can be used to recover all the costs associated with a spill without needing to prove that the company in question was at fault. Even though, let's face it, if there is a rig out there and they are drilling and all of a sudden there is a big spill of oil next to it, chances are we know where it came from. Certainly, I think we could prove it pretty easily. If they wanted to challenge it, there is an unlimited liability and a process beyond that \$1 billion, beyond that \$100 million deposit, beyond that \$250 million pooled deposits. I think I am pretty clear on that and I have no issue with it.

Of course some additional changes, we have been told, is allowing governments to seek environmental damages as part of a claim under

the liability regime. My understanding there, Mr. Speaker, again these are additional damages so it is not just recovering the cost to clean up a spill and making operators responsible for cleaning up the spill and all the cost including lost revenue and so on, but it also allows the Province to claim for environmental damages. Because we know if we had a spill, if that occurred, we know the environmental damage that could cause whether it be to the ocean itself, whether it be to seabirds, whether it be to fish – and we know how important the fishery is to us and our cod stocks and our shellfish –

MR. SPEAKER: I remind the hon. member –

MR. LANE: Thank you, Mr. Speaker.

I appreciate that, but, again, I am just demonstrating what the liabilities would be that would be covered.

MR. WISEMAN: (Inaudible).

MR. LANE: Mr. Speaker, this is the second time I have to say to the Minister of Finance that I am really anxious to hear what he has to say about this legislation. I invite him to stand up, after I sit down, and talk about the legislation.

Mr. Speaker, we have a number of environmental damages –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The hon. the Member for Mount Pearl South.

MR. LANE: Mr. Speaker, as I said, this is allowing government, we are told, to seek environmental damages as part of the claim under that liability regime. So if there is damage to our environment, whatever part of that environment it may be, parts that are very important to us, as a Province, we can claim those damages. That is a good thing.

Mr. Speaker, it re-establishes the C-NLOPB as a responsible authority for environmental assessments. So the C-NLOPB it just sort of cements that they are responsible for the environmental assessments because, obviously, there are going to be environmental assessment

processes used when we are doing these types of activities. It would only make sense that that would be the case.

The next point – and the minister, I believe, did speak to this to some degree – was allowing spill-treating agents in circumstances where their use will result in a net environmental benefit. So obviously, if we were in the situation that we had a spill in our offshore, then I would assume there are – I would not assume; I know there are established protocols, procedures, methods to contain that spill to clean up that spill and so on.

One of the methods, as we are lead to understand here, that can be utilized is the use of chemicals – chemical agents to contain spills. As I understand, from what the minister was saying, is that prior to the changes being made here, you were not allowed to use these chemicals.

Now, I would assume the reason why you were not allowed to use these chemicals is that these chemicals would be considered harmful to the environment. I am not sure to what degree these chemicals would be harmful, or exactly what the chemicals are, but obviously they would have been or will be harmful to the environment.

Therefore, before this amendment, you were not permitted to use these chemicals. However, somebody now in their wisdom – and I am assuming because like lots of legislation that you see written or lots of amendments, I would say all the amendments that you see made to legislation, is based on the fact that there was a piece of legislation in place, it covered a particular activity, or process, or procedure, or whatever. An incident of some kind happened and there was no legislation to deal with it, or the legislation that was in place did not effectively deal with it because nobody really thought of that scenario.

Of course when you are writing legislation and you are writing regulations, you are kind of thinking, okay, what is it we want to accomplish and then you talk about the what-ifs. What if this happens? What if that happens? What if something else happens? What procedure – what do we need to have in this legislation to deal with that particular circumstance?

So I am assuming that we probably had a circumstance whereby there was a spill, or maybe someone just had an aha moment, a what-if scenario, and they said if we had a spill here of a certain size or what have you, and we employed the spill control, or spill containment, or spill clean-up procedures as we are permitted to do under the current legislation – if we were to employ those in this circumstance, then the amount of damage and the cost and everything to do that, and the amount of environmental damage would be so great that, do you know what, if we could do it this way with these chemical agents, although they would have an adverse impact, no doubt, on the environment, not ideal to do, but it is kind of like the best of a bad situation.

I think that is where the minister was coming from. This is the best of a bad situation. We have a spill. It is a serious situation. This is what we have at our disposal. We do not have this at our disposal. Even though we do not want to use this, it is better to use this because there will be a net benefit. In using this it is going to contain it much faster, clean it up faster, and contain it, whatever the case might be. There will actually be less environmental damage than if we had to do it the way we are permitted to do it. Therefore, it does not make sense that we cannot do it this way. So now they are changing the legislation to allow these chemical agents to be used in those situations. I support that in principle.

The concern I had, first of all, when I read that, when I saw that, one thing that came to mind is: My goodness, I hope somebody would not use that as a loophole. I hope somebody would not say: Well, do you know what? If we use the method we are required to use here, it is going to cost us a half a billion dollars. If we could throw a few chemicals on it, we could do it for half that cost. So, therefore, the heck with doing it this way. We will do it this way because it will be faster, it will be cheaper, or whatever. It is not good enough.

That is why I was very glad when I heard the minister say that in order for somebody to use these chemical agents you have to – I think he said apply to the C-NLOPB or to the agency within government, and I am assuming the C-NLOPB itself, to say: In this situation we are

requesting to be able to use these chemicals because the environmental damage done, using these chemicals, will be much less than if we did not use them. They would have to prove that case. The regulator would have to hear what they are saying there and make a decision. I am glad that decision is outside the hands of the company and inside the hands of the regulator to make those decisions.

The concern I had, initially, about the use of these chemicals, and while I certainly do not support using chemicals, if at all possible, in principle I do not, if at all possible, but where it makes sense; and now that the minister has told us that they have to go through a process where the regulator would have to approve it, they would have to demonstrate the requirement to use them, demonstrate the fact that this is going to actually be less of an environmental impact than if we did not use them, then I am okay with that. I think that is a good move. I support it 100 per cent.

I think you are seeing a theme here, Mr. Speaker. I am going to continue on with a few more points but, as I said earlier, I think this is a good piece of legislation. It makes sense. What is important, as members here in the Opposition, is that we make our points, ask our questions, and so on, so that we are all on record that we know what we are doing here.

Mr. Speaker, the next point here was the monetary penalties for non-compliance. The penalties, we are told, is \$25,000 for an individual and \$100,000 for a corporation. This approach is very similar to what you would see with health and safety legislation. I would say they probably modelled it after that same kind of concept. The C-NLOPB, of course, is responsible for health and safety in the offshore and they have that legislation and, like I said, they kind of tie together in a lot of cases. I am assuming they kind of took that model that is being used in health and safety legislation and have applied it here, and it makes sense.

There does need to be a penalty. As I said, we can have all the policies and procedures we want based on the current legislation, based on this amended piece of legislation – have all the policies and procedures incorporating all these things. We could do all the training we want

with the companies, the contractors, with the employees, supervisors and so on, but I know from my experience as a safety practitioner that enforcement is still required.

To be honest with you, Mr. Speaker, as a safety practitioner, I was never one who always wanted to go out with the big stick. I always tried to work with the companies, the contractors, and the employees, supervisors and so on to explain why we have this legislation, the purpose of it, and why they need to be in compliance. I think the same thing would apply here. I would hope that the people who would be enforcing this legislation with the C-NLOPB will be taking that approach to work with the companies to ensure compliance.

It is important to have that big stick if you need it. As we have said here, the corporation, \$100,000 for a penalty – now there are people who are going to argue, and this would be one. I will make this point – we talk about \$100,000. If a company, such as these, are engaging in very risky activity and they decide that they are going to bypass all these environmental rules and so on, there are some people who would say \$100,000 to an oil company is chump change; that \$100,000, they could say that is just a cost of doing business.

I do not know, but I just raise the point. Maybe the minister now when he gets up again or when he gets up in Committee perhaps he may want to address it and so on. I just wonder about the \$100,000 and again not being an expert I am – again there are people who put this together that I am sure are very competent people and all that good stuff, I am not suggesting otherwise; but \$100,000, to me, in the oil industry I think a lot of people would view as just being insignificant, the cost to do business and so on.

AN HON. MEMBER: (Inaudible).

MR. LANE: Yes, very minor.

I would like to know more – when the minister gets up in Committee and so on, I could ask the question or he could make a note and he can address it in Committee, but I am just wondering about the \$100,000 for the company.

Now \$25,000 for an individual, to me that seems like a pretty stiff penalty. I know people in the offshore make good wages but, boy, even if you are making \$100,000 a year or whatever, a \$25,000 penalty is nothing to sneeze at. I would think that \$25,000 would be a good deterrent. I would think that would be a good deterrent for anybody in the offshore – wherever they are working, I would think that would be a good deterrent.

That sounds like a reasonable amount. Mr. Speaker, I am not sure when we talk about the \$25,000 because it says \$25,000 and \$100,000 – I thought in the briefing and so on that I heard that they had talked about supervisors. I know in safety legislation, I thought it might have been the same – the company has a responsibility, the supervisor has a responsibility, and the employee has a responsibility. I think it is that same approach would apply here.

So normally when we talk about violations that would result in fines – an inspector, let's say, shows up and there is an activity taking place that is presenting a risk to the environment. The normal practice, if you were to apply the same type model that is used in health and safety – and I would say it would apply – the first thing you would look at and say, okay, well what was the company responsible for here. Generally speaking, the company would be responsible for having policies and procedures.

The company would be responsible for communicating those policies and procedures to its management, to its supervisors, to its employees, to its contractors. The company would be responsible for training as well. The company would be responsible for having all the appropriate equipment for people to do the job properly, the way it is supposed to be done. Those are the types of things that the company would be responsible for.

Of course, the supervisors are just that, they are supervisors. They are responsible for ensuring that the employees who work under their supervision know what they are doing, that they are equipped properly, and that they are following policy and procedure. Of course, the employees are responsible for following those policies and procedures and doing everything they were taught in the training and using the

equipment provided and so on. So all three of those parties, all three of those groups, the company, the managers-supervisors, and the employees, all three had a responsibility.

If an environmental inspector, I would assume, went out to the rig – I guess this applies to the supply boats and everything else, everyone who is involved in that activity. If he or she went out and an activity was taking place that was not in compliance with this legislation, with the regulations, and so on, they would be looking to why. Why are they not in compliance? They would be looking to all the things I just listed.

Then they would say: This was the company's responsibility. Did they fulfill all of these responsibilities? If the answer is no, then the company could be fined, in this case, \$25,000. Then they would look and say: Where was the supervisor? Where was he or she too? Were they supervising? Were they making sure? If the answer was no, the supervisor is on the hook. Of course, if the employee is not following policies and procedures and so on, then the employee can also be on the hook. Usually, what occurs then, once they are all on the hook or some are on the hook, then they have to demonstrate their due diligence that they did everything they were supposed to do. They have to demonstrate that.

I am assuming that same kind of concept would apply here. If that is the case, I am assuming that there is \$25,000 to the employee, \$25,000, possibly, to the supervisor, and \$100,000 to the company. While I think the \$25,000 for individuals is certainly a reasonable deterrent, again I question \$100,000 to an oil company; would that just be considered the cost of doing business?

I also wonder if there is an activity taking place and they are fined, but then they continue to do it the next day and the next day. Is it going to be \$100,000 today and another \$100,000 tomorrow and keep on going, bing, bing, bing; or is it just like a one-shot deal and then they just continue on? I would assume that would not be the case. I would assume that if you do it day and after day, or once you are told about it and you are fined, if you continue to do it you are going to be fined again and you continue and you will be fined again, and so on and so forth, to stop that

activity. I am guessing, hoping, that is the case. I will leave that to the minister just to respond to when he gets up and he speaks.

Another point here that the minister made was that the operators, under the legislation here now, are responsible and liable for their contractor. Mr. Speaker, that is another good amendment because one of the things that you hear – I am going to go back to my background in the safety industry, but it certainly applies here. You cannot contract away your responsibilities. We always said in the safety industry, you cannot contract away your responsibilities. In other words, you cannot say I am not going to put my employee in this dangerous situation to get this job done because I will be responsible. So what I will do is I will just hire a contractor and let him to do. If anything happens, I am off the hook. No, you hired the contractor; you are on the hook.

I am assuming that the same principle is applying here. In other words, a contractor cannot say well, we have this work that we need to get done. We want to get it done really fast. If we do it the right way, based on the legislation, all the environmental legislation, it is going to take us a week to do this. We do not have time. Time is money. We want to fast-track it and we want to avoid doing these things. So what we will do is we will hire a contractor and we will let him fast-track it, we will let him do whatever, and then if he gets caught or something goes wrong, blame it on the contractor.

Those types of things can happen, Mr. Speaker. We need to ensure that we have legislation in place to avoid those types of activities from occurring. The minister is saying that we indeed have this amendment included. In the set of amendments, there is a provision here to make the companies responsible for the contractors that they hire.

I would assume when we talk about making them responsible that the company is going to have to demonstrate due diligence that the contractor they hired was informed of what the rules are, what the legislation is, that company would be responsible for ensuring the contractor's employees are trained, they have all their certifications, and they are qualified to do

whatever the work is. The company would be responsible for ensuring the contractor has all the proper tools and equipment and so on to do the job the right way, based on the legislation. I guess they are going to have to sign off on it.

There is going to have to be written documentation that says we hired this contractor and this contractor certified to us that his employees are trained. He would have to sign off that they understand the policies and procedures that they agreed to be in compliance and all of that stuff. Again, the same as they would do in the safety industry. I am assuming that same type of due diligence is going to be required now by the offshore companies, as it should, because this is our environment we are talking about. If something goes wrong, we are the ones who are going to be impacted here in this Province. It is critical that we have things like this in this legislation to protect us and to prevent any types of catastrophes from happening.

Mr. Speaker, we have seen things that have occurred. I think the minister may have referenced the Deepwater Horizon in the Gulf of Mexico and the Louisiana Coast, we know what happened there. I do not know if he referenced it, but I will reference the Exxon Valdez in Alaska. We know the types of things that can happen, so it is critical that we have good legislation in place to deal with these things.

Now, Mr. Speaker, the next point – and I know I am starting to wind-down on my time, although I see I still have ten minutes left. Public release of information was the other point that was pointed out to us here. We are told that Bill 2 allows the board to make documents filed by project proponents available to the public. Wow, what a novel idea. Making documents available to the public, that is a good thing. This would include emergency plans, safety plans, environments effects, and monitoring reports.

Mr. Speaker, I cannot argue with it. That is good stuff. I mean, the fact now that we are going to – I cannot believe we had to make an amendment, to be honest with you. I am really surprised. I understand that there is proprietary information that has to be protected when it comes to the offshore. These are huge projects and millions and millions of dollars and so on.

We know there is information that obviously has to be protected.

I was really surprised to learn that this was sort of a last minute amendment that got made to be able to release this type of information. Especially safety plans, my goodness. We look at the oil industry; we are out in the middle of the North Atlantic, one of the most dangerous places in the world to be. We are dealing with the work that is taking place. It is very dangerous work.

I will give credit where credit is due. The oil industry – full marks on safety. I do not know if I will say full marks, very strong on safety, very high standards, but we have had incidents. So I cannot say full marks because full marks would mean everything is perfect, and we know everything is not perfect. We have heard from people in the offshore who have had concerns and we know everything is not perfect.

We know we have had tragedies. Unfortunately, we have had tragedies in our offshore. It is very important that we are diligent. Not just that companies are diligent, not just that the C-NLOPB is diligent, the federal government, the provincial government, the Government of Nova Scotia, but it is also important that when it comes to things like safety, which is outlined here in this amendment, the public should have the right to know and to have assurance that when our loved ones are going out to work at sea, they are protected. That there are safety plans in place, that those safety plans have been communicated to all the employees, that those safety plans are updated on a regular basis, that those safety plans are audited, that inspections are taking place, and that workers are trained.

We need to know that the government is doing its job in enforcing safety regulations, making sure that they are not just showing up every now and then, making sure that they are out there on a regular basis. They are doing surprise inspections so they could show up on any rig. They could show up on any supply boat at any time. It is critical to know that those things are taking place. We as a public have the right to know and to be assured that is taking place.

So again I say to the minister that is another good amendment. If you had to go – you are

saying that you went and spoke to whoever to get this last-minute amendment. I do not know if that is right or not because you said it has been passed by the feds and it has been passed by Nova Scotia. It is already passed there, so I am not sure when you had that aha moment and went and spoke to those groups and made these changes. If you did, then good for you, good on you. I am very pleased to see it.

This is not just about safety, of course, it is emergency plans. It says here emergency plans. We know emergencies can happen offshore. We know it all too well. It is critical that we have emergency plans if anything should go wrong and people are put at risk.

It is important that we as a public have assurances that it is actually happening, that there are emergency plans, that people are trained in what to do if there is an emergency, that we have the proper emergency equipment if something should go wrong, that we have all the proper protocols, that all of the resources are available to us should there be an emergency, resources that the oil companies would be responsible for, resources that the Province would be responsible for, resources that the federal government would be responsible for. It is important that we have assurances and we can get that information, if we want to, to make sure all this is happening. That is a good thing, I say, Mr. Speaker – that is a good thing.

Of course, the other part they talk about, in terms of information that would be available, is environmental information and environmental monitoring. Who could argue with that? I am really shocked, to be honest with you, that this was like a last-minute thing that somebody had to go to somebody and say we should release this stuff. I would have thought it would have been there anyway, but good on the minister. Minister, if you had anything to do with making this amendment, making this happen – if you had anything to do with it, Mr. Minister, I applaud you for it, Sir.

SOME HON. MEMBERS: Hear, hear!

MR. LANE: Because it is important. We only have one environment. While we have these natural resources out there, offshore oil and gas, we have these activities – while we have all

these activities taking place, which is to our benefit, we also know that if something goes wrong there is an environmental price to pay. There could be lives that could be lost.

We need to have those assurances that everything that should be happening as it relates to the protection of our environment through policies, procedures, training, and supervision – we need to ensure that everything that is required to protect the safety of our workers through policies, procedures, training, and equipment and all that, we need to know that all these things are in place. The public has a right to know these things. It is critical that we know these things.

I am glad and very supportive of the fact that we have this amendment that the minister tells us he sort of championed – we have this amendment in this piece of legislation, Mr. Speaker. I think that is great.

Mr. Speaker, I guess just to summarize, so that we are totally clear and that there are no doubts – I do not want to leave any doubts on where I stand. I do not want to leave any doubts as it relates to –

AN HON. MEMBER: (Inaudible).

MR. LANE: Yes, I do not want to leave any doubts of where I am standing and here I am going all over the place, I know. I wander around; I get that.

So there are no doubts, the points that are being emphasized here: the liability piece going from \$30 million of no-fault liability up to a billion dollars; the drilling permits going from \$30 million to \$100 million; \$250 million for the pooled licences; the unlimited liability, if the operator is at fault; the concept of polluter pays; the requirement for companies, obviously, to be in compliance with all these regulations and for the C-NLOPB to be responsible for the environmental assessments; the provision that the Province can also go after the companies for environmental damages and so on, if there are any; the concept of the spill-treating agents, only where absolutely necessary, only where approved by the regulator; the concept around the penalties for corporations that are not in compliance with the regulations; the concept for

the penalties to supervisors, individuals; the concept of holding the companies responsible, the operators, for any contractors that they have; and the last point was the concept of releasing vital, critical information to the public as it relates to the environment, as it relates to health and safety, as it relates to emergency preparedness, as it relates to emergency –

MR. SPEAKER: I remind the hon. member, he is wandering once again.

MR. LANE: Thank you, Mr. Speaker.

I guess to finally conclude, as I have said, I have already summarized but just to conclude this is a good piece of legislation. I support it 100 per cent.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The member is out of time.

The hon. the Member for Signal Hill – Quidi Vidi.

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

I am glad to have the opportunity – finally – to speak to Bill 2, which is An Act to Amend The Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act. It has been sitting around for a while as we have been doing the Budget debate. It is good to finally get it here on the floor where we can talk about it.

As has been pointed out by the minister and by the Member for Mount Pearl South, it stems from the Deepwater Horizon disaster that took place five years ago in the Gulf of Mexico. Of course, none of us will forget that terrible disaster. There were eleven workers who died and a major environmental disaster, one which I think has taught us a huge lesson. Five years later, we are still seeing the terrible environmental impact that this disaster caused. They are still finding, not only in the Gulf of Mexico, but further away, signs of damage to the life in the water, to life on the shores. It shows us how major a spill like this can be.

Of course, with us dealing with exploration in our offshore and exploration that is moving further and further away from our shores it behooves us, both as a Province and as a country, to take extremely seriously what this exploration means. I really believe we have not taken it seriously enough yet. This piece of legislation is very good and it is dealing with a lot of important issues, but the bottom line is that even though this legislation is dealing with what happens when environment takes places and specifically who is responsible to pay for cleanup, I do not think we have yet realized the responsibility that is in our hands for doing this exploration in deepwater. I do not think we realize that it is not enough to say that cleanup is going to be done and we are going to make sure people responsible do it. The problem is that even doing immediate cleanup does not take care of the ripple effect, and the huge ripple effect that happens.

As I have already said, five years and a month after that disaster in the Gulf of Mexico, we are still seeing the impact to dead animals, animals that are sick, fauna and flora are showing the signs, so the immediate cleanup does not take care of immediate damage that happens and that goes on.

One of the things in this bill, as has been said, that is extremely important is that the principle of the polluter pays is named very clearly, and that is extremely important. It is a principle that has been around for a long time, but something that really was not taken as seriously as it should have been until this disaster – I am talking about on a global level – happened. Both companies and governments sort of had to sit up and say we have a responsibility here.

The principle is important from a number of perspectives and we have dealt with it not too badly in this bill, but we did not go as far as others have gone. Of course, nobody will be surprised if I say we have not gone as far as Norway. We keep referring to Norway as sort of the model. I believe it is, and I think we should be looking to Norway. They have been at it a much longer time than us and they are dealing with the same type of ocean that we are dealing with. The things that have happened in Norway are important for us to look at.

When it comes to holding the polluter responsible, with Norway there are no limits whatsoever. With this bill, even though it is an improvement on our current act – and it really is; the whole thing of having absolute liability up to \$1 billion is certainly an improvement over where we were. There is no doubt about that. At \$1 billion – to use simple language – you have to prove who was responsible before you can hold that responsible company.

If, for example, company A, it is their rig that has seems to have caused the spill, what looks like the responsible company is immediately responsible up to a billion dollars. After a billion dollars, you are then going to have to prove that there was negligence. You are going to have to prove that they caused it. Then you are going to get into all kinds of legal wrangling after a billion dollars. If you prove that they have responsibility, then you will have unlimited responsibility from then on. After a billion dollars, you have to prove that they are responsible, that they were negligent.

In Norway, the absolute liability is absolute, period. There is no cap. So from the minute the spill happens, the company that is the company from which, say, the rig from which the disaster happens, that company from then on is absolutely liability for all the cleanup. They have an unlimited absolute liability in Norway.

Here in Canada we have run scared at that obviously. This bill that we have and the act that we have is not an act and is not something we hold by ourselves. This one, our act, is the Canada-Newfoundland and Labrador act, but there is also a Nova Scotia, Newfoundland, Canada act. Then you have the act that is under Ottawa. All three of those acts have the same language because it we are all dealing with the same reality.

So we are not standing alone here. We cannot make the decision on our own. Would we, on our own, have done an absolute liability? I would like to think that we would have, but of course here there are two other partners involved. I think it shows us a bit of weakness as a country that we are not willing to go with the absolute liability that Norway went with.

Having said that, I know that we are going to pass this bill; I think we need to pass it. It has good things in it. It definitely has improved the situation. I think that we need to go ahead and pass it, knowing that Ottawa has passed their bill and I think Nova Scotia has passed their bill as well.

We are going to need to pass this bill, but I want to talk about some of the limitations of the bill because I think we are not going to give up. I do not think that we should do this bill and say okay, now we have done everything we can do with regard to the oil industry. I do not think we will ever be able to say that, so I think it is important to speak to some of the limitations.

In Canada, in Ottawa, it was the federal Standing Committee on Natural Resources that recommended the amendments that we are dealing with today. We have them put in the language that relates to our Province, but, basically, the amendments that we are approving in this bill were amendments that were done in Ottawa and recommended by the federal Standing Committee. It is a great way to do legislation, as I have pointed out before in this House, to have standing committees that deal with substantive issues, substantive legislation as this would be.

So after the Standing Committee in Ottawa thoroughly studied the situation, these were their recommendations. We are sort of tied to the recommendations from Ottawa. As I have already said, it is too bad that that Standing Committee and the government in Ottawa was not brave enough and strong enough to say that there should be absolute liability.

The other thing that we could have learned from Norway, and other places as well, but specifically from Norway, because as I say they are sort of a model for us. If you want to look at best practices when it comes to drilling, best practice when it comes to everything around that, Norway is certainly one of the places that is moving in a great direction with regard to best practices.

In Norway, they do consultation on a regular basis, which I think is extremely important. The consultation that they do involves the companies, the government, and the industry.

They all work together. They all have joint decision making. This is a best practice, globally. It is not just in Norway. They have it that way in Australia as well. So one has to ask: Why is it that we have a piece of legislation coming forward where there was not, for example, consultation with unions, where there was not consultation with environmental groups? So that is very disturbing.

Now, it is quite possible – and I have not looked at the whole history of how the Standing Committee did its work in Ottawa, but because the Standing Committee in Ottawa is a parliamentary Standing Committee they are able to hold public meeting. They are able to bring in witnesses. So it is quite possible that during the work of the Standing Committee in Ottawa, they may have had unions and environmental groups appear before them. I would be surprised if they did not. So that is positive. It would have been good if we could have as well.

I think what I am getting at here is not only the fact that in the case of this bill that we have not done consultation, it is the fact that we should be looking at a model for the future that does do consultation, that there is no division between the government, environmental groups, unions, and the companies in putting rules, regulations, and even legislation in place.

That is why I am sorry that another missed opportunity with this bill – and again, I am well aware of the fact that we cannot do it on our own, that we would have to have the co-operation of Ottawa. We would have to have the involvement of more than Ottawa.

I am disturbed that we still are not dealing concretely with the issue of the recommendation from the Wells inquiry on the Cougar helicopter crash. I think we have to look at the industry and the things that are happening in the industry as a whole.

MR. SPEAKER (Cross): Order, please!

MS MICHAEL: Wells's recommendation was that there should be a new independent offshore safety regulator.

MR. SPEAKER: I remind the member to speak to the offshore and the intent of this amendment.

MS MICHAEL: Yes, I will certainly do that, Mr. Speaker.

This bill gives new powers to the C-NLOPB; there is no doubt about that. The C-NLOPB is the regulator currently which deals with everything. It deals with the leases for the land and everything around the leases for the land. It deals with seeking people to buy the land to get into new exploration and deals with health and safety.

This bill gives new powers to the C-NLOPB. In the current act, the C-NLOPB is actually not allowed to release information. This bill is saying you are allowed to. I mean, it is quite amazing when you think about it that they were not allowed to. What is happening now in this bill, which is extremely important, is that the C-NLOPB may make a decision to disclose information or documentation. If they do, they have to make every reasonable effort to give the person who provided it written notice of the board's intention to disclose it.

Then the person – which means basically the corporation or it could be other bodies – to whom a corporation is required to be given information may waive the requirement that that happen. If that body does consent to disclosure, that body will have considered to have waived the requirement. Basically what that means is that they may say, well, it does not matter that you did not give us notice.

The bottom line is that the C-NLOPB does have now the freedom to make the decision that they are going to release information when they want to release information. I suspect that they have a freedom but that freedom can also be tested, just like that can be tested here in Newfoundland and Labrador about the release of information. The difference between the release of information under this bill and under the joint regime that we have is that the ability to challenge and look for information, if the board decided not to release something, would have to be under the federal legislation with regard to access to information, not under the provincial.

Still, the board may decide – if the board does not, it can be challenged under the national legislation, the federal legislation. When the board does decide to release or is forced to do it

because it has been challenged, then they do have to give a notice to the third party. Even with that if a notice is given to a third party, the board shall, and I quote from the bill, give the third party an opportunity "... within 20 days after the day on which the notice is given, make written representations to the board as to why the information or documentation, or a portion of it, should not be disclosed." "After the person has had the opportunity to make representations, but no later than 30 days after the day on which the notice is given, make a decision as to whether or not to disclose the information or documentation and give written notice of the decision to the person."

The board still makes the decision, and that is what is extremely important. I think it is a step forward that we have opened up that. Actually it is terrible that the current act said no, you cannot release anything. Why would we have the regulator if they cannot do that? That kind of protection has been part of our culture. I hope that we are slowly getting away from that. Certainly our new ATIPPA is a sign that we are moving away from this kind of protection.

I have to make sure where I am now, Mr. Speaker. One of my concerns then, and as I say, one of the weaknesses of the bill is that Ottawa and us, and maybe Nova Scotia as well, does not see the need to have a separate body regulated around the safety and environmental issues: personal safety, occupational health and safety, and environmental issues.

I think we will definitely have a better act, and as we move forward I think we will have to monitor – this is not something that is in the act, but it is obviously what we are going to have to do – how well the C-NLOPB operates once the new act is in place, how well they operate with regard to the release of information, and how well they operate with regard to the new powers that they have been given.

It is really a shock to think they did not have them before. We will need to look at are they releasing information? I think we will need to test that. If we know there is information that should be public, or we believe should be public, then we can ask them: Why aren't you doing it? Why aren't you releasing it? If we find out that they seem to be holding back information and

not using the powers that are being given to them with the changes to the act, then I think we once again have to open up the whole issue of should they be both regulators, when it comes to licensing, et cetera, and the body that is overlooking safety and environmental issues?

I guess this is a moment for us, just as we are making a change to the act now, which is really substantive and important, that we could be in two years' time saying: Do you now what? We have the proof that even though the C-NLOPB has been given these powers, they are not exercising these powers. If we find they are not exercising those powers, then we will have to look at our regime and see what other changes we have to make.

So even though I think there is a weakness in the act, in the bill – even though there is a weakness there – I do not think it goes far enough both with regard to absolute liability and not looking at the need for an independent offshore safety regulator. At the same time, we will be voting for this bill because it is essential. What is in this act, the changes that we have made are essential.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Labrador West.

SOME HON. MEMBERS: Hear, hear!

MR. MCGRATH: Thank you, Mr. Speaker.

I am pleased to be able to rise here today and speak to Bill 2, An Act To Amend The Canada-Newfoundland And Labrador Atlantic Accord Implementation Newfoundland And Labrador Act.

I was very pleased when the minister asked me to speak on this bill because it certainly coincides with the occupational health and safety bill that we brought in December, 2014. I had worked on that bill so I am very pleased to participate in the debate on this.

I thought that the minister, in his dialogue when he spoke to the bill, articulated very well what

the bill is all about. I listened intently to the Member for Mount Pearl South. I thought he made some very good points. I am pleased to hear that he is supporting this. Certainly with his former background in occupational health and safety, he made some very valid points.

Also, the Member for Signal Hill – Quidi Vidi, in her debate there made some very good, strong debate. That is what it is all about here in the House. We can stand and support a bill, or not support a bill, but have some healthy debate. That is what I am hearing here today.

Mr. Speaker, two paramount important things about this bill are safety and environmental protection. Those two principles remain the priority of any decisions or actions that our government is going to take with concerns regarding the offshore industry.

I think everybody knows how important the offshore industry is to Newfoundland and Labrador. We have had about twenty or twenty-five years of good productivity from the offshore industry. Like any other industry, it is all about constant improvements. That is what this bill is doing; it is improving the offshore safety.

As I stated earlier, we brought forward a piece of legislation in December of 2014, or we enacted a piece of legislation that improved the health and safety aspect of the offshore industry. I worked on that particular piece of legislation so I am pleased to stand today to this one. The whole purpose of this bill that we are debating here today is about improving the environmental aspects of the offshore industry.

In 2013, the regime, the result of an extensive collaboration between three parties – the Newfoundland and Labrador government, the Government of Canada, and the Nova Scotian government, as well as the two Atlantic offshore petroleum boards – were all part of putting together the debate there, or the legislation as well as they have been here.

I heard the word consultation used a few times. There certainly has been extensive consultation done in preparing this bill with those different parties, the different levels of government, as well as the two boards. I will not argue the fact that there is always room for more consultation.

I think that is something we recognize, finding improvements to what already exists and always having the door open that there can always be more improvements. I think that is part of nature that you move forward with what you have, but you are constantly trying to improve upon the working conditions that we have.

The regime I talked about that we put forward for the occupational health and safety clarified the roles and responsibilities of the operators, the governments, the employers, the employees, and the regulators for safety in the offshore and developed an enforceable, modern occupational health and safety regime. That is tailored to unique circumstances in Newfoundland and Labrador. As we all know, the circumstances that we deal with on the offshore are certainly unique to the rigid waters that we get in the North Atlantic. So we need to have regimes in place that are going to govern the environment that we are dealing with.

I also heard the Member for Signal Hill – Quidi Vidi refer to Norway on several of her comments there. I agree with her that Norway certainly can be used as an exemplary role model for what happens in the offshore industry in Newfoundland and Labrador. I think that we do that because quite often in a lot of the dialogues that I have been involved with on this side of the government, in talking about things that are happening in the offshore, Norway is a common factor that is often referred to.

Another thing that we are looking at in the health and safety one, what we did, one of the important things we put in, was the workers right to refusal, taking care of the worker, their right to know, and their right to raise issues without reprisal. So that was all part of the occupational health and safety one. We used that particular bill when we were bringing this bill into place, when we were working on this bill.

I think as I go down through my notes, there are parts here that I really want to focus on. One of the more important parts that I wanted to talk about, in this legislation, I want to highlight the polluter-pays principle. I think it is really important. That is a very important part of this bill. Currently, the accord legislation does not

explicitly establish the polluter-pays principle. Right now that piece is not in there.

With this new bill, they are going to ensure that the principle is referenced explicitly in legislation, and that it establishes clearly and formally that polluters will be held accountable and financially responsible. I think that is so important. Not only will they be held accountable, they will be responsible for that.

That is really important. I think this legislation will ensure that civil liability of any person who causes a spill is deemed unlimited so that all the damages will be covered and taxpayers – and this again very important, that taxpayers will not be put on the hook for the damages that will be caused out there.

Mr. Speaker, I could go on and on. I have a little bit of time left. I think that with the speakers who have already spoken, they were very explicit. I heard from the Member for Mount Pearl South that it sounds like they are going to be supporting this bill. Certainly the Member for Signal Hill – Quidi Vidi has said that her party will be supporting the bill. I think this is a very important piece of legislation, a strong piece of legislation that is going to improve on the environmental liabilities in the offshore industry. I am looking forward to this bill passing.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

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

The hon. the Minister of Natural Resources.

MR. DALLEY: Thank you, Mr. Speaker.

I want to thank the members opposite, the Member for Mount Pearl South, the Member for Signal Hill – Quidi Vidi, and certainly the Member for Lab West for their input on this very important piece of legislation today, Mr. Speaker, that strengthens and protects our environment in the offshore. It is very important as we proceed with the development of our offshore and the tremendous opportunities that exist.

A couple of points that were raised, Mr. Speaker, during discussion – and it will only take a minute – particularly around the C-NLOPB and the resources to be able to do the work. I can assure the people of the Province that they have the human and financial resources to do this. They make submissions for their budget every year to the provincial and federal governments around their legislative mandates. So they will have the resources to do this kind of work. They take it very seriously as well.

Mr. Speaker, with respect to monetary penalties, we are mirroring what is happening with the National Energy Board. To reiterate, it is not about the penalty, it is about the fact that you have to be compliant. If you are not, there is a fine. Not only that, you get acknowledged, publicly as well, which is not something these companies want to do with respect to their reputations and so on. It is just an added incentive, recognizing that the Criminal Code and other acts are what will obviously be the types of legislation that will be applied to more serious incidents.

The other piece I would like to say is that the Member for Signal Hill- Quidi Vidi is somewhat critical, Mr. Speaker. She made a comment about consultations. I just want to point out that the Standing Committee did have representations from unions and environmental groups. Ecojustice was asked for input.

I will say to her as well, Mr. Speaker, I would expect that the environmental groups and unions will be consulted around the regulations as they are developed. So there will be opportunities for input. It is a fair point to raise. It is also important to provide some opportunity for input and that is what certainly has occurred here.

With that, Mr. Speaker, I appreciate their input. I think we are going to have a strong piece of legislation going forward for the development of our offshore.

Thank you.

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

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Contra-minded, 'nay.'

Carried.

CLERK: An Act To Amend The Canada-Newfoundland And Labrador Atlantic Accord Implementation Newfoundland And Labrador Act. (Bill 2)

MR. SPEAKER: This bill has been read the second time.

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

MR. KING: Tomorrow.

MR. SPEAKER: Tomorrow.

On motion, a bill, "An Act To Amend The Canada-Newfoundland And Labrador Atlantic Accord Implementation Newfoundland And Labrador Act," read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill 2)

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

MR. KING: Thank you, Mr. Speaker.

At this time, I would like to call Motion 1, that the House approves in general the budgetary policy of the government, the Budget Speech.

MR. SPEAKER: I recognize the hon. the Member for Signal Hill – Quidi Vidi.

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

I am really pleased to be able to stand again in this House and speak to the Budget as we now speak to the main motion. The main motion, of course, is the approval of the Budget.

As is no secret, we have a lot of concerns about this Budget. I find it very interesting that the government calls this Budget Balancing Choices for a Promising Future. I look at that and I think choices for whom? I looked at the word balancing. Balancing for whom? I looked at

promising future and I have to think promising future for whom?

When I read this Budget, when I look at the decisions that are in the Budget, when I look at the financial and fiscal hole that this government has put us into – something they are now asking everybody in the Province to bear the brunt of because we have no choice – I say it certainly is not balanced. It certainly is not a Budget of choices. That is for the ordinary people of this Province. There is absolutely no doubt of that, Mr. Speaker.

Let's look at some of the things that are in this Budget that we have referred to a number of times now, and I think we have to refer to them again. I know they certainly are issues for the people in my district, and they are certainly things that people have talked to me about.

One of the big ones, Mr. Speaker, is the reinstatement of the provincial HST on home heating. It was so important when this government brought in the Residential Energy Rebate, and the fact that people would pay the HST, but right there on our bills we see the rebate of the provincial portion of the HST.

That was such a break for people in this Province, such an important break in a Province where for so many months of the year people have to have heat on in their homes – we can be in June and have to have heat on in our homes – in a Province with a growing and aging population where you have more and more people living on fixed incomes, where you have senior citizens who are living on very, very small pensions if they are lucky enough to have them, whether those pensions are private pensions or public pensions.

You have many senior citizens, especially women, who may not have worked outside of the home. So not only do they not have CPP – or they may have CPP, a small CPP as a survivor of somebody, of a husband or a wife who had CPP – they are living in poverty and close to poverty. That number is growing in our Province though this government seems to ignore it.

For the people like that, Mr. Speaker, not having to pay the provincial portion of the HST on their

home heating was a major thing. It was so good when the government finally listened to us, because it is a position that we have held for years, and put it in place. It was so important that they did that.

What is this Budget doing? This Budget is taking it away, Mr. Speaker. Not only is that happening, we have a 2 per cent increase on our HST in general. Not only are people having to accept the fact that they are no longer getting the rebate, they are also having to pay an extra 2 per cent now on HST, which means 2 per cent on their home energy, 2 per cent on their electricity, and 2 per cent more on their oil, whatever it is that they use for their home heating.

This cumulative effect is really going to be hard on low-income people, Mr. Speaker. Not just on people on Income Support, but very often people whom we call the working poor, people who are working on a minimum wage that is not going up in any appreciable way.

The small increase that is going to happen in the fall will do nothing to counteract what is happening. This government refused to accept the recommendations of the committee they put in place. It refused to bring minimum wage up to a point where people would not be working and living in poverty. They refused to accept the recommendation that they bring the minimum wage up and then every year have a cost-of-living increase in it. Mr. Speaker, this Budget is not dealing with that. This Budget has done nothing to help low-income and even low-middle-income people. As a matter of fact, it is adding to their pain.

Let's look at some of the other things that are in here. They have made choices and balanced their Budget on the backs of middle-income and low-income people when it comes to the cost of energy. Who else are they balancing their Budget on? Who else have the backs that have to bear what this government is doing?

What is happening with our students? The tuition hikes are being brought in by the university because of this government's decision to not give \$20 million to the university that they were giving. The university is making decisions that this government directed them to make, which are, again, decisions on the back of

people, decisions on the back of students, Mr. Speaker. Balanced on their backs, that is what this Budget is.

So we have graduate students, international students, and students in the medical school all facing immense increases in their tuition. Then not only that, on top of that the fees in residences are going to be increased as well by \$500 a semester. For a two-semester year that is \$1,000. Not only if you are a rural student, for example, and your tuition has been increased and you are living in residence, then you are really being hit by what they are doing. They are doing it callously. It is like they think people are not paying attention, that people are dumb or something, that they do not understand how this is impacting them.

Yet, Mr. Speaker, the Canadian Federation of Students at the university has a petition they are circulating. I have a copy of that petition. The things they have in it are really important. Some of their main points are extremely important. They talk about that the tuition increase will undermine the Province's ability to counter out-migration and population decline, and to attract and retain a skilled and educated workforce. They know. They are dealing with this. They have the statistics. They are studying this. They are analyzing it.

We had an example just this morning. I heard in the news that this week's graduating class at Memorial University, from the faculty that trains our teachers – half the teachers who graduated last year, half the number. What was the reason given? Well, the Faculty of Education is taking less students. Why is that? It is because there is not a demand. Why is there not a demand? Because this government is not making the decisions around the educational system that they need to make.

There is not a demand, one, because right now, this year they are cutting 77.5, I think, positions from our educational system. They have continually been causing cuts to the educational system. We have an outmoded formula for pupil-to-teacher ratio. We do not have enough specialists. If they were to seriously meet the needs of our educational system we would have more teachers needed, and we would not have

young people now not being able to choose education as the way they want to go.

Even if we look at their inclusion policy; their inclusion policy does not put in place the resources that are needed to have children of every particular need who might be in the same classroom. Whatever the need is, they are all in the same classroom together all day long without the resources to help either the children with the need, or anybody else in that classroom, including the teacher who is in that classroom. They are completely creating a mess in our educational system and now we have fewer teachers being graduated at the university.

What else does the Canadian Federation of Students say? They say that a fee increase for students living in on-campus residences – which I have spoken to – will have a disproportionate impact on students from rural Newfoundland and Labrador. We are trying to build up rural Newfoundland and Labrador, but here we are cutting down on the number of teachers who are graduating. What else are we doing?

We are also going to have a tuition raise in the medical school. That has not been announced yet, but I understand it is a hefty one. One of the things that have been happening in this Province, which is good, is that we have been having more Newfoundlanders and Labradorians graduating from the school of medicine. They are going back to their communities, if not directly to their individual community, at least to the region of their communities.

I was impressed, for example, when I was on the West Coast last year spending some time in the by-election, meeting two or three young doctors who were from there delighted that they can go back home. Well I think that the big hike in the tuition fee at the school of medicine is going to have an impact on that, Mr. Speaker. It is definitely going to have an impact on our having homegrown medical professionals out around this Province. So this is what they are doing. They are really attacking the young people of our Province.

What else about the tuition fees that are going to be difficult? The tuition fee increases will make it more difficult for people to obtain a post-secondary education here in the Province,

further hindering our economic recovery. Is that what we want? They are saying that we have an economic mess and they are trying to fix it. Well they are certainly not fixing it by making it more difficult for our young people to go to university. They are not fixing it by making life more difficult for low-income and middle-income people through the changes to the home heating expenses that they have.

So let's look at some of the other things that they have done; what I am calling death by attrition, the death to positions in our public sector. When you look at the sheet that the Department of Finance has in their briefing document for the Budget we see that just this year eighty-seven positions will be gone from the different departments of government. What is it saving, \$5.2 million. Mr. Speaker, \$5.2 million is a pittance. What is going to happen? It is not going to affect the attrition issue. It is not going to affect the workers who are retiring. It is not going to affect those who are leaving. What is going to happen is it is going to affect the people who are depending on services from the government.

You take AES, for example. Last night we had the Estimates for AES, our final Estimates. We found that there will be nine positions gone this year. Then every year from here on that will happen again over the five years. The concern I have is – the minister, last night, said something that I really agreed with, that he was the minister of the department that was the department which directly took care of people. That is true. It really does.

It is not giving its money to somebody else to do the work. It is not passing money onto health care and the work of health care is being done by Eastern Health or Western or Central. That department itself is a department that gives out Income Support to people who are in dire straits for whatever reason, illness, or have lost jobs, and they are beyond Employment Insurance or whatever. They take care of those people.

They take care of people with disabilities. They take care, among those Income Support people, of seniors. They do take care of people. I found it very moving the way the minister spoke about that and saw his responsibility. What is going to happen if over the next five years we have over

forty positions gone in AES? Where are those positions coming from? No individual is losing a job because they are retiring, but what is going to be the impact of having that many positions gone over five years in AES alone? That is who they are making their decisions about, Mr. Speaker. It is on the backs of the people who they are making the decisions, so some balance.

They did something that looked very good and that was the tax adjustments. I have the sheet in front of me. They created two more brackets which was really good. It is something I have been looking at for quite a while now and saying we have to have increased tax brackets. This government finally did it and I was glad to see it. Up to incomes of \$125,000 over the next four years there will be no changes in the rate of the income tax. So for the lowest bracket it is 7.7 per cent and the lowest bracket, which is an income of zero to \$35,000. Actually, a lot of people in that bracket do not pay tax, and that is a reality because all of their income is used up and under the tax laws they basically end up not having money that can be taxed.

The second tax bracket goes up to \$70,000 and they will be paying 12.5 per cent; the third bracket goes up to \$125,000 and they will be paying 13.3 per cent for the next two years. Then when you get into the fourth, they will start at 13.3 per cent. The fourth bracket is \$125,000 to \$175,000. They will be paying 13.3 per cent. Then the next tax year they will pay 13.8 per cent, and in 2016 they will pay 14.3 per cent.

That is fair enough. In this day and age, there are some people who are raising a family of two on \$35,000 and there are others raising a family of two on \$100,000 and both saying they do not have enough money. It is an interesting dynamic, money, and how we spend money and how far money can go.

Let's look at the fifth bracket: income earners over \$175,000, and that goes all the way up to millionaires; they currently pay 13.3 per cent; the next tax bracket, the tax bracket for this year that we are in, they are only going up 1 per cent to 14.3, and then in 2016 they may go up to 15.3 per cent.

We have this tax bracket of the real high earners in our Province and this government lost the opportunity to get a few more bucks from them because 15.3 per cent pales in comparison to some other provinces. Nova Scotia, Ontario, Manitoba, many of the provinces have rates of over 20 per cent for their top bracket. Why didn't this government do that? Why didn't they say okay, now that we have created a bracket which is really the high earners, why don't we really take money from the high earners?

For example, a person who has a taxable income of \$200,000 – which is not what they make, it is only the taxable income – they will only have an increase of \$1,000 on their tax bill. That is a pittance for them, Mr. Speaker. It is half a percentage point. This government lost an opportunity to really balance. They say they have a balanced Budget and are balancing choices for a promising future. They have promised nothing to low-income people, they have promised nothing to middle-income people, and they have said to the others that is okay, you go away.

They did not even look at the taxation for the large corporations. Yes, they have raised slightly the tax for financial institutions, but we have huge corporations out there in mining and oil and gas and in other ways that do not even have to worry about whether or not their tax is going up.

Mr. Speaker, this government wants us to vote for this? We obviously cannot vote for this Budget. This is not a Budget for the people of this Province. This is a Budget to deal with the mess that they have created, and we will not support it.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Verge): The hon. the Attorney General.

SOME HON. MEMBERS: Hear, hear!

MR. F. COLLINS: Thank you, Mr. Speaker.

Mr. Speaker, it is always interesting to hear the Third Party respond to our Budget and our

programs. I have difficulty understanding really where they come from most of the time. They speak in terms of a utopia out there that government is responsible for to be all things to all people. I do not know how they can justify that.

They criticize us on balancing the books and balancing our Budget on the backs of poor people. They always take that position. There should be no such things as food banks. There should be no such things as poor housing. There should be no such things as poverty.

Mr. Speaker, granted, it is our responsibility to try to alleviate these things as much as possible. It would be great to get to the position where we could say in this world there is no such thing as food banks anymore, there is no such thing as poverty, and there is no such thing as people without housing. They talk about a utopia that we have to provide. We have to be all things to all people.

When we do come up with a program or do come up with something good, then they take credit for it. It was our idea – it was our idea. It is always interesting to listen to the spin they put on it, but I am not going to spend too much time talking about it today.

Mr. Speaker, this is the debate now on the main motion on the Budget. I spoke on the sub-amendment and I have spoken on the amendment. Today I will get a chance to speak on the main motion itself. Everything that I would say today undoubtedly has been said already because we have been debating this now for a number of weeks. It is pretty hard to come up with some new stuff. There is a message to be given. The Opposition has a message that they are trying to deliver and, obviously, we have a message that we want to deliver.

I mentioned the last time I spoke that I did not notice a great human cry in the public about our Budget. I did not notice a grand agitation on the part of the public towards what we were doing. I think the Opposition senses that as well, so they changed their tactics. They came with an approach of criticizing our spending practices over the last ten years. That is all they have done for the last number of weeks is criticize our spending practices. We have heard the jargon

and the term of squandering the money; \$20 billion of money that we wasted.

We came through a time in this Province, the richest time in our history, when we had more money available to us than in other time in our history. They are saying because of that we should be in a great place today, with all kinds of money in the bank for rainy days. We should be in a great place because of all the access to money that we had. That is what they are saying. It is basically an attack on our spending practices.

They are saying that instead of doing that, we squandered all the money. We spent like drunken sailors and today we are in a mess. That is the best they can come up with. I suggest, Mr. Speaker, that is a feeble attempt to criticize our spending practices. They said we should have put money away for a rainy day and we should not be in this mess.

We should have not spent \$6 billion or \$8 billion on roads and bridges and schools and hospitals and ferries and so on. As a matter of fact, today the Minister of Transportation in a Ministerial Statement mentioned that we are going to be purchasing some asphalt recycling machines. I hope he puts them all in my district, by the way. One of the responses from the other side was: We would not have needed those machines if you had put enough money in the roads to start with. What a contradiction – we would not need these recycling machines if we had put money in the roads and kept them up the way we were supposed to.

They constantly refer to the state of our roads and our bridges in the Province. They talk about the Auditor General's report about bridges. They criticized use for that; we should be spending more money to fix up our bridges. On one side they are saying we wasted all this money on infrastructure and then the next argument they are saying we should have spent a lot more.

We got all kinds of bridges in the Province that needs work. I am happy to say, in my district, we got a lot of work done on bridges. There is a new bridge on Peter's River. We placed a new bridge in O'Donnells. We placed a new bridge in Colinet. We rehabilitated four bridges from

North Harbour to Branch. We did a new bridge in fall river bridge in Fox Harbour. We built a big bridge, of course, in Placentia – it is still on the go.

We spent money on bridges, but we need to spend a lot more money on bridges. We need to spend billions more on bridges. We are doing a bridge now in O'Donnells in St. Mary's Bay – \$3 million – that is the bridge across the river in O'Donnells. For \$3 million you could lay a lot of asphalt, but the bridge has to be done.

When we talk about wasting money and squandering money – \$20 billion – we could have spent another \$20 billion and still have work to be done. I fail to understand that argument. On one side you could say we wasted so much money and we had access to all of this money. So, today, we should have had a kicker in the bank to get us through the bad times. Well, we had some bad times. When we came in 2003 – how about a rainy day? It was pouring in 2003, in terms of infrastructure.

It is not enough, Mr. Speaker, to criticize us for spending money and then say we should have spent a lot more. We should have spent a lot more and could have spent a lot more, if we had it. We get criticism because we have not started the Corner Brook hospital. We get criticized because we are not building the Waterford Hospital. We get criticized because we are not building a new HMP, Her Majesty's Penitentiary. We are criticized because we are not building a new court precinct in St. John's; we have not started one in Stephenville. We are criticized because we do not have broadband services everywhere.

Every day we get petitions on cellphone coverage from the other side, and on and on and on it goes. We need these things. We need these services. We need this infrastructure. We cannot afford to build it. So if we had another \$20 billion, yes, we would spend it. Why wouldn't we? We have to spend it.

I think the Opposition parties – both of them – recognize the need for more infrastructure spending in spite of what they are saying about us wasting money.

We need more services and we need to address the issues that the NDP raises about poverty, about housing, and poor people. This all means money. It is all about money. When you have it, Mr. Speaker, it is great. The more you have the better. When you do not have it, you have problems. We would like to have a lot more.

So in spite of the billions that we spent, we could spend billions more. I wish we had billions more so I could spend more in my district, I tell you that. I would like to spend a million more. We need more schools because our situation is changing now. We are going from the situation we had in the earlier days of mould and so on, now it is a capacity issue. Now we need more schools on the Northeast Avalon. We have students coming out through the seams. We need more schools. We cannot build them all. We need more hospitals and clinics.

We need more long-term beds. Every day we hear complaints about the need for long-term beds, about people lying on stretchers in corridors, of not being able to get acute care beds because they are occupied by long-term care patients. We have heard it every day. We need long-term care beds.

We need roads. Come to my district if you want to see road problems. I have 540 kilometres of road in my district, Mr. Speaker. It is probably more than any other district in the Province. I do not have a main road. Lots of districts have a main road going right through the district. If you do two or three kilometers this year, two or three kilometers next year, and ten kilometers the next year, then you are addressing the main road that everybody uses so everybody benefits from it.

Mr. Speaker, I can put a million dollars into a road in St. Mary's Bay and it means nothing to the people in Whitbourne. I can put a million dollars into the roads in Placentia and it means nothing to the people in St. Mary's Bay and vice versa. That is the nature of my district. It is a challenge to try to have a presence throughout the district.

We made a great start, but that is all we have done. We have so much more to do. We were so fortunate, Mr. Speaker, to have the money at

the right time. When we came in 2003 we did not have a cent, not a penny. We had crumbling infrastructure and people leaving in droves.

I can remember going to Placentia, my hometown, and setting up a law practice there in the late 1990s. At night, you had to look twice to see a car passing because there was nothing going on. Infrastructure was crumbling and businesses were boarded up. It is a different story today, Mr. Speaker.

We were so fortunate to have the money at that time so we could spend it and rebuild this Province. We built it and we rebuilt it. We spent billions. We did it because we had to and we need to do so much more. That is why I do not understand the argument. I do not think the people out there buy the argument that we squandered all that money and did nothing with it. I do not believe that. I do not believe that for a minute.

Their job is to criticize us and to hold our feet to the fire. That is a noble effort. The Opposition that is what they are all about. They have to criticize us. They have to keep our feet to the fire. That is the role of the Opposition. Given the state of the Province that we were in, in 2003-2004, we were so fortunate to be able to get the money when we did and be able to do so much with it. The criticism of that, I think, is a feeble attempt to criticize the Budget.

I mentioned that we have 540 kilometres of road in my district. The minister today spoke about what caused the potholes to form this time of year. I dread this time of year. I dread the spring because in the spring the potholes come. In my district, boy, they come. They come by the thousands. At least when the winter comes the potholes are covered up. In my district, the potholes are there and the roads are there. Anybody who drives over it knows what they are like. When you have 540 kilometres of it, Mr. Speaker, a million dollars does not go very far.

I cannot complain about the money that went into my district from the Department of Transportation. Probably more money went into my district in transportation than a lot, but when you have 540 kilometres of road you need a lot of money to take care of your needs.

I hear the people over on the other side every day with their petitions about roadwork. I understand what it is like. In an election time, Mr. Speaker, you knock on doors and you can talk to people about the deficit reduction. You can talk to people about health care. You can talk to people about a lot of things. They are waiting for you to shut up so they can ask you the question: When are you going to fix my road? Roads mean so much.

I am grateful to the Department of Transportation for the attention that has been given to roads and bridges in my district. It is like I said earlier, we have done so much, but we need to do so much more. Mr. Speaker, \$20 billion – give us another \$20 billion and we will squander that, I say.

Mr. Speaker, I want to speak about Municipal Capital Works for a minute. I am going to go to my district – Municipal Capital Works. I see what we have done in those communities. I see what we have done in St. Mary's in terms of water and sewer improvements; and Gaskiers-Point La Haye, Riverhead, Colinet and Admiral's Beach, the money that has been put into water and sewer improvements, in wells and pumps and delivery systems. I see the work that is going on in Branch and St. Bride's in water improvements. It is all necessary stuff, but it is not finished by a long shot. More needs to be done.

In Placentia, I can build up millions of dollars that have been spent. A new state-of-the-art school, a new Arts and Culture Centre, a new bridge, street improvements, the regatta site has been improved, investments in health care, and on and on it goes. We could spend a lot more.

AN HON. MEMBER: Is that a waste? No.

MR. F. COLLINS: Is that a waste? You tell me. I do not think it is a waste.

Broadband service, Mr. Speaker, when I came into my district ten years ago there were places in my district that I never envisaged that would have high-speed Internet. It would never happen. They were too isolated, too far removed from the main cables and so on. At that time, you had to have service by cable to get Internet service.

Down in Admiral's Beach, O'Donnells, St. Joseph's, Branch, Point Lance, Cape Shore – never see it as long as I lived. Mr. Speaker, that is not the case today. We still have some glitches in the St. Mary's Bay area and trying to work out the difficulties, but now we have the district serviced, almost totally, with broadband services, and with three or four other communities to be finished this year.

When I knocked on doors in my first election there were two main issues: transportation and communication. We work on them every year and every day. I go down to Long Harbour-Mount Arlington Heights and the billions of dollars spent in water systems; \$2 million for a new industrial park that will provide jobs after the construction phase of Vale is finished.

I go to Whitbourne and I see the money put into water improvements and in the arena. I see fire trucks in Whitbourne, St. Bride's, and St. Joseph's. This is money that we spent. Was it wasted? The people in those communities will not tell you that.

There is so much more to do, though. My agenda when I came in ten years ago was when I left politics, I wanted to see all my roads done. Mr. Speaker, I could never be elected long enough to get it done. I only realized that in the last three or four years. I will never live long enough to get them done.

This year we are in the second year of a very important project in my district. From Placentia to St. Mary's Bay we are opening up the road that one time was the main thoroughfare to St. John's. When we opened up the Argentia Access Road in the 1960s, it gave Placentia people direct access to the Trans-Canada Highway and onto St. John's. We abandoned the road from Placentia to St. Mary's Bay. Now that road becomes significant for a whole lot of reasons: tourism; people from St. Mary's Bay working in Argentia and Long Harbour; they need to go back and forth for services, shopping, and medical needs and so on. Mr. Speaker, I am proud to say that before I leave this position we will have that road reopened and redone from Placentia to St. Mary's Bay.

SOME HON. MEMBERS: Hear, hear!

MR. F. COLLINS: That is going to bring significant traffic into St. Mary's Bay. It will be great for tourism; we have some great sites along the way that will be opened up, Mr. Speaker. As far as roads are concerned that will be one thing that I will be very proud of.

I could go into a list, Mr. Speaker, repairs to town halls, recreation centres, playgrounds, and ball fields and so on. The list is endless. The argument over there, the response to the Budget, has been simply to criticize spending practices. Talk to the people in my district about spending practices –

AN HON. MEMBER: It is ridiculous.

MR. F. COLLINS: It is a feeble attempt to attack the Budget.

Mr. Speaker, I am going to clue up on that. We spent a lot of money. We were so fortunate to have the money to spend. We were so fortunate to have it at the time we had it and to do the things that we could do, not only in our district, Opposition districts as well. We were so fortunate to be able to do it when we did. When we had the money to do it, we did it and we had to do it. We do not have the money to do it now. We cannot do it like we did. We will in the future, it will come again; but, right now, we have to cut our garment according to our cloth, and that is what we are doing with a balanced, measured approach that speaks best for this Province of Newfoundland and Labrador.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. KING: Thank you, Mr. Speaker.

Given the hour of the day I would like to wish all members a good weekend and I move, seconded by the Minister of Finance and President of Treasury Board, that the House do now adjourn.

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

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

The House 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.