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Speaker: Honourable Tom Osborne, MHA

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The House met at 1:30 p.m.

MR. SPEAKER (Osborne): Order, please!

Admit strangers.

The hon. the Member for St. John's East – Quidi Vidi.

MS. MICHAEL: Thank you, Mr. Speaker.

I rise to raise a point of privilege on a matter of contempt of the House of Assembly. I am raising this point at the earliest opportunity, having only become aware of Ed Martin's statement late yesterday afternoon.

Precedence: "Contempt of Parliament is any action which may obstruct or impede the House in its functions or Members or Officers of the House in the discharge of their (Parliamentary) duties or which is an offence against the authority or dignity of the House."

Mr. Speaker, I intend today to rise on a point of privilege on what I believe is the Premier's contempt of this House by deliberately giving inconsistent and misleading statements –

MR. SPEAKER: Order, please!

The point being raised by the Member for St. John's East – Quidi Vidi is not in order, "because until admitted or so found by the House, as the case may be, such allegations are unparliamentary and cannot be uttered" in this House. I refer the Member to page 241 of Maingot which is *Parliamentary Privilege in Canada*.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

I would like to welcome to the Speaker's gallery, former member of the House of Assembly and former federal Cabinet Minister John Efford. I believe I saw his wife Madonna with him as well.

Welcome.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: I also recognize – I'm hoping I'm pronouncing your name properly – Sandra Pupatello, who is the former minister in Ontario and wife of former member of the House, Jim Bennett.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Also today, we welcome a new Page with us, Heather Elliott. Heather is currently studying International Business at Memorial University.

SOME HON. MEMBERS: Hear, hear!

Statements by Members

MR. SPEAKER: For Members' statements today we have the Members for the Districts of Terra Nova, Ferryland, Topsail – Paradise, Bonavista and Placentia West – Bellevue.

The hon. the Member for the District of Terra Nova.

MR. HOLLOWAY: Mr. Speaker, I rise in this hon. House today to recognize a long-time volunteer and community leader, Mr. Douglas M. Thomas of Hodge's Cove.

At the age of 15 years, with less than a grade nine education, Doug left home and worked at various jobs in St. John's and Terra Nova in support of his family. At age 18, Doug began working with the Iron Ore Company of Canada in Carol Lake, Labrador. In 1993, at age 49, Doug returned home and started a tour boat operation in an effort to capitalize on the Hibernia construction project.

Doug joined the Local Services District Committee in 1997 and started the new dock and marine facility which, today, is known as one of the best small boat harbours in the province. In 1998, Doug became chairperson and has held this position for 18 years. Through Doug's leadership, the LSD Committee has sponsored projects from Hatchet Cove to Southport, helping hundreds of individuals secure employment. The Local Services District also sponsors one of the finest volunteer fire departments in the province.

I ask all hon. Members to join me in congratulating Mr. Douglas M. Thomas for his invaluable contributions as a volunteer and community leader.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for the District of Ferryland.

MR. HUTCHINGS: Thank you, Mr. Speaker.

I rise in this hon. House today to recognize the coaches and volunteers of the Southern Shore and Goulds Minor Hockey Associations. I would like to take this opportunity to thank and recognize the entire group of volunteers who unselfishly devote their time to our youth. Being a hockey coach and volunteer indeed requires many hours.

The youth in my district have been very successful in the 2015-2016 hockey season; they have won many banners and medals over the past number of years as well. The youth's success in the sport is a reflection of relentless hours of coaching. Without our many coaches and volunteers, our hockey leagues would not be such a huge success.

I had the opportunity to experience this for myself when I attended the opening ceremonies in the Gould's Arena for the Bantam "G" and also the Southern Shore Arena for the Peewee Provincial Tournaments that were held in my district this past Easter.

I would like to ask all Members of this hon. House to join me in congratulating the coaches and volunteers of the Goulds and Southern Shore Hockey Associations for the wonderful work they do and have done.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for the District of Topsail – Paradise.

MR. P. DAVIS: Thank you, Mr. Speaker.

This past Saturday, May 28, I had the pleasure of attending the 43rd Annual Conception Bay

South Fire Department Firefighters' Ball, along with the Members for Conception Bay and South and Harbour Main.

At the time the Conception Bay South Fire Department was formed in 1973, it was totally a volunteer service. Over the years, the department continued to expand and has become a composite service, operating with a combination of career and volunteer firefighters providing safety for over 25,000 citizens of the town.

To date, the CBS Fire Department has responded to 350 calls for assistance and, in 2015, they responded to 846 calls for assistance ranging from fires, rescue, emergency medical service, hazardous conditions, service calls and good-intent calls.

At the annual firefighters' ball this past weekend, several members were recognized for their outstanding work and dedication. Along with the approximately two dozen firefighters receiving service honours, I had the honour of presenting Fire Chief John Heffernan with his 25-year Provincial Service Bar.

Mr. Speaker, I ask all Members to join me in congratulating and extending best wishes to each and every member of the CBS Fire Department and thank them for their dedication, their hard work and commitment to ensuring the safety of the citizens of Conception Bay South.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for the District of Bonavista.

MR. KING: Thank you, Mr. Speaker.

I am honoured to stand here today to recognize the 2016 high school graduates from the District of Bonavista. Level III students representing five schools, four in my district and one in the District of Terra Nova, recently held their graduation festivities. I was fortunate to attend all four graduations within the District of Bonavista.

On May 13, Bishop White School in Port Rexton and St. Mark's school in King's Cove held their ceremonies. May 14 saw Heritage Collegiate in Lethbridge host their celebration. This past Friday, May 27, saw my former high school Discovery Collegiate celebrate their 13 years of hard work.

I'd be remiss if I didn't mention Clarendville High who held their graduation earlier this month. Even though not located in my district, students from the LSD of George's Brook-Milton, up through Smith Sound to Burgoyne's Cove, call this school home.

The highlight of any graduation ceremony is the valedictory address. This address is given by the top student and is a message of hope for the future. After attending the ceremonies and talking to many of the students, the future is certainly bright.

Please join me in congratulating these young women and men.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Placentia West – Bellevue.

MR. BROWNE: Thank you, Mr. Speaker.

I rise today to congratulate the outstanding young men and women of the Burin Peninsula Youth Choirs. The Pearce Junior High School Choir and the Burin Peninsula Youth Choir recently took part in the Atlantic Festival of Music in London, Ontario. They joined 15 other elite groups of performers from across the country to compete at the national level.

Under the direction of Ms. Amanda Hollett, who is also a music teacher at Pearce Junior High and a former teacher of mine, the Pearce Junior High School Choir returned home with a gold medal standing in their division. The Burin Peninsula Youth Choir received a silver medal in their division; and Emilee Farrell, a student at Pearce, received recognition as an outstanding soloist, which she is.

These performers worked tirelessly each week in preparation for such competitions, and it is clear to see their hard work and talent has paid off.

I ask all hon. Members to join me in congratulating the Burin Peninsula Youth Choirs on their success and to thank Ms. Amanda Hollett for her unwavering dedication to these groups.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: It has been brought to my attention that Councillor Tom Hann is in our public gallery as well. We welcome Councillor Hann.

While I can see Councillor Hann, I don't see former Councillor Galgay, but I understand he's also in the gallery – there he is.

Welcome.

SOME HON. MEMBERS: Hear, hear!

The Commemoration of the First World War and the Battle of Beaumont-Hamel

MR. SPEAKER: For Honour 100 today we have the Member for the District of St. John's Centre.

MS. ROGERS: I will now read into the record the following 40 names of those who lost their lives in the First World War in the Royal Newfoundland Regiment, the Royal Newfoundland Naval Reserve or the Newfoundland Mercantile Marine. This will be followed by a moment of silence.

Lest we forget: John Charles Snelgrove, Charles Snow, Douglas K. Snow, Frederick E. Snow, Hardy Frederick Snow, John S. Snow, Joseph Snow, Levi J. Snow, Randell Joseph Snow, William Snow, Frederick Charles Somerton, Herbert Somerton, Peter Somerton, Morley Soper, Thomas Southcott, George Joseph Sparkes, Samuel Sparkes, Stephen Sparkes, Wesley Sparkes, Eli Sparks, H. Bennett Spencer, Herbert Maxwell Spencer, E. J. Spracklin, Thomas Spracklin, Frank J. Spurrell, Richard Spurrell, Walter J. Spurrell, Josiah Squibb, Cecil A. Squires, Ephraim Squires, Fred Squires, John Squires, John Squires, Kader Squires, Richard J. Squires, William St. Croix, Alfred J. Stacey,

Harold A. Stanley, Edward G. Starks, Jabez Stead.

(Moment of silence.)

MR. SPEAKER: Please be seated.

Statements by Ministers.

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MR. SPEAKER: The hon. the Minister of Business, Tourism, Culture and Rural Development.

MR. MITCHELMORE: Mr. Speaker, I am pleased to rise in this House today to recognize Tourism Awareness Week in our province from May 29 to June 4, 2016.

Mr. Speaker, our tourism industry generates a billion dollars in visitor spending each year and is an important part of our government's plan to diversify and grow the economy throughout the province. There are approximately 2,500 businesses in the province's tourism sector, of which 82 per cent are small businesses, creating an estimated 18,000 jobs.

As we see the continued growth of our tourism industry, we see new opportunities for businesses throughout the province. We are working with tourism businesses, craft producers and retailers, and arts and heritage organizations to ensure our products and experiences meet the demand and expectation of visitors to our province.

Newfoundland and Labrador has become a leading tourism destination, offering authentic experiences to showcase our heritage, pristine natural environment and our people. We understand the importance of investing in tourism marketing as a way to further grow the industry and we are investing \$13 million in tourism marketing this year.

Mr. Speaker, throughout the week I will be highlighting some of the ways our government is supporting the tourism and cultural industries and furthering growth. I invite all Members to join me in celebrating the success of our tourism industry and its continued potential in our province.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. KENT: Thank you, Mr. Speaker.

I thank the minister for the advance copy of his statement this afternoon. We'd like to recognize May 29 to June 4 as tourism week in our province and throughout the entire country, and also acknowledge the success of the sector.

I would also like to recognize Hospitality Newfoundland and Labrador, along with many tourism operators, for their work in helping to make our province a highly attractive tourism destination for many.

Tourism is a significant economic generator in the province. It's unfortunate that because of the budget choices of this Liberal government, these economic activities are being put at risk. With increases in gas tax, aviation fuel, insurance costs, various fee increases, Newfoundland and Labrador will be more expensive to tourists. Many of the small- and medium-size businesses who operate within this industry will also feel these impacts.

MR. SPEAKER: Order, please!

MR. KENT: It's disappointing that this government has made choices that are detrimental to the economy, Mr. Speaker.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MS. ROGERS: Thank you, Mr. Speaker.

I thank the minister for an advance copy of his statement. Our tourism industry is a great treasure, and congratulations to those who have built this industry. While it is great to hear the minister talk about the synergies between tourism, crafts and culture, government must invest in artistic creation and product

development that will make tourism a sustainable industry.

Tourism relies on good infrastructure, yet this government cut \$200 million from the infrastructure budget.

MR. SPEAKER: Order, please!

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

MR. SPEAKER: Further statements by ministers?

Oral Questions.

Oral Questions

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

MR. P. DAVIS: Thank you, Mr. Speaker.

On May 18, the Premier made a commitment to the people of the province that he would provide no less than 24 hours' notice to the people when they were going to call the budget vote.

Premier: Are you going to stand by that commitment?

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

MR. A. PARSONS: Mr. Speaker, I have in my hand a copy of an email sent yesterday at 10:34 a.m. to the Opposition House Leader as well as the House Leader of the Third Party, which was clearly more than 24 hours' notice provided to Members opposite, and certainly more notice than we were ever given when we sat on that side of the House.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Thank you, Mr. Speaker.

I remind the Premier that on May 18 the question was asked here in the House, and I'm reading from Hansard, "Will you provide, say, more than 24 hours' notice to the public to let them know when the budget vote will take place?" And the answer was, "Yes, of course"

So, Premier, will you provide that notice?

SOME HON. MEMBERS: Hear, hear!

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

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

Certainly, the Opposition's job is to ask questions on behalf of the public. That's something they say they've been doing in this House for some time. They were given notice of this, more than 24 hours' notice. More notice than they ever gave to us. So again, I don't know what else we're supposed to do here. They had this information; they chose not to share it. I don't know what else we're supposed to do.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Mr. Speaker, this is not difficult. This is not about blaming people. This is not about who did what and what happened in the past. It's not about this. What happened was we asked a question directly to the Premier, whose answer was, "Yes, of course...." The question was: Will you notify the public?

Premier: Is this another commitment you're going against?

SOME HON. MEMBERS: Hear, hear!

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

MR. A. PARSONS: Mr. Speaker, I don't know how to make it any clearer to the Leader of the Official Opposition that his House Leader and his staff were given notice yesterday morning,

far more than 24 hours' notice. They've had this information and chose not to say anything. Again, this is more notice than they ever provided in any year they were ever in government.

So again, if they want to keep asking, I don't know what else we're supposed to do. We've certainly gone above and beyond anything they ever did, and it's more than 24 hours' notice.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Thank you, Mr. Speaker.

As the caucus applauds, the Premier is going against another commitment he made here in the House of Assembly to the people of the province – not to us, to the people of Newfoundland and Labrador, Mr. Speaker.

Yesterday, May 30, here in the House of Assembly, the Premier said that the documentation involving the severance matter had all been passed over to the Auditor General. According to a *Telegram* story released just a short time ago, it indicates the Auditor General hasn't seen any of the documentation.

So I ask the Premier: Have you passed over the documentation to the Auditor General or have you not?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

Well, what I understand of it, the documentation that will be passed over to the Auditor General is that the Clerk is now putting this together. I understand the Auditor General was out of town, he is now back in town. The Clerk and the staff are putting this information all together and that will be passed over to the Auditor General for him to view.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: So, Mr. Speaker, this is another example of why we have to continue to ask and probe questions. Eight times yesterday – no less than eight times yesterday – the Premier stood in his place here and said the information had been passed over. Now we find out today that it hasn't.

Mr. Speaker, I'll ask the Premier this. In the story that was released a short time ago from *The Telegram*, the Auditor General has said that the public controversy and discussion is not prejudicing and will not prejudice the work that he has to do.

So I'll ask the Premier: Knowing the Auditor General feels that way, will you now table the documents that you previously committed to table right here in the House of Assembly?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

My understanding of the Auditor General's comments is what he is suggesting is about what we are seeing now in the public commentary around this issue that we've asked him to review. Lots of the information of course right now is something that is not out there publicly. So we're going to give this information to the Auditor General and we look forward to getting this information, everything that can be put out there legally, getting this out there as quickly as possible.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Thank you, Mr. Speaker.

The Premier said several times here, as soon as the Department of Justice were finished he'd table it. Then he said he doesn't want to interfere or prejudice the Auditor General's report and wouldn't release it. Well, the Auditor General

has now said it won't interfere or prejudice the work that he has to do.

Premier, you made a commitment repeatedly here in the House to the people of the province that as soon as the Department of Justice finished their work you'd table the information. Will you now table it, Premier?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

What the former premier missed in just saying in his question there was this. Is that the former premier –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: I've said on several occasions in the House that the only person I'm going to identify to speak is the person that has been identified to speak. If there's another interruption today, the person who interrupts need not stand to be recognized today because they will not.

The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

The Auditor General – as the former premier just mentioned, that information is being put together right now for his review. So it would be very difficult for the Auditor General to actually make a comment of information that he hasn't even reviewed yet.

We look forward to him getting all the information that we have available to him. He will then do his review and we will get everything that we have out there as quickly as possible. Whatever is legally possible to put out there, we will do just that.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Thank you, Mr. Speaker.

That's two topics raised so far in a short period of time in Question Period and two commitments the Premier made which he's now going against. We've seen the pattern in that, that's for sure.

Mr. Speaker, the former CEO of Nalcor issued a statement yesterday. He stated on April 17 he met with the Premier, the Premier's chief of staff and also the Minister of Natural Resources.

Will the Premier at least confirm that meeting took place?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Yes, we did meet on April 17 and on April 19, I say to the former premier. What I will say now while I have the opportunity, based on the comments that were made public yesterday coming out of that meeting, is that no severance was discussed, I say to the former premier. We did not discuss severance in either of the meetings of the 17th or the 19th.

Mr. Speaker, what was left out of that yesterday was this: What the former CEO asked me to do as Premier, asked this minister to do, was to go out and publicly – publicly – endorse the Muskrat Falls Project which we refused to do, to go out publicly and endorse his management team which we refused to do, to endorse him and his management team. We did not do that, Mr. Speaker.

We chose not to do that simply because we did not know the price of it, we did not know the schedule of it, Mr. Speaker. We were not prepared to be a cheerleader without having that information.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Thank you, Mr. Speaker.

A little bit more information comes out. Mr. Speaker, I think what the Premier just said was that he won't publicly state his confidence in the management team and leadership team of Nalcor.

Is that what you're saying, Premier?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: What I said, Mr. Speaker, was that the former CEO of Nalcor asked me and this minister to publicly endorse the project, to publicly endorse the management team. That was a condition put in place by the former CEO.

I said based on where this project is, not knowing the cost – not knowing the cost of it, not knowing the schedule of it, it was not somewhere that I was prepared to go. I did not know the schedule; therefore, the former CEO made his decision then to step down.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Thank you, Mr. Speaker.

In the world of corporate business, when you won't endorse or commit or speak of your management team, you fire them. That's what happened, Mr. Speaker. The Premier just said it. When you won't endorse, when you won't state your confidence in your leadership team, you've essentially fired them. He just threw the entire management team of Nalcor under the bus. He should be ashamed of himself, Mr. Speaker. He should be absolutely ashamed of what he is doing with people's lives.

Well, Mr. Martin says there were two scenarios discussed. One was to stay or leave with his contractual severance pay out. Now, the Premier said there were a number of scenarios.

Is that the scenarios that you had talked about?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

As you know as I've said many times, the ideal place for me to be discussing this in a very professional manner would have been with the Auditor General, but in light of the information that the former CEO put out there yesterday, I'm

not going to allow our minister and this government to be just maligned in the public, Mr. Speaker, based on information that I saw yesterday.

As a matter of fact, there were actually three options that were put out there in that meeting. One which was the one that caused him to make a decision to step aside. His decision to step aside, which he reinforced the very next day, was the fact that he wanted us to publicly endorse a project, publicly endorse the former CEO without having the necessary facts, knowing that there was an EY report out there. That is not having confidence; that is actually making sure you have the facts that is required to make those decisions, and I was not prepared to do that.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Mr. Speaker, after days of Question Period now the Premier seems to be willing to discuss the details of what actually took place – finally, willing to give the information to the people of Newfoundland and Labrador. He's the Premier and the people of the province deserve to hear what the Premier has to say about it.

Now that we know you're willing to take about it, Premier: Will you now table the documents here in the House of Assembly, like you committed to do several times here in the House?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

As I said, which is the way I've conducted myself for most of my life, is that I would like for this to be done in a very professional, methodical way. That's the reason why we brought in the AG, but in light of the comments that I've seen recently in the public view, I am not willing to allow myself or this government or this minister to be misquoted in information that I take exception to, Mr. Speaker. Those

articles that were out there yesterday do not reflect those meetings.

The Auditor General will have that information. He will do the review of it, Mr. Speaker, and I look forward to getting all that information out there in the public as quickly as possible.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: I really have difficulty with what the Premier just said. He said as soon as possible. As soon as possible is now, you could table it today, Premier, but you refuse to do it. You refuse to do it.

SOME HON. MEMBERS: Hear, hear!

MR. P. DAVIS: You refuse to come clean with the people of the province, and that's the problem here. You won't tell the people all the information. You'll only give them little tidbits that suits your needs, Premier, that's what's going on here.

Mr. Speaker, I ask the Premier – we know the Premier had discussions with Stan Marshall – when did you first have a discussion with Stan Marshall about the CEO position? Was it on Monday morning right after your first meeting with Mr. Martin or was it before that?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

I had discussions with many people that could have a positive impact on the future of this province and I'm not prepared to –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The Member for Cape St. Francis and the Member for Fortune Bay – Cape La Hune need not stand today. I've said on several occasions in this House, Members on the opposite side who are identified to speak – where the same goes for

Members on this side when Members on this side are identified to speak – are not to be interrupted. I'm resetting the clock for the Premier.

The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

The discussions I've had with Mr. Stan Marshall over many years – I have a lot of respect for the gentleman. He's willing to step in and do the job for the people of this province. When those discussions started, they happened over many days, I would say, Mr. Speaker. He's doing a great job.

Guess what, Mr. Speaker? He took the job without asking for any severance once his job is completed. He's a great man. He will do a great job for the people of Newfoundland and Labrador and he is doing it for the right reasons.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Yes, Premier, and you also said unprompted on the morning of the 20th that he was taking it without severance. We don't know why you brought that up when you knew nothing about severance, but it's interesting to point out you did make it a point.

Premier, I'll ask you again, you had several discussions. Was the first one the morning after your first meeting with Ed Martin? Was the first one on the Monday the 18th or did you have discussions with Stan Marshall prior to that?

It's a simple question, Premier. When did you have your first discussion about him becoming the CEO?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

The discussions that I've had with Mr. Marshall – the first time I met Mr. Marshall, my suggestion would have been back in 2012. He's a man that I have a lot of respect for and still do. He's doing a great job. He will do a great as the

CEO of Nalcor. I look forward to working with him and I'm sure the people of Newfoundland and Labrador look forward to the contribution that he would make.

When those discussions took place, Mr. Speaker, on many dates, doesn't impact any of the decisions that had been made prior to that. The key thing is, the most important thing here, is he stepped up when his province needed him the most. He will now lead Nalcor and will be a great CEO of that corporation.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Premier, it is an important point. Did you meet with him before you fired Ed Martin or did you meet with him after you fired Ed Martin? Was before the 17th, after the 17th? When was the first time you met with him?

It is important so just simply give us the date, the first time you met with Stan Marshall and talked to him about becoming the CEO.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

Well, let me clarify one thing: Mr. Martin, the former CEO Ed Martin, he actually stepped down. That was his decision to step down. He said that for whatever reasons that he gave to the people of this province. Mr. Marshall, subsequent to that, stepped in to become the new CEO of Nalcor.

There was a lot of activity on the go that week, Mr. Speaker. Mr. Martin stepping out, Mr. Marshall now stepping in. He will do a great job for Newfoundlanders and Labradorians and will do a great job in running Nalcor.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Thank you, Mr. Speaker.

So an important piece of information again the Premier won't provide to the people of Newfoundland and Labrador.

I'll ask you this, Premier: Did you provide direction or will you provide direction to the Auditor General to consider when you discussed this with Mr. Martin and when his appointment was negotiated? Will you include that in the Auditor General's review?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

I look forward to working and meeting with the Auditor General on this very matter. I am really looking forward to that because we have a lot of information that we want to share with the Auditor General in that very professional forum; a forum that we put in place to get to the bottom of this. As well as many other issues that are still outstanding. Many other issues that have been put in place by this former PC administration, I say, Mr. Speaker. Plans they had put in place that are yet to be made public. I look forward to meeting with the Auditor General to have this full and broad discussion on all those issues.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Well, Mr. Speaker, we started this Question Period with a little bit of hope that the Premier was going to start providing some answers, but he's refusing to do so again.

I will ask him again, very simply: Will you make sure the Auditor General considers the appointment of Stan Marshall and how all that took place, as part of his review?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

I look forward to letting the Auditor General do whatever job he or she or his office would like to do. Anything but that would be interference

by an independent office of this House of Assembly.

Maybe the former premier is used to interfering, but I am going to let the Auditor General do the job that he's been asked to do and I will let him do that independently.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Thank you, Mr. Speaker.

The direction to the Auditor General is not to look into anything he feels that he wants to. It's to inquire into a report on the appropriateness of severance. It's simply that.

We know the Premier's office, the Premier himself, his ministers and his staff, their hands are all over this mess, Mr. Speaker. We want the Auditor General to do a full, fair and frank investigation into the matter as well, and know all the facts. When he discussed hiring Mr. Marshall, it's an important aspect.

So, yes or no, will you ensure the Auditor General includes Mr. Marshall in his considerations? Yes or no, Premier.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

Well, as I said, I look forward to working with the Auditor General. I have a lot of confidence in the work that he will do. If the Auditor General feels this information is relevant to what happened, what occurred in that week leading up to, I'd be more than happy to answer any questions, all the questions that the Auditor General will ask of me. We will be co-operating 100 per cent, as well as all members of the staff in the Premier's office, and I'm sure the minister as well. I look forward to those discussions with the Auditor General.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: Thank you, Mr. Speaker.

Mr. Speaker, the Minister of Natural Resources has informed this House that she attended meetings with Mr. Martin on April 17 and again on April 19.

I ask the Minister of Natural Resources: Who else was present in the room besides the Premier and Mr. Martin?

SOME HON. MEMBERS: Hear, hear!

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

MS. COADY: Thank you, Mr. Speaker.

I've been quite clear. Yes, I did attend meetings on April 17 and April 19. Mr. Martin had requested the meeting. I was there with the Premier and with the chief of staff. We had a good fulsome discussion.

As the Premier has indicated, this whole matter is now being handled by the Auditor General. This is very important because – Mr. Speaker, I'm going to say this, and I'm going to say this really quite clear in this House today, my integrity is very important to me, as it is to every person in this House.

I'm going to say to everybody in this House right now. Severance – I have not had a conversation with Mr. Martin nor the board of directors on severance. If that's where we're going to go on this, I just wanted to make sure that everybody in this room knew about that right now.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: Very simply, Mr. Speaker, in the spirit of openness and transparency, I ask the Minister of Natural Resources: She was there, the Premier was there, who else was there at the meeting?

MS. COADY: I just answered that question.

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

MS. COADY: Sorry, Mr. Speaker.

Mr. Speaker, I just answered that question.

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

MR. HUTCHINGS: Thank you, Mr. Speaker.

In a roundabout way we'll get the answer to the question. That's good. We'll live with that, I guess. We're getting something.

Mr. Speaker, Mr. Martin has said unequivocally that he presented two options in the meeting to the Premier and to the Minister of Natural Resources on April 17.

I ask the minister: Could you indicate to us what those options were and your understanding?

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

MS. COADY: Thank you, Mr. Speaker, and thank you for the question.

As the Premier has just indicted, there were three options that Mr. Martin did bring to the table. One was him asking for – either for him to step down. He asked if he could step down next year; or, the third one, which was as the Premier indicated, if he would stay on we needed to endorse the project glowingly and we needed to endorse the management team. We had asked questions about the cost, the schedule. We had just had the report of EY. The Premier made those indications just a few moments ago in Question Period, and I have the same response.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: Thank you, Mr. Speaker.

The minister indicates there was a third option. Based on that, they weren't willing to endorse.

Is the minister saying at that time she fired Ed Martin because of that non-endorsement?

SOME HON. MEMBERS: Hear, hear!

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

MS. COADY: Mr. Speaker, I don't appreciate words being put in my mouth. That is not what I said. I said he would step down, and I'm going to take a moment, Mr. Speaker, to use Mr. Martin's own words. He said in a press conference on April 20 that his family is ready to make the move. It's the natural end to his time with Nalcor. I'm quoting, Mr. Speaker. I'm not too fussed to be moving on, Martin said, and finally he said he would be around to offer assistance.

Does that sound like anyone was fired?

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: Mr. Speaker, so the Minister of Natural Resources who is responsible for oversight of Nalcor is in a discussion with the CEO and in that discussion, they're not willing to endorse the competency of that CEO. The conclusion would be he is not going to continue his employment. How can you say that wasn't part of the process to terminate him? You don't have confidence in him, so you're going to keep him? Could you explain that to us, please?

SOME HON. MEMBERS: Hear, hear!

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

MS. COADY: Thank you, Mr. Speaker.

Again, I'm going to be as clear as I have been. Mr. Martin asked us for a meeting on April 17. We were able to have that meeting with him on the 17. He laid out a couple of directions and options. He said that there were three options. I already indicated what those three options are.

I've already indicated that he asked for an endorsement – not an endorsement. He asked for some support in terms of if he was going to stay – because he said first off, he could leave. If he was going to stay, then we would have to come out and give the project an endorsement. We said at that time but we don't have the information to do that at this point in time. Mr. Martin made his decisions and that's what we were left with.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: Thank you, Mr. Speaker.

Mr. Speaker, Mr. Martin has said he suggested at the April 17 meeting that the Premier and the Minister of Natural Resources take a couple of days to consider the options. Now there are three options we discovered today.

I ask the Minister of Natural Resources: What discussions on Mr. Martin's proposals did you participate (inaudible) April 17 up until the 19th? Were other Cabinets involved? Were the other officials of Natural Resources involved? What did that discussion involve over those couple of days?

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

MS. COADY: Mr. Speaker, the Premier has indicated the whole reason why this is gone to the Auditor General was to review all the matters around this discussion. It was a discussion that was started by Mr. Martin coming in to see the Premier and me on April 17. We took a couple of days to consider his thoughts and his direction. We said we'd meet again on April 19, which we did.

At the end of the meeting on the 19th Mr. Martin said he was stepping down. We discussed, as Mr. Martin has indicated, what we were going to do from a public relations standpoint, when he was going to make the announcement and that. The next day we did the exact same thing. We said he was stepping down. He came out and publicly said – I've already quoted some of the quotes he gave on that day.

Clearly, Mr. Speaker, the Auditor General needs to review this.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: Thank you, Mr. Speaker.

Mr. Speaker, on the 14th of April in the budget, the Minister of Finance had a somewhat scathing review of the leader of Nalcor at that time.

I ask the Minister of Natural Resources: Did you have discussions, or did you review Mr. Martin's actual contract prior to the budget coming down, and having discussions with the Finance Minister on it?

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

MS. COADY: I did not have discussions with the Minister of Finance with regard to Mr. Martin's contract at all.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: So there's a \$1.4 million payout, I guess, that someone decided in those meetings in a number of options, but at no time did you think it was necessary to discuss with the Minister of Finance in terms of that?

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

MS. COADY: Mr. Speaker, as we've been clear, as we've been crystal clear on this matter, the contract belongs to the board of directors of Nalcor, and it was their responsibility to ensure whatever was required under that contract.

SOME HON. MEMBERS: Hear, hear!

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

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

The public statement yesterday by former Nalcor CEO Ed Martin about his meetings on April 17 and April 19 with the Premier, the Premier's chief of staff and the Minister of Natural Resources, requires a clear, immediate response from the Premier, not hiding behind the narrow mandate the Premier gave to the Auditor General.

I ask the Premier: Did he advise Mr. Martin on April 19 that government had decided Mr. Martin should step down as CEO of Nalcor and receive severance pay as per his employment contract?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

No, we did not. There were two meetings. One on April 17, one on April 19, and as a result of the April 19 meeting when we were not in a position to actually publicly endorse the Muskrat Falls Project, publicly endorse the CEO and his teams, Mr. Speaker, without having the information critical to all of this – the budget, the schedule, all of those things, an EY review currently underway. We could not publicly do this. We were willing to work with Nalcor through all of this, but without that public endorsement the CEO made his decision to step down.

SOME HON. MEMBERS: Hear, hear!

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

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

I ask the Premier: Did he, prior to April 17, discuss with Stan Marshall the possibility of his becoming the CEO of Nalcor?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

The discussions that I've had with Stan Marshall over the years have been many; I've had quite a few. I have a lot of respect for him. I have not had a discussion prior the 17th about him becoming the CEO of Nalcor, Mr. Speaker.

He's a great guy, will do a great job in the current role. We look forward to working with him. Newfoundland and Labrador, I would say, Mr. Speaker, is very happy to have a man with his credentials, his credibility in that role.

SOME HON. MEMBERS: Hear, hear!

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

MS. MICHAEL: Thank you, Mr. Speaker.

I ask the Minister of Natural Resources: When she was present at the meetings involving Mr. Martin, the Premier and the Premier's chief of staff on April 17 and April 19, was the issue of whether or not Mr. Martin might receive severance pay discussed by any of the participants?

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

MS. COADY: I'll be unequivocal and I'll be clear: No, the discussion of severance did not occur in those two meetings.

SOME HON. MEMBERS: Hear, hear!

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

MS. ROGERS: Thank you, Mr. Speaker.

I ask the Minister of Natural Resources: Did you request a copy of Mr. Martin's employment contract prior to the April 17 and April 19 meetings as stated by Mr. Martin?

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

MS. COADY: Yes, thank you.

As a new minister I was doing work, obviously, on my department. I asked the chair of the board of Nalcor, I believe, Mr. Speaker, it was March 3, for a copy of the contract. I received a hard copy of that contract on or about the 4th of March.

SOME HON. MEMBERS: Hear, hear!

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

MS. ROGERS: Mr. Speaker, I ask the Premier: Did he or anyone on his behalf communicate to any member or representative of the Nalcor board of directors that government was in agreement with severance pay being paid to Mr. Martin?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

The severance package that was determined by Mr. Martin, we had not had that discussion with the board at all, of that severance package. As a matter of fact, that severance package is just not about the payment of a nearly \$1.4 million severance, it is much bigger than that.

There are special arrangements that were put in place by the former government, by the former PC government in this particular case with the former CEO. The former government put in place a special pension plan as well as many other things that overall impact the severance package that was paid out to Mr. Martin.

SOME HON. MEMBERS: Hear, hear!

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

MS. ROGERS: Mr. Speaker, I ask the Minister of Natural Resources: How could she not step in when she became aware that the CEO of Nalcor, the province's largest Crown corporation, was receiving \$1.4 million severance plus more, plus that huge package, even though he and the Premier had already publicly announced that he was resigning?

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

MS. COADY: Thank you, Mr. Speaker.

The contract for Mr. Martin rested with the board of Nalcor. There were hon. people, I am sure, on the board of Nalcor who made a determination of what was required under that contract. When we learned of the details of that severance, we did question whether or not that

was required. The Premier has been clear on that.

I think, Mr. Speaker, there is not much more I can add. It is gone to the Auditor General, but I will say to the hon. Member, that it was part of the responsibility of the board of directors of Nalcor.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Time for Question Period has expired.

Presenting Reports by Standing and Select Committees.

Tabling of Documents.

Tabling of Documents

MR. SPEAKER: Pursuant to section 8 and section 10 of the *Public Tender Act*, I hereby table the report of the *Public Tender Act* exemptions for April 2016 as presented by the Chief Operating Officer of the Government Purchasing Agency.

Notices of Motion.

Notices of Motion

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

MR. A. PARSONS: Yes, Mr. Speaker.

I give notice that I will ask leave to introduce a bill entitled, An Act To Amend The Smoke-free Environment Act, 2005 and the Tobacco Control Act, Bill 35.

Further, I give notice that I will ask leave to introduce a bill entitled, An Act To Amend The Victims Of Crime Services Act, Bill 36.

MR. SPEAKER: Further notices of motion?

Answers to Questions for which Notice has been Given.

Petitions.

Petitions

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

MS. ROGERS: Thank you, Mr. Speaker.

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

WHEREAS the Deficit Reduction Levy is an extremely regressive surtax placing a higher tax burden on low- and middle-income taxpayers; and

WHEREAS surtaxes are typically levied on the highest income earners only, as currently demonstrated in other provinces, as well as Australia, Norway and other countries; and

WHEREAS government states in the 2016 provincial budget that the personal income tax schedule needs to be revised and promises to do so;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to ensure that the Deficit Reduction Levy be eliminated and any replacement measure be based on progressive taxation principles and that an independent review of the Newfoundland and Labrador provincial income tax system begin immediately to make it fairer to Newfoundlanders and Labradorians.

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

Mr. Speaker, the people of the province know that this budget is inherently flawed. They know it's a piecemeal attempt to deal with the financial crisis that the province faces. They know it is not a comprehensive, sustainable plan in order to propel the province out of its financial crisis. The people of the province can see that. They can see it clearly.

I believe the people have particularly seen how unfair the levy is, but they know that it's not the levy in and of itself. They know this was not a progressive budget, but, in fact, an austerity

budget. A regressive budget that placed the burden unfairly on the shoulders of a number of hardworking Newfoundlanders and Labradorians; but also, Mr. Speaker, the fact that there was no plan to get people to work.

What government has done is responded to some of the extreme pressure that civil society has placed on government and rather than look at the whole budget in and of itself, they've chipped away at some of the elements of the levy. You cannot do budgeting on the fly; you cannot do taxation on the fly.

Obviously, what the province needs is a comprehensive budget that gets people to work, that invests in infrastructure, that invests in the people of the province, and this government has done absolutely everything opposite to that. The people of the province see it for what it is. That it's just sort of a grab at: Oh, my God, what are we going to do? We're in a really bad situation. Rather than saying okay, how can we get everybody to roll up their sleeves together and to work towards sustainability for the province. There's no innovation, no creativity, no sign of hope whatsoever.

Thank you very much, Mr. Speaker.

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

MR. KENT: Thank you, Mr. Speaker.

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

WHEREAS a high quality of education is vital to a strong and successful society and should be a priority of the provincial government; and

WHEREAS the provincial government has announced funding reductions to the Department of Education which will result in an increase in the class size cap for students in grades four to Level III, as delivered on April 15, 2016; and

WHEREAS these funding reductions will result in a reduction of teacher allocation units at École Mary Queen of Peace School, the introduction

of combined classes and a reduction in the provision of intensive core French instruction at our children's school; and

WHEREAS the provincial government has decided to proceed with the costly implementation of full-day kindergarten in the Province of Newfoundland and Labrador;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to instruct the school boards to delay the implementation of full-day kindergarten until such time as the province's financial circumstances improve and restore programs, teacher allocations, and class size caps to 2014 levels.

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

Mr. Speaker, I am presenting this petition on behalf of concerned citizens throughout St. John's, but particularly on behalf of parents at Mary Queen of Peace School. My colleague from the District of Cape St. Francis was going to present this petition today, but unfortunately it's been ruled that he is not permitted to speak in this House today.

I'll read a note from one parent who has written to raise concern about this issue: Mary Queen of Peace has over 700 students K to 12. We have been overcrowded for many years, over 10 for sure. We were optimistic last year when we were awarded our first extension. Other schools have had renovations, upgrades, new schools or extensions. Our only capital expenditure for Mary Queen of Peace in the past 10 years has been pavement and lockers – if lockers are even considered a capital expenditure.

Then, on April 15, 2016, our hopes were dashed with the budget. Cuts to education, combined classes, teacher layoffs, increased class-size caps. At Mary Queen of Peace we are losing three units, three teachers, resulting in combined grade three to four English, and grade five to six early French immersion, and also fourteen children won't get to take intensive core French. We don't have a cafeteria to sit in. Our gym is split in half every day for every class to share. No library functioning, no computer lab. Kids

share one field and split lunch early and late. Why are we being cut when we are growing? We're too crowded.

These sentiments have been expressed by dozens and dozens of parents. I know the Member for Cape St. Francis wanted to present these concerns today. It's unfortunate that he can't, but I am pleased to stand and do so on behalf of parents in the Mary Queen of Peace School catchment area.

SOME HON. MEMBERS: Hear, hear!

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

MS. MICHAEL: 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 government has once again cut the libraries budget, forcing the closure of 54 libraries; and

WHEREAS libraries are often the backbone of their communities, especially for those with little access to government services, where they offer learning opportunities and computer access; and

WHEREAS libraries and librarians are critical in efforts to improve the province's literacy levels which are among the lowest in Canada; and

WHEREAS already strapped municipalities are not in a position to take over the operation and cost of libraries;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to keep these libraries open and work on a long-term plan to strengthen the library system.

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

I am happy to stand once again, Mr. Speaker, on behalf of the signatories of this petition who are so concerned about the closure of libraries in

this province. We've looked at this from many ways, the different times I've stood and spoken. Today, I'd like to point it to the fact that with these libraries, the big cost for government was really the employment. Because in many cases, especially when the libraries are in schools, the school board was covering the cost of the libraries, the actual cost of being in the building, taking care of heat, lighting, et cetera. The only thing government was paying for in some of these libraries was the cost of the individual who worked in the libraries, the professional librarian.

The loss to the schools, where the libraries existed in schools, there are two losses going on. One is the loss to the community because the community is not going to be able to access the library. Or if they do, it will only be during the school day – and I'm sure I read that, in most cases, the libraries will only be used by the school. And because the librarian is no longer there then the weight of running the library for the school students will be on already overtaxed teachers to take care of the school library. Then people in the community will not have this resource for them to come and have a staff person, a librarian, a professional librarian who is there who can work with them and help them as they use a library.

There are double losses down the road, plus laying this heavy weight on the shoulder of already, as I said, overstressed teachers. Probably, I'm just imagining – I don't have an example but if this is a school where you now have multigrading going on, if it's a school where multigrading involves having children with specialities without adequate services and then the teacher also has to worry about dealing with these children if they go the library, this is an untenable situation that's going to be no good for the children, not good for the teachers, not good for the community and certainly not good for the majority of workers who are women who have lost their jobs, all to save the government a pittance of money.

This is gross, Mr. Speaker. I find it so difficult to come up with the words to express how overcome I get when I look at some of the things this budget has done.

The closure of the 54 libraries, as one letter I read last night said, was the straw that broke the camel's back for her. She thought she'd seen everything until then.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: Thank you, Mr. Speaker.

Mr. Speaker, I rise today to present a petition to the House:

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 changes to bus routes will impact the start time at St. Bernard's Elementary and Mobile Central High; and

WHEREAS these changes were put in place with no consultation with school councils or parents; and

WHEREAS this will cause issues for parents, after-school programs and students;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to immediately instruct the English School District to reverse the decision regarding busing and start times for these two schools.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, I've had a number of meetings, conversations and emails with a number of residents from the Bauline to Bay Bulls area in regard to this budget initiative in regard to downsizing of busing, and what results that have into less number of buses and making the runs much longer and earlier in the morning, especially for our very youngest in our school population. As well, changes to the afternoon schedule which causes implications for the

youth in terms of our very youngest being at bus stops much earlier in the morning. As well, for after-school programming that many in this region avail of, whether it's daycare, whether it's after-school programs in Witless Bay or Bay Bulls.

The whole structure of families and their ability to function has been thrown into chaos in regard to some of these changes. We've made representation to the Eastern School District in trying to work through this, working with parents as well in this region as well as Goulds Elementary for the Goulds region and as well with Petty Harbour-Maddox Cove. I received numerous emails, calls.

So we're working, trying to get this dealt with in both instances, which is very important to both regions and the people of Ferryland District. This is an initiative of the budget that I think wasn't well thought out. It's very difficult in terms of getting a way forward working with the school district, but it's much needed as we look forward to our children in various schools and making sure that it's the best environment it possibly can be. That environment starts with the transportation to and from school at appropriate hours and links to the other activities that our youth are involved with, both before school and after school.

I urge the government and the Minister of Education to intervene here; to have this looked at so we can do what's in the best interests of students and best interests of our families.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Conception Bay East – Bell Island.

MR. BRAZIL: Thank you, Mr. Speaker.

I will be presenting the following 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 current 2016 provincial budget impacts adversely and directly the education program at Beachy Cove Elementary in Portugal Cove-St. Philip's; and

WHEREAS parents request a delay in the implementation of full-day kindergarten at our school until September 2017 or later when, at such time, the new five to nine middle school in Portugal Cove-St. Philip's will be open; and

WHEREAS the student population at Beachy Cove Elementary is growing exponentially and this growth is sustainable into the future; and

WHEREAS parents request the re-instatement of the previous teacher allocation formula for Beachy Cove Elementary for this year and subsequent school years to service the growth in enrolment and to be able to provide all students with equal opportunity to enroll in French Immersion programs;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to reinstate the previous teacher allocations and delay the implementation of full-day kindergarten in order to provide the children of Beachy Cove Elementary the right to quality education.

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

Mr. Speaker, I've had the opportunity to present this, but as I speak to this one, you see the theme that's going on in the Opposition with all the petitions that the citizens of this province have been presenting to us. They are around access to literacy, and they are around access to education. We hear about the issues around education that tell you the impact this budget is having. It's around busing; it's around access to libraries and basic literacy; it's around Intensive Core French; it's around cap sizes, overcrowding, basic access to programs and services by being able to use a gymnasium or cafeteria for basic services. It's about offering a quality of education that's not regressive, but it is progressive.

I had the honour of last week being called to Beachy Cove Elementary, and I thought it was a formal meeting with parents or with

administration, but it was the opposite. It was the students who wanted to meet with their MHA and present them with their petition. It has over 400 names signed. The passionate story was around the kindergartens who wanted to sign it. So they waited to come in – and you can see the names are printed. It was explained to them what impact this would have on them and each one of these students, particularly the grade fives, wrote about the impact that these cuts are having, particularly around one program that they are facing, the Intensive Core French program that they just assumed would be there.

They weren't enrolled into French Immersion because as they got older, they'd be ready to do it and they went a different stream – because it was always available. It made sense. It's part of process to become bilingual. It's part of it to be more engaged in our Francophone history in this country. But what happened here is we cut it out.

So there are friends here who went through school from day one, their neighbours. There are kids, twins, in the same family, one made it in Intensive Core French through a lottery pick. Do you know how they were notified? And this is the standard process the Department of Education put the school board and the administration in. Different coloured letters, so they knew in advance by the colour of your letter whether or not you got in.

This is the way we are treating our young people. It's the way we're promoting education, through a lottery process. It's a way you can see the citizens here being united for a common front here, that we do a better job in improving our education, not making it regressive.

As you can see, Mr. Speaker, from the notice here, from all of the young students who outlined their concern here, that they have a real stake in education. They want to make sure education moves forward, and we've done nothing in this budget.

I would hope tomorrow when we present our private Member's resolution about delaying all-day kindergarten – very supportive of the process, that we ensure we get some support from the other side to do the right thing for the citizens and the students of this province.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. KENT: Thank you, Mr. Speaker.

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

WHEREAS *Budget 2016* introduces over 50 new fees and increases over 300 fees; and

WHEREAS *Budget 2026* asks the people of this province to pay more for a decrease in government services; and

WHEREAS these fee increases negatively impact the financial well-being of seniors, youth, families, students and individuals;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to immediately reverse fee increases as introduced through *Budget 2016*.

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

Mr. Speaker, I'm presenting this petition on behalf of residents of a number of communities. One of my colleagues had intended to present this petition today but is no longer permitted to speak in the House of Assembly today, so I'm rising on her behalf to present this petition.

People are very concerned about this budget. Today, Members opposite who sit in the government have an opportunity to stand and be counted and speak up for their constituents. This is the big chance. We've heard today in Question Period that the budget vote will be happening today. Each and every Member of the Liberal caucus, just like Members of the Opposition caucuses, will have a chance to stand and be counted.

We've seen countless government MHAs stand and present petitions on behalf of their constituents who are concerned about the budget. Well, today is your chance. Today is your chance to do the right thing and stand with your constituents instead of with your government that has presented a budget that has upset just about everybody in Newfoundland and Labrador.

These petitioners are concerned about fee increases. It's important to look at the budget in totality. It's not just about a fee increase here or a fee increase here, or the levy or the gas tax, or the insurance tax or the drastic cuts to education. You have to look at all of it to understand the full impact it's going to have on the people of the province and on each of our communities – communities that Members opposite represent as well.

I hope that more Members in this hon. House, Mr. Speaker, will do the right thing today and stand with their constituents. It's time to stand and be counted.

SOME HON. MEMBERS: Hear, hear!

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

MS. MICHAEL: 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 the Deficit Reduction Levy is an extremely regressive surtax placing a higher tax burden on low- and middle-income taxpayers; and

WHEREAS surtaxes are typically levied on the highest income earners only, as currently demonstrated in other provinces, as well as Australia, Norway and other countries; and

WHEREAS government states in the 2016 provincial budget that the personal income tax schedule needs to be revised and promises to do so;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to ensure that the Deficit Reduction Levy be eliminated and any replacement measure be based on progressive taxation principles and that an independent review of the Newfoundland and Labrador provincial income tax system begin immediately to make it fairer to Newfoundlanders and Labradorians.

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

I stand once again, Mr. Speaker, with this particular petition in my hand. This time I see there are signatures from St. John's, but the majority of the signatures are from Gander and Central Newfoundland. Of course, this petition continues to come in from people all over the province because it affects people all over the province.

Government thought that in doing its response to the thousands of protests that happened in so many different ways in the province, that by doing a bit of a shift in the levy this was going to take care of people's protests, but people know that shift has not changed anything. It's still an unfair way to be putting a tax on people.

One of the questions I've had throughout all of this since the budget came down was: Why did the government do this? Why didn't they just make our income tax system fairer and get the money they were looking for – it wasn't that much money – and make our income tax system fairer? It's easy to do it.

I don't often praise the former government, but they did put in the five tax brackets which I really applauded at the time. We needed more tax brackets, but then this government failed to use the top tax brackets, in particular, as a way to more fairly take money from those who have money, to make it more equitable. They lost the opportunity. That's what they should have done instead of putting this levy in place, which really doesn't help people.

I don't understand why they did it, the way they did it. It just doesn't make any sense. People don't find it makes sense either. That's why they're still upset over everything else that's in

that budget. All the other taxes that are there and the fees they have to pay.

Thank you very much, Mr. Speaker.

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

MR. A. PARSONS: Yes, Mr. Speaker.

I'll call Orders of the Day.

Orders of the Day

MR. A. PARSONS: I would move from the Order Paper, Motion 8, pursuant to Standing Order 11 that the House not adjourn at 5:30 p.m. today, Tuesday, May 31.

I would move Motion 9, pursuant to Standing Order 11 that the House not adjourn at 10 p.m. today, Tuesday, May 31.

MR. SPEAKER: There are two motions. That the House not adjourn at 5:30 today.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

And that the House not adjourn at 10 o'clock today.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

The hon. the Government House Leader.

MR. A. PARSONS: Yes, Mr. Speaker.

I would call Order 3, third reading of Bill 28.

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

MR. A. PARSONS: Yes, Mr. Speaker.

I move, seconded by the Minister of Finance and President of Treasury Board, that Bill 28, An Act To Amend The Pensions Funding Act And The Teachers' Pensions Act, be now read a third time.

MR. SPEAKER: It is moved and seconded that the said bill be now read a third time.

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

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

CLERK (Barnes): A bill, An Act To Amend The Pensions Funding Act And The Teachers' Pensions Act. (Bill 28)

MR. SPEAKER: This bill has now been read a third time and it is ordered that the bill do pass and its title be as on the Order Paper.

On motion, a bill, "An Act To Amend The Pensions Funding Act And The Teachers' Pensions Act," read a third time, ordered passed and its title be as on the Order Paper. (Bill 28)

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

MR. A. PARSONS: Mr. Speaker, I would call Order 4, third reading of Bill 30.

MR. SPEAKER: It is moved and seconded that the said bill be now read a third time.

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

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

CLERK: A bill, An Act To Amend The Co-operatives Act. (Bill 30)

MR. SPEAKER: This bill has now been read a third time and it is ordered that the bill do pass its title be as on the Order Paper.

On motion, a bill, “An Act To Amend The Co-operatives Act,” read a third time, ordered passed and its title be as on the Order Paper. (Bill 30)

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

MR. A. PARSONS: Yes, Mr. Speaker.

I would call Order 5, third reading of Bill 31.

MR. SPEAKER: It is moved and seconded that the said bill be now read a third time.

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

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, ‘nay.’

Carried.

CLERK: A bill, An Act To Amend The Labour Standards Act. (Bill 31)

MR. SPEAKER: This bill has now been read a third time and it is ordered that the bill do pass and its title be as on the Order Paper.

On motion, a bill, “An Act To Amend The Labour Standards Act,” read a third time, ordered passed and its title be as on the Order Paper. (Bill 31)

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

MR. A. PARSONS: Yes, Mr. Speaker, I call from the Order Paper, Motion 1, the budget.

MR. SPEAKER: The hon. the Member for Mount Pearl – Southlands.

MR. LANE: Thank you, Mr. Speaker.

It’s a pleasure to stand in this hon. House once again and speak to Bill 1. I guess it will be my last opportunity now to speak on *Budget 2016*.

Mr. Speaker, I’ve received I can’t tell you the number of calls, emails, messages, people I’ve spoken to – literally thousands. I’m not joking when I say literally thousands. What I’m hearing is the same message from people; it’s a case of just too much too fast.

It’s what’s been said here many, many times in the House by all of my colleagues. Quite frankly, even Members on the government side have said themselves, admittedly, that it’s a tough budget, that they have concerns about the budget, that their constituents have concerns about the budget. We all know that to be true.

Mr. Speaker, there have been some people who I have spoken to who have said, Paul, when you get up and you have your last chance to speak on the budget, you should really beat up on the government. I don’t intend on doing that. I do not because I know that they are doing what they believe to be the right thing. I really believe that.

The Cabinet crafted the budget. They realize we’re in a tough spot and they are doing what they think is right. We all understand that we are in tough financial circumstances. Everybody knows that. I know it, they know it, the Members on this side of the House know it, the people know it. Everybody expected, going into this budget, that there would have to be measures taken to rein in spending. Everybody knew that there would have to be changes made in some of the things that we are doing and everybody knew that there would, without doubt, have to be additional revenues raised. People knew and expected that there would be increases in taxes. Everybody expected that.

I don’t think there is a soul that didn’t expect that. I also don’t believe there is a soul who isn’t prepared to pay their fair share. I really believe people are prepared to pay their fair share. But again, it’s a matter of degrees. It comes down to a matter of degrees.

I’ve heard it said there’s not much point in saving the province from bankruptcy, if we’re

that close – and I understand that there is no doubt when it comes to our ability to borrow money, that we're in a tough spot. We had to pass a bill last night to give us the ability to borrow over \$3 billion, which is the most we've ever had to borrow.

We all understand that. I totally agree. People understand that. But there's not much point in saving the province from bankruptcy and in the same process, you're going to drive your own citizens into financial ruin. There has to be a balance. There has to be a reasonable balance and that's all anybody is saying.

I believe and most people believe that I've spoken to that there could be a reasonable balance. It could be reached. There could be some changes made to the budget that would still accomplish what government needs to accomplish, still get our expenses down, still raise additional money because we know, even with these changes, we're told we are still at \$1.8 billion I believe.

Although the \$1.8 billion deficit that is being projected is based on \$40 oil, and we know that has increased – which is a good thing, by the way; that's a good thing. But we all know it's not going to be as bad as \$1.8 billion. All you need to do is do the math and assuming that oil stays up at around \$50 or maybe goes up a little higher or whatever, that we're going to be in a better position than what's being predicted in the budget, and that's a good thing.

But we also know that the cumulative impact of all this taxation is going to hurt a lot of people. Now, I will say and I will be the first one to acknowledge that there was thought put into low-income people in this budget. The government did that. I give them full marks. They did. When it came to people on low income, low-income seniors and so on, there were measures in the budget to replace the seniors' supplement that was there and the Home Heating Rebate with an enhanced Seniors' Benefit. There's no doubt that for those people that's going to help them, and some of them are going to be better off. That's a good thing. I totally agree with it. I'm sure everybody agrees with that. It's a good thing.

We also know that as a result of the deal, I'll call it, that was made with our federal government on a deferral of payments to them of some \$270 million a year, I believe it is, until 2022, that has allowed us to raise the threshold on the levy to \$50,000 income up from what was, I think, \$25,000. That's a good thing. I'm glad it happened. I'm sincerely glad it happened. I really believe that a lot of it happened because of political pressure, because of the pressure being put on by the public and so on who are outraged by all these taxes, that those communications happened and those meetings happened to say what can you do, b'ys, to help us out.

I don't really care what caused it. I don't really care what the impetus was for it to happen. I'm just glad that it happened. I'm glad that it happened, and I thank Minister Foote and anybody else who had anything to do with at least providing relief at this time to help some more people, because some more people were helped, there's no doubt. But – and the but – there are still an awful lot of people in this province, an awful lot that make more than \$50,000 a year. A lot of those people, certainly, I represent people like nurses and teachers and police officers and firemen and engineers, small business owners, and so on, and the list goes on. People working in the offshore, people who are professionals at IT, whatever the case might be.

Yes, they make a decent living for themselves, but you got to realize that just because they make a decent living they're living in an area where they're probably paying \$400,000 or \$500,000 for a home. You can't get a house in Southlands for less than that – and that's nothing fancy. That's just a normal home over there. They probably have the husband and wife working. They have two cars. They have kids in dance and piano and whatever they have and so on. They're paying a lot of money in municipal taxes.

I know the people in Southlands just got a big hit, municipally, they just had to endure. Now they're going to get another huge hit because of that cumulative effect of income tax and the HST and the gas tax, 15 per cent on insurance and all of these fees, and the levy, of course. When you combine all this together, it's going to have a very big negative impact.

Some people, like I said, in my district who make good incomes, they'll be able to absorb it. Some will, but it's definitely going to impact their quality of life and that of their children and their family. Others in my district who are probably making \$60,000 or \$70,000 or whatever, for those people it's going to be much tougher. It's going to be really hard on them. They're going to have to make real tough choices when it comes to what they're able to do, what they're able to provide for their families.

I've heard from some people who literally have told me: Paul, I am literally living from paycheque to paycheque. I can barely survive now. This is just enough to put me over the edge. I could lose my home.

Now, is everybody going to lose their home? No, but there are people who are on that edge. They're teetering, and this is going to be enough to just put them over the edge. I think that's unfair. I don't think that's what was intended. I really believe that's not what was intended, but that's the impact. The cumulative impacts of all this taxation and fees are going to have on people.

There's a trickle-down effect on the economy. You have to think about it. I said this yesterday, I'm no economist – first one to admit that – but it's hard to understand how four months ago we talked about the fact that 2 per cent HST was going to be a job killer. That's what was said. I said it because it was in my platform. It was in our platform.

Fast forward four months later. We're going to do 2 per cent HST, 15 per cent on insurance, all the taxes and fees. We're going to jack gas up by 16½ cents and tax on that, which is like 20 cents on gas. We're going to impose a levy, and all of a sudden that's not a job killer? How do you square that circle?

I would love for somebody – and I look forward to when the Premier stands to speak, which I understand he will and maybe the Minister of Finance, to explain that because I don't understand it, I really don't. How it could be a job killer four months ago, 2 per cent on HST, and all of a sudden all these combined taxes and that's not a job killer. It doesn't make sense.

If people don't have money to spend and you're taking away all of your expendable income, that's got to impact jobs. It has to. How are people going to afford to go out for a meal at a restaurant or go to a movie or take their kids down to the IceCaps game or whatever it is they're doing. They don't have that expendable income.

If people don't go to the restaurant, they don't go to the shop, they don't go here or there, businesses are going to shut down or they're going to have to scale back, and then they're going to lay off employees. That's more people on unemployment, until that runs out and then maybe they're on income support or whatever the case might be. Those are paycheques that are not going back into the economy. I know everybody gets that. I just don't understand why we're doing it.

Mr. Speaker, in addition to the cumulative impact of taxation, there are other things in the budget that people have concerns with. Look at the education system. I know it sounds like a broken record, but it's important. This is our last chance. I have to say it again because I'm hearing it from people in my district, hearing it from school councils, from teachers, from parents who have children in school. Everybody gets it; full-day kindergarten is a good thing. The research is there. It says it's a good thing for children. No one is arguing with that.

We also realize there are going to be some parents – I had one person, he wasn't angry at me, but what he did say was: Paul, you have to realize that there are some people in your district that want full-day kindergarten to occur this year. He did say: I'll qualify that; I am biased because by having full-day kindergarten this year I'm going to save on some child care costs. I'm going to be in some money because now I don't have to put my kids in child care or whatever. He was honest enough to admit that, but there was a benefit to him.

So I know there are some people if for no other reason I can see some benefit there in terms of money saved. Then again, if you have kids in child care, then there are tax breaks you can get and so on anyway. Do you really make these kinds of critical decisions based on somebody saving a few dollars on child care to implement

a system in school that we're not ready for? That's the question, are we even ready for it?

I know there are schools in my district, and we're hearing from other schools, that have concerns about space. There is not enough space available. We're talking about team teaching, jamming kids into classrooms that are just not large enough to accommodate. A lot of teachers are saying they are not ready and so on.

Do you do that at the expense of existing programs? Whether it be intensive core French, whether it be having to resort to team teaching, multigrading, not having the supports in place for children with special needs in the classroom. These are the things we're hearing. There are cuts in all these areas and there are all kinds of concerns.

Do we spend the money and resources to put into something new, like full-day kindergarten, which we've never had? Granted, it's a good thing. We've never had it, but we're going to implement this at the expense of the existing system and the children in that system. It doesn't make sense.

We should not implement full-day kindergarten until we're ready and we're able to do it properly, and we can afford to do it properly. Then we do it, but we don't do it at the expense of the kids who are in the system now. That's not going to cost us a cent. You could make that reversal and it would not cost us any money. It would cost us nothing, I would say.

There are other things we could be saving money on. Things we're doing that could save money so we wouldn't have to be imposing these levies or we could not have to impose as much on gas taxes and so on. I've talked about a few; others have talked about a few. Things like: Do we really need at this point in time in our history, with all due respect to the Members from Labrador – which I totally respect and I understand why you would be in support of it – but a fixed-link study to Labrador at \$750,000 at this time when we don't have the money, should we be doing it?

Thirty million dollars in a contingency fund – and I'm not talking about the \$20 million that the Minister of Municipal Affairs was talking

about last night to leverage federal money. I understand there are two lots of money, but there's \$20 million for that. That's a good thing, but this \$30 million contingency fund, which having a contingency fund is a good idea. I acknowledge that. People acknowledge that, sure they do, but we've never had it. Given the fact that we are so cash strapped now and we're forced to tax people into oblivion, maybe that money should be going towards lessening the tax burden on people who can't afford it. So that's another area.

Another area, as I talked about last night, was the fact that on the gas tax we're going to be charging 15 per cent on the new 16½ cents. Part of that 15 per cent is federal tax, so the federal government are going to capitalize on the backs of our austerity measures with their share of that 15 per cent.

According to George Murphy who I spoke to, as I said, last night, I got him to run the numbers and this is not an exact science but he told me that based on last year – and people can challenge these numbers; I'm only going by what George told me; I believe him – 1.13 billion litres of gasoline sold last year, which the federal share of the HST on that 16½ cents would equate to 22.4 million. That's what he is telling me. If someone can correct the numbers, that's fine. I don't know. I'm only going by what the man told me. I'd like for it to be corrected. But whatever the number is, they're getting something out of it and that should be going back to us to help alleviate some of the tax burden.

Madam Speaker, there's a number of things that I could speak about, but I've only got two minutes left. I'm going to finish off first of all by saying that one of the big issues people have is that what we're doing here is nowhere close to what we campaigned on – nowhere close. We could understand times got worse and some adjustments had to be made, but the bottom line is whether the Leader of the Official Opposition wrote back and said it's not \$1.2 billion it's more like \$2 billion, I think we all could have done the math and knew it was probably going to be closer to \$2 billion. We didn't know it would be \$2.7 billion, but anyone knew it was closer to the \$2 billion. And what we campaigned on, or the government campaigned

on was nothing close to what we're doing, not a thing. So people feel like we were being dishonest. That's how they feel,

I know nobody knowingly – I certainly didn't knock on anyone's door and try to deceive people. I could only go by what was in the red book at the time. That's all I could go by. That's what was there. But people feel like what we campaigned on and what we're delivering are two different things. That's how people feel.

So I'll take my last minute just to appeal to the Members on the government side. I appeal to the Premier, to the Finance Minister and to the Cabinet, I really do, it's still not too late. Just because I'm the last speaker here and the Premier is – it's still not too late. You have the ability to make amendments if you wanted to. I'm asking you please go back, make some amendments, and make something that everybody can live with.

I say to the Members who are not in the Cabinet, remember who elected you, remember what you ran on, remember when you knocked on those doors what you told the people, remember that. You were elected to represent them; that's who you are there for.

I'm asking you, I'm pleading with you if the Cabinet is not going to stand up and say they're going to make some amendments then I'm asking you to vote with your conscience, vote with your heart, vote for the people who elected you and vote no to this budget.

MADAM SPEAKER (Dempster): Order, please!

MR. LANE: Thank you, Madam Speaker.

MADAM SPEAKER: I remind the hon. Member his time for speaking has expired.

SOME HON. MEMBERS: Hear, hear!

MR. KENT: A point of order, Madam Speaker.

MADAM SPEAKER: The hon. Member for Mount Pearl North, on a point of order.

MR. KENT: Madam Speaker, I'm rising on a point of privilege.

O'Brien and Bosc states: "By far, the most important right accorded to Members of the House is the exercise of freedom of speech in parliamentary proceedings." "The right to freedom of speech is protected by the *Constitution Act, 1867* and the *Parliament of Canada Act*. The statutory existence of parliamentary privilege in relation to freedom of speech dates from the adoption of the English *Bill of Rights* in 1689."

"Generally considered to be an individual privilege, the courts have confirmed that freedom of speech is also a collective privilege of the House." "Freedom of speech permits Members to speak freely in the Chamber during a sitting or in committees during meetings while enjoying complete immunity from prosecution or civil liability for any comment they might make. This freedom is essential for the effective working of the House."

Madam Speaker, O'Brien and Bosc do provide limitation on freedom of speech. They state: "A further limitation on the freedom of speech of Members is provided by the authority of the Speaker under the Standing Orders to preserve order and decorum, and when necessary to order a Member to resume his or her seat if engaged in irrelevance or repetition in debate, or to name a Member for disregarding the authority of the Chair and order him or her to withdraw."

That is the entirety of the section in O'Brien and Bosc on the Authority of the Speaker with respect to an individual Member's freedom of speech.

The privilege of a Member to speak in the House on behalf of his or her constituents is so strong and firmly entrenched that there are penalties for those who would obstruct, interfere or intimidate Members to keep them from speaking.

As O'Brien and Bosc states, in quoting Speaker Fraser: "The privileges of a Member are violated by any action which might impede him or her in the fulfilment of his or her duties and functions."

Madam Speaker, this House of Assembly has a long history of lively debate, as can be attested by viewing the proceedings or sitting days for as far back as those videos are available. Those lively debates, the banter, the challenging of one

another, this is typical of the House of Assembly by Members of all parties virtually daily and certainly nightly in the House of Assembly. I respect the role of the Speaker in maintaining order and decorum as that takes place.

It's the kind of behaviour that you would find in other parliaments as well. That's the nature of debate. All parties demonstrate this behaviour and have done so not only yesterday and the day before, but today, this very day, without penalty. Of all the current Members who have ever engaged in that behaviour, only two Members today have been silenced by the Speaker, who has stated that they will not recognize them at all today.

Both of these Members are Members of the Official Opposition caucus sharing the weight of responsibility that enables the Official Opposition to fulfill its constitutionally mandated responsibilities to hold the government to account. To silence 2/7ths of the Official Opposition caucus for an entire sitting day on the very day that the budget, the budgetary measures and other important matters are being addressed in this House, is absolutely shocking. It's a ruling that goes too far. I contend that it breaches their privileges as elected Members.

They're not allowed to speak in this House today, Madam Speaker, so I will. There have been no similar penalties for the Members of the government caucus who have heckled on prior days or today. That heckling has even been noted today by journalists reporting on today's proceedings who sat in the gallery and watched the proceedings live. For similar behaviours in this sitting and on this day, the day the budget is being voted on, they have received no equivalent penalties. In fact, no penalties whatsoever; yet, the most severe penalty has been imposed on Members of the Official Opposition caucus, one step away from kicking them out of the House for the day.

I realize that it normally falls to the Speaker to rule when there is a prima facie case of breach of privilege; however, given the fact that the matter at issue is the decision of the Speaker, I would respectfully suggest, Madam Speaker, that it would be inappropriate in this instance.

So, in effect, I am obligated to make a motion to challenge the ruling of the Speaker, and I respectfully submit the following motion, Madam Speaker:

WHEREAS the silencing of Members of the Official Opposition caucus for an entire sitting day and preventing them from fulfilling their constitutionally mandated obligations here in this hon. House is an unduly severe penalty that has been unevenly applied to the Official Opposition caucus to punish behaviour that is not only very common and typical of Members of all caucuses of the House of Assembly, but that has been demonstrated by others in this House today without penalty;

THEREFORE BE IT RESOLVED that the Speaker's ruling that the Members for Cape St. Francis and Fortune Bay – Cape La Hune be overturned.

I so move, seconded by the Leader of the Opposition.

Thank you, Madam Speaker.

MADAM SPEAKER: Order, please!

The hon. the Government House Leader.

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

I'll speak very briefly to this. Certainly the Speaker doesn't need me to defend his actions. The Speaker will do that.

I would point out, as the Member opposite should know, it's actually unparliamentary to challenge the ruling of the Speaker. So I think that would be quite obvious, firstly.

The second part, because I think the Standing Orders quite clearly note under Standing Order 21, that a Member shall be named for disregarding the authority of the Chair. That power is clearly there and stated. I think ample warning has been provided on a number of occasions in this House of Assembly to Members of both sides.

Again, I would reserve the right to speak to this, but I think the Speaker will take an opportunity

to speak to this. I certainly don't think it's a prima facie point of privilege, but the Speaker will make his ruling.

Thank you.

MADAM SPEAKER: Order, please!

The hon. the Member for St. John's East – Quidi Vidi.

MS. MICHAEL: Thank you, Madam Chair.

I will not speak to the content of the motion, but the motion is on the floor. I know the Chair will take it and look at it seriously. I will await the ruling of the Chair.

Thank you.

MADAM SPEAKER: Order, please!

The Member for Mount Pearl North has put forth a motion on a point of privilege. This House will take a brief recess to consider the motion.

Recess

MADAM SPEAKER: Order, please!

Are the Whips ready?

AN HON. MEMBER: Yes.

MADAM SPEAKER: I will now rule on a matter raised by the Member for Mount Pearl North. I will start by saying there is much written in O'Brien and Bosc and other parliamentary authorities which is relevant to this matter that we could read pages to support the ruling of this decision, but I will confine my remarks to the following.

O'Brien and Bosc states at page 642: "Members rarely defy the Speaker's authority or risk evoking the Chair's disciplinary powers. If a Member challenges the authority of the Chair by refusing to obey the Speaker's call to order, to withdraw unparliamentary language, to cease irrelevance or repetition, or to stop interrupting a Member who is addressing the House, the Chair has recourse to a number of options. The Speaker may recognize another Member, or

refuse to recognize the Member until the offending remarks are retracted and the Member apologizes. As a last resort, the Chair may 'name' a Member, the most severe disciplinary power at the Speaker's disposal."

Further, at page 310: "If the Speaker has found it necessary to intervene in order to call a Member to order, he or she may then choose to recognize another Member, thus declining to give the floor back to the offending Member. On occasion, a Member who is called to order by the Speaker may not immediately comply with the Speaker's instructions; in such a case, the Speaker has given the Member time to reflect on his or her position, declining in the meantime to 'see' the Member should the latter rise to be recognized. A warning at the time the Member is called to order that the Chair may elect to do this has sometimes been sufficient to secure compliance."

I must point out that no time has been taken from speaking to the budget with respect to the Members referenced, as they have exhausted their time for speaking to the budget. Furthermore, the Members can still vote on the budget as the Speaker chose not to name them, which was an option open to him.

I will speak for a moment to Naming under O'Brien and Bosc, page 642. Naming is the term used to designate "a disciplinary measure invoked against a Member who persistently disregards the authority of the Chair. If a Member refuses to heed the Speaker's requests to bring his or her behaviour into line with the rules and practices of the House, the Speaker has the authority to name the Member, that is, to address the Member by name rather than by constituency or title as is the usual practice, and to order his or her withdrawal from the Chamber for the remainder of the sitting day.

Alternatively, the Speaker may prefer to let the House take any supplementary disciplinary action it may choose. In either case, naming is a coercive measure of last resort." And we did not go as far as to name, because we did not want to take away the privilege of those Members to vote today.

Members on both sides of the House have been cautioned for speaking out of turn on many occasions in this sitting, and have been warned

repeatedly that the Speaker would not recognize them to speak if the behaviour continued. Today, a warning was given earlier during Question Period that such an action would be taken. Standing Order 7(1) states, “The Speaker shall preserve order and decorum and shall decide questions of order. No debate shall be permitted on any such decision and no such decision shall be subject to an appeal to the House”

O’Brien and Bosc further states at page 100, “A further limitation on the freedom of speech of Members is provided by the authority of the Speaker under the Standing Orders to preserve order and decorum, and when necessary to order a Member to resume his or her seat if engaged in irrelevance or repetition in debate, or to name a Member for disregarding the authority of the Chair and order him or her to withdraw.”

The freedom of speech referred to by the Member of Mount Pearl North is a freedom of all Members to be heard in debate without interruption, and the Speaker today was indeed protecting that right. In addition, Maingot, on *Parliamentary Privilege in Canada* states at page 253, “Any suggestion of partiality or bias on the part of a presiding officer ... shows disrespect and amounts to contempt.”

For the above reasons, I rule that there is no prima facie point of privilege, and further, the motion of censure is not in order.

Thank you.

The hon. the Premier.

PREMIER BALL: Well, thank you, Madam Speaker.

I am certainly pleased to stand here today in the House of Assembly to speak to all the people of Newfoundland and Labrador, indeed, all the people of our great province. Also, to speak to what has been very difficult but necessary choices that we have had to make in *Budget 2016*. These difficult choices were all part of protecting the future of our province, protecting the future of the next generation of Newfoundlanders and Labradorians. Many of them are young children right now, and some of them are still students. In order to protect the economic future of our province, the financial

future of our province, some very difficult decisions had to be made, corrective measures that you’ve often heard us say.

Madam Speaker, it is true when you look at *Budget 2016*, there were many tough decisions that were made. As our province finds itself in a very challenging financial situation – and by many accounts, many people who have watched our province over the last number of years, they have called this, really, an unprecedented situation. Really, currently in the history of our province nowhere where they’ve seen us, as Newfoundland and Labrador – seen us before. As a matter of fact, many people have said they have not really seen any Canadian province in a similar situation that we’re into.

I’ve had the opportunity to reach out to past leaders in our province many, many times, of all political parties, of all political stripes. I’ve talked to leaders that have followed closely the affairs of our province, even not being elected, leaders in our communities, leaders in our organizations. They’ve worked through and they’ve lived in this wonderful province.

I’ve asked them, how would you compare this where we are today to where we’ve been, what you know our province to be. Every one of them – to a person – has said, we have never seen it like this before. We have never seen the level of the deficits like it is today. We have never seen the amount of borrowing that we’ve had to put in place. We’ve never seen measures like this before in the history of our province. That’s what people who have lived in this province for many, many years have told me.

Added to that, if you look back over the last 10, 12 years in our province, there has been a difference. We’ve had a lot of money over the last 10, 12 years to deal with. We’ve seen oil royalties; we’ve seen money like we’ve never seen it in the history of this province.

At one point we had the Atlantic Accord bringing in money. We’ve had oil royalties bringing in money. We had surpluses for a couple of years, over \$2 billion. There was a lot of money available. So for a long time the people have worked through challenges and they’ve worked through some very difficult situations. For the first time they were able to

see the valuable assets that we have in our province, that now they were actually producing the kind of wealth that people have long dreamed about.

We've had premiers in the past who talked about a situation that Newfoundland and Labrador would eventually evolve to where there would be money. There would be money coming from oil resources. Generations prior to that knew there were always industries, and the fishery. There was always money available from the forestry industry and so on. They were the kinds of traditional industries that we've seen in our province. And now, finally, we're in a situation where oil was generating the kind of wealth we'd longed for, for many years. That's what happened, Madam Speaker, that is what happened.

We had \$25 billion worth of it and things could be done, money would be spent. The money was spent on the belief that oil would always be there, that level of money, those kinds of royalties would always be available to us; yet, when you look back at the history of our province, and even when those oil fields first started to produce, they are a finite resource.

So when you take that first barrel of oil out, you know at some point you will get closer and those reserves will reduce, and if you do not find more, well, obviously we know what would happen. That eventually the oil money would run out – also, based on the premise the value of that would always be worth what it was.

You've heard me say – many people in our province have heard me say – to correct the situation we're in today it would mean that oil would have to be at \$148 a barrel. That is where we would need it to be. Madam Speaker, I don't see any analyst, I don't see any economist, I don't see anyone who is putting forecasts in place that are even remotely close to oil being anywhere near \$148 a barrel.

The real question comes is when you put in place a budget, what is it that you can budget for? How much revenue is it that you would have? How much revenue can you count on? There are programs, there are expenses that you want people in Newfoundland and Labrador to

be able to avail of. You want them to have those things.

There is no Member on this side of the House who would actually want to see – any generation of Newfoundlanders and Labradorians, people of any age, our young, our old, our middle class, our young married couples; we want them to have everything they want.

As a father I know what it's like. I want my children to have the best they can have, and I want my elderly mother to have good health care and good, affordable housing. I want her to be comfortable. They are the people who built the foundation in our life. We want this for all the people who live in our province, Madam Speaker, but what do you do when the money is just not there to be able to buy all those things we want to have, things that we have enjoyed in our lives.

When past leaders tell me – they say to me as Premier, this is the difference. That for the last 10 years there were a lot of things that were available because the money was there, but what did not happen in the past was how you plan for the day. How do we prepare for the day when that same amount of money is no longer available? Where do you go to get it? How do you afford to pay for the critical services that we all want to enjoy?

Madam Speaker, some people would say it was overspending. I'm not here to look back in the past. We cannot live in the past, but what I do know is if we want to protect the future of our province, if we really care about the next generation of Newfoundlanders and Labradorians, we have to make sure we prepare for our future. We have to make sure that when we spend money, we have to make sure we know where that is coming from. We have to make sure when we commit to a program, that program is sustainable. That it's a program that can see us into the future. So that when we look forward, five-years out, we know the money is available to us to keep those programs available.

We also must know we have infrastructure in our province that we need to continue to invest in because it means our communities can be safe. It means we can network. It means we can

build the economy within our province. These are the things that are required.

When we get together as a government and we look at how you put together a budget in 2016-17, how do you, with all confidence, prepare for the next five and the next six years? Madam Speaker, it takes a lot of discipline. It takes a lot of tough choices. I think all of us, as human beings, do not want to take things back from people. We do not want for people to have to pay more, but when you want those critical services, where is it you get that kind of money? What services is it that we can actually change and maybe service the people of our province in a more efficient way?

Madam Speaker, I want to talk about some of the specifics around the financial situation in a moment because it is important for everyone in our province to understand that although there are challenges, that with hard work, with preparation and with some good management we can secure the future of our province. I am very optimistic about the future of our province.

We have good growth; we can have great growth in the fishing industry, in the tourism industry, our research and innovation, the business sectors. Many of those are going strong today. I keep saying when I compare the government of business, right now we have a lot of strong businesses in our province that are doing quite well, but what we have is the government business is not doing so well because the royalties that are required, the amount of revenue that's required, is just no longer available to us like it was five or six years ago for it to be sustainable, Madam Speaker. That is where we find ourselves today.

Our offshore and on our onshore resources, even though we know the assets are there, we know they are plentiful, Madam Speaker. They will provide the real opportunities for us to grow our future, but they will just not happen. You cannot click your fingers and that happens. It takes hard work and it takes us as a group on all sides, not just this government but in Opposition as well, for us to work together because they will not just happen by themselves. It takes hard work to do that.

I've said it before, Madam Speaker. I've said it many times before that Newfoundland and Labrador – that we have the resources and the assets of a country. The resources and the assets of a country, but we have it all within the boundaries of our province I say, Madam Speaker. It is here. I am optimistic but we have to make sure that we manage it, we do it with focus and we do it with discipline.

We must all work together. If we are going to be successful it takes all of us, our communities, even working together with other provinces for us to be successful, for us to correct the situation the financial situation that we are in. Even though we are well positioned to fully leverage these opportunities, they will not just happen by themselves. It will happen with co-operation and it will happen with communities and all of us in this Legislature working together.

Madam Speaker, after the election of November 30, and after the first days in office, these are things that I will remember for a long time. As you got inside and you start looking at the financial situation of the province and you became aware of the direction that the province was going in, there were some difficult times. Oil prices were starting to fall, as we all know. That was started late last summer and into the fall. We saw that oil prices were falling.

Madam Speaker, around mid-December, when we got ready to do the mid-year update, it was at \$1.8 billion. If you remember back in budget 2015-16, the forecasted deficit was at \$1.1 billion, so things were changing fast. Even then at the mid-year update, it was at \$1.8 billion.

It was very difficult to borrow. We had a lot of money on short-term borrowing; 60 and 90 days were not unusual at all. Madam Speaker, \$1.8 billion to \$1.9 billion – a lot of money when you put that in context. It's very hard for the average family in our province to even visualize what \$1.8 billion means.

What it means is when you have that kind of deficit, very simply, is that of the over 500,000 people in our province, that is your debt, that is what you share, that is what you are responsible for, Madam Speaker. That is what that means. Then, as things moved on, and we said with the Minister of Natural Resources that we needed to

do an update with the Muskrat Falls Project, because it was falling behind as well – the schedule was falling, which would mean the work would have to continue. As long as the work is continuing on that project there is overhead by Nalcor, because they were managing the project.

As the project gets scheduled to be longer, the costs go up just to carry the overhead, let alone the construction side. So we were there, we saw the schedule slip, but also the cost to do that megaproject, that hydro project, that was also increasing as well. So there was a significant amount of money that was required. In this year's budget you will see nearly \$1.3 billion in borrowing for Nalcor. Most of that will go to the Muskrat Falls Project. Here we are well over \$6 billion into that project, and even as I stand here today as Premier of this province I cannot give you, with any degree of certainty, what the price will be or when that project will be finished.

Hopefully within the next few days, we will have a better understanding of where we are and where that project is, because we need to know as we plan for our future. There is still a significant amount of money to be spent on that project – and keep in mind, all of that money spent on that project, Madam Speaker, is borrowed money. It will be borrowed money and it will be added to the next generation, in terms of the borrowing.

So then you ask yourself, in the early days, how do you deal with this situation? How do you really deal with what is an unprecedented situation in the province? How do we get out of this?

So we went out and we spoke to people in communities across our province. We gave every Newfoundlander and Labradorian an opportunity to feed in what I would say was probably the biggest debate in the history of our province, that you can share your ideas with your government, feed in your ideas and where you can bring changes and make changes. How do you take the waste out of government? How do you make things more efficient? What are your concerns?

People all across our province, they fed into that; they fed into the Government Renewal Initiative.

There were many ideas that fed into that, and I can tell you that in the budget process that unfolded in the weeks subsequent to that many of those ideas found their way into budget 2016-2017, Madam Speaker.

We all know that last year, the previous administration, that they presented a budget that was really based on more hope. It was based on hoping that things would get better. It was hoping that oil prices would rebound. It was that more than anything else.

Madam Speaker, we can't do that with any degree of certainty. You can't stand there with your fingers crossed and say we will wait. We need the oil prices to rebound. That is not the way you plan for your financial future of the province. You cannot do that. You need to know what you have in revenue in terms of certainty. That is why when we based our numbers, we took much more of a cautious approach to things. You have to do that when you're dealing with volatile commodities like oil as an example. You just can't stand there and make a budget prediction hoping that things will get better. That is not the way it works. That is not the way that this budget was formulated, I say, Madam Speaker.

When last year's budget was put together, it also included revenue from projects that they thought might happen in a few years' time, things that were not really fully understood, but we will put in a number thinking that we will get some revenue from that. Well, Madam Speaker, that is not the case. We know that those projects will not be delivering the money that they thought it would. This is just a year ago.

The prediction for last year, Madam Speaker, was \$889 million deficit – \$889 million deficit. That turned out to be \$1.8 billion deficit – \$1.8 billion in deficit. When you look at where we go today, based on the numbers that we saw last year, it would have been \$2.7 billion. If you use the forecasting views and modeling that was used by the previous administration last year, it would have been \$2.7 billion.

Over the last number of weeks we've heard significant debate in this House of Assembly of don't do this, don't do this; don't change this, don't change that. But what I haven't heard,

Madam Speaker, in this debate is this is what I should do, or this is what you can do. These are the ideas that can make the change, except continue to borrow more money. Continue to ask the next generation, the future of Newfoundland and Labrador, continue to ask them to pay for the things that we want to use today. These are the suggestions that I've heard in this House of Assembly.

I will tell you, Madam Speaker, I am prepared to listen to any idea that can add changes and for whatever the value is, if there is a way to deliver a service more efficiently, well, we must be prepared to listen to that. We are prepared, but it cannot be just borrow so our children and our grandchildren can pay for the things that we want to use today. These are the solutions. These are the only solutions I've heard, Madam Speaker.

We've often heard: How do you put together a budget? Given the former premier refused to present the updated in the fall of last year, I say, Madam Speaker, we all know that when you put together a budget you don't do that on the back of an envelope. You don't do that on a napkin. That is not the way the budget process works.

SOME HON. MEMBERS: Oh, oh!

MADAM SPEAKER: Order, please!

PREMIER BALL: Many people would have said you should have known this was coming. Well, I can you what. It would have been very easy to know what was coming if the information had been put out there in advance. I can assure you, from where I sit today, I can guarantee you that information was available. That information was there and could have been shared with the people of the province.

Madam Speaker, once we got a chance to really look at where things were in the province, when we got a chance to look at the books of the province, to get a full picture and get an understanding of the state of the affairs of our province, I can tell you it was certainly an eye-opener for me. It was certainly something I can tell you Members of our caucus were shocked to see.

We were told about the –

SOME HON. MEMBERS: Oh, oh!

MADAM SPEAKER: Order, please!

PREMIER BALL: The Member opposite over there from Mount Pearl is saying that you were asleep. Well, Madam Speaker, if he was deputy premier at the time when this information – was he sleeping through all of this? These are the comments that the Member opposite, the former deputy premier, was just making on the floor of this House of Assembly. He's saying you had to be asleep.

Well, I can guarantee you – why did he sleep through the election and never share once with the people of Newfoundland and Labrador what he knew? I can guarantee you the former deputy premier of Newfoundland and Labrador knew about the financial affairs of this province, and today he's saying someone must have been asleep.

So that tells me he must have slept through the full election because what he didn't do is tell the people of the province what he knew. Therefore, he either slept through it or he deliberately did not share it with the people of our province. I say that to Member opposite.

SOME HON. MEMBERS: Oh, oh!

MADAM SPEAKER: Order, please!

The Speaker has called for order. We have had to recess the House for a considerable time today to consider a motion. We don't want to go down the road of naming Members but that is the road we will go down if we continue to have interruptions.

The hon. the Premier.

PREMIER BALL: Thank you, Madam Speaker.

Once we were able to get in and get the full picture of the financial situation of our province, knowing this year we were facing a \$2.7 billion deficit, based on the plan, as they called it, the Members opposite called it, that was their plan. It is one they seemed to be okay to live with, a \$2.7 billion deficit. Madam Speaker, we knew that corrective action had to be taken. It was

very difficult to borrow long-term. It was very difficult to see a clear path ahead to get the province back on track.

As a result of the decisions that we made in Budget 2016-17, the deficit that we see now, even today, is still at \$1.8 billion, I say, Madam Speaker. That is a significant number. That's a big number, \$1.8 billion. We have never seen a deficit like that in our province.

Now, Madam Speaker, just to put this in perspective, a \$2.7 billion deficit is very hard to put that in context. What does that mean? If a person worked seven hours a day, 252 days a year and that person working seven hours a day made a \$1,000 an hour – one person working seven hours a day, 252 days a year, at a \$1,000 an hour. How many people do we know that would make \$1,000 an hour? It would mean that person, in order to pay for a deficit of \$2.7 billion, would have to work for 1,530 years. That's the magnitude of what we're talking about when we talk about a deficit of \$2.7 billion.

Madam Speaker, to put our province back on track there were some tough decisions that had to be made, but you make it with our young people in mind, you make it with the future of our province in mind. Making those difficult decisions were not easy because we knew it would impact people's lives today.

So during that time, Newfoundland and Labrador, when you look at where we are – even through all of this with the budget decisions we have made – it still will require \$8.2 billion in new debt. So even in this situation, it's \$8.2 billion in debt. That is compared to what would have been \$17.6 billion during the same period of time.

Madam Speaker, there is lots more work to be done. When you look at it, when we look at *Budget 2016*, there's almost \$1 billion – \$90 million more than we spend on the K to 12 education system. So as you've heard the Minister of Finance say and the Minister of Education say so many times, currently we are spending more money on interest than we are on educating our children as a result of the situation that we are in.

Madam Speaker, the choice became quite clear. To protect our future, our government had to get our debt under control. In this year's budget there's \$982 million in debt expenses. Total government budgeting this year is \$8.48 billion. It's a significant budget.

I've heard Members opposite talk about you're spending more on expenses this year than you have in the past and why is that. You'd make it seem as if we are spending more on services when there's so much talk and discussion around doing things efficiently and cutting things. In actual fact, there's a considerable amount of money in this year's budget to put into pension plans because of the liability that's in pension plans because of the performance over the years.

That's important because many of them are retired teachers, retired public sector workers who live off those pension plans. They are people who have made a commitment thinking and knowing and wanting to make sure that those pension plans are secure. As a result of measures taken in this budget, they are protected. We are filling those liabilities we know should be done.

Madam Speaker, this is where some of the money goes. The debt expense that I just mentioned of nearly a billion dollars is 11.6 per cent of our budget. It's significant. Imagine where that will go if we did not put in the corrective measures that we had to do. We would see that growing continually.

Debt expense today, per day is \$2.7 million. So \$2.7 million a day in debt expense, this is where we are. If you take that per week, it's nearly \$19 million. On a monthly basis, that's nearly \$82 million a month just in debt expenses alone. Just think about that. Just think about what you could buy in this province and the services you could provide if that debt wasn't there. Just think about that. It's considerable.

We're spending more. As an example, when you look at – and people have asked me: What is it? If you had to compare the debt expense to other departments where would they be? Municipal Affairs – if you take the total debt expense of \$980 million, Municipal Affairs, our communities, our towns, our cities, \$232 million; Justice and Public Safety, \$258 million;

Transportation and Works, \$444 million; Natural Resources, \$44 million. You can see that debt servicing is really larger than most of our departments right now, except for Health, I say, Madam Speaker.

If you manage wisely and put in place the corrective measures now, we will be a long time getting this debt under control. Make no doubt about it, this province will have to be run servicing its debt for a long, long time, but it will only happen if we actually plan and prepare for our future.

It was interesting watching some of the news the other night. I saw a T-shirt that said: Just give me one more oil boom and I promise you I will not blow it the next time around – one more oil boom and I will not blow it the next time around. Madam Speaker, I can see that. I can see why people will feel that way, that you actually had to plan for when the production falls off or when the oil price falls.

What we do know in the history not only of Newfoundland and Labrador, but we know this in the history of the world, that oil prices rise and they fall. This time most economists, most analysts are saying you can expect them to be low for longer; low prices for a longer period of time. We do not know with any degree of certainty when those prices will rebound.

Madam Speaker, I want to talk about the HST because there's no doubt – I heard the Member opposite talk about campaigning on not increasing the HST. I'll agree. I was a person who fought hard and long not to do that. I didn't want to do it. I will tell you I did not want to do this. It was something I did not want to do. When we went around this province many, many people looked at me and said: As leader, as a Premier, this is something you need to reconsider.

I could have been stubborn and said, no, I won't do it, because I know any time you take money out of the pockets of Newfoundlanders and Labradorians, yes, it has an impact. I know that. What we see right now is in all of Atlantic Canada. We see all our Atlantic provinces right now with an HST of the same amount.

I can assure you, when we get this province back on track – taxation. Our objective will be to put as much money – either through economic development, through lowering of taxes and so on – back in the pockets of people who work extremely hard for the money they earn. That is where we need to be.

Right now, this province needs help. This province needs the help of all its citizens. It needs the help of people to actually make sure we position ourselves to be financially secure, so that we can continue to position ourselves to borrow for the long-term making sure the money is available to supply those critical services. That is where we need to be, Madam Speaker.

I also want to say that we've taken, I guess – there's been a lot of information out there when you look at some of the taxation, the revenue-generating measures that we've put in place and how we actually compare in Newfoundland and Labrador. How do we really stack up to the rest of Atlantic Canada? If you look at someone in Newfoundland and Labrador, a low-income earner of \$20,000 of taxable income, where is that person? How does that person compare to the rest of Atlantic Canada?

If you look at *Budget 2016* and you take that individual – take any individual. We all have many constituents at the \$20,000 taxable level. If you look at that in Newfoundland and Labrador, a person in our province would pay \$233 in income tax. That same person in Nova Scotia would pay \$858. In PEI they would pay \$859. They would pay \$355 in New Brunswick.

So when people look at me and say that I'm here to protect high-income earners in our province – and I've heard both leaders say that about me – that is simply not true. It's simply not true. I've spent a lifetime helping people who are most vulnerable in our society and I will continue to do that. I believe in that. It's who we are. When you look at it we will remain competitive with the rest of Atlantic Canada. That is who we are.

Madam Speaker, it is of the utmost importance for our government to make sure that those values are understood and are maintained in our province. However, as we increase revenues to make up the dramatic negative impact, we have made some very difficult choices. Even now,

with the decisions that we've made in all our tax brackets, we are still very competitive with our Atlantic Canadian counterparts.

Also, through the course of this budget we've heard much discussion on: Well, Alberta didn't do it that way. Alberta did it differently. Why couldn't we put in place a budget like Alberta did? There are a number of differences between where we are today and where the province of Alberta is.

We can look at some of those differences as an example. Alberta will run a deficit of \$9.7 billion this year. That's five times greater than the \$1.8 billion we will know, but they have a GDP ratio of less than 10 per cent. I heard the Leader of the Third Party argue about the debt to GDP just a few days ago. In Alberta it's 9.6 per cent and Newfoundland and Labrador is 49.5 per cent.

So the GDP – the economy in Newfoundland and Labrador, that debt comparison is 49.5 per cent. I can assure you go look at where other Canadian provinces are and we are the highest, Madam Speaker. That is where we are. There is a big difference in where we are as a province to where Alberta is.

Alberta in the past has not had to go up. As a matter of fact, they have more people and they have the capacity to borrow. It is something we did not have the luxury to do in our province. That is what makes us very different than Alberta.

As a matter of fact, I just want to quote; there was an economist from the University of Calgary. He said: "Newfoundland's interpretation of the fall in the oil price is that oil is not going to come back any time soon.

"So rather than accumulate a whole bunch of debt, waiting, hoping, praying that oil prices will come back, they decided to take action" whereas Alberta decided to borrow.

The economist made those comments, but I can tell you Alberta had room to borrow. Our Province of Newfoundland and Labrador did not have that luxury.

We are faced with difficult decisions, Madam Speaker. I can tell you that all of us on this side of the House understand that. There's been a lot of discussion around the temporary Deficit Reduction Levy as well. I was very pleased just last week that we were able to be joined with our federal colleague here, Minister Foote, and able to make some changes in that. We always said that it was temporary. We always said that when we could change it we would.

When the \$27 million, in terms of the equalization, the loan, the overpayment that was due on that – when we got relief on that, those payments deferred, we were able to immediately put that into the pockets of Newfoundlanders and Labradorians like we said we would do. We were able to increase – eliminate the temporary levy for anyone making under \$50,000 in our province.

How many is that, Madam Speaker? That is nearly 75 per cent. Three out of four people in Newfoundland and Labrador right now will not be paying this temporary levy. It is temporary and when things change in our province – we've already said what that sunset date is, when that will eventually be all gone. We will work our way through that. If we find a way, even before then, that we are able to deal with it, we certainly will, along with many of the other measures we've seen in this budget.

Members opposite often talk about the relationship with our federal colleagues. As a matter of fact, it came up in this House today a few times about what the federal government could do for us. Right now just nearly five months – just over five months into this – we've had many successes when it comes to impacting the lives of Newfoundlanders and Labradorians, and I just mentioned one of those with the deferment of the equalization repayment loan. That is just one example of where we were able to put money in the pockets of Newfoundlanders and Labradorians.

Things like the tariffs of \$25 million; this was a commitment that was made to purchase the ferries the *Legionnaire* and the *Veteran* made by the previous administration. They didn't. They forgot to say that those tariffs would be included. We kept asking questions on this for many, many years about the decision that was

made on that. Well, our federal colleagues stepped up and they reduced those tariffs, I say, Madam Speaker.

Extension of the EI benefits will help many people in Newfoundland and Labrador. But I think one of the biggest decisions – impact that we have in our province is just the relaxing of the criteria around many of the infrastructure projects that we could see in our province. What it allowed was for us to actually make infrastructure investments in communities. Based on the old criteria, they would never have qualified when it comes to the traffic on our roads and so on. As a result of relaxing the criteria around those infrastructure projects we are now able to leverage money from our federal colleagues to invest in those infrastructure projects.

Madam Speaker, I know in your part of the world on the Trans-Labrador Highway, the previous administration made a commitment that they were going to cap the amount they would spend on that highway. It's a very important piece of infrastructure in our province; gravel roads for nearly about 600 kilometres up there.

What happened is the federal government, with a number of meetings that we had on that, they again changed the criteria on that. They have stepped up and we are now able to leverage a lot of money from the federal government so we can more aggressively get that piece of work done as a necessary piece of the infrastructure in our province as well, I say, Madam Speaker.

We've seen investments of nearly \$570 million in our province in infrastructure. Much of that would be leveraged money. It will be spent in municipalities, it will be spent in transportation, it will be spent in schools and it will be spent in health care facilities and so on.

Madam Speaker, we've talked a lot about the difficult decisions that had to be made, but there were also some very significant investments that we are making in the province as well. In education – there's nearly \$900 million spent on education of the total investments in program expenses that we've seen in the province of nearly \$8.5 billion. When you look at that \$891 million, that's 10½ per cent of the budget, we'd love to have more.

We've also made investments in full-day kindergarten, which will mean 142 teaching positions. We've also increased student assistance in this budget; \$119 million to support inclusive education. These are not numbers that you hear a lot spoken about in this House of Assembly, but these are numbers and commitments that are made as a result of Budget 2016-2017; over \$38 million in a child care strategy. These are really making necessary investments for the future of our province.

Also, we made a commitment during the campaign to put in place school board elections. The previous administration withheld doing that, so we've made the commitment to actually let people have a say in their school board elections. These are just to name a few and there are many, many more: supporting the College of the North Atlantic, supporting Memorial University, to keep in place a low tuition fee program which is important, not just to the students but to their families as well.

When you look at investments in education – I can tell you when I read off this list, people will not say they were done for political reasons. In Mount Pearl, we saw St. Peter's Junior High, the extension there, \$5.6 million; in Mount Pearl, St. Peter's Primary; Paradise, Portugal Cove, Torbay, CBS, Gander, just to name a few, not for political reasons but these are things that we want to make sure that we continue to do the work that's already begun, I say, Madam Speaker.

Team Gushue Highway is another one at Transportation and Works, which is an important piece of infrastructure in the St. John's, Mount Pearl and indeed this whole area: \$23 million. I don't hear Members opposite say cut those investments. I'm not hearing Members stand up in this House of Assembly on a day-to-day basis and say cut that project and do this here. I'm not hearing that at all, and that is not unusual, Madam Speaker.

When you look at our health care budget, over \$3 billion spent on health care in our province today, Madam Speaker. We know that the perfect health care system – we have Minister Haggie here. As we know, he's spent a lifetime, and so have I, spent many hours in front-line health care delivery. It is very difficult to put the

perfect system in place, but we have to make sure that we spend those dollars as wisely as we can, Madam Speaker.

We know that our seniors want to live in their communities as long as possible because it is their home. They're surrounded by their family in many cases, and we will do what we can do to make sure that they are given the opportunity to stay in their own homes as long as possible.

Madam Speaker, I could go on and on about the expenditures that we see in this budget, about initiatives to help, being very proactive in some ways, how we help people adjust in their communities and live better quality of lives.

In Municipal Affairs, as an example, with operating grants and many, many investments that we've seen on community infrastructure, water and sewer programs, roadwork and on and on it goes. Again, I do not see Members opposite standing up in this House of Assembly and saying, take that away from my community, because that's a cut that I'm willing to live without. They don't do that. Instead, what they do is they make issue out of some of the tough choices that we've had to make, I say, Madam Speaker.

I also talk about the seniors in the low-income program that we've put in place. It's an income supplement program, realizing that many seniors in our province, they find it very difficult to make ends meet. So what we've put in place is a total of \$76.4 million helping our low income, helping our seniors, and now helping what have become the most vulnerable that we have in our society.

Mr. Speaker, what you see is these are the very people that actually put the infrastructure in our province. These are the same people that have built Newfoundland and Labrador, taken us where we are today, and we're very proud of the work they have done.

Mr. Speaker, as I begin to close today, the comments around Budget 2016-2017, there's an awful lot more work that we have left to do. But there is also work that we have done. Some of the key things we have done already – and I'll talk about the Independent Appointments Commission in just a few minutes and why I

feel, as a Premier, that it is extremely important for us as we navigate our way out of the current situation that we're into.

One of the things that we did early, that I want to talk about, is putting in place the Members' Compensation Review Committee. This is a committee that goes in place after every general election that we had. So we put this committee in place and their work will be done – their mandate not only to look at the compensation of Members, but also to look at the impact of pensions of MHAs in our province. For years and years and years, the pensions that are in place for MHAs have really been what many people would have referred to as gold-plated pensions.

So we need to put parameters in place so that we can make the pension plans for MHAs in this province applicable to where they are. This is a committee that will be taking a look at all of that.

As I said, I will talk about the Independent Appointments Commission. Many people in this House on the Opposition side, they have looked at this commission and they have basically made some very negative comments about it and how successful it could be. I will not repeat some of the language that has been used about this piece of legislation that is now passed in this Legislature, but they are critical.

We have five Members on this Independent Appointments Commission who are very highly respected across the province. They are widely known, and they are known because they are Newfoundlanders and Labradorians who have volunteered their time. They have made a difference in our province. They are respected no matter where they go. They will make a difference, I am going to tell you, because the decisions we use – our Public Service Commission, as the names of all Newfoundlanders and Labradorians that for many, many years felt they would never have an opportunity to actually be part of an organization, a board or a commission or an agency in our province.

Many of them wanted to be part of this but because of politics, they were often overlooked. We have seen this, even in the recent year when

you look at the demonstrated activities by former administrations who spoke out loudly against this. As a matter of fact, they spent years in government and could have done something like this and just refused to do it; yet, as soon as they were in Opposition they spoke out about it and said, guess what? You didn't go far enough. Well, I can tell you what, we went a lot further than they ever did.

We're very proud of that commission that is now put in place. They will make recommendations of some people that are merit-based, because we need Newfoundlanders and Labradorians who are willing to volunteer their time to help us make the difficult decisions that will have to be made. If it's in education, if it's in health care, if it's in our communities, if it's in some of the big Crown agencies that we have in government. Things like Nalcor, things like the NLC, things like Housing, our universities and so on.

Newfoundlanders and Labradorians, men, women, youth, people of all ages who have an interest in reaching out and helping us rebuild Newfoundland and Labrador now can be empowered to do just that. All they have to do is put their resume in, go through the process that is required here, and they could be someone who is appointed to lead our province into the future.

Mr. Speaker, as a caucus, we understand the difficult decisions that we've had to make. We understand the tough decisions that are required to correct our future. Many of these decisions, I would say all of those decisions were not easy decisions to make. We completely understand the impact of that.

We inherited a deficit from the former administration that they said would be \$889 million. It turned out to be much more than that, as we know that. We also know that the future planning they had in place was much worse than they thought. I can understand that, because no matter who was there to be able to forecast for oil pricing where it is and where it is today and where it was in the past few months was very difficult to do.

We have taken a different approach to that I say, Mr. Speaker. We have to look for ways to get off a single revenue line completely dependent

on oil. We will do this by working together, but we will also do this, making sure that the critical services of Newfoundland and Labrador are provided in the most cost efficient way.

We also have to make sure that we cut whatever waste that we have in government. If there's anything that I know about a Newfoundlander or a Labradorian is the last thing they want is to see money wasted. So if there's waste in government, we are expected, as we should be expected, to make sure that we cut that waste, and we use that money to either lower the deficit or put it into a critical service that people in our province so rightfully deserve.

Through all of this we will continue to invest in infrastructure. We will continue to invest in our economy. We will continue to work with all Newfoundlanders and Labradorians to diversify our economy, to find new sources of revenue, to look for those opportunities no matter where they are in our province. If it's in a rural community, in the larger communities, we will work with all of them to make sure that if we can create a job, find five jobs, 10 jobs, 25 jobs, that is where the success will come for the future of our province. I look forward to working with Newfoundlanders and Labradorians in getting that work done.

As a Premier, I know the future of our province is bright, but it will take good management, it will take planning. I can assure you, Mr. Speaker, I am willing to put in the hours. I can assure you that this caucus is willing to do the work that needs to be done to correct and save and secure the future of Newfoundland and Labrador for all Newfoundlanders and Labradorians.

Thank you, Mr. Speaker.

MR. SPEAKER (Osborne): The hon. the Minister of Finance and President of Treasury Board.

MS. C. BENNETT: Thank you, Mr. Speaker.

I wanted to say it's an honour to stand in the House today, as it is every day for all the Members of this House to stand and represent the constituents that elected us and the people of

our wonderful Province of Newfoundland and Labrador.

Mr. Speaker, I want to take a moment as we conclude the budget debate – I want to take a moment to thank all my colleagues in this House, all the colleagues on both sides of the House for their contributions they have made through the budget debate.

We began this debate back on April 14, when I rose in the House and delivered our government's first budget, but we could really say that the debate began back in December when the Premier and I had the opportunity to update the people of the province as to the very serious fiscal situation facing the province. Since that time, this government has worked very hard to lay out an action plan that will return this province to surplus and, more importantly, will protect the vital programs and services that each and every Newfoundlander and Labradorian have come to appreciate and to count on.

It is the plan of this government to ensure that we move forward with a more modern and a more sustainable public service. We must ensure the delivery of public services is efficient, without waste, and favourable for future realities. The financial decline of our province must be stopped. We will not continue on the current path of inefficient spending and unsustainable borrowing. We will stop the decline.

As we've heard throughout this budget debate, the deficit for 2015-16, projected at mid-year to be \$1.96 billion was revised to \$2.2 billion. The budgeted deficit for 2016-17 is one \$1.8 billion. If no action had been taken, as the Premier has already articulated, and as many Members of this House have articulated during this debate, if no action had been taken that deficit would have worsened to \$2.7 billion.

The budget lays out a clear, credible plan with objectives and transparent goals and targets, and has employed evidence-based decision making. It also includes important investments like those in the seafood industry, agriculture, aquaculture, tourism and infrastructure spending, Mr. Speaker, because our economy needs investment.

To ensure that Newfoundland and Labrador is positioned to return to surplus in 2022-23, our government laid out a series of fiscal targets as part of the budget. The provincial government's borrowing requirements over the seven-year period that we laid out in the budget would be \$8.2 billion versus the \$17.6 billion if nothing had been done, \$8.2 versus \$17.6 billion.

The net debt, as of March 2023 is targeted to be \$16.5 billion compared to \$27.3 billion, if we hadn't taken action. Instead of a deficit of \$1.9 billion in fiscal '22-'23, we are targeting a small surplus.

Mr. Speaker, there's no doubt these are difficult and challenging times in Newfoundland and Labrador. We are putting provisions in place so that our children and our grandchildren will not ever have to weather the financial storm like the one we are weathering today.

We know that the long-term future is bright. Working together and addressing the reality of what's facing our province, we will leverage our resources and we'll create a legacy of wealth for our children and grandchildren. Without action, Newfoundland and Labrador will face mounting debt, increasing interest and borrowing costs and further credit-rating downgrades that will restrict the ability to support key government programming.

We recognize this budget is impacting people across the province. We are concerned about all people in the province. We are concerned about our children and that we are paying more on debt expenses than on educating them. We are concerned about vulnerable residents. That's why we are lessening the impact with the Newfoundland and Labrador Income Supplement. We are concerned that the burden of increased debt and an inability to borrow could mean that vital services are not available for the residents now and into the future.

Like the Members of this House have referred to during the debate, I've been receiving phone calls and emails. Mr. Speaker, I'll share one now with the House: I've heard and seen a lot of hate lately, primarily over the budget, so I just wanted to write and say I think what you've done is good for this province. The fact that it's causing such polarity in people proves that it's a

move in the right direction. It's not going to be easy for people. I empathize with that, but we're still \$2 billion in the red, and I don't think it's a secret anymore, changes are coming. As a people, we always adapt. Either way, I haven't seen or heard many voicing any form of support, so I thought I'd send a note. Ultimately, I think you've done a good job thus far.

Mr. Speaker, the situation our province is facing was not created overnight. It won't be solved overnight. That's why feedback from the people of the province, in particular, around the changes they articulated they wanted to see in the temporary deficit levy, we were very pleased to be able to action those recently with the support of our federal counterparts.

Approximately 110,000 people will pay the levy. Under the old program, those tax filers would have been somewhere in the vicinity of 262,000. Those changes were made in response to concerns we heard about the levy. We promised that as soon as we could change it we would and we did.

We understand the choices we were forced to make in *Budget 2016* were difficult – difficult for many people. They are difficult for us, as a government, to make. Rest assured, as we began work to develop *Budget 2016* we were guided by unwavering values. As the Premier has said, we wanted to ensure that critical services were protected for future generations and that we would make government more efficient as to not burden those future generations with the excess of debt.

We wanted to protect those future generations to prevent any future government from leaving our province in the fiscal situation we find ourselves faced with today. As I mentioned, we wanted to make sure we took care of the most vulnerable in our province. That's why the Newfoundland and Labrador Income Supplement was introduced. This is something our government is very proud of. It is designed to help mitigate the impact of the revenue measures from the budget on low income seniors, families and individuals. We introduced this income supplement to do just that.

Through *Budget 2016*, we will spend overall \$8.48 billion on programming services and

investments in infrastructure. This will continue to keep our economy moving. Some of the key initiatives the Premier has mentioned and investments we've made through *Budget 2016* include: the investments in infrastructure, full-day kindergarten, the Premier's taskforce on educational outcomes, the increase to the monthly fuel allowance for eligible Income Support clients, investments in tourism, the fish advisory council, the office of the seniors' advocate and the improved *Public Tender Act*. We want to put our province in a better position. While the path to get there presents some new challenges, we are unwavering in our commitment to achieve long-term sustainable growth for our province.

Mr. Speaker, it's been difficult for all of us. It certainly has been striking that throughout the debate in this House Members across the way continue to fail to acknowledge the very serious situation our province faces, a financial crisis we have never seen in our lifetime. When we came into office in December '15 we were faced with an unprecedented situation. We immediately had to work to bring stability back to the province and get us on a stable path forward.

The former administration refused to make a sustainable plan when they knew in 2007 that oil was at peak production and peak price in 2008. They continued to spend 22 to 34 per cent higher than any other province, based on per capita. They enjoyed the highest oil product in 2007, highest oil prices in 2008 and half of their entire term, Mr. Speaker – half of their entire term – they spent in a deficit position.

Yes, Mr. Speaker, *Budget 2016* contains many tough choices, but without those choices this province would have been facing a very serious financial crisis. We have been able, through strategic choices, to avert that looming crisis.

Newfoundland and Labrador is facing difficult times and we need to continue to persevere. We need to all work together to overcome the challenges facing us. The right decisions aren't always easy ones. That was certainly the case as we work through what is arguably one of the most important budgets in our province's history, one that would either put us back on track or allow us to continue down the road that would lead to financial crisis. Our plan is driven

by the vision for long-term sustainability for our province and our people, something that only can be achieved through short-, medium- and long-term actions.

Mr. Speaker, I'd like to take a moment to again thank all the hon. Members in this House for their contributions during the debate of *Budget 2016*. We still have a lot of hard work to come to put Newfoundland and Labrador back on the right track. We will build fiscal confidence and accountability. The financial decline of our province must be stopped. We will continue on the current path to address inefficient spending and the unsustainable borrowing. We will stop the decline.

Mr. Speaker, before I sit down, the budget we presented in the House on April 14, for all Members on this side of the House, was one that was very challenging; but one that we know, as the Premier has articulated, will enable us to build the financial foundation to ensure that the critical services the people of the province expect, deserve and need are in place. We will continue to recognize the reality of the situation we are facing, Mr. Speaker.

Thank you.

MR. SPEAKER: It is moved and seconded that this House approves in general the budgetary policy of the government.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

SOME HON. MEMBERS: Nay.

MR. SPEAKER: I declare the motion carried.

AN HON. MEMBER: Division, Mr. Speaker.

MR. SPEAKER: Division has been called.

Division

MR. SPEAKER: Are the Whips ready?

MR. LANE: Mr. Speaker, I want to rise on a point of order –

MR. SPEAKER: Order, please!

The hon. the Member for Mount Pearl – Southlands.

MR. LANE: Yes, Mr. Speaker, just a moment ago the Minister of Transportation and Works yelled out across the floor and told me to shut up. I believe that's unparliamentary and I would ask for that to be withdrawn – an apology.

MR. SPEAKER: Order, please!

I didn't personally hear the Minister of Transportation and Works say this, but I ask the Minister of Transportation and Works if you did, if you would rise and withdraw the comment, please.

MR. HAWKINS: Mr. Speaker, if I said that, I withdraw the comment.

MR. SPEAKER: Order, please!

I ask the minister to withdraw unequivocally.

MR. HAWKINS: Mr. Speaker, I withdraw the comment.

MR. SPEAKER: All those in favour of the motion, please rise.

CLERK: Mr. Ball, Mr. Andrew Parsons, Ms. Coady, Mr. Joyce, Mr. Haggie, Mr. Hawkins, Mr. Crocker, Ms. Cathy Bennett, Mr. Kirby, Mr. Trimper, Mr. Warr, Ms. Dempster, Mr. Browne, Mr. Mitchelmore, Mr. Edmunds, Mr. Letto, Ms. Haley, Mr. Bernard Davis, Mr. Derek Bennett, Mr. Holloway, Ms. Pam Parsons, Mr. Bragg, Mr. Reid, Mr. Dean, Mr. King, Ms. Parsley.

MR. SPEAKER: All those against the motion, please rise.

CLERK: Mr. Paul Davis, Mr. Hutchings, Mr. Kent, Mr. Brazil, Ms. Perry, Mr. Kevin Parsons, Mr. Petten, Ms. Michael, Ms. Rogers, Mr. Lane.

Mr. Speaker, the ayes: 26; and the nays: 10.

MR. SPEAKER: I declare the motion carried.

The hon. the Government House Leader.

MR. A. PARSONS: Mr. Speaker, I call from the Order Paper, Motion 2, Supply.

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MS. C. BENNETT: Mr. Speaker, I have received a message from his Honour the Lieutenant Governor.

MR. SPEAKER: As Lieutenant Governor of the Province of Newfoundland and Labrador, I transmit Estimates of sums required for the Public Service of the Province for the year ending 31 March 2017, by way of further Supply, and in accordance with the provisions of sections 54 and 90 of the *Constitution Act, 1867*, I recommend these Estimates to the House of Assembly.

Sgd.: _____

Lieutenant Governor

Please be seated.

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

MS. C. BENNETT: I move, seconded by the Premier, that the message be referred to a Committee of Supply.

MR. SPEAKER: It is moved and seconded that the House resolve itself into a Committee of Supply and that I do now leave the Chair.

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, ‘nay.’

Carried.

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

Committee of the Whole

CHAIR (Dempster): Order, please!

Resolution

“That it is expedient to introduce a measure to provide for the granting to Her Majesty for defraying certain expenses of the public service for the financial year ending March 31, 2017 the sum of \$5,142,545,200.”

CHAIR: Shall the resolution carry?

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

CHAIR: All those against, ‘nay.’

SOME HON. MEMBERS: Nay.

CHAIR: Carried.

On motion, resolution carried.

A bill, An Act For Granting To Her Majesty Certain Sums Of Money For Defraying Certain Expenses Of The Public Service For The Financial Year Ending March 31, 2017 And For Other Purposes Relating To The Public Service. (Bill 11)

CLERK: Clause 1.

CHAIR: Shall clause 1 carry?

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

CHAIR: All those against, ‘nay.’

SOME HON. MEMBERS: Nay.

CHAIR: Carried.

On motion, clause 1 carried.

CLERK: Clauses 2 through 5 inclusive.

CHAIR: Shall clauses 2 through 5 inclusive carry?

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

CHAIR: All those against, ‘nay.’

SOME HON. MEMBERS: Nay.

CHAIR: Carried.

On motion, clauses 2 through 5 carried.

CLERK: The schedule.

CHAIR: Shall the schedule carry?

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

CHAIR: All those against, ‘nay.’

SOME HON. MEMBERS: Nay.

CHAIR: Carried.

On motion, schedule carried.

CLERK: Whereas it appears that the sums mention are required to defray certain expenses of the public service of Newfoundland and Labrador for the financial year ending March 31, 2017 and for other purposes relating to the public service.

CHAIR: Shall the preamble carry?

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

CHAIR: All those against, ‘nay.’

SOME HON. MEMBERS: Nay.

CHAIR: Carried.

On motion, preamble carried.

CLERK: Be it enacted by the Lieutenant Governor and House of Assembly in legislative session convened, as follows.

CHAIR: Shall the enacting clause carry?

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

CHAIR: All those against, ‘nay.’

SOME HON. MEMBERS: Nay.

CHAIR: Carried.

On motion, enacting clause carried.

CLERK: An Act For Granting To Her Majesty Certain Sums Of Money For Defraying Certain Expenses Of The Public Service For The Financial Year Ending March 31, 2017 And For Other Purposes Relating To The Public Service.

CHAIR: Shall the long title carry?

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

CHAIR: All those against, ‘nay.’

SOME HON. MEMBERS: Nay.

CHAIR: Carried.

On motion, title carried.

CHAIR: Shall I report Bill 11 carried without amendment?

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

CHAIR: All those against, ‘nay.’

SOME HON. MEMBERS: Nay.

CHAIR: Carried.

Motion, that the Committee report having passed the resolution and a bill consequent thereto, carried.

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

MS. C. BENNETT: Thank you, Madam Chair.

I move, seconded by the Premier, that the total contained in the Estimates in the amount of \$7,934,237,500 for the fiscal year 2016-17 be carried and I further move that the Committee

report that they have adopted a resolution and a bill consequent thereto and ask leave to sit again.

CHAIR: The motion is that the total contained in the Estimates in the amount of \$7,934,237,500 for the 2016-2017 fiscal year be carried and that the Committee report that they have adopted a resolution and a bill consequent thereto and ask leave to sit again.

All those in favour?

SOME HON. MEMBERS: Aye.

CHAIR: All those against?

SOME HON. MEMBERS: Nay.

CHAIR: Carried.

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

MR. SPEAKER (Osborne): The hon. the Deputy Speaker.

MS. DEMPSTER: Mr. Speaker, the Chair of the Committee of the Whole reports that the Committee have considered the matters to them referred and have directed me to report that the Committee have adopted a certain resolution and recommend that a bill be introduced to give effect to the same and ask leave to sit again.

My apologies, Mr. Speaker, I read the wrong section. It happens sometimes.

The Committee of Supply have considered the matters to them referred and have directed me to report that they have passed the amount of \$7,934,237,500 contained in the Estimates of Supply for the 2016-2017 fiscal year and have adopted a certain resolution and recommend that a bill be introduced to give effect to the same.

MR. SPEAKER: The Committee of the Whole reports that the Committee have considered the matters to them referred and have directed her to report that the Committee have adopted a certain resolution and recommend that a bill be introduced to give effect to the same.

When shall the report be received?

MR. A. PARSONS: Now.

MR. SPEAKER: Now.

On motion, report received and adopted.

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

MR. A. PARSONS: Mr. Speaker, I move, seconded by the Minister of Finance and President of Treasury Board, that the resolution be now read the first time.

MR. SPEAKER: It is moved and seconded by the hon. the Government House Leader that this resolution be now read a first time.

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

All those in favour?

SOME HON. MEMBERS: Aye.

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

SOME HON. MEMBERS: Nay.

MR. SPEAKER: Carried.

AN HON. MEMBER: Division, Mr. Speaker.

MR. SPEAKER: Division has been called.

Division

MR. SPEAKER: Are the Whips ready?

All those in favour of the motion, please rise.

CLERK: Mr. Ball, Mr. Andrew Parsons, Ms. Coady, Mr. Joyce, Mr. Haggie, Mr. Hawkins, Mr. Crocker, Ms. Cathy Bennett, Mr. Kirby, Mr. Trimper, Mr. Warr, Ms. Dempster, Mr. Browne, Ms. Gambin-Walsh, Mr. Mitchelmore, Mr. Letto, Ms. Haley, Mr. Bernard Davis, Mr. Derek Bennett, Mr. Holloway, Ms. Pam Parsons, Mr. Bragg, Mr. Reid, Mr. Dean, Mr. King, Ms. Parsley.

MR. SPEAKER: All those against the motion, please rise.

CLERK: Mr. Paul Davis, Mr. Hutchings, Mr. Kent, Mr. Brazil, Ms. Perry, Mr. Kevin Parsons, Mr. Petten, Ms. Michael, Ms. Rogers, Mr. Lane.

Mr. Speaker, the ayes 26, the nays 10.

MR. SPEAKER: I declare the motion carried.

CLERK: “That it is expedient to introduce a measure to provide for the granting to Her Majesty for defraying certain expenses of the public service for the financial year ending March 31, 2017 the sum of \$5,142,545,200.”

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

MR. A. PARSONS: Mr. Speaker, I move, seconded by the Minister of Finance and President of Treasury Board, that the resolution be now read a second time.

MR. SPEAKER: It is moved and seconded by the hon. the Government House Leader that the resolution be now read a second time.

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

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

SOME HON. MEMBERS: Nay.

AN HON. MEMBER: Division.

MR. SPEAKER: Division has been called.

Division

MR. SPEAKER: Are the Whips ready?

All those in favour of the motion, please rise.

CLERK: Mr. Ball, Mr. Andrew Parsons, Ms. Coady, Mr. Joyce, Mr. Haggie, Mr. Hawkins, Mr. Crocker, Ms. Cathy Bennett, Mr. Kirby, Mr. Trimper, Mr. Warr, Ms. Dempster, Mr. Browne, Ms. Gambin-Walsh, Mr. Mitchelmore, Mr. Edmunds, Mr. Letto, Ms. Haley, Mr. Bernard Davis, Mr. Derek Bennett, Mr. Holloway, Ms.

Pam Parsons, Mr. Bragg, Mr. Reid, Mr. Dean, Mr. King, Ms. Parsley.

MR. SPEAKER: All those against the motion, please rise.

CLERK: Mr. Paul Davis, Mr. Hutchings, Mr. Kent, Mr. Brazil, Ms. Perry, Mr. Kevin Parsons, Mr. Petten, Ms. Michael, Ms. Rogers, Mr. Lane.

Mr. Speaker, the ayes: 27; the nays: 10.

MR. SPEAKER: I declare the motion carried.

CLERK: Second reading of the resolution.

Be it resolved by the House of Assembly in Legislative Session convened, as follows:

“That it is expedient to introduce a measure to provide for the granting to Her Majesty for defraying certain expenses of the public service for the financial year ending March 31, 2017 the sum of \$5,142,545,200.”

On motion, resolution read a second time.

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

MR. A. PARSONS: Mr. Speaker, I moved, seconded by the Minister of Finance and President of Treasury Board, for leave to introduce the Supply bill, Bill 11, and I further move that the said bill be now the first time.

MR. SPEAKER: It is moved and seconded by the hon. the Government House Leader that he shall have leave to introduce the Supply bill, Bill 11, and that the bill shall now be read a first time.

Is it the pleasure of the House that the hon. the Government House Leader shall have leave to introduce said bill?

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

SOME HON. MEMBERS: Nay.

AN HON. MEMBER: Division.

MR. SPEAKER: Division has been called.

Division

MR. SPEAKER: Are the Whips ready?

MR. SPEAKER: We are now voting on the motion to introduce Bill 11.

All those in favour of the motion, please rise.

CLERK: Mr. Ball, Mr. Andrew Parsons, Ms. Coady, Mr. Joyce, Mr. Haggie, Mr. Hawkins, Mr. Crocker, Ms. Cathy Bennett, Mr. Kirby, Mr. Trimper, Mr. Warr, Ms. Dempster, Mr. Browne, Ms. Gambin-Walsh, Mr. Mitchelmore, Mr. Edmunds, Mr. Letto, Ms. Haley, Mr. Bernard Davis, Mr. Derek Bennett, Mr. Holloway, Ms. Pam Parsons, Mr. Bragg, Mr. Reid, Mr. Dean, Mr. King, Ms. Parsley.

MR. SPEAKER: Those against the motion, please rise.

CLERK: Mr. Paul Davis, Mr. Hutchings, Mr. Kent, Mr. Brazil, Ms. Perry, Mr. Kevin Parsons, Mr. Petten, Ms. Michael, Ms. Rogers, Mr. Lane.

Mr. Speaker, the ayes: 27; the nays: 10.

MR. SPEAKER: I declare the motion carried.

Motion, that the hon. the Minister of Finance and President of Treasury Board to introduce a bill, "An Act For Granting To Her Majesty Certain Sums Of Money For Defraying Certain Expenses Of The Public Service For The Financial Year Ending March 31, 2017 And For Other Purposes Relating To The Public Service. (Bill 11)

CLERK: A bill, An Act For Granting To Her Majesty Certain Sums Of Money For Defraying Certain Expenses Of The Public Service For The Financial Year Ending March 31, 2017 And For Other Purposes Relating To The Public Service. (Bill 11)

On motion, Bill 11 read a first time.

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

MR. A. PARSONS: Yes, Mr. Speaker, I move, seconded by the Minister of Finance and President of Treasury Board, that the Supply bill be now read the second time.

MR. SPEAKER: It is moved and seconded that the Supply bill be now read a second time.

All those in favour?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

SOME HON. MEMBERS: Nay.

AN HON. MEMBER: Division.

MR. SPEAKER: Division has been called.

Division

MR. SPEAKER: Are the Whips ready?

All those in favour of the motion, please rise.

CLERK: Mr. Ball, Mr. Andrew Parsons, Ms. Coady, Mr. Joyce, Mr. Haggie, Mr. Hawkins, Mr. Crocker, Ms. Cathy Bennett, Mr. Kirby, Mr. Trimper, Mr. Warr, Ms. Dempster, Mr. Browne, Ms. Gambin-Walsh, Mr. Mitchelmore, Mr. Edmunds, Mr. Letto, Ms. Haley, Mr. Bernard Davis, Mr. Derek Bennett, Mr. Holloway, Ms. Pam Parsons, Mr. Bragg, Mr. Reid, Mr. Dean, Mr. King, Ms. Parsley.

MR. SPEAKER: Those against the motion, please rise.

CLERK: Mr. Paul Davis, Mr. Hutchings, Mr. Kent, Mr. Brazil, Ms. Perry, Mr. Kevin Parsons, Mr. Petten, Ms. Michael, Ms. Rogers, Mr. Lane.

Mr. Speaker, the ayes 27, the nays 10.

MR. SPEAKER: I declare the motion carried.

CLERK: A bill, An Act For Granting To Her Majesty Certain Sums Of Money For Defraying Certain Expenses Of The Public Service For The Financial Year Ending March 31, 2017 And For Other Purposes Relating to the Public Service. (Bill 11)

On motion, Bill 11 read a second time.

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

MR. A. PARSONS: Mr. Speaker, I move, seconded by the Minister of Finance and President of Treasury Board that the Supply bill be now read a third time.

MR. SPEAKER: It is moved and seconded that the Supply bill be now read a third time.

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

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

SOME HON. MEMBERS: Nay.

AN HON. MEMBER: Division.

MR. SPEAKER: Division has been called.

Division

MR. SPEAKER: Are the Whips ready?

All those in favour of the motion, please rise.

CLERK: Mr. Ball, Mr. Andrew Parsons, Ms. Coady, Mr. Joyce, Mr. Haggie, Mr. Hawkins, Mr. Crocker, Ms. Cathy Bennett, Mr. Kirby, Mr. Trimper, Mr. Warr, Ms. Dempster, Mr. Browne, Ms. Gambin-Walsh, Mr. Mitchelmore, Mr. Edmunds, Mr. Letto, Ms. Haley, Mr. Bernard Davis, Mr. Derek Bennett, Mr. Holloway, Ms. Pam Parsons, Mr. Bragg, Mr. Reid, Mr. Dean, Mr. King, Ms. Parsley.

MR. SPEAKER: Those against the motion, please rise.

CLERK: Mr. Paul Davis, Mr. Hutchings, Mr. Kent, Mr. Brazil, Ms. Perry, Mr. Kevin Parsons, Mr. Petten, Ms. Michael, Ms. Rogers, Mr. Lane.

Mr. Speaker, the ayes 27, the nays 10.

MR. SPEAKER: I declare the motion carried.

CLERK: A bill, An Act For Granting To Her Majesty Certain Sums Of Money For Defraying Certain Expenses Of The Public Service For The Financial Year Ending March 31, 2017 And For Other Purposes Relating To The Public Service. (Bill 11)

MR. SPEAKER: This bill has now been read a third time and it is ordered that the bill do pass and its title be as on the Order Paper.

On motion, a bill, "An Act For Granting To Her Majesty Certain Sums Of Money For Defraying Certain Expenses Of The Public Service For The Financial Year Ending March 31, 2017 And For Other Purposes Relating To The Public Service," read a third time, ordered passed and its title be as on the Order Paper. (Bill 11)

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

MR. A. PARSONS: Mr. Speaker, given the hour of the day, I would move, seconded by the Minister of Natural Resources, that the House do now adjourn.

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

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

SOME HON. MEMBERS: Nay.

MR. SPEAKER: Carried.

This House now stands adjourned until 2 o'clock tomorrow, being Private Members' Day.

On motion, the House at its rising adjourned until tomorrow, Wednesday, at 2 p.m.