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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.

We welcome today to the Speaker's gallery Debbie, Phillip and Christopher Hibbs who are the subject of a Ministerial Statement. I understand the raising of the purple flag in front of Confederation Building would not have been possible without their advocacy and the support of the Hibbs family.

### Statements by Members

For Members' Statements today we have the Members for the Districts of Baie Verte – Green Bay, Terra Nova, Ferryland, Mount Pearl North, Bonavista and Mount Pearl – Southlands.

The hon. the Member for the District of Baie Verte – Green Bay.

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

I rise in this hon. House today to recognize the outstanding efforts of Rich Wheeler to bring awareness to a terrible disease.

Mr. Wheeler, who's originally from Baie Verte, took up the fight against Huntington's disease after his wife, Ruby, was diagnosed with the degenerative condition in 2012. Instead of letting her condition get her down, Ruby refused to give up and she has maintained a positive attitude in spite of the many physical challenges she has had to endure.

Rich Wheeler found inspiration in his wife's fight with the disease, and he has become an outspoken advocate for those suffering from Huntington's. He has helped to organize an annual walk and event in Coachman's Cove which has raised approximately \$60,000 in its four years of operation.

Recently, at the national convention in Halifax, Rich was honoured with the Michael Wright Community Leadership Award from the Huntington's Society of Canada which recognizes outstanding leadership and advocacy.

I ask all Members of this hon. House to join me in congratulating Mr. Rich Wheeler on receiving this award and thank him for his efforts to raise awareness in the fight against Huntington's disease.

Thank you.

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

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

**MR. HOLLOWAY:** Mr. Speaker, I rise in this hon. House to recognize an invaluable community organization.

For 124 years, the Salvation Army of Clarenville has been supporting those in need by providing food and emergency shelter to homeless and stranded individuals, as well as operating the local food bank and thrift store and organizing the annual VOCCM Cares Happy Tree.

On November 10, Salvation Army Captain Anthony LeDrew led another worthwhile initiative by opening a soup kitchen in the community. During the official launch, Deputy Mayor Ashling Avery commented that "[the Soup Kitchen] is a great opportunity for people who have the basic need for food as well as a need to come out to socialize."

Captain LeDrew has also added that volunteers, working at the soup kitchen, will come from members of the broader church community with additional support from local businesses.

There is no doubt that the addition of the soup kitchen is among the long list of resources in this organization's toolbox which will help the most vulnerable in the community.

I ask all hon. Members to join me in congratulating Captain LeDrew, the Salvation Army Church and all volunteers in the Clarenville area for their vision and compassion to those in need.

Thank you.

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

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

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

Mr. Speaker, I rise today in the hon. House to recognize the Goulds Volunteer Fire Department. This year marked their 40th anniversary. I've had the pleasure over the past years to attend a number of events to celebrate the work of the brigade and see first-hand what they mean to the region.

I would like to acknowledge and say thank you to the Goulds Volunteer Fire Department members of today, as well to all volunteer members over the years who have contributed greatly to the protection and the well-being of the region. In addition, I would like to acknowledge the support of the members' spouses, partners and family members for supporting them in their role as volunteers.

The volunteers of the Goulds Fire Brigade give the residents of the surrounding communities great comfort knowing they have someone to rely on in the event of a fire or any type of emergency. People of the area are very thankful knowing they would do so without hesitation and can rest easier knowing they are ready to respond at any time.

I ask all Members of this House to join me in congratulating all members of the Goulds Volunteer Fire Department on their 40 years of service.

Thank you, Mr. Speaker.

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

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

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

I rise in the hon. House today to congratulate Campia Gymnastics on the grand opening of its new facility. After years of hard work, on September 19, Campia Gymnastics held the ribbon-cutting ceremony to embark on its new adventure in a new facility on Old Placentia Road in my district, which has new equipment and better safety measures as well. Some of the

new equipment includes a foam pit, which is a lot of fun for the kids – and, believe it or not, I also tried it myself and had to be rescued.

I'm proud of the volunteers, sponsors, parents and gymnasts who made this possible. I'm also proud to have been an active supporter of this initiative. Thank you to the City of Mount Pearl for supporting this effort as well.

Campia Gymnastics currently serves over 1,200 gymnasts throughout our region and it continues to grow. Campia is a wonderful sports organization. As a former Campia coach – believe it or not – I can speak first-hand of the strength and importance of Campia's work.

Mr. Speaker, I ask all Members of this House to join me in welcoming Campia Gymnastics to their new home and we wish them all the best.

Thank you.

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

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

**MR. KING:** Mr. Speaker, volunteers are the heart of every community. That is certainly true for those who give their time to work for their communities as members of municipal councils. Oftentimes, this work goes unnoticed and unrecognized and is thankless.

On Saturday night, I had the honour and privilege to attend the event in the Town of King's Cove which recognized the hard work and long service of several community leaders. With only a year-round population of 80, most of the community packed the Knights of Columbus hall for a hot supper prepared by the local firettes.

Mayor Gary Monks, Councillor Hayward Dobbin and former Councillor Tom Maddox were recognized by Municipalities NL for serving over 35 years with the King's Cove council. Each recipient received \$500 for their community, so they decided to pool their money for a free community dinner and dance.

At the dinner I presented volunteer service certificates Gary, Hayward and Tom. As well,

Councillors John Batterton and Bill Murphy received certificates for 16 and 12 years of service. These years add up to thousands of hours to which their community has benefited.

Please join me in extending sincere congratulations.

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

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

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

It is my privilege to stand in this hon. House to recognize the tremendous success which was the 28th Annual Mount Pearl City Days Celebrations. Once again this year, the festivities included various activities for citizens of all ages and interests, including: a family outdoor movie night, a pig roast, a seniors' tea time, family fun day, milk carton boat races, show and shine car show and a princess and superhero pancake breakfast.

As in past years, the festival culminated with the mega birthday blitz which saw thousands of residents and visitors gather at the Ruth Avenue Sportsplex to participate in fun activities, games of chance and take in some of the best live entertainment that Newfoundland and Labrador has to offer.

Mr. Speaker, as I'm sure you can appreciate, any festival of this magnitude would not be possible were it not for the hard work and co-operation of a number of community partners.

I would therefore ask all Members of this hon. House to join me in congratulating the City of Mount Pearl, the City Days Advisory Committee, the various community groups and organizations, the corporate sponsors and all of the community-minded volunteers who contributed to the great success story which was City Days 2016.

Thank you, Mr. Speaker.

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

**MR. SPEAKER:** Statements by Ministers.

### Statements by Ministers

**MR. SPEAKER:** The hon. the Minister of Service NL.

**MR. JOYCE:** Mr. Speaker, I am pleased to rise in this hon. House today to encourage all Newfoundlanders and Labradorians to participate in the 2016 Mothers Against Drunk Driving (MADD) Project Red Ribbon campaign.

For 29 years, Project Red Ribbon has been the flagship campaign of MADD and on Saturday, I was honoured to attend the provincial launch in Corner Brook. The Avalon Chapter will launch their local campaign at the Avalon Mall this Saturday, December 3, at 11 a.m.

Throughout November and December, MADD Canada will distribute millions of red ribbons across the country as a powerful symbol of commitment to the fight against impaired driving. The red ribbon also serves as a poignant tribute to the hundreds of Canadians who are killed and thousands more who are injured in impairment-related crashes every year.

Mr. Speaker, I am proud to note that the national president of MADD, Ms. Patricia Coates, is from Newfoundland and Labrador. Her stepson, Nicholas, was killed in an impaired driving collision in 2013.

Mr. Speaker, we all have a role to play in reducing these statistics. Never drive impaired, or with an impaired driver. If you plan on drinking, arrange for a designated driver, call a cab or use public transit. If you suspect someone is driving impaired, call 911 and report it to the police. These are important messages which we cannot repeat too often.

Mr. Speaker, I would also like to take this opportunity to remind everyone that impairment can also be caused by illegal drugs, prescription or over-the-counter medication and even fatigue, which can impact the ability to safely operate a motorized vehicle.

I commend MADD for their valuable contribution to this important cause.

Project Red Ribbon will continue until January 3 and I ask all Members in this hon. House to join me in promoting this year's campaign.

Thank you, Mr. Speaker.

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

**MR. SPEAKER:** The hon. the Member for Cape St. Francis.

**MR. K. PARSONS:** I want to thank the minister for an advance copy of his statement. I would like to also extend our appreciation to those volunteers and supporters of Mothers Against Drunk Driving for their work organizing the Red Ribbon Campaign, which will last a full month from December 3 until January 3.

Every day an average of four Canadians are killed and more than 175 are injured due to impaired-related crashes. MADD Canada and community leaders are doing everything they can to stop these offences.

As the holiday season is coming upon us, it's important that we all focus on the festivities and everything else, but it's also important that we make sure drinking and driving is not tolerated. This could include ensuring guests get a run home from different parties, ensuring there is a designated driver and also calling a cab. We all have a role to play and we all should play that role.

Thank you very much.

**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 thank the minister for the advance copy of his statement. Surely, I, too, support Project Red Ribbon, as I'm sure we all do in this House. Sadly, driving under the influence is still a serious problem in this province. We recently passed legislation tightening up punishments for those convicted of the offences. We also need to strengthen enforcement and ensure that drivers convicted of offences take rehabilitation

programs. I urge the government to move quickly on providing the much needed resources.

Thank you very much, Mr. Speaker.

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

**MR. SPEAKER:** The hon. the Minister Responsible for the Status of Women.

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

Mr. Speaker, I rise in this hon. House today to highlight that the Purple Ribbon flag has been raised for the very first time at Confederation Building. This is to mark the beginning of the seventh annual Purple Ribbon campaign to increase awareness and responsiveness to violence against women. The flag will remain in place until December 10, coinciding with the International 16 Days of Activism Against Gender-Based Violence. I am very proud to say, Mr. Speaker, that Newfoundland and Labrador is the first province in Canada to fly the Purple Ribbon flag.

Today, Mr. Speaker, I would ask the House to reflect on the continued struggle that women face every day in our society. Violence is an issue that, unfortunately, we have not yet successfully eradicated. Last Friday marked the beginning of a remembrance period for women who have died at the hands of a violent perpetrator. There are many faces to a violent perpetrator, but the victim is most often a familiar female face, someone's mother, sister, daughter or friend.

Whether women succumb to violence in their own home, at a social location or anywhere else, we should never accept that somehow a woman got herself into an unsafe situation. We all have the right to come home to a safe house, to socialize with our friends, to attend a medical appointment, to ride in a taxi or to simply walk down the street without fear of being attacked.

As the Minister Responsible for the Status of Women, I hear from women all the time on this issue. This month, our government introduced legislation to ensure there is a safe zone near medical clinics to ensure a woman's right to safe access to medical procedures. I wish there was a

way we could legislate safety and respect. I wish we could legislate a guarantee to women that they could live in a safe and non-violent society. Unfortunately, we cannot do that.

But we can and we will ensure there is a focus on the issue of a woman's right to live without violence. We must teach our children what is right and what is wrong. We must teach our daughters to be brave and feel empowered to live the best life they can live. We must teach all of our children that tolerance and kindness are much more powerful than the cowardice of a violent act. There are many people in our province who have felt the pain of losing someone to a violent act. The pain they live with is never ending.

I would like to challenge my hon. colleagues that as long as we sit in this House and we represent the people of this province, let us never stop working towards making our lives safer. To the families of those women who have died at the hand of a violent perpetrator, please know we support you. We believe we can make things better if we continue to place the focus on this issue in memory of your mother, your sister, your daughter and your friend.

Thank you, Mr. Speaker.

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

**MR. SPEAKER:** The hon. the Member for the District of Fortune Bay – Cape La Hune.

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

I would like to thank the minister for an advance copy of her statement. The Purple Ribbon campaign is one of the most important initiatives, I believe, that we have underway. All of us here in this province certainly know someone who has been directly impacted by violence towards women.

Newfoundland and Labrador's Purple Ribbon campaign was initially launched in 2009. It illustrates how analysis of gender-based violence can be incorporated into government-sponsored anti-violence campaigns. I'm very pleased to see that the Liberal government has continued with this most important initiative. We all know that there's still so much more we need to do.

What saddens me, though, is that the Minister Responsible for the Status of Women does not recognize the fact that her government's budgetary choices are pushing the vulnerable into poverty and also places women and children at an even greater risk. I commend the groups behind the Purple Ribbon campaign and I look forward to a day when gender-based violence will be a distant memory for all members of our society.

Thank you.

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

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

**MS. ROGERS:** Mr. Speaker, I thank the minister for an advance copy of her statement. I, too, thank the minister. I thank Debbie and Phillip Hibbs for their courage, for their leadership, for their passion and compassion and all those women and men who work with courage and commitment and violence against women.

Transition houses across the province are seeing more demand as the economic downturn causes more financial stress and increases the likelihood of violence against women in the home. Transition houses need more support during these hard times. Corner Brook itself desperately needs a new transition house. We need more violence prevention in the schools; we need to teach our children to have healthy relationships as they do in other provinces and starting in the early grades.

We simply must act. Raising dialogue and awareness is not enough. Women and children's lives depend on it.

Thank you, Mr. Speaker.

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

**MR. SPEAKER:** Further statements by ministers?

Oral Questions.

Oral Questions

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

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

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

Vaughn Hammond, with the Canadian Federation of Independent Business, has stated that small business owners do not support minimum wage increases during an economic downturn.

I ask the minister: Did you engage the federation to discuss the wage increases and consider impacts on small business?

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

**MS. COADY:** Thank you very much, and thank you for the question.

I understand that the Minister of Labour did engage a number of groups, including the Canadian Federation of Independent Business, and talked with a number of stakeholders.

Mr. Speaker, it was important to give notice to the business community that the increase was coming both in April and in October, and as the minister has said, he is going to be going out talking to various stakeholders about tying the increases in minimum wage to some inflationary factors so that we can have an ongoing and committed increase in minimum wage.

Thank you, Mr. Speaker.

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

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

**MR. BRAZIL:** I ask the minister: Can you table your evidence-based approach, the analysis which supported the decision to increase the minimum wage at the levels announced last week?

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

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

As Members of the House are indeed likely aware, Newfoundland and Labrador has – as of October of this year – the lowest minimum wage in the country, Mr. Speaker. We could not allow that to continue while we were undergoing a review of the minimum wage and how we can tie it to some inflationary measures so that we can have ongoing increases in the minimum wage.

It was very important, Mr. Speaker, that we increase minimum wage. We gave maximum notice to the business community so they could take it on piece by piece and have that information as they go into budget. Mr. Speaker, it was evidence based, it's important to do so, and I'm sure Members of this House are supportive of an increase in the minimum wage for this province.

Thank you.

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

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

**MR. BRAZIL:** Mr. Speaker, we on this side are very supportive of a fair wage for the workers of Newfoundland and Labrador.

I ask the minister: Have you done an analysis on how your budget tax increases have impacted small business in this province?

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

**MS. COADY:** Thank you very much, Mr. Speaker.

I'm glad to hear the Member opposite say he's pleased with the increase. It is something that we felt was very important to do and very important to give maximum amount of time to businesses so they can plan and budget accordingly.

Mr. Speaker, the small business rate in Newfoundland and Labrador from a taxation perspective is still one of the lowest in the country. While we all are respective and responsible for any tax increases, we do know

that we still have one of the lowest in the country and we're hoping to maintain that, Mr. Speaker. We would like to continue to grow our small business sector but we also want to make sure there is a wage that is appropriate for those that are on minimum wage.

Thank you.

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

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

**MR. BRAZIL:** I ask the minister: Was consideration given to tax incentives to put additional monies in the pockets of the working poor?

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

**MS. COADY:** Mr. Speaker, there is an ongoing effort to ensure that we have as small an impact as possible on those that are on minimum wage. We think it's very important that we have an ongoing process, and that's why we'll be going out and consulting. The minister, I know, will be going out and consulting as we move forward on tying it to inflationary factors. So finding a way that we will not have to – that we have a way to ensure the minimum wage goes up on a regular and timely basis, Mr. Speaker, that's very important.

We do know, and I'll speak to the issue of females who make up about 60 or 65 per cent of those that earn minimum wage. We thought it was very important to do this on a timely basis. We want to make sure we minimize the impacts, obviously, and encourage as much as possible the minimum wage earners in this province.

Thank you.

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

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

**MR. BRAZIL:** Mr. Speaker, an increase in the tax threshold would have been another effective way of putting extra money back into those low-income earners.

I ask the minister: Why did you not hold public consultations on your decision to raise the minimum wage?

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

**MS. COADY:** Thank you very much.

I believe the Minister of Labour has informed the House that he had multiple consultations. I'm sure the Member opposite would not want us to continue to be the lowest in the country. While we are having a consultative process tying it to an inflationary factor so that we have an ongoing and persistent, inclusive way of increasing minimum wage, we wanted to make sure that we were not the lowest in the country, Mr. Speaker. We wanted to make sure that we gave the business community a maximum amount of time so they could plan and budget accordingly. That is what we've done, Mr. Speaker. We will be consulting on what is the mechanism on the go forward.

Thank you.

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

**MR. SPEAKER:** The Member for the District of Conception Bay East – Bell Island.

**MR. BRAZIL:** What I am suggesting is that an open and engaging process by all stakeholders would have been much more effective to address the needs of the working poor.

I ask the minister: Are you concerned that the increase on top of the Liberal tax hikes from the budget may have a significant impact on small business and to owners in this province?

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

**MS. COADY:** As I have indicated, Mr. Speaker, we will be going out for public consultations on tying the minimum wage to an inflationary factor. We will be doing extensive consultations on that. The Minister of Labour has done a number of consultations, including with the CFIB and small businesses as well as the labour organizations, on this minimum wage increase and we'll continue to do that.



This is a very important topic for minimum-wage earners, very important for business; give them maximum length of time. I'm sure, as he's indicated he is supportive of these increases. I'm starting to hear that perhaps he's not as supportive of these increases at this point in time.

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

**MR. SPEAKER:** The hon. Member for the District of Cape St. Francis.

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

**MR. K. PARSONS:** Thank you very much, Mr. Speaker.

Parents are concerned about school bus safety in the province.

I ask the minister: What specific actions are you undertaking to ensure inspections are taking place and buses are safe?

**MR. SPEAKER:** The hon. Minister of Service NL.

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

I thank the Member for the question. It's a chance to speak about bus safety. As we know, the Department of Service NL does their inspections. Before every bus also gets on the road they have to go through the inspection stations. Inspection stations have to be certified stations, a certified mechanic. Come September, from September to December, all buses are inspected by Service NL.

What we found is that there are some gaps in the regulations. We will be bringing forward some regulations to strengthen that gap to ensure that anybody who's caught will have a greater penalty.

Also, Mr. Speaker, we're looking at next year, before the school opens, we'll be doing audits on many buses across the province before it even comes into effect in September. So that's part of the initiatives that we'll be taking.

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

**MR. SPEAKER:** The hon. Member for the District of Cape St. Francis.

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

**MR. K. PARSONS:** Thank you, Mr. Speaker.

A lot of parents are concerned about this year. On November 15, the minister said that school bus regulations will be reported online.

I'm wondering, when can we expect to see this information?

**MR. SPEAKER:** The Minister of Service NL.

**MR. JOYCE:** Mr. Speaker, I don't want to make this political, but the Member is saying that a lot of parents are concerned. Why weren't they concerned in 2014 when the Member right here from Bell Island – the highest number of infractions were in 2014 when he was the minister. There wasn't one regulation strengthened at that time.

What we agreed to – and that's part of the regulations we agreed to – is that we will put all bus inspections online. We will start that process as soon as we can get it. That is part of strengthening the regulations.

So if you're asking us why parents are concerned; they were concerned back in 2012. They were concerned in 2014, but we will make positive changes to make this enforcement stronger, Mr. Speaker.

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

**MR. SPEAKER:** The hon. the Member for Cape St. Francis.

**MR. K. PARSONS:** Mr. Speaker, I'm going to ask the question again.

Minister, when will we see the inspections online? Parents want to see these inspections online. You promised they'd be in by November 15. When should we see them?

**MR. SPEAKER:** The Minister of Service NL.

**MR. JOYCE:** Mr. Speaker, at no time did I say it was going to be in by November 15. What I

said is that we're hoping to have those regulations strengthened and brought to the House of Assembly before the House of Assembly closes. That's what I said. We're working on those regulations as we speak. As soon as we can get OCI to help us put it online, they will be online.

That is a new initiative that was never done before. Instead of criticizing and asking us a certain day, they should say it's about time they're put online. Because they had 12 or 14 years, they didn't put them online. We're going to put them online. We're going to strengthen the regulations. We're going to increase the enforcement because we – and I'm sure Members opposite agree, any bus on the road unsafe shouldn't be there and we're going to do what we can to protect the kids of this province.

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

**MR. SPEAKER:** The hon. the Member for Cape St. Francis.

**MR. K. PARSONS:** Again, Mr. Speaker, the minister promised to put the inspections online. Parents want to be able to see their children are driving on safe buses so they can go have a look at it. Obviously, they're not going to get that done.

I'd like to ask the minister: What are you doing to ensure inspectors are doing their jobs?

**MR. SPEAKER:** The hon. the Minister of Service NL.

**MR. JOYCE:** Mr. Speaker, am I hearing it correct, that the inspectors for Service NL are being criticized for the work they're doing? Am I hearing this correct, that the hard-working civil servants in this province who go out and inspect the buses in this province are being criticized to ensure – I have confidence. They are professionals.

I just find it insulting. I have to pick up for the staff of Service NL. You give the impression they are not doing their work. What am I going to do to make sure these professionals – they are doing their job, Mr. Speaker. The problem with it is that when you had the opportunity back in 2012, when the Member for Conception Bay

East – Bell Island was the minister, he did nothing, and the Leader of the Opposition did nothing.

I will make recommendations to make this stronger to protect the children of this province, not (inaudible).

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

**MR. SPEAKER:** The hon. the Member for Cape St. Francis.

**MR. K. PARSONS:** A lot of rhetoric there, Mr. Speaker.

We're hearing from parents who are concerned about their children that are travelling on buses today.

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

**MR. K. PARSONS:** Mr. Speaker, the minister mentioned that he will have regulations coming in. It's toward the end of November now.

I'm just wondering, when are you going to bring in those regulations?

**MR. SPEAKER:** The hon. the Minister of Service NL.

**MR. JOYCE:** I'm glad now he has stepped off from trying to assassinate the workers at Service NL. I'm glad you stepped away from that.

Mr. Speaker, what I said outside the House of Assembly, and it's on tape by many media outlets – what I said, I'm trying to bring in and strengthen those regulations before the House of Assembly closes. It was never ever said that I would have it in by November 14.

Mr. Speaker, it wasn't even brought up until after November 15. So whoever is doing your research – I just want to let the parents know around the Province of Newfoundland and Labrador, one bus on the roads of Newfoundland and Labrador that's unsafe is one too many. We will strengthen those regulations. We will put this online as we committed. We will not sit down like you did in 2012 and 2014 and did absolutely nothing. It won't happen, Mr. Speaker.

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

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

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

Twenty-four-hour snow clearing has been eliminated.

I ask the Minister of TW: What arrangements have been made for plows should someone with a cardiac condition have to be transported to St. John's from rural parts of the province?

**MR. SPEAKER:** The hon. the Minister of Transportation and Works.

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

Thank you for that question. The answer, quite frankly, is no different than before. We certainly are aware of the fact that we have to provide safety on our highways, which we continually do on a daily basis. There will be targets; there will be trigger points we will be looking at forecasting and we can guarantee that we are looking after the safety of the people of Newfoundland and Labrador, and we will do that on our highways.

Mr. Speaker, as I mentioned, I think it was probably last week, when you talk about 24-hour snow clearing, it seems like the Opposition is under the understanding that every place in the province had 24-hour snow clearing. They didn't. Certainly, we will ensure the safety of the people that are on our highways, Mr. Speaker.

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

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

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

I remind the minister, it was the highest traffic volume roads. The Outer Ring Road has 40,000 vehicles per day. It was based on the traffic volume of the most used roads. So I want to remind the minister of that; that was the reason.

Mr. Speaker, I ask the minister: When will the plows come off the road? What time will the plows operate now under these new rules?

**MR. SPEAKER:** The hon. the Minister of Transportation and Works.

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

I'm surprised that the Member opposite doesn't know when the plows are coming off the roads, because obviously there were times in place such as 9:30 at night and 4:30, starting in the mornings, which has been in place for quite some time.

The only difference is that up to this point in time – in previous years, the fact that there were 11 areas in Newfoundland and Labrador that had 24-hour snow clearing, but actually in those 11 areas, it was only five days a week for 24 hours. The other two areas which, of course, were on the Avalon Peninsula, we had 7-24. So it was not like it was entirely across the province.

So what we are doing, we are fully understanding – every single day, I get a weather report, and we are top of it. And if there are areas of concern in forecasting, we will make sure we have the plows out.

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

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

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

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

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

The effort of 24-hour snow clearing is to make our roads safer – not all of them, but most as could be done.

Many first responders are concerned for the well-being of patients and accident victims for this upcoming winter.

Have you met with first responders and what actions have you taken to address their concerns?

**MR. SPEAKER:** The hon. the Minister of Transportation and Works.

**MR. HAWKINS:** Mr. Speaker, as I said before, 24-hour snow clearing is not something that has been throughout the province. So, in other words, is the Member opposite saying that people who are outside of those areas of 24-hour snow clearing are not important? There are first responders – for the Member opposite – throughout the entire province.

We, as a government, are putting measures in place so that we will make sure the highways are safe and that we have provisions there. As I said before, there are trigger points and we have forecasting that we can actually deploy the resources we have in a more cost-efficient manner. And it's not out there to save dollars; it's making sure that we have our highways safe. I am very, very confident in the people that we have working for us that that will continue this winter, Mr. Speaker.

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

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

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

Obviously, he hasn't met with them.

The Minister of Transportation and Works indicated the road crews will be available on-call, should they be needed.

I ask the minister: Who will monitor road conditions and how often will they be monitored overnight?

**MR. SPEAKER:** The hon. the Minister of Transportation and Works.

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

I thank the Member again; it gets a little bit tiresome in repeating the same answer over and over again. As I have said –

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

**MR. HAWKINS:** You got the right answer. The right answer is that we are on top of it. We

know what's happening. As a matter of fact, Mr. Speaker, if the Member opposite would like, every single day I get this copy – this is a forecast of what's happening when the snow is coming up. If you'd like to have a copy of that, we can provide that every single day.

So we have people in places – he's saying that our regional directors are incompetent, because I'm getting a lot of incompetence coming from that side. We are continually – we know what's happening, and of course for the Members opposite, forecasting today is a lot more accurate than it was probably 10 or 15 years ago. So if the Member would like to have those, I can certainly provide that every day, as I get them, for the Member opposite as well.

Thank you, Mr. Speaker.

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

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

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

So obviously, it used to be a supervisor who used to travel the roads during the nighttime and call people in as needed; now we're going with the forecast. If he's following in Newfoundland and Labrador, our forecasts are off at the best of times.

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

**MR. PETTEN:** Mr. Speaker, *Budget 2016* increases costs for snow clearing in small municipalities.

I ask the minister: What is the status of the implementation of this new Liberal program?

**MR. SPEAKER:** The hon. the Minister of Transportation and Works.

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

I thank the Member opposite for the question. Obviously, we've had many, many years – we actually had 72 communities that we were providing snow clearing, whether it was some contracting out or whether we were doing some of it with our own resources. We found that in

our budget, when we started to look at our budget, there were a significant number of areas within our province that we were highly subsidizing. There are 72 communities that were included in that. So we decided to put in, as part of the budget, that the communities would look at contracting out themselves.

So obviously, if we could contract out some of the areas, certainly the towns could contract them out. As a result of that, Mr. Speaker, we were able to find there were 12 communities that came back and were successful. The other 60 communities, we accepted the fact that they could not get a tender that was considered to be reasonable –

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

**MR. HAWKINS:** – and we were doing the snow clearing for them.

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

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

So is the fee increase of \$1,600 a kilometre still in effect for those small municipalities?

**MR. SPEAKER:** The hon. the Minister of Transportation and Works.

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

Yes, it is to a certain degree and not necessarily depending on a number of kilometres that the particular town is clearing; some of them are less than that. If, in fact, it was over the amount that was allocated, we are charging out the \$6,600 hundred plus the HST. And we are also making provisions within that to extend that for another year to give municipalities an opportunity to get a fair contracting price.

And that's what we're encouraging them to do, Mr. Speaker. The onus is not on us, or should not be on us to do snow clearing for a select number of communities when many other communities are actually doing their own snow clearing. So we're trying to improve the efficiencies of doing that and that's why we're looking at that as an opportunity for communities to do their own contracting.

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

**MR. SPEAKER:** The hon. the Member for Fortune Bay – Cape La Hune.

**MS. PERRY:** I ask the Minister Responsible for the Status of Persons with Disabilities to update this hon. House with progress made on the Provincial Strategy for the Inclusion of Persons with Disabilities during the last 12 months.

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

**MS. GAMBIN-WALSH:** Mr. Speaker, I thank the Member for Fortune Bay – Cape La Hune for the question. It actually gives me the opportunity to speak about disabilities in this House.

Let's talk about disabilities. Let's talk about the individual who is number 68 on the wait-list at Vera Perlin, Mr. Speaker. Let's talk about why that individual is there and why that individual has been there for two years. Because this previous administration froze the funding to Vera Perlin, that's why.

That's what we need to talk about. We need to talk about the resources that are not there for persons with disabilities, Mr. Speaker, because this previous administration decided they were going to freeze funding for persons with disabilities.

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

**MR. SPEAKER:** The hon. Member for Fortune Bay – Cape La Hune.

**MS. PERRY:** I guess similar to last week, Mr. Speaker, she can't answer the question.

So how about this one, I'll ask the minister: How many hires were made this year via the Opening Doors Program?

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

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

**MS. GAMBIN-WALSH:** I thank the Member for the question again, Mr. Speaker, to give me

the opportunity to speak about disabilities in this House.

What's important to remember here is this government is supporting the Opening Doors Program. We're supporting the employment of persons with disabilities.

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

**MS. GAMBIN-WALSH:** We're investing in the employment of persons with disabilities. That's what's important to remember here.

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

**MR. SPEAKER:** The hon. Member for Fortune Bay – Cape La Hune.

**MS. PERRY:** Again, no concrete answers.

Let's try this; I ask the minister: What specific actions have been undertaken in the past year under your leadership with regard to assistive technology for persons with disabilities?

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

**MS. GAMBIN-WALSH:** Thank you very much for the question.

Mr. Speaker, I'm very familiar with assistive technology for persons with disabilities. In actual fact, Mr. Speaker, my son uses the program Proloquo2Go. He was introduced with that program through the Department of Education.

He uses an iPad in school and many children with disabilities use iPhones and iPads in school. We support the use of assistive technology in the school system and we support the use of assistive technology for individuals with disabilities in the community.

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

**MR. SPEAKER:** The hon. Member for Fortune Bay – Cape La Hune.

**MS. PERRY:** In *Budget 2016*, significant reductions were made to Newfoundland and Labrador Housing.

What specific program changes have been made as a result of these funding cuts?

**MR. SPEAKER:** The hon. Minister of Children, Seniors and Social Development.

**MS. GAMBIN-WALSH:** Mr. Speaker, \$3.3 million is about to be invested in transition houses. I spoke on this topic just recently in this House. When we started to review the Rent Supplement Program at Newfoundland and Labrador Housing, it was evident that every single program and service needed to be reviewed.

Right now, there is a process of review undergoing. That process will bring information to the government in March, with an action plan to be put in place by June, Mr. Speaker. So we are working diligently at Newfoundland and Labrador Housing to ensure that the individuals who need the supports and services are going to get those supports and services as well.

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

**MR. SPEAKER:** The hon. the Member for Fortune Bay – Cape La Hune.

**MS. PERRY:** I ask the minister: How many people are currently on the wait-list for housing in this province?

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

**MS. GAMBIN-WALSH:** Mr. Speaker, that's a really good question; how many people are on the wait-list? We're addressing that wait-list every single day. Mr. Speaker, we're also addressing the numerous maintenance issues that we have at Newfoundland and Labrador Housing that were left over by this previous administration.

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

**MS. GAMBIN-WALSH:** Mr. Speaker, we are investing. We support Newfoundland and Labrador Housing. We support the investment. We have a partnership with the federal government, and we plan on ensuring that individuals can get a roof over their head.

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

**MR. SPEAKER:** The hon. the Member for Fortune Bay – Cape La Hune, for a quick question.

**MS. PERRY:** Mr. Speaker, a whole lot of non-answers.

With the growing demand for programs and services from Newfoundland and Labrador Housing – and I can assure you we all are receiving calls of people who are impacted by the slashes and cuts that your government has made – how do you justify slashing over \$15 million from Newfoundland and Labrador Housing this year?

**MR. SPEAKER:** The hon. the Minister of Children, Seniors and Social Development, for a quick response.

**MS. GAMBIN-WALSH:** Mr. Speaker, the last time I was briefed by my staff, we're investing in Newfoundland and Labrador Housing. We have a really good relationship with the federal government. I'm not sure how connected the Member for Fortune Bay – Cape La Hune really is with Newfoundland and Labrador Housing because there are not a significant number of clients in her district receiving the services.

This government supports Newfoundland and Labrador Housing. We support the people that need a roof over their head, Mr. Speaker.

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

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

Before I recognize the Member for St. John's East – Quidi Vidi, I remind all hon. Members that it's important for the Speaker to hear the individual that has been recognized to speak. The level of noise in the House is starting to get a little higher than I'd like to hear.

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

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

Mr. Speaker, five days before the election the Premier tweeted: Cutting jobs is not part of our plan. Under a new Liberal government, public sector jobs are safe. We now know public sector jobs were not safe.

I ask the Premier: Can he tell this House how many public sector jobs have been lost in 2016?

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

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

Yes, prior to the election campaign, that tweet was made, as the Member just mentioned. There were a lot of things changed five days later, once the election was over. The financial situation of the province has changed dramatically since that time.

I will say, however, though that we've engaged in a very meaningful discussion with our public sector workers and we continue to have that. We look forward now in the upcoming negotiations that we will work closely – as many of our Members and ministers and caucus Members, and I'm sure all Members of this House have openly said on many occasions, we value the work of the public sector workers in this province.

Mr. Speaker, throughout the last year we continued to decrease the footprint, primarily in the management area. We've taken nearly 20 per cent of the deputy ministers out.

Mr. Speaker, what taxpayers in our province want is to make sure we operate and provide efficient services in our province.

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

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

**MS. MICHAEL:** Mr. Speaker, what public service sector workers want are jobs.

I ask the Premier: What analysis has he showing the impact on our province's economy of removing thousands of well-paying jobs?

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

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

We recognize that across the province right now we're seeing – which is something that's happening nationally, when you see provinces like Alberta and other provinces that are experiencing difficult times because of the recent drop in the price of oil.

Mr. Speaker, I consider it a missed opportunity by the previous administration not to plan for the situation that we're in today. That is the reason why, Mr. Speaker, in the last budget, with nearly \$570 million invested in infrastructure, we've been able to leverage that money with some private sector, with municipalities and with the federal government.

Mr. Speaker, the impact of the infrastructure spending in our province will primarily be felt in 2016-2017. So you'll see those infrastructure monies coming back into our province, not only providing upgrades in infrastructure but also providing jobs for Newfoundlanders and Labradorians.

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

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

**MS. ROGERS:** Mr. Speaker, the Labour Market Observer at Memorial University reports the province's unemployment rate for 15 to 24 year olds increased in September by a whopping 8.8 percentage points for males and 5 percentage points for females. These are our young adults with student debt, credit card debt because of school, losing their jobs or unable to find a job, pushing them into poverty. We need our young people to stay and help build our economy. This is a growing crisis.

Mr. Speaker, I ask the Premier: What are his concrete plans to combat youth unemployment and give our young people a chance to make a life for themselves in our province?

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

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

There are many concrete plans we have in place, Mr. Speaker. Investment in education, as an

example, making sure that young people in our province, when they go through a post-secondary education, as they come from the K to 12 system in our province, when they make decisions based on what type of post-secondary education they want. So we put in place really what the market needs will be for the future. That is important right now so that young people in our province can make informed decisions.

The current situation that we're facing right now, Mr. Speaker, in many areas, as an example of rural Newfoundland and Labrador, as part of our vision is we want to make sure that we do the best that we can do, extracting wealth from fishery, from forestry, from agriculture.

Mr. Speaker, we're not only just laying this out there, but we are challenging ourselves and putting targets in place.

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

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

**MS. ROGERS:** Mr. Speaker, they need jobs, not platitudes.

I recently spoke with Melissa, who is finishing her master's degree program. She said she's leaving because in the last budget –

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

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

**MS. ROGERS:** She said she's leaving because in the last budget government told her there is no future for her here. She wants to stay, this is her home, and she has this huge student debt load.

I ask the Premier: What concretely is he going to do to keep our well-educated young people here once they've graduated? Where are the jobs for them? The jobs, Mr. Speaker.

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

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

Well, first of all, I would suggest that Melissa give me a call and the Member for St. John's Centre – she's more than welcome to give me a



call. I would look forward to talking with her, Mr. Speaker.

Melissa, like a lot of Newfoundlanders and Labradorians right now, as I just mentioned, is that when you make informed decisions on what your next job, what your profession should look like, Mr. Speaker, we will do a market development plan to see what skills are required in our province.

Mr. Speaker, just last week when we talked about how you work with our oceans, as an example, the opportunities that we would have in the arctic. We're seeing right now young, educated Newfoundlanders and Labradorians finding employment in our province. So it's important we put that analysis out there so that young Newfoundlanders, as the Member just said, like Melissa, can have a future in our province.

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

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

Presenting Reports by Standing and Select Committees.

Tabling of Documents.

Notices of Motion.

### Notices of Motion

**MR. SPEAKER:** The hon. the Minister of Service NL.

**MR. JOYCE:** Mr. Speaker, I give notice that I will ask leave to introduce a bill entitled, An Act To Amend The Consumer Protection And Business Practices Act. (Bill 52)

**MR. SPEAKER:** Further notices of motion?

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

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

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

I move the following motion:

WHEREAS Newfoundland and Labrador has a diverse and thriving social enterprise sector which is actively meeting social, cultural, economic and environmental needs throughout the province; and

WHEREAS social enterprises can help communities control their own economic future, fill critical gaps in the economy, and provide space for a new generation of entrepreneurs to apply their skills; and

WHEREAS social enterprise development is another innovation tool for advancing regional growth opportunities to benefit the economy;

THEREFORE BE IT RESOLVED that this hon. House supports the Government of Newfoundland and Labrador's initiative to implement a social enterprise action plan including long-term strategic goals supported by an annual work plan early in 2017.

Mr. Speaker, this motion is seconded by the hon. Member for St. George's – Humber.

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

**MR. SPEAKER:** Further notices of motion?

The hon. the Government House Leader.

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

Pursuant to Standing Order 63(3) the private Member's resolution just entered by the Member shall be the one that is debated this Wednesday.

While I'm up, Mr. Speaker, I would move, pursuant to Standing Order 11, that the House not adjourn at 5:30 p.m. today, Monday, November 28, 2016.

Further, I would move, pursuant to Standing Order 11, that the House not adjourn at 10 p.m. today, Monday, November 28.

Thank you.

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

**MR. SPEAKER:** Further notices of motion?

Answers to Questions for which Notice has been Given.

Petitions.

### Petitions

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

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

I'm pleased to present the following petition this afternoon:

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 provincial wait-lists for long-term care continue to grow; and

WHEREAS hospital beds are increasingly being occupied by individuals who are in need of long-term care; and

WHEREAS this government cancelled the previous administration's plan to increase capacity by 360 beds province wide;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to immediately develop a plan to address the shortage of long-term care beds in order to ensure people receive appropriate care and are treated with dignity.

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

Mr. Speaker, this is an issue I've spoken to in this hon. House in the past. I won't speak at length about it today, but I do want to continue to bring these concerns to the House of Assembly.

The bottom line from where I sit is that we had a viable plan that would have resulted in 360 additional long-term care beds opening in our province in 2017. They would be under construction right now. The plan made sense. It

was cost effective. It was modelled after best practices in most other Canadian provinces. It's a model that has had a lot of success, even in our own region of Canada, in provinces like New Brunswick and Nova Scotia.

In the past year, we've seen nothing happen. If the government had concerns with our plan, that's their right, but to not present any kind of alternative and to not take any kind of action over the past year is rather concerning, Mr. Speaker.

We have long wait-lists for long-term care in our province, and there's a ripple effect throughout the health care system because of this present situation and government's inaction. We have more surgeries being cancelled, we have people lying on stretchers in hallways in our hospitals, we have people waiting for even longer periods in emergency rooms because we have patients that are waiting to move into long-term care and they can't. Some of them are in personal care homes, some of them are in their own homes, some of them are waiting in hospitals and they've already been medically discharged.

It's a real concern, Mr. Speaker, and action is needed. We've seen none in the past year and I'm pleased to present this petition to call upon government to finally take some action.

Thank you.

**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 Newfoundland and Labrador has the greatest percentage of the workforce earning the provincial minimum wage in Canada, with women, youth and those from rural areas making up a disproportionate number of these workers;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to legislate an immediate increase in the minimum wage to restore the loss of purchasing power since 2010 and an annual adjustment to the minimum wage beginning in 2016 to reflect the Consumer Price Index.

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

Well, Mr. Speaker, I point out that the petitioners were duly disappointed last week when the Minister for Advanced Education, Skills and Labour made an announcement that indeed without any public consultations, and without publicly announcing a review was taking place, that he was indeed making changes to the minimum wage. But those changes did not reflect the concerns raised by these petitioners because, number one, it is going to do nothing to restore the loss of purchasing power since 2010. A 25-cent raise next April and again next October would go nowhere near bringing us up to the purchasing power, which will be a year late – again another year added to the request of these people.

And then, again the petitioners ask that the increase in the minimum wage begin in 2016 to reflect the Consumer Price Index. Some hope, Mr. Speaker; they now have to wait until April 2017 to get any increase at all, the increase of 25 cents, and that increase will go nowhere near reflecting the loss of purchasing power and reflect the Consumer Price Index.

Even though this petition is signed by thousands of people in this province, has been presented over and over in this House, the minister paid no attention to the petitions of people throughout the province. He paid no attention to their concern of the loss of purchasing power in the last almost seven years now, not six years. He paid no attention to the fact of what they were calling upon him to do. He did not hold any kind of public hearings to hear people present why they signed this petition, to hear the details – I'd like to know his analysis – because we got no analysis – of how he's going to deal with the loss of purchasing power; 25 cents next April and another 25 cents next fall is not going to cut it.

He claimed here in this House of Assembly that this was going to take care of the fact we are now the lowest minimum wage in the country. What does he think that the other provinces are sitting still and that they're not going to raise theirs next year? Of course they are, so we'll probably still be the lowest in the country after these raises happen, Mr. Speaker.

Thank you very much.

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

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

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

WHEREAS many students within our province depend on school bussing for transportation to and from school each day; and

WHEREAS there have been a number of buses removed from service over the past few weeks for safety reasons, calling into question the current inspection and enforcement protocols for school buses in the province; and

WHEREAS there have been concerns raised by members of the busing industry regarding government tendering practices as it relates to the provision of school bus services in this province; and

WHEREAS there are many parents throughout our province who have raised both scheduling as well as safety concerns regarding the English School District's 1.6-kilometre policy, the courtesy-seating policy, the new double-bus-run schedule, as well as overcrowding on school buses;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge the Government of Newfoundland and Labrador to strike an all-party committee on school busing to consult with stakeholders and make recommendations to government for the improvement to the school busing system in our province.

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

Mr. Speaker, I'm glad to be able to present this petition, once again. I will say that it is encouraging, listening to the Minister of Service NL in Question Period. It is encouraging to hear that there are going to be some amendments to legislation, which is hopefully going to improve the safety on our school buses in terms of how the inspections are done and when they're done and so on.

So I'm very glad to hear that. There does seem to be movement there. Anything we can do to make school buses safe for our children, everybody in this House, I'm sure, agrees we need to do it. I'm also glad to hear the minister say that they would be doing some audits and so on prior to September. I think that's positive.

Personally, I would like to see all school bus inspections done by Service NL prior to September so that before school buses go on the road, before school starts, we would know they have been independently inspected and they're safe. Certainly, this is a move in the right direction, if he does what he says they're going to do, and I have no doubt that he will.

In terms of the other issues around the 1.6-kilometre rule, the double-busing runs and so on, this is something we have to look to the Minister of Education, as opposed to the Minister of Service NL. It seems like he's doing his part, but we need to look to the Minister of Education to stop hiding behind the school board.

**MR. KIRBY:** The school district.

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

**MR. LANE:** I hear him over there chirping there now. To stop hiding behind the school board –

**MR. KIRBY:** The school district.

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

**MR. LANE:** – and to actually start taking some ownership of these issues to address these issues. Because I know when he was over on this side of the House, he raised these very same

concerns. Now, all of a sudden it's not a concern and it's the school district.

Hopefully, these issues around the 1.6-kilometre rule and around this new double-busing schedule – I'm not sure where that ever came from, but that's wreaking all kinds of havoc on children and families and I ask him to look into it.

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

The hon. the Member for Cape St. Francis.

**MR. K. PARSONS:** 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 of Newfoundland and Labrador humbly sheweth:

WHEREAS fisheries policy regulations link harvesting quotas to vessel length for several species; and

WHEREAS many harvesters own fishing vessels of various sizes, but because of policy regulations are restricted to using smaller vessels, often putting their crews in danger; and

WHEREAS the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge the government to make representation to the federal government to encourage them to change policy, thus ensuring the safety of fish harvesters in this province.

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

This is a petition that I brought before. This is the second time now I've brought this to the House of Assembly and it's very important. It's very important to people in my district.

I spoke to a fisherman this weekend. As you know, this weekend, the winds were unbelievable. And some of the conditions we see fish harvesters having to go out in is unbelievable. We live in the North Atlantic, the roughest area in the word, I would say, when it comes to wind conditions. To have regulations that are putting our crew members and fish

harvesters really in danger of losing their lives – every year, we hear tell of it.

Every year in this province there are people who die fishing. One life is too much. There are regulations that can be changed. All we have to do – I understand when it came in, when the crab first started that they had to make sure the inshore sector was protected, that it wasn't just the larger boats that were getting the majority of the crab. So they put an inshore sector where they went from 35'9" and under, and then they went over to 65 footers.

Mr. Speaker, today most of the inshore harvesters have a number of licences. I know people in my area that have six different boats that they go out and harvest crab, and they're forced to use these boats. Again, like I said the last time I was up, some of the boats they got are no problem at all, but when you have six, I'm sure there are ones that are better on the water than there are others.

I'm just asking the Minister of Fisheries, asking this government to protect our fisher people, protect the people that are out on the water. It's important. Newfoundlanders have lost too many lives in the past, and we don't need to lose any in the future.

Thank you very much.

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

**MR. SPEAKER:** The hon. the Member for the District of 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 government has once again cut the libraries budget threatening the closure of 54 libraries; 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.

As in duty bound, your petitioners will ever pray.

Again, Mr. Speaker, people might feel how odd to stand up and present this petition when government has reversed their decision. Well, they haven't really reversed their decision; they've just postponed it. It's a little bit in suspended animation right now around what they're going to do about these libraries that came under the threat of closure. So they've hired a great big, old consulting company, giving them almost \$200,000 to tell us whether or not we need libraries. And we know we do. Experts tell us we need them. Librarians tell us, teachers tell us, community leaders tell us, mayors tell us. Everybody's telling us we need our libraries.

As a matter of fact, Mr. Speaker, there were people all over the country who were astounded that this Minister of Education, who professes to be so concerned about education, is undercutting some of the very significant foundations in our communities that support literacy, that support education. It's odd, Mr. Speaker. It's like falling down into a rabbit hole and the world has become topsy-turvy.

So these particular petitions have been signed by the good people of Lourdes, and Lourdes is on the Port au Port Peninsula. It's another small community in the province which was shocked to learn a few months ago that the library, a pillar of their community, was on the chopping block.

Now having already lost the services of the former Port au Port development association, the people of Lourdes and surrounding communities, from Mainland to Abraham's Cove, relied on their public library. The only place left in the area where they could get practical supports such as job search and help writing a résumé. It was housed in the local school.

The Lourdes library is popular with children, seniors and tourists alike. In the past year, the library – get this, Mr. Speaker – was mandated to offer the Every Child Ready to Read program.

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

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

**MS. ROGERS:** Mr. Speaker, imagine, they were mandated to offer Every Child Ready to Read program. I guess if government's Plan A goes through, every child will not be ready to read on the Port au Port Peninsula or in many other areas for that matter.

Children in the community are asking the librarian and their parents, why are they closing our library? They want to know. It makes no sense. It makes no sense at all, Mr. Speaker.

So I am pleased to support this petition from the citizens of Lourdes and surrounding communities. Once again, I call on the Minister of Education and Early Childhood Development to say, sorry, I messed up. Sorry, we messed up; we'll reinstate the adequate funding for our valuable public libraries.

Mr. Speaker, he did mess up. Not only that, we're seeing a tax coming on January 1 on our books.

Thank you very, very much.

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

**MR. A. PARSONS:** Orders of the Day.

**MR. SPEAKER:** Orders of the Day.

### Orders of the Day

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

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

**MR. SPEAKER:** WHEREAS section 85 of the *Access to Information and Protection of Privacy Act, 2015* provides that the Office of the Information and Privacy Commissioner be filled

by the Lieutenant Governor in Council on a resolution of the House of Assembly; and

WHEREAS section 85 further provides that the Speaker establish a selection committee for that purpose; and

WHEREAS that selection committee was established and that committee submitted a roster of qualified candidates to the Speaker of the House of Assembly; and

WHEREAS section 89 provides that the Lieutenant Governor may, on the recommendation of the House of Assembly Management Commission, appoint an acting commissioner if that office becomes vacant; and

WHEREAS the office was vacated and Mr. Donovan Molloy was, on the recommendation of the selection committee, appointed in an acting capacity on July 22, 2016;

NOW THEREFORE BE IT RESOLVED that Mr. Donovan Molloy be appointed as the Information and Privacy Commissioner.

The hon. the Government House Leader.

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

I'm happy to stand here and speak to this motion today, one that's quite significant and will give some, perhaps, finality to a decision that was made a number of months ago. But as you just stated in the motion, we have to make it official here in the House of Assembly. I guess the crux of that motion is in the last section which is that Donovan Molloy is to be appointed as the Information and Privacy Commissioner.

What I'd like to do is just take a few minutes at this time. I certainly won't be using the hour that's been accorded to me, but I want to speak about the process. I want to speak about the office, and to speak about Mr. Molloy himself who I've had the good fortune in my time in this role to work with in his previous position.

As we all know, our Information and Privacy Commissioner is a very important role. It is an independent office of this House of Assembly. The position itself has been around for a number of years now, and had previously been served by

a gentleman named Mr. Ed Ring, who gave notice of his retirement. We thank Mr. Ring for his service and wish him well in his retirement.

If anybody has any interest in this topic, all they have to do – the OIPC has a great website that one can access. They talk about their mandate; they talk about what they do. Most people know they basically deal with the act, the ATIPPA, the Access to Information and Protection of Privacy, and as well as the Personal Health Information Act. That concept has had a long history in this province. It's one that the legislation brought back in the early 2000s.

We went through changes to that legislation back in 2012, and a subsequent revision in this House of Assembly not too long ago. It was in that most recent revision that was done here in the House of Assembly that there was a new process created which was applied and which led to the selection of Mr. Molloy as the Acting Information and Privacy Commission.

If you look at what this act does; it was first passed in 2002. It replaced the Freedom of Information Act which came about back in the '80s. The Commissioner who, as I said, is an independent officer of this House has a number of responsibilities under the two pieces of legislation that I mentioned. Basically, it's providing oversight, and oversight includes conducting reviews of decisions, investigating and attempting to resolve complaints as it relates to Access to Information and the Protection of Privacy involving public bodies.

I guess when you look at what it does – we talk about the concept as it relates to information, there's the thought process that all information, especially as it relates to public bodies, should be public information. And that's the process – there has been a mindset change over the years where there has been a tendency to protect information, to hold that information and not release it, to more of a mindset now where information is public but it is subject to limits. It is subject to certain protections, especially as it relates to personal information. It's finding that balance, and it has been laid out.

It is our Commissioner who, in many cases, resolves disputes that may arise where interested parties make application that they want access to

certain information. There, in many cases, may be a refusal to provide that information and we have to interpret the legislation and make these decisions. It is an extremely busy job. It's an extremely busy office, especially since the latest revision of this legislation which made it one of the broadest pieces of legislation of that nature really in this country. So it is an important position and one that we take seriously.

People must realize that when it comes to the independent nature of this office, this statutory office of the House of Assembly, it certainly carries with it an importance that can't be understated and one they don't answer to politicians. It is not a case of, well, we're saying this is private; you need to keep it private. No, no, that is not how this office – like any statutory office of this House works, it's offices of importance that answer to the House of Assembly but they don't answer to elected officials, and that's needed for the benefits of all citizens of this province.

So if you were to go through whether it's our ATIPPA or whether it's the history – I don't think there's any real need to belabour the debate we're having here today to talk about how it came about. There was a report done by Cummings some time ago, it led the legislation. What we need to talk about is the importance of this role and the importance, basically, of that office and the need to ensure qualified individuals fill this. We've seen that in the past and certainly we want to ensure that going forward.

I don't need to talk about the debate we had here in this House just recently where we talked about – we had a review that was done by the hon. Clyde Wells. I think that committee also involved Mr. Doug Letto and Jennifer Stoddart who also carried a national role as it related to access to information. They reviewed legislation. It was under the mandate of a previous premier who wanted a review of the previous ATIPPA that he helped bring into place back in 2012.

This committee looked at it; they took submissions from a number of people. It was a pretty comprehensive review, one that was done over a period of time, brought to this House and that we have voted on. It has a number of

aspects to it, whether it is the independent review mechanism.

There's a whole number of things, but one of the fundamental concepts really is the facilitation of democracy. That's done by ensuring that citizens have the information required to participate meaningfully in the democratic process, increasing transparency in government public bodies and protecting privacy. A lot of times the protecting privacy aspect sometimes gets left out, or it's maybe not as well-known as the first part, but there is information out there that should be kept private and that's as it relates to our personal information.

So there is that balance that the Commissioner and his office have to strive to uphold. They have a number of – anybody who gets access to these emails or looks at the site and sees that there are reports filed on a very regular basis, there are court decisions, there's a lot of information out there, more so than I can tell you ever before I was elected to this House in 2011. It's not something that I was aware of but certainly I am now.

I think there is a greater awareness of this issue as it relates to the public. I think a lot of that stems from the debates that we've had here in this House of Assembly. We've had debates over access to information. I think these debates have led to that broadness, that awareness that the public has as it relates to information and the need to have that information.

One of the things I want to talk about – obviously, I think everybody understands the role of the Commissioner, the role of that office. One of the things is this piece of legislation that we debated just last year in 2015 created a process to appoint the Information and Privacy Commissioner. That's set out in section 85 of this legislation, the ATIPPA, 2015. It wasn't too long into 2016 that the previous commissioner gave notice that they would be retiring, as I mentioned earlier.

So in May of 2016, a selection committee was established by the Speaker of the House of Assembly in accordance with section 85(3) of the act. Now I have to note – it's my recollection, I may be wrong – this process was a part of a bill that was brought to this House

and was voted on and was agreed on unanimously by Members of this House of Assembly, if I recall correctly. I look across at the Member for St. John's East – Quidi because they were a part of this debate too. I think I was right in that it was unanimous in this House of Assembly when we debated that.

So this process is one that every Member agreed on. I can't recall if there was a Division called. I think there probably was, but the fact is I need to note the unanimity when it comes to selecting this new process.

I just want to go to the side for just a second, because one of the things that we did in our first session of the House was we brought forward the Independent Appointments Commission. Part of that process was that we created new processes to be used for a number of statutory offices. We tried to basically bring in line a lot of these offices, their terms, their tenures and the selection process.

But this Commissioner position was specifically excluded from that process. The thought process employed to make that decision was that we had just gone through a session in this House where we voted on this legislation. This process was the one that was selected by the committee and we didn't feel it the best move to change a process that we hadn't already employed. So we wanted to exclude this specifically from that and go through the process that was identified by Mr. Wells and the committee and voted on in this House.

So in May, 2016, a selection committee was established and this committee consisted of the individual sitting right there in front me, you may not see her on the House camera, anybody that's out there watching but it's a lady named Ms. Sandra Barnes, who is the Clerk of the House of Assembly. She's here with us in the House of Assembly every day. She's not often on camera except when she's doing the long readings of the legislation, but she was a part of that committee.

There was also Ms. Julia Mullaley, who is the former Clerk of the Executive Council and was a part of this process; Chief Judge Pamela Goulding, who is the Chief Judge of our Provincial Court of Newfoundland and



Labrador; and Mr. Kent Decker, who is the Vice-President of Administration and Finance for Memorial University.

This was the committee that undertook this process. The first thing they did was invite expressions of interest for the position with support from the Public Service Commission. If I recall correctly, I think there may have been ads put out in the media, through the newspapers, it was put online. So it was wide-ranging and it was public. Many people had the opportunity to apply for this. They had notification and went through this process.

The committee then, after going through this process and providing ample time, developed a roster of candidates – obviously, all qualified. That roster was then submitted to the Speaker of the House of Assembly pursuant to section 85(4) of the legislation. The Speaker then in turn consulted with the Premier, the Leader of the Official Opposition and the Leader of the Third Party to discuss this process.

Following this consultation process, the Lieutenant Governor in Council, on the recommendation of the House of Assembly Management Commission, then appointed Mr. Donovan Molloy, QC as Information and Privacy Commissioner on an acting basis pursuant to section 89 of the act, which was effective July 22, 2016.

Going back to the motion here, the fact is that the Management Commission and the House has the ability to put somebody in place on an interim basis, but it always has to come back to this House of Assembly for us, as Members representing the citizens of this province, to have a vote on to make sure that it becomes final and to have that say.

Mr. Molloy has been in place on an acting basis since July. Again, I'd like to say, this is just perhaps my opinion, I think this process seemed to work well from my involvement in it. I think there were a wide number of people that applied for the position. I'd like to thank the committee, the individuals that I just named, Ms. Barnes, Ms. Mullaley, Chief Judge Goulding and Mr. Decker for their work on this.

These are all public servants that took the time away – they all have busy roles. They all have very busy positions. They carry out a number of tasks, but the fact that they took the time to sit on this committee and do this work, we appreciate that as well. It's time out of their lives. It's extra time they put in, because we all realize the importance of this role and the importance of putting a good, qualified individual in this position.

My personal opinion and I think the opinion of many Members in this House – certainly I expect, after I sit, Mr. Speaker, that Members from the other side will be able to stand and speak to this and provide their input on the process itself and their thoughts on it. But I thought it seemed to work well. We're very supportive of the process and I'd like to think the Members on this side will be very supportive of this motion and will certainly be supporting it.

One of the reasons is that (a) we think that the process itself seemed to work. Again, that's one of those things that I'm sure there will be consultations and discussions on because you can always look at processes and look at can they be done differently, can they be done better, can they be improved. There must be a constant goal of change for the purpose of betterment. That's something we must all strive for. The second reason: I think that when it came down to it, we couldn't have appointed a better person with a very strong, specific skillset for this.

I'd like to talk for just a second, Mr. Speaker, about Donovan Molloy. Donovan, who is from Marystown, has a Bachelor of Laws, with distinction, from the University of New Brunswick. He graduated in 1992. He actually had a Bachelor of Science degree from Memorial University, called to our bar 1993 and articulated actually down in Marystown. He practised in 1994 and then he made probably one of the biggest moves and something that led to him being in a position where I got to work side by side with him, work with him, and that's when he became a Crown prosecutor.

He moved in to Public Prosecution and he practised there in the Marystown area up until he came to St. John's in 2002. Since that time, he left the office; he was the director of Public Prosecutions right up until he left to make this

change. It's a significant change in many ways going from the director of Public Prosecutions, from handling matters of that significance, that importance, to moving to this which is obviously a very important matter, but one that has a different nature.

Mr. Molloy has appeared before all levels of court in this province. He also worked as a prosecutor with Alberta Justice, with the Public Prosecution Service of Canada. Mr. Molloy has also served in a number of roles outside of this capacity, whether it be a bencher with the Law Society, the National Criminal Law Program, the Rotary Club.

Being the director of Public Prosecutions, it was assistant deputy minister level with the Department of Justice and Public Safety. Again, stepping into my role, I was so fortunate to have the Premier put me in the role as minister on December 14 of last year and it's since that time that I got to work with Donovan on very much a day-to-day basis.

Now, without talking too much about the Office of Public Prosecutions, the independence of that office from the political side is one thing, but that doesn't mean – I got a real education working with Donovan on a day-to-day basis. I had an understanding before appearing in the court system, but having a chance to work with him and his staff, with other prosecutors, has given me an even greater understanding of the importance of that job, how hard they work and the good work that they do on behalf of the people of this province.

Again, Donovan, being director, handled that for the entire province. It's a very trying matter. You can think about the matters that you see in the news every night, some very serious files; files that, in many cases, can be disturbing at times. Again, he was in charge of all that and ran that for a number of years, and did a great job.

I did this during a previous debate, but I'd like to thank Mr. Molloy for his work on behalf of the Department of Justice and Public Safety over all those years, for his work as a prosecutor, for his work as the director of Public Prosecutions. He did excellent work. We're very lucky that in this whole process that we've had a very good transition from when Donovan left office, and

we now have Ms. Knickle, who is doing an excellent job in that role.

Donovan really made the jump and he stepped into this role, and I think, in his acting capacity, seems to be doing an excellent job. Again, I heard from him, as the minister, in many cases, when he writes the reports, and some of them deal with our department, as he deals with every department, and we hear about ways that we can improve, ways that we can change, ways that we can improve access to information for the people of this province.

Something we have as one of our most important mandates is to ensure we are transparent, to make sure we are accessible, to make sure we have information out there. Because it's not just about having the information, it's about having it on a timely basis.

Donovan, I really think that it is his legal background and skills that he's acquired through his education and through his work career that have allowed him to step into this role and provide a methodical, intelligent and diligent approach to this. There's certainly a lot of reading to this; that understates it. That skill set that he had allowed him to, I think, to provide – he's a very highly qualified candidate and what I thought was an easy selection, having somebody of that calibre put themselves forward with this position, we were certainly very happy, and certainly very happy to stand here and support this motion in the House of Assembly.

So, Mr. Speaker, without belabouring it too much, and again, my colleagues would have an opportunity to speak to this, there's no understating the value of access to information and the protection of privacy and private information. We need individuals who are independent and qualified, who can interpret that law, and can provide decisions that are in the best interests of the people of this province, and to do so as an independent Officer of this House.

I think that the right choice was made in Mr. Molloy. I'm very happy to stand here and speak to this today, to speak to his qualities, to speak to his capabilities, to speak to his qualifications. I'm happy to stand here and speak to that.

On behalf of the government, we'll certainly be supporting this motion. We wish Mr. Molloy and his office all the best as he goes forward with an increased mandate with the passage of the ATIPPA, 2015. There has been an increase in the capacity, we'll say, since the previous incarnation, so he certainly has a lot of work on his hands. We wish him well. We know he has a mandate there to do the job and I'm sure we'll be in touch with him.

Actually, I'm looking forward – I'll throw a shout out now that Mr. Molloy is actually leading a conference. He'd be here right now but there is an access to information conference going on here in St. John's. I think it's today, tomorrow and, I believe, Wednesday. I'm looking forward to speaking at that conference tomorrow. If anybody has any questions, I'm sure they can find the information online. In fact, I tweeted it out today because we need more people that are interested in this.

So I'm very grateful for the work that he has put into this. As the minister also responsible for ATIPP in government, a new part of my mandate that was given to me earlier this fall, it's something I take to be very important. I look forward to working with him and his staff to make sure that we provide this very important service on behalf of the people of this province.

Thank you for the opportunity to speak to this. I'm very happy to support the motion.

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.

It's a pleasure to join in with the Government House Leader in having a few comments on this motion before the House this afternoon. This is a motion, as the Government House Leader had indicated, to appoint Mr. Donovan Molloy as the Information and Privacy Commissioner.

My comments will be fairly brief this afternoon, Mr. Speaker. Before I speak to the work he's done so far and my contact with him in his

appointment, I just want to take a moment to acknowledge the service of Mr. Ed Ring, the previous Information and Privacy Commissioner, quite often known in short as the Privacy Commissioner.

I want to take a few minutes to thank Mr. Ed Ring for his service to the House of Assembly, but also to the people of Newfoundland and Labrador. I can tell you that the Privacy Commissioner – I know from my own experience in dealing with privacy matters and dealing with people who have gone through or have had questions or concerns about privacy matters or looking for information and so on, that a lot of this lands squarely on the Privacy Commissioner's desk. Sometimes it can be not an easy task to interpret the legislation, understand the intent of the legislation and apply to the circumstances that exist at the time.

As the Government House Leader mentioned, Mr. Ring had given notice earlier in 2016 of his intent to retire. Then, back in July of this year, the Members of the Management Commission met and Mr. Molloy was appointed, I believe, on July 22 in an acting capacity.

Now we have a motion before the House to appoint him in a permanent capacity. I can tell you, Mr. Speaker, again in my own experience, I know Mr. Molloy. I knew him back in his days as a prosecutor. I knew him in the early days as prosecutor as well. He was always been very, very professional in his handlings of his duties and responsibilities. I know, from my experience and my knowledge of him, he has always applied himself to the best of his ability.

I dealt with him a little bit during my time in government, in Cabinet, and he spent some time in the Department of Justice, under the Department of Justice and worked there as well. From time to time over the years, I had instances to deal with him. Since he became the interim Information and Privacy Commissioner, Members of caucus and myself met with him one day and had a good discussion with him. I've spoken to him on the phone once or twice as well, other than that, over some questions asking his clarification or advice on.

He's there to do that. My experience, thus far, is that he's been very helpful and accommodating

and also provides the information. When we ask for a clarification or his position on something, he's willing to do that as well, and that's part of what the Information and Privacy Commissioner does. He provides a greater understanding. He has a position where he can make rulings and decisions. Therefore when someone is trying to interpret the language or the circumstances, sometimes he can lend some assistance to that as well.

Mr. Speaker, we know that we're in an age where the demands on the position are increasing and not only are they increasing, but they are also becoming more complex. As time goes on, interpretation of law and so on becomes more complex, becomes more complex to the courts and then courts issue decisions when people challenge decisions and you appeal them to higher level of court and you get complexities, higher level of understanding. Then when a person is using the act, they have to also include the decisions from the higher courts on matters involving that particular act.

Mr. Molloy is kind of in the centre of the driver's seat when it comes to all of those happenings with information and privacy. We know with the significant discussions that we've had here in the House in the past on privacy and the Government House Leader commented on our legislation here in Newfoundland and Labrador – and I'd say the final result of what we landed on with privacy and information legislation here, from what I know, is the best in the country. It was at the time and I don't know if we changed, but that means that there's more work for the Information and Privacy Commissioner to do as well and certainly we've seen that. We anticipated there would be increases in requests. Our government started a process of proactive releases, and providing information proactively so people didn't actually have to apply for it.

And we've had occasions where people pick up the phone and ask for something, and the effort we made to provide it without having to go through the actual application process. But the application process is online today, very simple to follow. Anyone can log in online and through a fairly confidential process – there are requirements of confidentiality of who is asking for it, and they can ask for that information. The

practice that we started in government was to post those answers online. So if someone was looking for something, they go online and have a look for it or they could ask for it, use the online system to make a request for it and wait for the results to come back.

So that happens there and, quite often, people have questions about the process or they don't like the answer they received from government. Government may write back and say no response of records, which is a term sometimes used. Someone may ask: What does that mean? Does that mean they have records, but for one reason or another they are not going to provide it? So there's a process you can go through to get the clarifications to that, and again, all of that will land on Mr. Molloy's plate.

Mr. Speaker, I can tell you, based on my own experience, background and experience with Mr. Molloy and understanding Mr. Molloy's past, including the comments by my colleague across the House who talked about him graduating in 1992, did very, very well in his education, added to the Bar in 1993, and the experience he's had over the last number of years, a very fitting person for this position.

I'm sure he'll have his own challenges as he goes along with doing the job that he's accepted; however, I'm sure he's going to do it to the best of his ability. I congratulate him on his appointment.

Thank you, Mr. Speaker.

**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'm glad to join with my colleagues from the government and the Official Opposition in recognizing Mr. Donovan Molloy being newly confirmed as the Information and Privacy Commissioner.

The Minister of Justice and Government House Leader has very thoroughly explained the process and also the Leader of the Official

Opposition. So I won't go into explaining all of that again. People who may have missed what the Minister of Justice said can, of course, go into Hansard after today and check it out. But the process that we are doing here today is making a final decision upon a recommendation from the House Management Commission that Mr. Donovan replace Mr. Ed Ring.

And before going further I, too, want to recognize the tremendous work of Mr. Ed Ring when he was the Information and Privacy Commissioner. He certainly set a high standard and I'm sure that Mr. Molloy is ready to rise to that high standard. Mr. Ring showed himself absolutely committed to making sure that people of the province had full and open access to information and that privacy was protected. He fully understood that role.

I note that when Mr. Donovan was taking this on, he was being very, very modest. In actual fact, he called himself a newcomer to access and privacy. He participated in the federal Standing Committee on Access to Information, Privacy and Ethics in October, and that was probably the first time that he played his role on the level.

In recognizing himself as a newcomer to access and privacy, he acknowledged the fact that his background was not in this area but his background was a legal background. As the Minister of Justice indicated that legal background which went back to 1993 when he started as a prosecutor in our province, in what was then the Marystown office, so the Department of Justice's Public Prosecution Division, his background in law certainly has given him the ability to understand the legal dimensions of access and privacy. It is really complex dealing with the rules and regulations, dealing with legislation, being present to represent the people of the province because that's what he has to do.

All of that, I think, are things that he would fully understand because of his background. When one looks at the work that he did, both here in Newfoundland and Labrador and then Alberta and then back here again, he certainly has always worked in the area for which he was trained.

So it was not difficult, as a member of the House Management Commission, to come to the conclusion to recommend Mr. Molloy. I don't know him myself, but I did speak to people who knew him over the years in the work he has done in the province and I was impressed by the things those people said.

Of course, I was also impressed by the fact that Mr. Molloy went through our new process for the selecting of a position such as the Information and Privacy Commissioner and that he was chosen by this selection committee that is part of our new Appointments Commission. So I had no doubt when the Management Commission was asked to look at this recommendation from the selection committee that then went on to the Lieutenant Governor in Council, that I was secure in saying yes to recommending him to be appointed. I'm glad that now we're finally able here in the House of Assembly to make it not just an interim appointment, but a permanent appointment.

I think he has really shown, since July when he first took up the position – July 22, I think – in some of the issues that he has spoken to publicly that he was either being very modest when he said in October that he's a newcomer to access and privacy or he's a very quick learner. I suspect it's both.

I've been told he's not somebody who seeks the limelight for himself. People who have observed him have told me that. He's not somebody who's doing something so that he can be recognized. He's somebody that works very, very hard in the background in the work that he does. I think that tells me he's a person who's very judicious. If there's nothing else we want in this position, it's somebody who is judicious. I think we have that in Mr. Donovan Molloy.

He has been active since he's been appointed to the role, as I said; a few times publicly being out there with regard to issues he's had to deal with. But doing that because of the importance of what he was looking at, at those times, not doing it so he could get coverage and be any kind of a public figure.

I have no doubt that he is going to live up to and maybe surpass, who knows, what was set by Mr. Ring when he was in that position because as I

said, he set the bar high. I think Mr. Molloy is up for that and has shown in his past, and even in the work he's done since July, that we will be very pleased that he has taken on this.

So I'm happy to officially welcome him to the role. I look forward to his future decisions that he will make with the excellent and experienced staff in the office because that's been my experience when Mr. Ring was in the position. We also, obviously, didn't work just with Mr. Ring over issues; we've had to deal with the staff in that office. It's an excellent staff. I'm sure Mr. Molloy is already finding that out and is enjoying being in his position.

Thank you very much, Mr. Speaker.

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

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

I'm just going to take a couple of moments, for the record, to say that I too wanted to thank Mr. Ed Ring for his service over the last number of years. I know he has done a stellar job and, of course, the Privacy Commissioner does have a very, very important role to play. As I said, Mr. Ring certainly did a great job there; I want to acknowledge that.

I, too, want to congratulate Mr. Donovan Molloy on the appointment. I don't really know him very well, as other Members might. I have met him on occasion, found him to be a fine individual. I know he has all the qualifications in terms of education and in terms of experience to do the job. He's been doing it since July, as has been said, and he's done a good job. I'm sure he will continue to do so. So I certainly support this appointment and I congratulate Mr. Molloy on it.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Is the House ready for the question?

All those in favour of the motion?

**SOME HON. MEMBERS:** Aye.

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

I declare the motion passed.

The hon. the Government House Leader.

**MR. A. PARSONS:** Mr. Speaker, I move, seconded by the Minister of Service NL, that the House resolve itself into a Committee of the Whole to consider Bill 46.

**MR. SPEAKER:** The motion is that the House resolve itself into a Committee of the Whole to debate Bill 46.

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!

We are now considering Bill 46, An Act Respecting Procurement By Public Bodies.

A bill, "An Act Respecting Procurement By Public Bodies." (Bill 46)

**CLERK (Barnes):** Clause 1.

**CHAIR:** Shall clause 1 carry?

The hon. the Member for Cape St. Francis.

**MR. K. PARSONS:** Thank you very much, Madam Chair.

This is a very important piece of legislation and it's very important to a lot of municipalities in our province. Being a former municipal leader myself, sometimes, especially when you become a new member, it's important that we have proper training and people know the rules, especially when you're dealing with small municipalities because a lot of times we talk about conflict of interest and we talk about making sure the best value. It's a part of the

legislation that I really do like. I have a lot of questions on that part of it, the best value part.

I just have a couple of questions for the minister. Minister, the first one is going to be a general question. For municipalities, like I said, this is going to be a big change for a lot of them. I'm just wondering, is there going to be any training or handbooks or some kind of support that will be given to municipalities in the province?

**CHAIR:** The hon. the Minister of Service NL.

**MR. JOYCE:** Thank you, Madam Chair.

Yes, it was a great question and, yes, there will be training. There will be training. For anybody who wants to apply for our fees, there will be training put out. There will be templates put out also for people to use. There will be follow-up after. If anybody has any questions about the RFP, you can rest assured there is – part of the component of bringing in this new Procurement Act is that there will be training sessions for anybody who wants to partake in it.

There will be information sessions, education sessions all across the province for all businesses and all municipalities that want to partake in the procurement; yes, there will be. Also, there will be staff there to help councils to work through the procurement if there are any – as I mentioned earlier, there will be a – they're trying to set up a template for it. The rule of thumb with people who are involved with the three pieces, the more information you can put out, the better accuracy that you can have with it. So there will be, yes.

**CHAIR:** The hon. the Member for Cape St. Francis.

**MR. K. PARSONS:** Thank you very much, Minister.

I know you understand the importance of letting the municipal leaders – in most cases, people that are running our municipalities are volunteers, and in a lot of cases you'll see that in small communities. Again, it's the best value – I spoke to some municipal leaders the weekend and we talked about different things like snow clearing, garbage collection and different services that they offer in their towns. The

question that came to me most times, Minister, is under the best value, again. I guess they're asking me what would be the criteria.

I know it's under the regulations that you're going to be bringing it in down the road, but a lot of municipalities are wondering what kind of criteria are you going to use for best value. Does it mean there will be reference letters? Or does it mean it's on – for example, if a town has snow clearing and they're not satisfied with that snow clearing the year before, does that mean they can just get rid of that person.

That's what best value really does. People want to make sure that the services they offer their communities. So questions like the criteria for best value, I'm wondering what you could give us on that.

Thank you.

**CHAIR:** The hon. the Minister of Service NL.

**MR. JOYCE:** Thank you, Madam Chair.

Yes, best value is instead of buying something for the lowest price, the lowest-cost option, the idea of the RFPs and best value is to look over the long-term cost and the long-term – I'll give you a good example. If, as we speak now, a town council hires someone to do snow clearing, and if the snow clearing job is not up to the standards, it's almost impossible not to bring that person back if they put a bid in the following September.

Under this here, the best value – if you can show that this person is not getting the best value by not cleaning the streets on time, not doing the number of runs a day and not putting the proper salt and sand, they can be excluded from this. This is the best value.

For example, if you look at a truck – and I'll just use this for an example. If some department is buying a truck, you say, okay, the lowest truck is \$50,000. But if you can look at the 10-year maintenance free of another truck, that would be best value in the long term. So you may buy the cheaper truck but the value that's going to last longer would be the one with the 10-year maintenance that would be a lot less cost. So it is the best value for all products, goods and

services. That is something that can be put into the RFPs, and will be put into the RFPs.

I'll give you a good example. A prime example is out on the West Coast where they just did the six transfer stations. The lowest bid never got it. They said over the life of the period of 25 years, the best value that we would have would be the person who's a bit higher, but because of the value we'll take that person because in the long run we'll save money. So that's the idea of looking at the long term instead of just the lowest price on a regular basis.

**CHAIR:** The hon. Member for Cape St. Francis.

**MR. K. PARSONS:** Thank you very much, Madam Chair.

Just another question on municipalities; Minister, most municipalities that have services, a lot of times it's small towns that go out and sometimes they're worried about conflict of interest, worrying about how their aunt or uncle or relative who may have a service, and sometimes they get the opportunity to bid like everybody else.

What mechanism is going to be in place for a person who has the lowest bid that the relative doesn't get that bid, because sometimes there's going to be a conflict there? You're going to have a bidder saying I did my job; I have just as good equipment as this person. Again, we want to keep all the conflict – we want to make sure the towns get the best bang for their buck.

I know a lot of regulations are coming later, but what regulations are going to be in place to make sure that incidents like this – and it does happen in rural Newfoundland and Labrador, we all know that. You're dealing with your friends, your neighbours and everything else. I know people don't want to be put in that position.

**CHAIR:** The hon. the Minister of Service NL.

**MR. JOYCE:** Thank you.

That is a great question again, because that's happening today, as we speak, under conflict of interest. There are conflict of interest guidelines in this. It's pretty straightforward with father, son, spouse in the conflict of interest. A lot of

times, Madam Chair, with the conflict of interest is that if someone feels they are in conflict, they can step aside from the vote.

Can you say in this legislation there's going to be something that if your brother or sister has an RFP that you shouldn't vote on it? There's always Municipal Affairs who will give you help, who will give you assistance if you are in conflict. But the thing about this, and I'll say to the Member, which is going to be great, is now any RFP that is given out, awarded, will be posted online. That's the other thing.

We're setting up a system whereby it will be posted online. So anybody who feels they are in a conflict or if any company feels a municipality didn't award it to them because of conflict, or they have nieces or nephews or someone on it, they have a right to come in, and under this legislation the chief procurement office has to have a debriefing with that person who lost the contract and go through it step by step. That's something that's new now that's going to be a part of this act, is that you can come in for a debriefing to go through step by step why you never got it and prepare for the next time, and that's for those issues.

As I mentioned earlier about the conflict, there are conflict of interest rules in as we speak, guidelines in now for municipalities. If people feel they may be in a conflict – we get a lot of letters asking us to clarify if they are or if they aren't and we're more than willing to help them out. A process that's going to improve here is that it will be posted online so every individual who applied, or never applied, can look online and see who got the tender and they can come in for a debriefing on why they never got the RFP.

**CHAIR:** The hon. Member for Cape St. Francis.

**MR. K. PARSONS:** A last question on municipalities, just a concern of mine.

Municipalities sometimes are usually – like I said, they're volunteers and everything else, and timelines are very important to them. What mechanism have you put in place to make sure that if a person – say, the bid for snow clearing is opened in October and a person says, okay, I didn't get it, the third person up the ladder got it. How are you going to do the timelines so the



person who didn't get the bid can have time enough to say okay, that's not fair that I didn't get the bid and I was the lowest bidder. What timelines are you going to put in place?

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

**CHAIR:** Order, please!

The hon. the Minister of Service NL.

**MR. JOYCE:** They can come in immediately and ask to be debriefed on why they never got it. The timelines themselves on the RFPs depends on the town and their consultants, when they want to put them out, to have it out in time. So there's no timeline saying you got to have it out. It's up to the town.

Most towns, as we speak now, for the tendering for snow clearing do have it out prior to, to give them time for the winter to make sure they have the proper tenders out, make sure there's someone accepted, and make sure then that whoever got the tender – and in this case with the RFPs, to ensure they got the materials to work and they have the staff in place to do the work and give them plenty of time.

So there's no timeline put on the town when they got to have it done, but most towns in their own preparation has it done in time for any project that is needed or any service that is needed in the town.

**CHAIR:** The hon. Member for Mount Pearl – Southlands.

**MR. LANE:** Thank you, Madam Chair.

I have, I guess like everybody, a number of issues or concerns I suppose, but I want to speak to section 5 first of all. Section 5(1) talks about the –

**CHAIR:** Order, please!

**MR. JOYCE:** (Inaudible) I thought we were going to go clause by clause.

**MR. LANE:** I thought that happened. I thought when she first reads it you can speak to everything and then you go clause by clause. Is that right or wrong?

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

**CHAIR:** Order, please!

Right now the Chair is recognizing the Minister of Service NL, on a point of order.

**MR. LANE:** Okay.

**MR. JOYCE:** I just want to say what they were going clause by clause – and we're still at clause 1. So you're welcome to ask any questions but once you go to section 5, that means I'm assuming then everybody is fine with the others, but we –

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

**MR. JOYCE:** Yes, so I'm saying we're only at clause 1.

**CHAIR:** Order, please!

The hon. the Member for Mount Pearl – Southlands.

**MR. LANE:** Madam Chair, I have no problem going by the clause. I was under the impression that when Committee of the Whole started and you read out the first clause, then that was open to the whole bill. Then after that, if you get beyond that, then it has to go into individual clauses.

If that's not the case, then I'll wait. It doesn't matter to me, one way or the other.

**CHAIR:** Order, please!

It is the Chair's understanding that it can be wide ranging in clause 1. It depends on what way we're going to go. I guess we can go clause by clause. Sometimes clause 1 can be wide ranging.

The hon. the Member for Mount Pearl – Southlands.

**MR. LANE:** Okay, that's what I thought, Madam Chair.

I guess on clause 5 – and it goes beyond that but it starts on clause 5(1). It says: This act applies to procurement by public bodies with respect to

the *Energy Corporation Act* and *Research and Development Council Act*. I'm less concerned about the *Research and Development Council Act*. I'm glad that it's going to be included.

The *Energy Corporation Act* would be referring to Nalcor and its subsidiaries, as I understand it. On the surface, that sounds like a very good thing. I support that 1,000 per cent, to bring Nalcor now under the auspices of the new *Public Procurement Act*.

Where I have a concern or a question, or both, whatever you might want to call it I suppose, when we get towards the end here, Part IV, Consequential Amendments and Repeal, and section 17 – section 17.1 says: The corporation or a subsidiary – and of course it's referring to the *Energy Corporation Act* and says it's repealed and the following substituted: "The corporation or a subsidiary is exempt from the *Public Procurement Act* with respect to procurement in the following areas" – and then it lists (a) to (c) – "(a) energy and energy products; (b) where the corporation or a subsidiary is acting in a strategic partnership, joint venture, or equity investment with other public bodies or private sector entities; or (c) for the purpose of meeting the requirements of a benefit arrangement."

So the way I read that –

**CHAIR:** Order, please!

I just want to clarify when I talked about wide ranging in clause 1 it's like when we're in second reading. But as the Chair is listening you are getting down into the weeds more, and I think that's something that we can debate when we get to that section of the bill.

**MR. LANE:** Okay. I'll try to keep the comments a little more general, Madam Chair, if that's fine. But the problem with going that way is where we are talking two linked pieces and if I go with one, then I don't know if I can speak to the other one and vice versa because they are tied together.

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

**CHAIR:** The hon. the Member for Mount Pearl –Southlands.

**MR. LANE:** I guess my question or concern, or as I said maybe both is that basically what I'm reading here is that Nalcor is now going to be brought under the *Public Tender Act*. But when you look at all the exemptions that are listed from (a) to (c) – when we talk energy and energy products, I'm not exactly sure what that means, per se.

I mean, to my mind, what I'm seeing here is that if Nalcor itself decides they're going to buy their office furniture and office supplies and all that kind of stuff, they're going to fall under the procurement act. But if you're going to be buying, let's say if they were to do a refit on Holyrood which would be an energy product, I'm assuming, if we were to apply the existing Muskrat Falls Project where there was a whole bunch of contracts let that was part of a joint venture or whatever with Emera and all the benefits agreements, if we were going to do something on the oil and gas side where there would be a benefits agreement in place with the oil companies and all that, it seems like everything is exempted.

So it would almost give the impression that when they're buying their office supplies and things like that for their office over on Captain Whalen Drive or whatever, they're under the tender act but everything else, all the big ticket items, all the contracts and all that, everything is exempted from the *Public Tender Act*.

I don't know if I'm reading this wrong or not, and I guess that's part of the problem with some of this in terms of not having necessarily the regulations and everything around this stuff is that I'm not sure what it means. On the surface, it sounds like everything except some basic office items are still going to fall outside the *Public Procurement Act*. I guess given all of the cost overruns we've seen at Muskrat as an example, and concerns people have raised about tendering and contracts being awarded and all this kind of stuff, then it would seem like this is doing nothing to prevent those types of issues and public disclosure and so on from happening in the future.

Now, it does go on to say that six months later, Nalcor would have to send a report to the minister, who would in turn give it to the new procurement officer who would post the

contracts and awards online – which is fine to say, but that’s six months after the fact, that’s after the contracts are awarded, maybe even after they’re completed. And it just says post them online.

So what does that mean? Does that mean you’re going to have to name the company and how much money they were paid, or the name of the company, the work they did? Is that going to show transparency in terms of how many companies bid on different things, how it was awarded, did they follow good tendering processes, was it the low bid, was it the best value bid; or is it just simply a list of this company made a million bucks here, this company made two million here, this company, whatever, six months after the fact?

I guess, based on what we have today, it’s better. At least, it’s going to be posted online, albeit six months later. And at least we’re going to bring Nalcor under the *Public Procurement Act* in terms of its day-to-day operations for office and stuff – which is good. I see all that as a positive, but I don’t see anything here that will address any of the big ticket items and the ongoing big ticket expenses associated to Nalcor or its subsidiaries, and I think it could be an opportunity lost to make changes and require changes that the public would like to see as it relates to openness and transparency with Nalcor.

So I make that as an observation, and I also ask it as a question. If I am misinterpreting what I am reading here, then I would certainly appreciate it if one of the ministers could set the record straight as how that works, because maybe my definition of energy and energy products and all this kind of stuff is wrong. Maybe what I’m thinking here is wrong. And if it is, then I’d love for someone to correct it and we can see that we’re going to improve things. If not, then like I said, the only improvement I’m seeing here as it relates to Nalcor is that when they buy their post-it notes and furniture, they’re going to follow the act and then everything else, they won’t.

So I’ll sit down for now and maybe we can get some clarification on that issue.

Thank you, Madam Chair.

**CHAIR:** The Chair recognizes the hon. the Minister of Natural Resources.

**MS. COADY:** Thank you very much, Madam Chair, for the opportunity to respond, I guess, in a general sense.

I’m sure the Member opposite remembers when Nalcor was completely exempt from the procurement act. We are, I think, being very open and transparent and accountable to put it in the procurement act. We want to make sure that Nalcor is.

There are three – only three – things that will take Nalcor out of the procurement. That would be negotiated benefits that would apply for the province. I’m sure the Member opposite would be very supportive of, if there’s a benefits agreement that we make sure that is done to benefit the province.

The other is the buying and selling of electricity, which is quite normal and natural. The buying and selling of electricity of other energy products would not be covered. This is quite normal as well. I believe another Member opposite, the House Leader for the NDP, has also concurred that is a normal part of the process.

I think what the Member is really delving into is when we’re in partnership with somebody else. I’ll use a couple of examples of that. When we, as a province, are doing seismic through Nalcor, Nalcor is entering into an agreement to purchase seismic activity, that’s a little different and that’s what we’re trying to cover under this exemption. What they do is they go in with a number of other partners in that seismic activity. It’s not like you go in and go to public tender on that activity; you are formed in partnership with others.

I’ll use the Hebron Project as another example, Madam Chair, on this particular instance. When the Hebron Project was underway, Nalcor has a percentage of equity in that project, as such – a very small percentage when you look at the full project, but as a small percentage of that larger project that involves multiple oil and gas companies this act would not apply because they own such a small percentage of a very large commercial opportunity.

So that's what we're talking about under these exemptions Madam Chair.

Thank you.

**CHAIR:** The hon. the Member for Mount Pearl – Southlands.

**MR. LANE:** Thank you, Madam Chair.

So just for clarification from the minister, I'll just ask this direct example and perhaps she can answer this one. If, let's say for argument sake, next year Nalcor decided or Newfoundland Hydro, I will say, decided they wanted to upgrade one of their substations – I'll just use that as an example. As a result of that upgrade, they need to award a bunch to contracts and maybe they have to purchase transformers or whatever they do to generate the electricity and so on. If that were to happen, would that fall under the procurement act or would they be exempt?

**CHAIR:** The hon. the Minister of Natural Resources.

**MS. COADY:** Thank you, Madam Chair.

Newfoundland and Labrador Hydro is not exempt from the procurement. Therefore, the example that you used – even though it's supposition – would be covered under the procurement act.

Thank you, Madam Chair.

**CHAIR:** The hon. the Member for Mount Pearl – Southlands.

**MR. LANE:** Thank you, Madam Chair.

So again, I just want to clarify, the *Energy Corporation Act* here, which is included here, which is bringing it under Nalcor and it says their subsidiaries. So what the minister is telling me is that today, if Nalcor decided to do an upgrade at a substation today, forget this act, that they would have to follow the *Public Tender Act* to purchase their stuff and award their contracts. Is that what the minister is saying?

**CHAIR:** The hon. the Minister of Natural Resources.

**MS. COADY:** Thank you.

I'm hopeful a lot of this was covered in the briefings but, Madam Chair, I'll be happy to clarify that Newfoundland and Labrador Hydro – which is responsible for those substations – would be subject to this act and would be required to go under the tendering process. This is a public utilities process and, therefore, they would be subject to this act.

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

**MS. MICHAEL:** Thank you very much, Madam Chair.

It's not what I wanted to speak to, but I want now to go further and get clarification from what the minister just said in response to the Member for Mount Pearl – Southlands. Minister, isn't Newfoundland and Labrador Hydro a subsidiary of Nalcor?

**CHAIR:** Order, please!

The hon. the Minister of Natural Resources.

**MS. COADY:** (Inaudible) named in this act as having to go under the *Public Procurement Act*.

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

**MS. MICHAEL:** Thank you, Madam Chair.

Well, the clause that was referred to by the Member for Mount Pearl – Southlands is the clause that includes subsidiaries under Nalcor following the same procurement laws as Nalcor. And that, to me, means that you are talking about Newfoundland and Labrador Hydro when you're talking about what Nalcor is following.

**CHAIR:** The hon. the Minister of Natural Resources.

**MS. COADY:** For clarity for the House, Hydro is not exempt from any of these activities required under the *Public Procurement Act* – just for clarity. There are other subsidiaries, they

might talk about – I'm going to talk about the energy marketing as a subsidiary of Nalcor Energy and because they buy and sell electricity that would be exempt. But, for clarity, Hydro is not exempt.

**CHAIR:** The hon. Member for St. John's East – Quidi Vidi.

**MS. MICHAEL:** Thank you very much, Madam Chair.

I want to speak to the bill in general about a concern that I did express a bit during this second reading, but I'd like to go more deeply into, and that is the way in which the bill is described as a framework. That's been made clear by the minister. It's made clear in the bill itself when it talks about the purpose of the bill. The purpose of the bill is described as the bill being a framework.

I have some concerns. In this definition of framework, it seems to me that there are details that are being left out of an act that I think should be in an act and should be in this act. That's what I want to speak to and talk about, those concerns.

In the act, in three parts in particular – in section 8 which talks about Treasury Board, in section 16 which talks about the chief procurement officer and in section 28 which talks about the Lieutenant Governor in Council – a lot of what I consider to be essential areas are being left in the hands of those bodies without detail being given in the act itself regarding what those bodies are going to be dealing with.

It concerns me when, for example, powers are given saying that policy will be developed by. Well, I would like to know why the government didn't – and I'm putting that question to the minister – put in place in the places where it talks about policy – and all of those three areas it does talk about policy, the three areas I've mentioned – any direction with regard to what that policy should look like. Again, the statements are so general that I don't know what will be used to evaluate those policies.

It's not clear to me where those policies go. Well, Lieutenant Governor in Council, we know where that goes. That's Cabinet, that's

government doing its work. But there's nothing saying that the Treasury Board, in establishing a policy for procurement of professional services – there's no direction given as to what that policy should be covering, what it should look like. When power is given to the chief procurement officer in section 16 to develop and publish general policies for the procurement of commodities for application by all public bodies. Again, except for a general statement about what the chief procurement officer should be paying attention to, there's no detail given as to what those policies should cover.

I think there's a lot going on out there in the private sector with regard to procurement with a lot of practices in place around policy; practices with regard to sustainable procurement; how evaluations of RFPs, what they should look like, how bids would integrate social and environmental factors with financial considerations. There are so many details that are not in the act. I'm not asking for regulations to be in the act, but I'm asking for direction with regard to policy development and who is going to look at those policies. So it's very disturbing to me that we're being asked ultimately to approve a bill without knowing what the heart of the procurement is going to look like.

Under section 28, for example, where the Lieutenant Governor in Council may make regulations, those regulations are covering everything. Some things of which I can see as regulations, another which are things that should come here to the House of Assembly; broad sweeping statements such as valuing diversity in procurement. Well, what would that look like? That's more than a regulation. Exactly what does that mean? What does this act mean by diversity in procurement? That's just a general statement. We don't know what it means.

It doesn't tell us what the actual value of the government is, and that's what's missing. What are the values? We have broad general statements but diversity in procurement could mean an awful lot or it could mean just a little tiny bit. It could mean access throughout the province. It could mean access, making sure there's equality with regard to smaller businesses. It can mean gender diversity. It can mean recognition of Aboriginal groups. There's nothing in here telling us what it means.

Different people define diversity in different ways. How does this act define it? What are the regulations going to look like determined by that act? These are the questions.

I'm very concerned about framework bills that become acts; that are frameworks without adequate direction from the act itself. That's what I'm concerned about. The sweeping powers being given to the Treasury Board, to the chief procurement officer, to the Lieutenant Governor in Council is not good enough.

In each case, again, for example, in talking to the Treasury Board, it may establish a policy, the chief procurement officer may require that public bodies coordinate the group purchasing of commodities, et cetera. There are a number of places in the act where things that are essential, such as the setting of policy, are not defined with a timeline.

So I guess I would like the minister to explain to us what his expectation is with regard to these three areas in particular which do talk about policy and which do talk about regulations. What is his expectation around when this stuff is going to happen?

There are two things I have a concern of, one is the fact that so much is being left outside of the act and the other one is, how is the minister going to ensure how and when those things are going to get done?

Thank you, Madam Chair.

**CHAIR:** The hon. the Minister of Service NL.

**MR. JOYCE:** Thank you, Madam Chair.

I hear the Member, and I'm not sure what she's asking actually because there are about 10 questions there. I'll answer any question I can. If I can't, I'll bring it under advisement.

The question you were asking about the policy. The policy is to get best value for the money. That is the policy, the best value for your money instead of lowest price which causes a lot of problems.

You asked about regulations and what's exempt from them. There are two or three things exempt

here. One is financial and the other is legal. We brought everything else under this legislation. So when you say everything is exempt, it's factually incorrect.

When you talk about the regulations, these regulations will be developed. We already gave some guidelines on goods and services of what limits, are we going to increase the limits for some on the request of Municipalities Newfoundland and Labrador.

The policy we're deriving is to get best value for our money instead of you have to accept the lowest price. It's common in this House of Assembly, step one is to bring in the act. Then you follow up with the regulations.

At the press conference and at the briefing – I don't think you were at the briefing, but at the briefing we did give some parameters of what we were setting up to increase the guidelines that were asked by municipalities, asked by businesses, to reduce red tape, to help out rural Newfoundland and Labrador, for local buyers also.

I'm not sure if that answers your question. This is something that was on the books since 2008. It was put forward in this House in 2012 because people recognize that the best value for your money is better than getting a lower price.

As the Member for Cape St. Francis asked earlier about education for people in how to proceed to this, that will be all in the education process. Part of this whole act is to bring it in so people become familiar with how to proceed with it, open the guidelines, forums, so everybody will have an equal opportunity across, even for bidders; also to explain to bidders the best way forward, the best way to proceed with your bid.

Sticking with the policy and the regulations, as I said before, and it was in the briefing, that the regulations will be forthcoming. A lot of the regulations and a lot of the parameters that were used were given in the briefing also. I gave some before in the last speech that I had in the House.

**CHAIR:** The hon. the Member for Ferryland.

**MR. HUTCHINGS:** Thank you, Madam Chair.

The Minister of Natural Resources, in speaking to exemptions, I'm not sure if I heard her correctly in regard to Newfoundland and Labrador Hydro, whether it was totally exempt or not. Maybe we could get that clarified. I ask that in the sense of there are implications in international trade deals and something like CETA in regards to infrastructure, hydro infrastructure and development. So maybe we should get that clarified because I'm not sure if I heard her correctly or not.

**CHAIR:** Order, please!

The Minister of Service NL.

**MR. JOYCE:** Under this act they're not exempt. They won't be exempt under this. There are other regulations, for example, CETA, it's not signed yet, but they would be others. Like the Atlantic Procurement Agreement, we have to follow some of their regulations and procedures also; CETA, we have to sign. That's the kind of thing that up to \$300,000 in some services with CETA that they are looking at now. Hydro is included. All of the regulations, and I mentioned some earlier about the goods and services, and public works also are going in with the Atlantic Procurement Agreement.

**CHAIR:** The hon. the Member for Ferryland.

**MR. HUTCHINGS:** Thank you.

All the provisions in this procurement would apply to Newfoundland Hydro. Just to be clear, no exemptions.

**CHAIR:** The hon. Minister of Service NL.

**MR. JOYCE:** Correct.

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

**MS. MICHAEL:** Okay. I want to be sure I understand because under section 17.1: "The corporation or a subsidiary is exempt from the *Public Procurement Act* with respect to procurement in the following areas: (a) energy and energy products; (b) where the corporation or a subsidiary is acting in a strategic partnership, joint venture, or equity investment with other public bodies or private sector

entities; or (c) for the purpose of meeting the requirements of a benefit arrangement." Then you have section 2 about the reporting.

So I want to clearly understand. Section 17.1, does it mean that Hydro is exempted in those areas in the same way the main corporation is? That's my understanding of reading that.

**CHAIR:** The hon. Minister of Service NL.

**MR. JOYCE:** They are not exempt; they're included in this *Public Procurement Act*.

**CHAIR:** The hon. Member for St. John's East – Quidi Vidi.

**MS. MICHAEL:** Well, maybe the Minister of Justice, with his legal background, will have to explain then. If Hydro is not included in the meaning of section 17.1, what is meant by the subsidiary because Hydro is a subsidiary of Nalcor.

I'm not trying to be difficult here; I'm really trying to understand. It seems to me reading this, Hydro, as a subsidiary, is exempt from the *Public Procurement Act* with respect to the three areas that are spelled out here. Not with regard to everything but with regard to these three areas. I mean that's what it says.

**CHAIR:** The hon. Minister of Service NL.

**MR. JOYCE:** I'll just read the *Energy Corporation Act*. I can't table the BlackBerry – and I've said it three or four times, so I'll read it right from the act itself. In the *Energy Corporation Act* in 2(h.3) "‘subsidiary’ means a subsidiary of the corporation except Newfoundland and Labrador Hydro ...." That's in the act now.

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

**MS. MICHAEL:** That's good. I wonder could the minister tell us what section of the *Energy Corporation Act* that is, because section 17.1 of the *Energy Corporation Act* is repealed and what's in this bill is going in. So was what he just read in section 17.1 of the current *Energy Corporation Act* or somewhere else in the act?

**CHAIR:** The hon. Minister of Service NL.

**MR. JOYCE:** It's section 2(h.3) in the act, that Newfoundland and Labrador Hydro is exempt from the subsidiary.

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

**MS. MICHAEL:** (Inaudible) I didn't get which section the minister said. He said (inaudible).

**CHAIR:** The hon. the Minister of Service NL.

**MR. JOYCE:** (h.3)

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

**MS. MICHAEL:** Thank you, but (h.3) is a subsection. Is that part of section 17.1, because if it is then we have a problem, because that will be repealed.

**CHAIR:** The hon. the Minister of Service NL.

**MR. JOYCE:** It's section 2(h.3).

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

**MS. MICHAEL:** I just want to come back to what the minister and I were discussing prior to the Member for Ferryland bringing up that point – and I'm really glad we have the clarification, because that's extremely important. I really am happy we have that clarification.

I understand what the minister is saying. He's saying the main point of this act, and the main policy statement – if you want to put it that way – is getting the best value for money. But even that is a broad statement. So best value for the money for whom?

I mean, yes, best value, I'm sure it's for government when government is looking at these; but what is the impact on communities? What is the impact on smaller business? Best value for money, again, is such a general statement, and that's my concern with the bill. The minister doesn't have to respond to that, but if he can give me a better definition of what he

means, fine; if not, I just want put it on the table what I'm concerned about.

I would also like for clarification and put it on the table that a Member not attending a briefing does not mean that the Member has not been briefed. When we send researchers to a meeting because we can't be there ourselves, we get a full briefing afterwards. As a matter of fact, I even had our researcher call the DM and ask a couple of questions about stuff I wanted to be clear about. So I'd just like to put that on the table.

Thank you very much, Madam Chair.

**CHAIR (Warr):** The hon. the Member for Mount Pearl – Southlands.

**MR. LANE:** Thank you, Mr. Chair.

Mr. Chair, I thank the minister as well for a clarification, because I got to be honest, I was really confused but now it makes a lot more sense, now that he referenced the other act.

I guess tying into the exemptions again and where it talks about strategic partnership as an example, I'm assuming that would mean that if at some future date, we were to enter into a strategic partnership with the Province of Quebec on developing whether it be related to Muskrat or the Lower Churchill or whatever it might be that then that's all going to be exempted as well. That's how I read it.

So in the same way that Muskrat Falls, we have all the issues and concerns people have raised about overruns and the way some of the contracts were let with all this cost plus, plus instead of it being performance based – I'm sure we've all heard that commentary out there and concern. So based on joint venture if that were to occur with Quebec to actually develop the real Lower Churchill, then I'm assuming that they would be exempted from the *Public Procurement Act* as it relates to the letting of all these contracts and services and so on.

Just clarification if that would be correct?

**CHAIR :** The hon. the Minister of Service NL.

**MR. JOYCE:** Thank you, Mr. Chair.



Too bad he didn't look into that when he was doing Muskrat Falls and ask all those questions, when he sat on this side and approved Muskrat Falls. Great questions; it is just about four or five years too late.

Mr. Chair, I'm not going to get into hypotheticals. I'm not getting into any hypotheticals of what if, what if but I can tell you one thing the Premier of the province said if we signed any deal, before it's approved, it will be brought to this Legislature.

So I'm not getting into hypotheticals if we sign a deal with Quebec, if we sign this. But I will say if you did your homework back on Muskrat Falls when you sat over here and stood up and criticized everybody for asking questions like that, this province would be better off today than they were three or four years ago when this deal was signed and sanctioned.

If you want to talk about hypotheticals I can't talk about hypotheticals, but I can talk about the present and going forward.

**CHAIR:** The hon. the Member for Mount Pearl – Southlands.

**MR. LANE:** Thank you, Mr. Chair.

We're trying to have an informed debate here and I don't know if there's any need to be into mudslinging but certainly the Member did ask a lot of questions when he was on the other side. So now I'm doing the same thing. If he didn't have a problem with him asking questions, I don't know why he would have a problem with me asking questions.

He is right; I wish there had been more questions asked or perhaps more answers given and not so many false assumptions as we know that actually happened. So I will agree with him on that.

Anyway, Mr. Chair, I guess the other point and concern I have, and it ties into what the Member for Signal Hill – Quidi Vidi said, is section 28, 29 and so on of the act and the fact that it seems that most things here are being tied to the regulations.

When we talk about value for money, that all sounds good and I think we all agree with that. There's nobody in this House who would disagree about getting the best bang for the buck. I don't disagree with it; I'm sure nobody does. I think the intent is right and it's a good one, but one issue that's been raised with me by some constituents and people is that fact that under the current *Public Tender Act*, I'm told, we've had situations, and we continue to have situations, whereby somebody was not successful in their bid and you run into a situation where people could appeal it or get into court action and so on, against the government because they didn't get a contract. That was based on low bid and so on.

So if we're going to be into a situation whereby we're going to say best value, which is a pretty broad definition, and nobody here – maybe the minister knows, but the rest of us don't really know exactly – I understand the intent of what is being said, best value. We all understand that concept but without any detail as to exactly how that's going to work – for example, are we going to derive best value by having a point system? Is that what it's going to be?

Is it going to be a point system that says cost is worth so many points, if it's local it's worth so many points, if it's got a better warranty it's worth so many points, if it's got local service it's worth so many points? Is it going to be a point system like that or what do we mean exactly by best value? Because if it's just simply going to be a judgement call every time to say based on our judgement, we feel this is the best value, then I think we could be opening ourselves up for an awful lot of law suits and stuff like that by companies who don't get the bids.

Maybe I'm wrong in that but I can see the potential for that happening, unless there's some sort of a criterion which goes more specific than simply the statement of best value. So if it is some kind of a points system – if that's what it is, I don't know what it is – then maybe the minister could explain is that the plan, to have some kind of a system so we know exactly how contracts would be awarded, or is it simply a judgement call each and every time by somebody in the particular department or through the the chief procurement officer who makes that judgment to say, yeah, we think this

is the best value and then has anyone considered what that might mean in terms of companies suing the government when they don't get contracts because someone felt it was not the best value.

**CHAIR:** The Chair recognizes the hon. the Minister of Service NL.

**MR. JOYCE:** Thank you, Mr. Chair.

I apologize if you think I'm slinging mud, but I'm just stating a fact, your vote in this House of Assembly. So that's not slinging mud; that's just stating that you voted for a bill in this House of Assembly that's costing the province now dearly. Then all of a sudden, all the questions are coming forth about what we could have done when that Member had the same opportunity.

So that's not slinging mud. Please don't put an impression that I'm slinging mud. I'm just asking you to stand up for the record that you did, when you sat in that seat, when we asked these questions, and you stood.

Mr. Chair, getting back to the bill itself, of course it's going to be a value-based system, a point-based system. I just find it odd. I actually find it odd.

There's going to be a lot on the 2008 Read report – a lot of the recommendations. That government had a copy of the Read report. That Member was the same part of the government that had a copy of the Read report. In 2008, when they brought the bill in – in 2012 when it was brought into this House of Assembly as Bill 1, it's in the Read report. So a lot of the exemptions that's going to be in the Read report, a lot of the criteria and the regulations, it's in the Read report that that government went ahead, paid for it, got it brought in, ready to pass it, but wouldn't do it.

So on the value base, of course there's going to be a criterion set up, Mr. Chair. Of course there's going to be an education system put out to people on how you evaluate an RFP in the province. Of course it is. We're not unique to it. RFPs are happening as we speak in the Province of Newfoundland and Labrador now. We're just trying to make it easier.

Just for the record – and I know the Member for St. John's East – Quidi Vidi spoke about small towns – this is endorsed by Municipalities Newfoundland and Labrador. This is endorsed by them. They want this brought in the House of Assembly. So if they want this brought in the House of Assembly, Mr. Chair, they're well informed. They know how it's going to help municipalities. They know how it's going to speed up projects in there. They know how it's going to help so local contractors would have a better opportunity under the exemptions that we're going to raise.

So it will be a point-based system; it will be evaluated. As I said earlier, Mr. Chair, the more information that you can put into a request for a proposal, the more information you could put out, there's less opportunity of having a subjective evaluation and less opportunity to be taken to court. That's the idea of the education program that we're going to put in place.

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

**CHAIR:** The Chair recognizes the hon. the Member for Mount Pearl – Southlands.

**MR. LANE:** Thank you, Mr. Chair.

I guess that ties into the issue that I think most of us over on this side have – at least I have – is the fact that, like the minister just said, it's going to be a point-based system. Good, I'm glad. I think that's a good thing. But nowhere in this document, as an example, does it say we're going to have a point-based system; it's not there.

So until I asked that question, I didn't know. And it doesn't say here that they have to have a point-based system. The minister is saying they're going to have a point-based system, and I'm not suggesting that the minister won't put in a point-based system, not at all. But the way the legislation is written, where it doesn't say there's a point-based system, somebody next year, whatever, could decide to change it. If that minister left that post and somebody else went in or if there was another government or whatever happened, they could follow this legislation and not put in a point-based system because it doesn't say there's a point-based system. That's just a good example as to the issue and concern

that we have with this piece of legislation, is that those details are not there to outline those things.

Now, nobody's saying – the regulations would say and should say the details as to how that point-based system will work; to say the point-based system will contain a, b, c, and d, and how the points will work and how much they'll be valued at. That would be in the regulations, but the act itself should say we're going to have a point-based system. It doesn't say it, so we don't know what they're going to have.

While the minister is saying they are, and I'm glad they are, that could change tomorrow. It could. Like I said, there could be a new minister or whatever the case might be and someone could say, you know what, the minister had a great idea with that point-based system, but I don't agree with it and I don't have to put it in there, because this here says I don't have to. There's nothing saying I got to. So that's the concern.

If you look at other sections in section 28 when we talk about the amounts of money, exemptions and so on based on certain amounts, the minister is saying that those numbers are going to be raised, which is going to be helpful to municipalities. That's a good thing. I'm glad that he's going to that. If anything we can do to help municipalities by doing that, that's a good thing. I support them. I am sure everybody does. But again, it's very vague; it doesn't say exactly what we're going to be doing.

So we're talking about respecting the manner in which bids are to be evaluated. That's going to be covered under the regulations, "respecting the manner in which contracts are to be awarded ...." That's going to be in the regulations; "establishing the processes to be followed for the submitting and treatment of supplier complaints ...." That's an important one. If suppliers have concerns and they have complaints and so on, there has to be some kind of a process. It doesn't say what the process is. Nowhere in here does it say what the process is. Do they go to the minister, chief procurement officer? How does it work? There's a whole list of these.

The same thing when we get to section 29 on the Procurement Advisory Council. There is

absolutely nothing here to say – it says the minister will decide what the duties, the makeup and so on are.

Now, for the chief procurement officer, if you look at the beginning of the bill, there's a whole bunch of information on the chief procurement officer. It gives more details as to who the procurement officer will be, and some of the functions and powers and duties and all that kind of stuff. It gives a list here under section 16, "Powers, functions and duties of chief procurement officer."

Here in the act itself – under section 16 in the act it gives the duties of the chief procurement officer but when it comes to the committee there are no duties. It just says the minister will establish what the duties are. So why is it that in the act we're going to have the duties of the officer but we're not going to have it in the act for the committee? Why one and not the other? It doesn't seem to make a whole lot of sense why you would do one and not the other.

So, essentially, what's happening here is we are being asked to support a piece of legislation and albeit, a piece of legislation a long time coming, a long time coming, I agree. I stood here in the House of Assembly and I asked questions to the former administration, the former minister about the procurement act and why it died on the Order Paper and all that. So I agree with all that.

We have the act now coming forward but we don't have many of the details. We're not talking about all the details, but a lot of the pertinent details around this are not contained here. We're being asked to vote for this piece of legislation, and as I said there are good things in there. They're going to be bringing in a lot of the consultants that weren't there before. That's a good thing. I applaud the government for doing that, bringing in all these consultants that were hired left, right and center, whoever they wanted. They could hire who they like. That wasn't right, we all know that. That's going to change; that's good.

There are a lot of good things in this piece of legislation that everybody here I think would or should support, but a lot of the details that we need to know, some of the important things are not covered. It's all under the regulations. So

we're asking to sort of vote blind faith that all these regulations are going to be good regulations. And I'm not saying they'll be bad. They might be the best – I hope they're the best regulations in the country.

I have no doubt that the minister is committed to putting in good regulations, absolutely, but we don't know that. There's nothing here that says that has to happen or what it has to be, and we're going to be voting for something and we don't even know really what we're voting for. I don't know how I can stand and support something like that if I don't even know what it is. I don't even know what is going to be contained in it, the guts of it. We don't know.

I don't know how any Member can just vote with blind faith that all these details that we need to know are not here and we're going to say, that's alright, b'y, we're going to leave it to you and trust that you do it properly. If they do it and they put in regulations, and there are some flaws in the regulations – if it happens, I'm not saying it will but if there is – the first thing they'll stand up then and say: sure you voted for it, you supported it. That's what will happen. I can guarantee you that's what will happen; they'll say you voted for it sure.

So that's the concern we have. It's not that I'm against this legislation. I'm in favour of this legislation in principle, but there's an awful lot of stuff here that we don't know what is contained in it. I don't know that I can stand up and vote for something when I don't even know what's in there, what all the important, crucial details are.

That's the concern that I have. I think it's a concern that a number of Members have over on this side of the House. It's a concern that every Member should have, given the fact we're spending \$3 billion to \$4 billion a year annually, per year, on procurement. We should all be concerned about that. We should all be concerned.

So, Mr. Chair, I'm going to sit down now and let somebody else have their say, but unless I see some significant changes, I don't know how I can support it. What I would like to see – which would be great – the government has committed, in their platform they committed to establishing

all-party committees. That's in the Five Point Plan. If that's the case and they're committed to that, why not have an all-party committee oversee the development of the regulations. Why not have Members from all sides of the House oversee the regulations? That way we all know what's in there, we all know if we can support it or not, and we can all say we support it or don't support it; but, right now, we really don't know what to support.

**MR. LETTO:** (Inaudible.)

**MR. LANE:** I say to the Member for Lab West, you can stand up and have your say about it. Stand up and have your say about it.

**CHAIR:** Order, please!

**MR. LANE:** That's what I say, Mr. Chair, to the Member for Lab West. If he has a problem with what I'm saying, he can stand up and set me straight because he seems to have an awful lot to say about me but he's sat there saying nothing about it, other than to be heckling. That's his contribution to this important debate.

Anyway, Mr. Chair, I thank you for the opportunity to speak. I really want to support this legislation. I think it's good legislation in principle. I applaud the government for bringing in new legislation that should have been brought in long ago. I absolutely applaud them for it, but without the details we need, I don't think I'm going to be able to stand up and support it.

Thank you.

**CHAIR:** The Chair recognizes the hon. the Minister of Service NL.

**MR. JOYCE:** Mr. Chair, this is a great bill for Newfoundland and Labrador. I can go through how many people – I'm appalled by what this Member was saying. He was the one who stood over and brought in Muskrat Falls without the regulations here and all of a sudden we want regulations for everything. He was the same Member who stood up here and passed numerous legislations without bringing in the regulations. That's the way this procedure works.

Even James McLeod from *The Telegram* put out, he has yet to see a piece of legislation brought in and regulations don't follow after. It's the procedure of the House. So you can stand on your chair now and you can stand up and say we should do all this stuff, but it's not the way this Legislature works. He was a part of that.

I say to the Member for Mount Pearl – Southlands, you can walk away from your record, but I was in this Legislature when you stood up and passed many pieces of legislation without the regulations. So you can't now all of a sudden stand high and mighty and say we shouldn't do this. He did it. He has done it.

Mr. Chair, I just find it kind of all of a sudden, this great piece of legislation – MNL, which he was a big part of for years, supports this bill. I can go through numerous associations, numerous people we consulted with, numerous groups that support this, support it. So if he wants to stand up and grandstand because we're not bringing in the regulations, let him go ahead.

Mr. Chair, I'll tell you now, you give us a lot of latitude on this here, and he's talking about the regulations. How many polls did you manipulate for the regulations?

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

**CHAIR:** Order, please!

**MR. JOYCE:** How many? Yeah, you're right. I'm just getting tired of this holier than thou, that no matter what you bring in this House of Assembly, no matter all the good people that support it, all the good people that want it and now all of a sudden anything we bring in this House of Assembly is bad. It's bad. I can't support it without the regulations.

I say, he supported at least 40, 50 pieces of legislation without the regulations in this House of Assembly. What he didn't like, he went out and stacked the polls so he could say the government did like them. That's what happened.

**CHAIR:** Order, please!

**MR. JOYCE:** I'm just getting frustrated, Mr. Chair, because if he wants to criticize I'll tell him what to do, go out and meet with some of the groups. Go out and meet MNL; go out and see UMC. Go out and meet with UMC and say you shouldn't do it. Go out and meet with small business groups who want this brought in, Mr. Chair, to cut down on the red tape; go ahead and do it. Go ahead, not a problem. Let's see you do it.

Don't go rigging any polls against it now. We're familiar with that. Especially the one against the Coalition of Persons with Disabilities, that's one I'll never forget. I'll never forget that one.

**CHAIR:** Order, please!

I ask all hon. Members to stay relevant to the act.

**MR. JOYCE:** I'm sorry, Mr. Chair. I agree.

I'll say to the Member if you're not going to support it, it is only because you're trying to grandstand. It's not because all the other groups in this Province of Newfoundland and Labrador who asked for this.

Mr. Chair, I have to leave you on this note and I'll answer any questions I can in this House. In 2012 when they brought it in, he was supporting this. He was supporting this. The Read report of 2008, he had a copy of the Read report and now all of a sudden he is wondering what's going to be brought into it.

It says right here, right in it, it is up on the recommendations of the Read report, which he had a copy, which he is now standing and saying we don't know what's going to be in it. Either he never took the time to read the Read report or he is standing up now knowing the facts and saying that he doesn't know the facts. Either one of the two, he can decide which it is, Mr. Chair.

But I can tell you one thing this is a good piece of legislation and when you want to talk about how's it going to be evaluated, someone like me, if I'm gone, someone else come in, oh, I don't like it. It's done on a matrix system. RFPs are done now regularly. They are done regularly.

There's one done, as I mentioned, for the transfer station out in Western Newfoundland; there's an RFP done. Go out and tell Don Downer and the Western Waste Management Committee that they changed all that; they shouldn't have went through the RFP. What they did was wrong, the matrix system is wrong, go ahead. Go ahead, here is your opportunity.

Mr. Chair, when you stand up and say, as a minister, someone else might come in and scrap the point system, it's done on a matrix system. No matter who stands in this chair, who sits here, it's done on a matrix system. You just can't take a matrix system and throw it out the window and say, oh, I'm going to pick you, you and you; it just doesn't operate that way. This is why we're bringing this in.

For years and years and years people have asked for this. People want this. People want to make sure they have the best value for their money. People want to make sure they are getting the best value for their money. They want to make sure they're getting best product, they're getting the best services. They want to make sure it's being fair. That's why the education program is so important to this.

If the Member opposite wants to keep asking questions or standing up, I'm good all night. You can stand up as long as you like. You can keep standing on your high horse and talk about how bad this is, but just remember in 2012, Bill 1; he was a part of the government that brought this in. Now, all of a sudden, he's standing over there looking for a place to grandstand. Everything is bad – everything is bad. Everything about this bill is bad. It's not bad. I'm telling him if he thinks it's bad, go out and meet some of the groups that we're after meeting. Go out and consult some of the groups that we're after consulting, Mr. Chair, and you'll see, you'll get a different opinion.

Mr. Chair, I know my time is getting short here, but I can tell you one thing, I support this bill. Our caucus supports this bill. I'm pretty confident that the Opposition, after getting the information that they want and need – and that's part of it. I have no problem with answering the questions. If I don't know the questions, I'll bring back the answers to the best of my ability. I have no problem with that whatsoever.

But I'm pretty confident that instead of grandstanding, the Members in the Opposition will stand up, ask questions and get clarity, which is part of their duty. I understand. But they won't stand and grandstand. They won't stand up and grandstand for a bill that they approved here now, the legislation – when I go back and I can say I can find 40 or 50 the Member for Mount Pearl – Southlands brought in without regulations. Now, all of a sudden, saying regulations should be brought in with the bill, which he knows is totally not the way this Legislature operates, knows totally that's not the way it is.

If someone doesn't like any of the legislation, Mr. Chair, you know what? They can bring it up the following session in the House of Assembly. They can ask questions in the House of Assembly as if it's a done deal, as if no one will ever hear anything about it. Nothing is further from the truth.

If we bring in regulations that businesses don't like, do you think we're not going to hear it from businesses? Do you think we're not going to hear it from Municipalities Newfoundland and Labrador? We already gave them the parameters – what we're setting up, the ceilings. We already gave them that. They know that. They're pleased with it. We're going along with the Atlantic Procurement Agreement. They know that.

So to stand in this House and try to be holier than thou, after doing completely opposite and doing the exact same thing that we did in this House of Assembly, is nothing but kind of hypocritical, Mr. Chair. It's kind of hypocritical.

I can assure you that the people of this province are going to be better off with this bill. This bill will get through, Mr. Chair, because the people of the province want this brought in. If you don't believe me, go out and meet the 50 or 75 groups and people that we met to show that they wanted this. They're thanking us to bring this in.

Thank you.

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

**CHAIR:** The Chair recognizes the hon. the Member for Mount Pearl – Southlands.

**MR. LANE:** Thank you, Mr. Chair.

It's great to get up and stand and speak once again. I'm going to try to actually stick to the bill as opposed to, once again, personal attacks.

Mr. Chair, I would say in response, though, that when we talk about a bill that first came in 2008, I wasn't even elected in 2008. So I'm not sure what he means about that.

In terms of the bill that died on the Order Paper, when I was in the same party the Member was, I stood up as critic of Service NL and raised questions about the fact that it died on the Order Paper and that it should have been brought forward many times. You didn't have a problem with me then, only has a problem with me now. I wonder why – I wonder why.

Now, I understand he wants to play politics with it. That's fine. If that's what he wants to do, fill his boots. I don't care, I really don't. Water off a duck's back.

I would point out though, Mr. Chair, I want to say again for the record, unlike what the minister is saying there I am not against this legislation. I say it for the record again; I am not against new procurement legislation. I think we need new procurement legislation. I support new procurement legislation, I honestly do. I've said a number of times now that there are very good parts in this legislation, very good things here that I support.

I also believe, as I already said, that when the regulations do get written, I have no reason to believe they will not be done to the best regulations that we can get. I don't believe that someone is going to write bad legislation, bad regulations. I don't think the staff here – we have professional people working here in government. They're going to bring forward the best regulations, I'm sure. I'm sure that nobody over on that side wants to have bad regulations. I'm not saying that.

What I am saying – and by the way, for the record, the minister is right that regulations do not get debated in the House. There's lots of legislation that goes through here, bills that go through here and there are no regulations. They do not get debated in the House. He's absolutely

right on that. I agree with him 100 per cent. Nobody is saying, at least I'm not saying, the regulations had to be brought to this House for debate because that goes against what we've always done. That goes against the House rules. We don't debate regulations in the House.

I didn't say we were going to be debating regulations in the House. Not once did I say that. But what I am saying, and some other Members have said, is that there are key elements that should be contained in the act which would govern the writing of those regulations. There are key aspects of the bill that should be in the bill, not in the regulations. That's what we're saying.

So I'm not saying debate regulations, bring in the regulations before this House. I'm saying change the bill to bring in a number of items that are currently left open to the government, to the Cabinet to make regulations. Take some of those items – the Member for St. John's East – Quidi Vidi talked about a couple – and bring them in to the act.

If we have contained in the act now the duties and responsibilities of the chief procurement officer, then we should also have the duties and responsibilities of the committee as well, but they're not. They're not in there, but it should be in there. If we are going to have a point system as the minister is saying – which is a good thing, I believe, depending on the details – then that should say that in the act; we're going to have a point system.

Now every last detail of exactly how those points will work and the matrix could be contained in the regulations. I agree. I totally agree with that. But the fact that we're going to go with that system, that should be in the act.

Again I'm not against the legislation; I'm not against the bill. It is just that the bill is incomplete and there are too many things left to the regulations. That's the only concern I have. That's what it's all about for me. It's not about grandstanding. It's not about, oh, you were here and you voted for stuff without regulations, you voted for bills. Yes, I did. I absolutely did, but what I'm saying is that the act is incomplete and there's too much left to the regulations. Therefore, we're going to be voting on, sort of a

blank cheque, so to speak, and leave it to Cabinet to decide how everything is going to go down.

Too much; we're leaving too much to Cabinet. A lot of it can be left to Cabinet. The regulations can be left to Cabinet, but not every single item, every important piece of the legislation left to Cabinet. That's all I'm saying. That's all anybody is saying.

In the absence of that, if we're not able or willing to amend the act to include some of those things, I simply made the suggestion, given the importance of this, why not allow other Members to at least oversee the regulations that do get written to make sure that concerns are addressed and so and it's done to everybody's satisfaction. I don't see anything wrong with doing that.

If the minister was talking to Municipalities Newfoundland and Labrador, good, I'm glad. Yes, there's no doubt in my mind that Municipalities Newfoundland and Labrador – he talks about UMC which is a part of Municipalities Newfoundland and Labrador, the urban municipalities – are in favour of a new procurement act. I'm sure they are.

A number of the things the minister has used here in examples about increasing the amount they can get bids on and get better prices and all that stuff, of course they're in favour of that. We're all in favour of it. But you can't say because MNL and this group and that group are in favour of a new procurement act – that automatically means because they're in favour of a new procurement act, we'll just put in whatever act we want and you have to be in favour of it and not question anything. That's not the way it's supposed to work, Mr. Chair.

We're supporting the act but we have concerns. If we raise concerns, that's our job. My job now is to raise these concerns. I'm not going to apologize for raising concerns. When the minister was over here on this side he raised tons of concerns himself. He did the exact same thing. Good for him. He did his job and he did it well. I'm trying to do the same thing. I'm trying to do my job and do it well and raise the issues and raise concerns. I'm going to continue to do

that in this House, whether it be this bill or any other bill.

It's not about getting nasty or taking shots at each other. That's not what I'm all about. I'm not going down that road. If the minister wants to do it he can, I don't care, but I'm not going down that road. I'm not going to not speak to bills because every time I get up to speak someone is going to go taking shots at me or heckling me. If that's what they want to do, fill their boots. I don't care. Water off a duck's back; I could not possibly care less.

Anyway, Mr. Chair, I did want to emphasize the point once again, I am in favour of the act in principle. There are a lot of good things in the act which I support. I'm sure that, when the regulations are written, the intent would be to do it properly and have good regulations. Unfortunately, there are a number of items which should be contained within the act that are not contained within the act. That's the concern I have. That's why I'm finding it very difficult to support it.

**CHAIR:** Seeing there are no further speakers, shall the motion carry?

All those in favour?

**SOME HON. MEMBERS:** Aye.

**CHAIR:** Against?

On motion, clause 1 carried.

**CLERK:** Clauses 2 to 36 inclusive.

**CHAIR:** Clauses 2 to 36 inclusive.

The Chair recognizes the hon. the Member for Mount Pearl North.

**MR. KENT:** Thank you, Mr. Chair.

I'm obviously happy to approach this however you wish. We do have questions on specific clauses so it may be easier for the minister if we go clause by clause. But we're okay either way, whatever the Chair wishes.

I'll start with some comments on clause 2 if that's acceptable to the Chair.



**CHAIR:** We'll go clause by clause.

**MR. KENT:** Okay, great. Thank you.

Are we okay?

**AN HON. MEMBER:** Oh, yeah.

**MR. KENT:** All right. Great.

With regard to clause 2, these are the definitions of key terms in the legislation which might seem pretty mundane. We actually do have some comments and questions. I think there's actually some good stuff in here that I hope to have a chance to highlight as well.

Cabinet will also have the authority to define more terms in the regulations according to paragraph (p) in section 28. We'll probably get to that later this evening.

I'm just wondering if the minister could tell the House if any of the definitions are reflected in other procurement legislation that has been in place elsewhere in the country for a period of time and tested in practice. I'm just wondering if you found a model that has worked elsewhere and that's where some of these definitions are coming from. Rather than throw more questions at you, I'll allow you to answer and we'll continue.

Thank you.

**CHAIR:** The Chair recognizes the hon. the Minister of Service NL.

**MR. JOYCE:** Thank you, Mr. Chair.

It's nice to get a good question on that. Yes, a cross-jurisdictional scan has been done. What we're doing we're looking at other provinces and other places where 3Ps have been in place for a number of years. We looked at the best value for their money.

So, yes, we did do a jurisdictional scan across Canada. This is where a lot of this is coming from. We're looking at some – all other areas that do have 3Ps, we tried to pick the best we could out of all the ones that we found.

**CHAIR:** The Chair recognizes the hon. the Member for Ferryland.

**MR. HUTCHINGS:** Thank you, Mr. Chair.

I just wonder if the minister could speak in regard to the definitions about matching those with other jurisdictions and suppliers that could submit procurement here in the province under various or current anticipated trade agreements. Was there an overview done of that, sort of synergies between other jurisdictions here for internal trade and then –

**AN HON. MEMBER:** Yes, we're going to be into –

**MR. HUTCHINGS:** I'll ask that first.

Interprovincially, is there a consistency in terms of definitions and those types of things?

**CHAIR:** The Chair recognizes the hon. the Minister of Service NL.

**MR. JOYCE:** Yes, there has been. The Atlantic Procurement Agreement is one, for example. Some of the ceilings we have raised are in conjunction with the Atlantic Procurement Agreement. So we did look at all the provinces across Canada. There are some agreements in place that we must follow. A lot of the increases I mentioned in goods and services are from the Atlantic Procurement Agreement.

**CHAIR:** The Chair recognizes the hon. the Member for Ferryland.

**MR. HUTCHINGS:** I thank the minister for that.

As well, too, vice versa. Obviously, we want to get access to procurement in other jurisdictions too. There's a good balance there in terms of some of the reviews that have been done in terms of definitions. So we're fairly safe there from the minister's perspective?

**CHAIR:** The hon. the Minister of Service NL.

**MR. JOYCE:** Yes, we are. There are some things that can be brought in from other parts that we looked at. Most of the act that has been brought in – when we did a scan across Canada,

we brought in what we thought was the best and we compared ourselves a lot to Atlantic Canada.

If you look at the Read report, it just shows a scan of what we're bringing in and how strong it will be for different parts. I can definitely provide the House with a copy of the Read report if you want to have a look at that, and the recommendations and the legislation that we're bringing in, how this will strengthen our position on RFPs in the province, and because of how we're doing, the raising of the limits and other things in jurisdictional, with the limits we're putting in also.

**CHAIR:** The hon. the Member for St. John's North – Mount Pearl North, I'm sorry.

**MR. KENT:** No problem. You're not the first Chair to do that in this hon. House, so no worries. Both great cities, both great cities for sure.

I have a question about a few of the definitions. Really what I'm trying to determine is if some of the definitions are intended to be comprehensive. For instance, and I won't go through them all because I don't want to unnecessarily prolong discussion on it, but just to give you a few examples, like commodities or goods, or professional services, or services, just to use those examples.

I'm wondering if the minister could tell us – could he give us examples of what might be excluded under those categories, commodities, goods, professional services, services, or perhaps they're intended to be comprehensive. I'm just wondering if there's anything that's being deliberately excluded from those particular definitions.

**CHAIR:** The hon. the Minister of Service NL.

**MR. JOYCE:** Thank you.

The only things that are excluded are legal services and financial. We have to do some financial arrangement or legal services. Everything else is included in the service agreement itself. Engineering would be; architect will be. So everything except financial and legal.

**CHAIR:** The hon. the Member for Mount Pearl North.

**MR. KENT:** Thank you.

So it sounds like the definitions are indeed comprehensive and, frankly, I think that's a good thing. I appreciate the minister's answer.

We spoke in second reading about best value, and I want to talk about the definition of best value that's in (b). Again, not to unnecessarily prolong discussion, but the principle of best value is actually one of the things that is fundamental to this legislation. As I said in second reading, it's a principle that I really support. I think the concept is good and I commend government for bringing it forward.

The definition of best value in (b) is an important step that everyone wants to see but I'm just wondering if pinning down exactly what that's going to mean could be a challenge. Best price can be quantified with more precision but best value leaves more room for judgement calls. I'm just wondering if government has considered how to deal with that. I think it's important to ensure that these judgement calls are as objective as possible so the bids can be fairly evaluated without bias after the fact.

I'm wondering if best value includes such things as proximity of the supplier to the market or local production or local servicing and repair capacity. I'm wondering if government does have any analysis of whether this best value definition would withstand challenges in the courts or before trade tribunals if the government was accused of bias or favoritism.

I say all that, Mr. Chair, knowing full well that the intention of this legislation is to eliminate bias and favoritism. That's obviously not what's intended but I'm just curious if best value has been further explored in light of what I've just raised?

So I'll ask the minister to respond.

**CHAIR:** The hon. the Minister of Service NL.

**MR. JOYCE:** A great question, because it is sometimes, people can say, how you interpret it.

That is why you set up a matrix system. You put up the cost, the value, the longevity of the RFP.

We looked across Canada, and what we came up with is the more information you can put into your RFP, the less likely of a court challenge. If you just put out we want a building 50 by 50, then someone comes back and says here's what I'm going to put in your building. To ensure greater certainty, you put more information in your RFP of what you're looking for and when you do an evaluation of it.

So this is not new around Canada, the RFPs. What we did, we went out and looked at all the best practices across Canada. We came back and said what we need to do is put in the matrix system how we're going to rank the RFPs, included in that is put whatever information you want; service agreements would be a prime example. I know the Member mentioned service agreements.

If you look at the RFPs for the three sites out in Western Newfoundland, a big part of it was the service agreement after, who can best service it after. So instead of saying the lowest price, in the long run you look at the service you're going to have, the cost of maintenance. That is how it's going to be evaluated.

I used the example, the very simplistic example this afternoon, about if you buy a truck. Both trucks are \$40,000 but one has a 10-year warranty, bumper to bumper, and one doesn't. Which truck would you pick? You'd pick the 10-year warranty because over the 10 years you'll save money. So that's simplistic but that is how we looked at it across Canada.

I say to the Member, I agree there is an opportunity for court challenges across the province. There have been a lot of court challenges, and you learn from them across Canada. What we learned is that you put in as much information as you can in the RFP at the beginning to ensure that what you're asking for is in the RFP.

It's a great question and we did look at all the ones across.

**CHAIR:** The hon. the Member for Ferryland.

**MR. HUTCHINGS:** Thank you, Mr. Chair.

I wonder if the minister could just speak to 2(k); it speaks to the joint purchasing agreement. It's good provision certainly. It looks at agreements entered in by the province and one or more jurisdictions to look at joint acquisitions of commodities required by the public body. In terms of the economy of scale and working together under jurisdictions and accessing commodities and other needs – I think of health care for one, the vast amount of things that go on there and if we can partner with other jurisdictions to do that and then send it to market, the economy of scale certainly would help.

So this would override any current agreement because, oftentimes, I know we've had agreements with other jurisdictions, so this provision would override all other agreements. That's one question.

The second one is this is reciprocated in other jurisdictions, so this sort of mimics or patterns what other jurisdictions have done so there would no problem doing this in the future.

**CHAIR:** The hon. the Minister of Service NL.

**MR. JOYCE:** I agree. This has been mimicked in a lot of jurisdictions across Canada. But, of course, in the Atlantic Procurement Agreement there are regulations involved. This here abides by that. This does abide by the Atlantic Procurement Agreement.

All across Canada, we did take all the information that we can. The best value is prevalent in all the jurisdictions that we scanned. It's in it to make sure it's the best value; not the lowest cost, the best value.

So all the information that we have – and this is why a lot of the increases that we're going to have in goods and services and rental, it does abide by and is a part of moving up the ladder for Atlantic Canada under the Atlantic Procurement Agreement.

**CHAIR:** The hon. the Member for Mount Pearl North.

**MR. KENT:** Thank you, Mr. Chair.

I think I only have a couple of more questions on clause 2. Just a comment first; it seems progressive to include lease of space in the definition of commodities in section 2(d). I note that lease of space is actually defined in section 2(l), I believe. So I just note that.

The electronic notification system that's in section 2(f), I'd just like to suggest to the minister and to government that must not only allow for broad and open communication, but also for timely and user-friendly communication, so government can ensure that the database is updated as rapidly as possible and easily searched using all various devices from desktops to smart phones and so on.

I recognize that's a challenge for government. It's been a challenge historically. I'm sure it continues to be a challenge. But I think there's an opportunity here for us to make the technology right so that the aims of the act can be fully realized. I just offer that suggestion to the minister and government.

Here's my first question. The Minister of Justice may wish to comment on this as well, or perhaps the Minister of Service NL will handle the question, or the Minister of Finance for that matter. It seems progressive again that the act covers professional services, as we talked about a little earlier, and it's noted in (o) and (p) here in clause 2. That includes legal and certain financial services.

So I'm just wondering if one of the ministers could explain how this will actually be applied in practice and how it will differ from the way things are done now. I think it's really good that this is being done; I'm just curious what does it really mean in practice and how will things be different moving forward.

**CHAIR:** The hon. the Minister of Justice and Public Safety.

**MR. A. PARSONS:** Thank you, Mr. Chair.

I'll try my best to be brief. My understanding – and I've gone through this act, but as it relates to legal services, they're a bit different in the sense that they have to be provided on a timely fashion. That's why they've always historically been exempt from the process. In many cases,

you need opinions, you need advice and service rendered immediately, which is why they have been traditionally exempt from this process.

That being said, the department since I've been here, and before I was here, always provides a list showing firms and money spent on outside counsel. Traditionally, I did so in my first estimates and even when I was in Opposition, government would provide that information, upon request, showing the firms that have been hired, the amount that was spent and generally not without – again there's solicitor-client privilege, but you can give a description of the matter without identifying stuff that should be protected.

So that's why I think that was kept the same in this matter.

**CHAIR:** The hon. the Member for Mount Pearl North.

**MR. KENT:** I thank the minister for the explanation. That makes sense.

I thought I only had one more, but I think it's really two. The second one is real quick. The first thing is first; in 2(q) the definition of public body appears very broad but some things are excluded. So I'm just wondering if the minister can give us some clarification on what's actually excluded.

For instance, corporations in which the province has less than 90 per cent of common shares, I'm just wondering if the minister can give us some examples related to that. I'm also curious if government chooses to enter into any kind of public-private partnerships, how will they be impacted by this?

I guess that's a two-part question, but I'll allow the minister to respond.

**CHAIR:** The hon. the Minister of Service NL.

**MR. JOYCE:** In actual fact, the public bodies just updated where it was government funded. So now we have any public body around that receives government funding, municipalities. So they would be included.

As for the 3Ps, under this here if there's government involvement with it, there would be the same regulations as if it was a public body because there are public funds put in.

There's one thing I just wanted to mention that the Member asked earlier. If there are any exemptions in this bill, they will have to be reported to the minister who will have to report to the House. So even the exemptions have to be reported to the minister within six months and the minister has to report it to the House. CF(L)Co is an example of the exemptions.

I just wanted to make that clear that if there is an exemption, the minister has to be notified and the House of Assembly will be, or put online – in actual fact, we're going to put it online. It's even better actually when you put it online, then everybody in the province can see it and everybody can be a part of it. That's just the other thing about some of the exemptions.

So once you're exempted, it would still have notification what was exempted.

**CHAIR:** The hon. the Member for Mount Pearl North.

**MR. KENT:** Sorry, just a follow-up to that question – and I appreciate the minister's answer. What I believe I heard him say is that anybody that receives government funding would be subject to the act. I guess what I'm confused about, and I'd ask the minister to just help us understand, in 2(q) it reads: public body means a corporation in which not less than 90 per cent of the issued common shares are owned by the Crown. So that would suggest that a corporation where the Crown owns less than 90 per cent of common shares would be excluded. But what I just heard the minister say is that any organization that receives public funding would be included.

So I'm just curious if the minister could elaborate because that seems to conflict with what in (q).

**CHAIR:** The hon. the Minister of Service NL.

**MR. JOYCE:** It is in there now. CF(L)Co is a prime example of something that is publicly

funded and less than 90 per cent owned. CF(L)Co is a prime example.

**MR. KENT:** (Inaudible) so therefore it's excluded.

**MR. JOYCE:** Excluded, yes.

And the other thing I use here – under the definition that you mentioned, publicly funded – is public body. It is any public body and before it was just government. So it's the same; it's just updating the terminology from it.

**CHAIR:** The hon. the Minister of Justice and Public Safety.

**MR. A. PARSONS:** I move, Mr. Chair, that the Committee rise, report progress and ask leave to sit again.

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

Shall the motion carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

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

**MR. SPEAKER (Osborne):** The hon. the Deputy Chair of Committees.

**MR. WARR:** Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have directed me to report progress and ask leave to sit again.

**MR. SPEAKER:** The Chair of the Committee of the Whole reports that the Committee have considered the matters to them referred and have directed him to report progress on Bill 46.

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:** Yes, Mr. Speaker, earlier in the day I called Orders 4 and 5 pursuant to Standing Order 11, but I don't believe that the motions were voted on.

So at this time I would move again – for the sake of the record and to ensure that we use proper procedure – pursuant to Standing Order 11, that the House not adjourn at 5:30 p.m. today, Monday, November 28, and pursuant to Standing Order 5, I would move that the House not adjourn at 10 p.m. today, Monday, November 28.

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

There are two motions to the floor. The first is that the House do not adjourn at 5:30 today.

All those in favour?

**SOME HON. MEMBERS:** Aye.

**MR. SPEAKER:** All those against?

Carried.

The second is that the House do not adjourn at 10 tonight.

All those in favour?

**SOME HON. MEMBERS:** Aye.

**MR. SPEAKER:** All those against?

**SOME HON. MEMBERS:** Nay.

**MR. SPEAKER:** Carried.

The hon. the Government House Leader.

**MR. A. PARSONS:** Mr. Speaker, I call from the Order Paper, Order 5, second reading of Bill 48.

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

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

I'm pleased to rise to speak to Bill 48, An Act To Amend –

**MR. A. PARSONS:** (Inaudible) I move, seconded by –

**MS. COADY:** Mr. Speaker, I move, seconded by the Minister of Justice and Public Safety, that Bill 48, An Act To Amend The Hydro Corporation Act, 2007, be read a second time.

**MR. SPEAKER:** It is moved and seconded that Bill 48 be now read a second time.

Motion, second reading of a bill, "An Act To Amend The Hydro Corporation Act, 2007." (Bill 48)

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

**MS. COADY:** Thank you, Mr. Speaker; I got a little bit ahead of myself.

This is a very straightforward bill, I believe; the act to amend the Hydro borrowing requirements. The change is required basically from the length of time since the debt ceiling for Newfoundland Hydro was set, as well as we want to make some investments in Newfoundland Hydro. The Public Utilities Board has reviewed these investments.

In 1988, when last the bill was changed and amended, the debt ceiling for Newfoundland and Labrador Hydro in legislation was basically the current debt plus \$600 million, which was basically \$1.6 billion. Today, we're asking to raise the ceiling to \$2.1 billion, which in constant dollars would be about \$2.9 billion.

The ceiling now would actually be lower than what it would have been in 1988, in constant 1988 dollars. The amendment really, Mr. Speaker, will support Newfoundland and Labrador Hydro's mandate to ensure reliable and safe electricity service to the people of the province. The Public Utilities Board and, indeed, the Liberty reports made specific

recommendations about maintenance practices and actions to improve system reliability. In April of this year, Hydro received an order from the Board of Commissioners of Public Utilities, PUB, outlining the PUB's decisions on cost recovery of 11 specific projects, examined as part of the prudence review undertaken by the Liberty Consulting Group.

Currently, Newfoundland and Labrador Hydro's electrical system consists of 3,700 kilometres of transmission lines, 3,300 kilometres of distribution lines, nine hydroelectric plants, one oil-fired plant, three combustion turbines and 25 diesel plants. This system provides electricity to Newfoundland Power, the province's industrial customers and to over 36,000 of Hydro's own residential and commercial customers in Labrador and in rural parts of the Island. Over 50 per cent of Hydro's generation assets are over 40 years old, Mr. Speaker, and over 50 per cent of transmission assets have been in service for 35 years.

The renewal of aging electricity infrastructure is a key issue throughout the Canadian utility industry, and as with other utilities, significant investment is needed to ensure a continued safe and reliable source of electricity.

Correspondingly, Hydro's investment in asset renewal has increased from the average of about \$66 million annually during the period 2009 to 2013, to an expected average of \$284 million for the period 2014 to 2018. Mr. Speaker, Newfoundland and Labrador needs the ability to make necessary long-term investments in our electricity system to meet the needs of the people of the province.

Through the proposed amendments, Hydro will be provided with the ability to expand its borrowing capacity to access funds to complete projects within its five-year capital plan. The primary component of the capital plan is the new 188 kilometre high-voltage transmission line running from Bay d'Espoir to the Avalon, which this government has moved forward to ensure continued stability and reliability of the Island interconnected electricity system as the demand for electricity has shifted more towards the Avalon Peninsula.

The line is particularly needed during future faulting events, such as those that may be caused

by lightning strikes, equipment failure or other factors. During any such of these events, the system must be capable of interrupting and isolating the faulted equipment while it is being repaired, without causing wide-spread interruptions to customers' power supply.

This \$292 million project will require \$59 million in 2016 and a further \$178 million in 2017. The remainder of the capital program includes a variety of other smaller projects, carryovers from multi-year projects and approved supplemental capital. In total, the capital plan encompasses \$218 million in 2016 and \$271 million in 2017. Additional to the capital program, Hydro must finance the surplus in the rate stabilization plan to customers.

This work is central to meeting the energy needs of the province. Given the level of work required for these projects, Hydro will need to borrow from the market, as required, to finance these projects. The current amendment before the House today to the *Hydro Corporation Act, 2007* will have the effect of raising Hydro's debt limit, which is currently capped at \$1.6 billion, up to \$2.1 billion in order to finance these projects and, again, to ensure a safe and reliable provincial electricity system.

I will remind this hon. House the last time it was raised, it was in 1988 and, in constant dollars, that would be roughly \$2.9 billion, so we're actually asking for less than what would have been available in 1988. Hydro's current legislated debt of \$1.6 billion was set, as I said, in 1988 and, in constant dollars, when you're factoring in inflation that would be up to \$2.9 billion; we're only asking for \$2.1 billion – just for clarity.

Hydro's net debt as of December 2015 was \$1.1 billion and the proposed borrowings to finance the PUB approved capital plans for 2016 and 2017 will increase that number to \$1.7 billion. The new proposed borrowing would enable Hydro to issue the long-term debt needed for these projects, while maintaining an adequate buffer to accommodate future borrowings and ensure Hydro has the flexibility to go the market quickly. Hydro has maintained this buffer as part of its debt structure and will continue to maintain this buffer.

Newfoundland and Labrador Hydro needs the ability to operate appropriately for this province, Mr. Speaker. Part of this service includes maintaining Hydro's current assets and growing our provincial asset base to ensure we have the resources in place to meet our provincial needs.

To assist Hydro in acquiring long-term debentures, one of the tools the government in Newfoundland and Labrador offers Hydro is a provincial guarantee of debt. This provides Hydro with the ability to go to market and obtain favourable financing rates in order to complete capital projects and to do the work that the province needs and expects to have done.

Newfoundland and Labrador Hydro has a sound plan in place to allow its current debt to be retired, along with any new issue of debt to be retired over 30 to 40 years. Hydro has given careful consideration to putting a framework in place to pay back this debt in a timely fashion, without stress to the company or, indeed, its ratepayers.

It is important to note that as Hydro progresses with any long-term financing, the Public Utilities Board is fully engaged. Also important to note is that there was no change in the current practice of all capital plans, financial expenditures and rates being approved by the Public Utilities Board.

Mr. Speaker, our government is committed to ensuring a long-term, reliable electricity system for all Newfoundlanders and Labradorians. Through these amendments, Hydro will be provided the ability to access the financing it needs to meet the electricity needs of the people of this province.

While the provincial guarantee will provide a better interest rate for ratepayers for these borrowings, it's important to note that there are no associated direct financial implications on the province's finances. This is consistent with this government's commitment to fiscal responsibility and management.

This process will ensure that Hydro can finance the investments necessary to maintain a reliable and safe electricity system for all Newfoundlanders and Labradorians for years to

come, and brings the legislative borrowing of 1988 to 2016 levels.

Thank you, Mr. Speaker.

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

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

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

It is certainly a pleasure to rise to Bill 48, looking at the Hydro borrowing requirement on a go-forward basis. Obviously, as the minister said, the investment in electricity infrastructure is required to address maintenance and ongoing reliability concerns.

My understanding, Newfoundland and Labrador Hydro has put forward a five-year capital plan, which includes, among other things, routine maintenance, replacement and rehabilitation of assets which, in some respects, are at the end of their lifespan.

As the minister said, this has been approved by the Public Utilities Board. I think one of the major projects of this plan is the transmission line that would run from Bay d'Espoir to the Western Avalon. I think it is approximately \$292 million; Newfoundland and Labrador Hydro's five-year capital plan requires \$218 million in 2016 and \$271 million in 2017.

In order to facilitate the maintenance and other aspects of the capital plan, Newfoundland and Labrador Hydro is looking to increase their debt capacity, and that is what this bill is all about. They're asking for it to be increased from the current level of \$1.6 billion to \$2.1 billion. The debt capacity of \$1.6 billion – the minister has referenced this as well – has not increased since 1988; obviously, a considerable period of time. According to my understanding, the officials in the Department of Natural Resources – I think the minister referenced this as well – \$1.6 billion in 1988 would equate to about \$2.4 billion in today's dollars.

The increase of \$2.1 billion would cover the capital plan expenditures of \$218 million in 2016, and \$271 million in 2017. As well, along with the borrowing required to fund Hydro's



portion of the RSP return. A \$400 million buffer would also be included within this capacity to cover any emergency expenditure. So as has been proposed here in the bill by the minister, when we look at the Hydro borrowing requirements, obviously there are specific needs, maintenance upgrades that have been approved by the PUB and dollar figures established with them.

From an operational point of view, certainly from Hydro's perspective, there are often unseen circumstances that may occur. The increase here allows a \$400 million buffer for issues that come up. Hopefully would not, but often do occur; therefore, they would have the debt borrowing capacity to deal with it. That provides, as I said, a buffer to do that.

The bill makes changes to section 30 of the *Hydro Corporation Act*, repeal the current language – anybody who wants to read it, it is certainly somewhat confusing. It does not explicitly state the current debt capacity of Newfoundland and Labrador Hydro but it referenced debt held by the corporation in 1988, plus an additional \$600 million. I agree with the minister, it is a tad confusing.

So this total would go to \$1.6 billion, but that \$1.6 billion doesn't appear currently in the legislation. The language that's proposed is to be added to section 30, explicitly would reference \$2.1 billion as the proposed debt capacity of Newfoundland and Labrador Hydro. That's where we're going from 1988 to increase that debt capacity for ongoing maintenance and work that has been approved by the PUB and then, as I said, the \$400 million is there as a buffer in case of issues that come up that need to be dealt with.

In regard to the borrowing process for Newfoundland and Labrador Hydro, the act, in my understanding, requires that Cabinet give approval to borrow, and the Minister of Finance approves the details of the borrowing. My understanding is this stays current in the current bill.

In that particular case, Hydro would make a determination after getting approval from the PUB. On maintenance or upgrades that would go to Cabinet to be approved, and then it would

be overseen by the Minister of Finance of any government. My understanding too, in terms of borrowing, the credit rating of the province is used in the borrowing process as well.

Bill 48, as the minister said, since 1988 is looking at the borrowing capacity of Newfoundland and Labrador Hydro related to the work it needs to do to continue to maintain assets that we have, continuing to improve those assets and in some places it's replacing them. In other incidences, it's providing upgrades to ensure reliability and capacity. This allows the borrowing capacity to increase, as is needed to continue that work. The oversight is there through Cabinet, through the Minister of Finance in terms of approving those borrows when requests come in for Newfoundland and Labrador Hydro.

We certainly look forward to moving this forward and having discussion in Committee.

Thank you, Mr. Speaker.

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

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

I'm happy to stand and speak to Bill 48. I thank the minister for her words. Obviously, it's quite understandable why the cap would have to be raised when you look at the difference between now and when the first cap was put in place. We all know what inflation is, and this makes absolute sense.

I have a couple of concerns. We know that raising the cap to \$2.1 billion is recognizing the need for a buffer amount, and the buffer amount is \$400 million. There are a couple of areas where I'm thinking this buffer amount might be needed.

The third transmission line that is referred to as one of the expenditures that Nalcor has to deal with is pegged at \$290 million. Now, we know that an awful lot of the expenditures that have happened have been over cost when it happens. So I'd like the minister to speak to us with regard to the potential for the cost overruns. We all know cost overruns happen. Was that \$400

million taken into consideration when that buffer was set? Does she have confidence it would cover an overrun that might happen?

The other concern – and this probably is a very straightforward answer – it was pointed out in the briefings that the post-Muskrat Falls power rates include this increased borrowing. I'm wondering what post-Muskrat Falls power rates were used? What was the most recent Muskrat Falls power rate that was used in this calculation, because I think that would be important as well.

So I don't know if the minister has that information right at her hands right now or she might have to get that information. I think both of those points that I'm raising are points that could affect the need for the borrowing. If the power rates are lower, higher, et cetera, and if there's an overrun on the transmission line, I think it would be good to have answers to two of those questions. I'm going to vote for it obviously. I just want to make sure that in terms of the setting of the \$2.1 billion, that all of those points have been brought into play.

The other question is – again, this is based on something that was noted in the briefing. It was noted that Hydro would be rolling over some debt. The current debt load is \$1.1 billion and they'd be rolling over some debt. We weren't told how much of the current debt load would be rolled over. So I think that would be good information for us to have as well.

I don't think there's any need for me to go further, Mr. Speaker. It's an obvious decision that needs to be made, but I would like information on the three points I have raised. We have to make sure that Hydro continues to run for the people of this province, that energy is there for our people. It's important that government is doing due diligence in terms of overseeing Nalcor and making sure the public utilities recommendations are put in place that came out of DarkNL and the investigation after DarkNL.

I'm supporting doing what we're doing. I just want to make sure these points that I've raised have been considered.

Thank you, Mr. Speaker.

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

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

It's a pleasure to stand once again today and speak to An Act to Amend the Hydro Corporation Act. I think pretty much everything has been said, but I did want to, at least for the record, indicate my support for the bill.

As has been said, we're going to be raising the cap with Nalcor from \$1.6 billion to \$2.1 billion at Newfoundland and Labrador Hydro and Nalcor. We're told this is for maintenance and so on of the equipment that needs to occur.

When the bill was originally set at the \$1.6 billion, that cap was set many years ago. So all we're doing, really, is just updating it and coming in line with today's dollars. Obviously when we talk about maintenance on the equipment, that's very important.

A lot of this stems from, as the Member for St. John's East – Quidi Vidi spoke to, the whole issue of DarkNL. We all know what happened there, and the subsequent Liberty report showing that they weren't even doing basic maintenance at Newfoundland and Labrador Hydro on the equipment, which was shocking, to say the least.

I'm glad to see now that there will be a renewed focus on doing just that in taking the recommendations from the Liberty report and moving forward and doing something that, quite frankly, we never should have required a report to begin with to say that we maintain the equipment at our utility. The fact that that had to happen is, like I said, shocking in itself. But now that we're going to be moving forward with required maintenance, obviously you need money to do that maintenance and as has been said, we're simply allowing the ability to increase the cap on borrowing for that maintenance and to bring it in line with today's dollars.

So based on that, I will be supporting the bill.

Thank you, Mr. Speaker.

**MR. SPEAKER:** If the hon. the Minister of Natural Resources speaks now she shall close debate.

The hon. the Minister of Natural Resources.

**MS. COADY:** Thank you very much.

I thank the Opposition for their support of this. I think it's very important, and I agree with my hon. colleague to say that we must upgrade. We all remember the circumstances of, I guess it was called DarkNL, Mr. Speaker, a very serious situation in the province, and we do not ever want to have that repeat. It's important to make the investments, and especially where we're looking at the borrowing threshold hasn't been increased since 1988.

To respond to a couple of the questions, and I'll try and get all of them in there. Whether or not the line, which is an incredibly important line from Bay d'Espoir, is on budget, and I understand that it is and it will hopefully continue to be. It is on budget, it is on time. I think it's going very, very well. However, we do have that \$400 million buffer zone which would more than adequately cover any overruns, though, we're not anticipating any.

The \$400 million buffer zone – what we've been calling it, buffer zone – is what they would have had in about 1988 as well. We want to maintain that to ensure if there are any unexpected things that have to be done, there is capacity in order to do that.

Mr. Speaker, on what the ratepayers may possibly pay and what the assumptions are post-Muskat Falls, they were indicated, I think, in June as to what that rate would be. If memory serves, and I don't have it right here in front of me, but it's about 22 cents. We have committed, as a government, to mitigate those rates. We will be using other mitigations but at the very least we will be using any of the sales of export power to mitigate the rates, which will bring down the rates; which I think is a very important question my hon. colleague asked, because we understand and know the impact that will have on ratepayers in this province.

Mr. Speaker, I can tell you, we take this very seriously. That's why this government has

directed Nalcor to find ways to reduce those rates. Sale of export power is one. Perhaps there are other ways. Making sure we have some of the cheaper power on the grid. That's some of the things we're looking at with Newfoundland and Labrador Hydro, making sure we can keep those rates as low as absolutely possible.

So maintaining and improving the assets that we have for electrical generation in this province is important to this government. It's unfortunate they weren't as adequate as they needed to be. According to the Public Utilities Board and the Liberty reports, they needed some serious upgrades. We're committed to doing those upgrades. We're committed to making sure we have a reliable electrical system in this province, Mr. Speaker.

With that, I'll take my seat and look forward to Committee.

**MR. SPEAKER:** Is the House ready for the question?

The motion is that Bill 48 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?

Carried.

**CLERK:** A bill, An Act To Amend The Hydro Corporation Act, 2007. (Bill 48)

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

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

**MR. A. PARSONS:** Now.

**MR. SPEAKER:** Now.

On motion, a bill, "An Act To Amend The Hydro Corporation Act, 2007," read a second time, ordered referred to a Committee of the Whole House presently, by leave. (Bill 48)

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

**MR. A. PARSONS:** Mr. Speaker, I move, seconded by the Minister of Natural Resources, that the House resolve itself into a Committee of the Whole to consider Bill 48.

**MR. SPEAKER:** The motion is that the House resolve itself into a Committee of the Whole to consider Bill 48.

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**MR. SPEAKER:** Those against?

Carried.

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

#### Committee of the Whole

**CHAIR (Dempster):** Order, please!

We are now considering Bill 48, An Act To Amend The Hydro Corporation Act, 2007.

A bill, "An Act To Amend The Hydro Corporation Act, 2007." (Bill 48).

**CLERK:** Clause 1.

**CHAIR:** Shall clause 1 carry?

The hon. the Member for Ferryland.

**MR. HUTCHINGS:** Thank you, Madam Chair.

I want to follow up on a point made by my colleague for St. John's East – Quidi Vidi in regard to the expenditures and the new rate in regard to Nalcor, post-Muskrat, I think was 21.4 cents. These expenditures, are these included in the projected rates? The capital cost, is it included, or is the overall budget of \$2.1 billion?

**CHAIR:** The hon. the Minister of Natural Resources.

**MS. COADY:** Thank you, Madam Chair.

I understand these costs have been included in the assumed rate. I will check with officials to make sure that is the case and thank you for the 21.4 cents, as indicated – I said 22 cents, but it was 21.4 cents. I'll make sure they are included in that proposed rate or the rate used in the assumptions.

Thank you.

**CHAIR:** Order, please!

The hon. the Government House Leader.

**MR. A. PARSONS:** I think this is a very important bill and I'll let my colleague the Minister of Natural Resources continue to speak to it.

**CHAIR:** The hon. the Minister of Natural Resources.

**MS. COADY:** I appreciate it.

As these are capital costs, these are in a capital budget, so not in an operating budget. So I just wanted to make that clarity in response to the hon. Member's question.

**CHAIR:** Order, please!

The hon. the Member for Ferryland.

**MR. HUTCHINGS:** Yes, indeed, it is in the capital budget, but overall those costs, whatever its maintenance, need to flow into a rate for ratepayers. So are you confirming that those costs are in the 21.4 cents projected rate for post-Muskrat?

**CHAIR:** The hon. the Minister of Natural Resources.

**MS. COADY:** Thank you, Madam Chair.

As was disclosed at the end of June, the rate was 21.4 cents. That was the projected rate. And we are anticipating that, without mitigation, would be the rate that the ratepayers will have to pay. But as I've said repeatedly, Madam Chair, there would be an awful lot of work being done over the next number of years. That rate is some ways into the future. Muskrat Falls is not finished as

of yet. Madam Chair, we will be mitigating those rates.

So as I've said repeatedly, in particular, we will be mitigating those rates with export power, but there will be other mechanisms. We've asked Nalcor to consider all means. One of the means and mechanisms of course is in generation of electricity in the province that is at a lower cost. We're looking at all avenues to keep those rates as low as possible.

Thank you.

**CHAIR:** The hon. the Member for Ferryland.

**MR. HUTCHINGS:** Thank you, Madam Chair.

Just to be clear, with rates, there's ability there in regard to excess energy to mitigate rates. There's also the 8.4 per cent equity share in regard to mitigating rates. But just to be clear, so the 21.4 cents that's being projected for post-Musktrat, are these costs included in those rates?

**CHAIR:** The hon. the Minister of Natural Resources.

**MS. COADY:** I am understanding that the capital as well as the operating costs are inclusive of those rates.

**CHAIR:** All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, clause 1 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.'

Carried.

On motion, enacting clause carried.

**CLERK:** An Act To Amend The Hydro Corporation Act, 2007.

**CHAIR:** Shall the title carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, title carried.

**CHAIR:** Shall I report Bill 48 carried without amendment?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

Motion, that the Committee report having passed the bill without amendment, carried.

**CHAIR:** The hon. the Government House Leader.

**MR. A. PARSONS:** I move, Madam Chair, that the Committee rise and report Bill 48.

**CHAIR:** The motion is that the Committee rise and report Bill 48

Is it the pleasure of the House that I do now leave the Chair?

**SOME HON. MEMBERS:** Aye.

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

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

**MS. DEMPSTER:** Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have asked me to report Bill 48 carried without amendment.

**MR. SPEAKER:** The Chair of the Committee of the Whole reports that the Committee have considered the matters to them referred and have directed her to report Bill 48 carried without amendment.

When shall the report be received?

**MR. A. PARSONS:** Now.

**MR. SPEAKER:** Now.

When shall the said bill be read a third time?

**MR. A. PARSONS:** Tomorrow.

**MR. SPEAKER:** Tomorrow.

On motion, report received and adopted. Bill ordered read a third time on tomorrow.

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

**MR. A. PARSONS:** Yes, Mr. Speaker, given the hour, and we have moved Standing Order 11, but I would move with the consent of my colleagues that the House adjourn now and reconvene at 7 p.m.

**MR. SPEAKER:** Recess?

**MR. A. PARSONS:** Recess, yes.

**MR. SPEAKER:** This House now stands recessed until 7 p.m. this evening.