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*Speaker: Honourable Perry Trimper, MHA*

Monday

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The House met at 1:30 p.m.

**MR. SPEAKER (Trimper):** Order, please!

Admit strangers.

I would like to rule on a point of order that was raised and spoken to by the Members for St. John's West, for Cartwright - L'Anse au Clair, for Bonavista and for Harbour Grace - Port de Grave following the Oral Questions period on 24th day of October.

The Members voiced concern regarding comments expressed by the Member for Fortune Bay - Cape La Hune. In carefully reviewing *Hansard*, I found that the Member for Fortune Bay - Cape La Hune referenced the Kirby Report from the Commissioner for Legislative Standards from October 3, 2018 with each of her questions.

However, in her final question, she used the word "entire" when that was not the case as was reported in the text of the CLS report. I, therefore, ask the Member for Fortune Bay - Cape La Hune to withdraw her remark.

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

I withdraw the word "entire."

Thank you.

**MR. SPEAKER:** Thank you very much.

The hon. the Member for Humber - Bay of Islands.

**MR. JOYCE:** A point of privilege, Mr. Speaker.

**MR. SPEAKER:** A point of privilege, Sir.

**MR. JOYCE:** I rise today on a point of privilege, Mr. Speaker. O'Brien and Bosc, in the House of Commons Procedure and Practice states that a Member must satisfy the Speaker that he or she is bringing the matter to the attention of the House as soon as possible after becoming aware of the situation.

As you indicated Friday, Mr. Speaker, before entering a question of privilege in this hon.

House, before rising to speak in the House, the Member must first give the Speaker written notice of the matter; oral notice may be given privately to the Speaker. This was done on Friday, October 26, 2018.

Mr. Speaker, it was only Tuesday, October 23 of the past week that the reports were tabled in the House of Assembly. To respect the process, I could not speak to any Members of its content or seek necessary information to raise my point of privilege concerning the release of my name as the person who released the names of the individuals who filed the complaints.

Mr. Speaker, on April 26, 2018 the Member for Placentia - St. Mary's stated in the media scrum, when asked by media, why are you coming forth now, I quote. The Member for St. Mary's stated – and I quote – "I'm talking about this now because, unfortunately, Minister Joyce – unfortunately, today, my name has been put out in the general public." And this can be confirmed by CBC April 26, 2018, or VOCM.

This allegation was false, malicious and with no proof or evidence. The Member for Placentia - St. Mary's stated in her evidence to the Commissioner for Legislative Standards that I informed the mayor of Placentia on April 26, 2018. He denied this claim, and the Member stated that a friend told her, and there was no proof of who this friend was or any evidence to support this claim.

It is very important to note this was on April 26, 2018. On April 25, 2018, after meeting with the Premier and filing her complaint, she came down to a caucus meeting. The minister from Placentia - St. Mary's stated: I just filed a complaint with the Premier. It was the Member herself who informed the people that she filed a complaint.

In her submission to the Commissioner, she stated: I told caucus that I had met the Premier and at the caucus meeting, but not that I was the one who had lodged a formal complaint. This is absolutely not true, and she did inform caucus.

To verify this, Mr. Speaker, I ask you to investigate and the finding of Members will verify they heard this statement; the Member, myself, the Member for Humber - Bay of

Islands, the Member for Mount Scio, Bay Verte - Green Bay, Bonavista, Burgeo - La Poile, Torngat Mountains, Labrador West, Lewisporte - Twillingate, Carbonear - Trinity - Bay de Verde, and I'm sure there are others.

Also, she stated her submission to the Commissioner: At the Cabinet table, one of the ministers let everybody know it was me. I wanted to confirm that I was not at that Cabinet table, as I was removed from Cabinet.

A CBC reporter, on April 26, 2018, asked the question: Sherry Gambin-Walsh said you ratted her out in Cabinet. I responded: I was not in Cabinet and I have no idea what you're talking about.

In her evidence to Bruce Chaulk, the Member for Placentia - St. Mary's submitted the minister's name who she claims told the Cabinet her name. I will not release that name, but if the minister wishes to speak, he can identify himself.

In the House of Assembly on April 26, 2018, the Member for Topsail and then the leader of the Opposition, stated: "Now, Mr. Speaker, just a few minutes ago, the very Member who the allegations are made against, according to what I'm reading through CBC and on social media, has identified people who are making complaints publicly."

According to media reports on Twitter, yes, the media reporting on Twitter, that the Minister of Municipal Affairs, the Member for Humber - Bay of Islands, who is sitting right here in this hon. House now, named the person who has expressed concern about her publicly. "He publicly named a Member of this House of Assembly who has previously expressed concerns about his conduct and his behaviour."

He also stated: "Mr. Speaker, they entered into an agreement between the complainant and the minister and the Premier himself just talked about confidentiality. Your minister just named a person with concerns about him publicly."

"Now we have, what I understand, is the minister has now - it's been alleged publicly here - named two different complainants who have raised concerns about his conduct, that he's

publicly named and he's called out and publicly made known two names, Mr. Speaker."

"Even over the last couple of days, Mr. Speaker - so here we are today, we find now that the Minister of Municipal Affairs has publicly named the person who's raised concerns about him. The understanding is, through social media, that he's done this twice. One on his own Members has said he's named her publicly as well."

"Some confidentiality, Mr. Speaker, when the complainant is going to release the name publicly who is making the complaint. Some confidentiality that is. That is a real good, confidential safe place, I say to the Premier.

One of his own Members, according to CBC, said MHAs describe caucus meetings as a joke and said people won't speak out because they're afraid of what will happen to them. Well, here's another example, Premier, of what people are afraid of." This was the comments made by the Member for Topsail, the leader of the PC Party at the time.

The Leader of the Third Party, the Member for St. John's Centre, made comments with no foundation and is totally false. She said: "As a woman and as an elected Member of the House, I'm appalled at the behaviour of the Member for Humber - Bay of Islands to publicly name those who have complained of harassment by him, further victimizing them. This vengeful tactic is not at all acceptable and I am furious that this Member for Humber - Bay of Islands and his total disrespect for this House, for our MHA and for the people of the province." These comments were without any fact, any evidence and they were callous.

Mr. Speaker, the Member for Fortune Bay - Cape La Hune at this time had not filed a complaint or had informed the public that she had filed an official complaint. On April 26, I stated that we had a disagreement over CEEP funding and there was never an official complaint made of bullying, harassment to the Commissioner for Legislative Standards.

As far as the Member for Topsail, the leader of the PC Party stated I released the names of the individual who filed complaints is without fact

and no merit. Mr. Speaker, all honourables must be aware that all statements about Members must be factual, inside and outside the House of Assembly.

As the nature of the allegations made by the Member for Placentia - St. Mary's were very sensitive and emotional and emotions were very high, all Members must ensure that they speak the truth and ensure of this truth toward other Members.

Due to these false allegations that I released the names of the complainants and statements in the House of Assembly made by the Member for Topsail and the Member for St. John's Centre, it has caused great anxiety, embarrassment and grief for myself and my family.

Mr. Speaker, I didn't release the names of the complainants and I ask that you review this matter. If you find that there is a violation, I recommend that you ask the Member for Placentia - St. Mary's, the Member for Topsail, and the Member for St. John's Centre to issue a written apology and a public apology to this House. This will ensure that I can send this to all the media which have reported on this issue.

O'Brien and Bosc states: "It is impossible to codify all incidents might be interpreted as matters of obstruction, interference, molestation or intimidation and, as such, constitute prima facie cases of privilege. However, some matters found to be prima facie include the damaging of the Member's reputation, the usurpation of the title of Member of Parliament, the intimidation of Members and their staff and of witnesses before committees, and the provision of misleading information."

O'Brien and Bosc quote Maingot as stating: "The purpose of raising matters of 'privilege' in either House of Parliament is to maintain the respect and credibility due to and required of each House in respect of these privileges, to uphold its powers, and to enforce the enjoyment of the privileges of its Members. A genuine question of privilege is therefore a serious matter not to be reckoned with lightly and accordingly ought to be rare, and thus rarely raised in the House of Commons."

I refer to O'Brien and Bosc, page 141, where the matter involved privilege before the House of Commons are treated with the utmost seriousness.

As you outlined this week, there is a formal process to be followed. I have followed this process and notified the Speaker of my intention to raise the issue of privilege, and this is the earliest possible opportunity to raise my issue.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you.

Are there other speakers to this point of privilege?

The hon. the Member for Placentia - St. Mary's.

**MS. GAMBIN-WALSH:** Mr. Speaker, I ask that I get a copy of what the Member just entered into the House from *Hansard* so I can seek my own legal counsel before I respond.

**MR. SPEAKER:** Thank you.

That will be available through our office.

Are there other speakers at this time?

At this time, I propose that I will review the request by the Member for Humber - Bay of Islands and report back to this House as to whether or not there's a prima facie ruling.

I'll refer us back to our agenda, and we'll go to Statements by Members.

### **Statements by Members**

**MR. SPEAKER:** Today, we will hear from the hon. Members for the Districts of Mount Pearl - Southlands, Cape St. Francis, Labrador West, and St. John's East - Quidi Vidi.

The hon. the Member for Mount Pearl - Southlands.

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

It's my privilege to recognize the tremendous success which was the 30th Annual Mount Pearl City Days celebrations. This year's festivities

included various activities for citizens of all ages and interests including: a family outdoor movie night, pig roast, block party in the square, seniors' tea time, drive-in movie and a community breakfast.

The festival culminated with a community garden party and mega birthday bash 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 entertainment that Newfoundland and Labrador has to offer, including: Claver Street, the Daisy Cutters, Celtic Fiddlers, Freshly Squeezed, the Bishops, Misconduct, Carolina East, the Chris Andrews Band and headliners, the Irish Descendants.

Mr. Speaker, as I'm sure you can appreciate, any festival of this magnitude would not be possible if it were not for the hard work and dedication of many 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 sponsors and all of the volunteers who contributed to the great success story which was City Days 2018.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you.

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

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

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

I rise to recognize the Town of Torbay, its fantastic team of volunteers, and all the athletes and coaches who participated in this year's Killick Coast Games.

Mr. Speaker, the games were hosted by Torbay this summer and it included 450 athletes, ages 11 to 17, from six towns in the region: Torbay, Flatrock, Bauline, Pouch Cove, Portugal Cove-St. Philip's, and Logy Bay-Middle Cove-Outer Cove.

A lot of work goes into organizing and running this event and there was a great deal of support from the towns and the residents. Myself, the Mayor of Torbay, Mayor Scott, and the Mayor of Pouch Cove, Mayor Wall, were lucky enough to umpire softball games. It was really nice to see the excitement and positivity that was there among the athletes. A demo for wheelchair basketball took place and each town had the opportunity to participate in scrimmages.

This year, the Jack Byrne Trophy for the most overall points was presented by Mrs. Bridget Byrne to the team of Logy Bay-Middle Cove-Outer Cove. The Mayors Cup was presented to the Town of Pouch Cove-Bauline-Flatrock for showing the most spirited throughout the games. Athletes from each town were also presented with the Diane Whelan Sportsmanship Award.

Mr. Speaker, the Killick Coast Games demonstrate a wonderful commitment to sport and community, and I ask all hon. Members to join with me in congratulating everyone involved for making this year's games such a success.

Thank you.

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

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

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

On Tuesday afternoon, 41 new Canadians from the Philippines, India, Guyana, El Salvador, Iran, Haiti, Maroc, France, Jamaica, Nigeria and the Republic of Congo gathered at the Wabush Hotel as they were honoured and awarded their official Certificate of Canadian Citizenship by Judge Marie Tremblay.

Amongst these new Canadians you will find doctors, teachers and many skilled trades. Some of them are husbands and wives with families or starting new families in our community.

Mr. Speaker, Labrador West has always been a community of diversity in nationalities and cultures since the first iron ore was mined in 1960 as prospectors and miners descended on the new mining frontier. To this very day, we

continue to welcome immigrants from all corners of the world and encourage them to share their talents and culture as they make Labrador West their home away from home. While mining remains the dominant industry in the region, there are many opportunities for new Canadians to share their expertise.

Mr. Speaker, our doors are always open to new residents, and I ask all hon. Members to join me in welcoming those 41 new Canadians to our community, to our province and to our country.

Thank you, Mr. Speaker.

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

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

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

I'm delighted to congratulate Laura Winter, Erin Power and Duane Andrews of The Swinging Belles for winning the prestigious Telegram and Central Voice Fan's Choice Entertainer of the Year, a competitive award voted on by the public, at the 2018 MusicNL Awards.

The Swinging Belles is a swing band for kids that is all about getting kids, parents and the young at heart to get up and dance while enjoying swing, country and jazz.

As primary school teachers at Bishop Field Elementary, Laura and Erin have brought their love of music to their work as educators. Erin and Laura recently completed master's degrees in Education and Folklore respectively, and guitarist Duane Andrews is an international performer and multi award-winning artist.

The Swinging Belles' 2014 debut album won both a Juno and a Canadian Folk Music Award for Children's Album of the Year.

Thank you to The Swinging Belles for the work they do to promote the joy of music and for encouraging the whole family to enjoy music together through their energetic shows.

I will ask all hon. Members of the House to join me in congratulating Laura Winter, Erin Power

and Duane Andrews for their Fan's Choice Entertainer of the Year Award.

Thank you, Mr. Speaker.

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

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

#### Statements by Ministers

**MR. SPEAKER:** The hon. the Minister of Finance and the Human Resources Secretariat.

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

It's a pleasure to rise today and provide an update on the considerable progress we've made with collective bargaining.

Last week, correctional officers represented by NAPE ratified their collective agreement. This was the sixteenth agreement reached with NAPE this year, and ends this round of negotiations on a high note.

All NAPE agreements recognize the important contributions of our public service while also respecting our fiscal reality. These deals include a wage freeze, the elimination of a significant severance liability and secure changes to post-employment benefits.

Mr. Speaker, we've also made progress with CUPE, who are in the middle of their ratification process on seven collective agreements. We continue to have meaningful discussions with other unions, and I am confident that we will have further agreements in the coming months.

When all collective agreements are complete, we anticipate the elimination of severance will save government \$25 million annually, and changes to post-employment benefits for new employees will realize savings in the tens of millions of dollars.

The elimination of severance is progressing, and to date we have completed over half of severance payouts in government departments and some agencies, totalling approximately \$47 million. Eliminating severance is something other governments have tried and failed. Mr.

Speaker, this is a significant achievement. It is a good news story for the province.

Thank you.

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

**MR. SPEAKER:** Thank you.

The hon. the Opposition House Leader.

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

I certainly thank the minister for an advance copy of his statement.

Mr. Speaker, our public service is filled with hardworking Newfoundlanders and Labradorians who deserve the respect of each and every one of us here in the hon. House. That is why in 2014, 2015 the Progressive Conservative government took the initiative to ensure the sustainability of the Teachers' Pension Plan and Public Service Pension Plan through the pension reform initiatives. It is my hope that the current Liberal administration will continue that work with other pension plans.

As the minister indicated, the payout of severance to our public service workers is ongoing. Perhaps the minister can table a breakdown of the payments made in each quarter thus far and any current backlog for individuals that are awaiting their payment. Additionally, I suggest the minister provide an update on the severance payment to management and non-union positions as well.

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 thank the minister for this update. It's good that government is continuing to work with the public service and to publicly express the importance of their employees. It is a relief to know that there will be no layoffs, at least in the

near future, as we have already seen significant reductions in some areas.

I commend those who strive to continue serving the public in these challenging times.

Thank you, Mr. Speaker.

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

**MR. SPEAKER:** Thank you.

Further statements by ministers?

The hon. the Minister of Natural Resources.

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

I rise today to announce that this government, our government, has launched a virtual data room for offshore Newfoundland and Labrador which can be found online at [www.zebradata.com](http://www.zebradata.com).

This world-class virtual data room includes well data, seismic data and drilling reports. Zebra Data Services, which is headquartered in London, is providing support as the service provider. There is no cost to government as this service is user-pay.

The virtual data room is an initiative of Advance 2030 – The Way Forward on Oil and Gas, which was developed to position Newfoundland and Labrador as a globally preferred location for oil and gas development. I'd like to recognize officials at the Department of Natural Resources who have worked diligently on the virtual data room initiative to ensure its successful delivery.

Mr. Speaker, the province currently has five producing fields, more than 650 leads and prospects and 20 basins identified. There have been seven new entrants in the last two years and \$2.6 billion in recent exploration work commitments.

We're working hard to drive success in our offshore, which creates thousands of jobs in the province on projects such as the West White Rose Project with an estimated 5,000 person years of construction employment and 250 permanent platform positions once operational;

and the recently announced Bay du Nord project with approximately 11,000 person years of employment expected over the life of the project.

Mr. Speaker, the virtual data room is just the latest example of that hard work.

Thank you.

**MR. SPEAKER:** Thank you.

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

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

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

Again, I certainly thank the minister for the advance copy of her statement.

Mr. Speaker, the oil and gas industry is a bright spot in this province, no doubt. Not only does oil royalties contribute to our provincial revenues but the industry has contributed thousands of jobs to our economy. The impact of the service and supply industry, in addition to direct jobs, is indeed immense.

The availability of data helps keep this industry growing. The 2018 budget left industry worried about this Liberal administration's commitment. When Nalcor was told to cut the budget, the seismic program was sacrificed. The seismic program is important because it helps educate the industry on where drilling potential is. It is linked directly to creation of jobs within this province.

I certainly urge the minister to commit to ensuring that Nalcor has a fully-funded seismic program contained within next year's budget.

Thank you, Mr. Speaker.

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

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

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

I thank the minister for an advance copy of her statement. Congratulations to the staff and the department for their hard work on the virtual data room initiative. The stewardship of our finite natural resources must not be taken lightly, so openness and transparency in information is crucial as we move forward with the development of any of our resources. We will see the department's efforts bear fruit when the deadline for the C-NLOPB's call for bids culminates on November 7.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you.

Further statements by ministers?

Oral Questions.

### Oral Questions

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

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

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

Mr. Speaker, when a political scientist describes the hiring process as The Rooms as Banana Republic, without the bananas, the voting public tends to take note.

I ask the Minister of Tourism, Culture, Industry and Innovation: Who made the decision to hire Carla Foote as executive director of marketing and development at The Rooms?

**MR. SPEAKER:** The hon. the Minister of Tourism, Culture, Industry and Innovation.

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

As minister responsible for The Rooms, I'm quite pleased with the appointment of the position of Carla Foote in an executive-director role. She has the qualifications to serve in this capacity position that has been created as part of a review of workflow and organization at The Rooms.



What I will say to the Member opposite is that I disagree with the political scientist because the point is that all members of The Rooms board were followed through a merit-based process of the Independent Appointments Commission. The CEO will go through that process and Ms. Foote had served in an executive-level role in government as an ADM or DM equivalent. She has made a lateral move to The Rooms which is part of government. Same salary, same qualifications and it is not abnormal for somebody to be moved (inaudible) –

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

Thank you.

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

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

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

On that point, can the minister point this House to where in the practices, procedures and laws of this province it is made possible for a lateral move to take place without competition for merit between core government and an ABC, agency, board or commission?

**MR. SPEAKER:** The hon. the Minister of Tourism, Culture, Industry and Innovation.

**MR. MITCHELMORE:** As I said, Mr. Speaker, as minister responsible for The Rooms, which is a Crown entity of government, an agency, board or commission, the board was appointed recently through a merit-based process. The CEO would go through that process. But it is the only requirement when it comes to positions through the Public Service Commission, as part of executive positions. They followed the appropriate process.

So if somebody is serving in a role of a deputy minister or an assistant deputy minister, it is not uncommon for them to move to a lateral position that is a deputy minister or assistant deputy minister equivalent. It happens quite regularly within government. The Rooms has just undertaken a new strategic plan for three years, so this person is moving into that role with the same salary –

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

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

**MR. CROSBIE:** Can the minister explain to the House whether the procedure that he just described of lateral transfer from core government into an ABC, agency, commission or board, is a regular practice under his government?

**MR. SPEAKER:** The hon. the Minister of Tourism, Culture, Industry and Innovation.

**MR. MITCHELMORE:** So, Mr. Speaker, as minister responsible for The Rooms, I want to clarify that The Rooms is somewhat of a different entity as a Crown corporation within government. The Rooms itself, myself as minister, they have the same pay scales for all positions, the pay bands for the managers, for directors, for the CEO as assistant deputy ministers, as deputy ministers within government, and any hiring practice requires a request for staffing from the CEO and will be signed by myself.

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

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

**MR. CROSBIE:** Do I understand then, Mr. Speaker, that when a request is made to fill a position without competitive examination, or entertaining applications from others on a merit-based process, the minister always complies?

**MR. SPEAKER:** The hon. the Minister of Tourism, Culture, Industry and Innovation.

**MR. MITCHELMORE:** Mr. Speaker, The Rooms has been undergoing a review since 2016, and that's something that we had done in consultation with the CEO, to look at the flow and look at the activity of staff that are there and the roles and responsibilities. And this had undertaken quite a period of time in this House before the Member opposite had sat in this House, but there was a review of the legislation. We have been looking at The Rooms, based on its new three-year plan, and the responsibilities that would be undertaken by the current CEO

and the management team in consultation with HRS and the board.

The board had approved these executive-level positions to be put in place, and this is not uncommon for somebody that is in a government position to be transferred within another executive-level position. It's a lateral move and the same salary.

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

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

**MR. CROSBIE:** Mr. Speaker, the minister has stated in the media that there was an urgent need to fill this role, even though vacant for almost two years.

Can the minister explain the nature of that urgency at The Rooms to require this role to be filled without going through the merited process?

**MR. SPEAKER:** The hon. the Minister of Tourism, Culture, Industry and Innovation.

**MR. MITCHELMORE:** Mr. Speaker, The Rooms is certainly a provincial entity that is doing incredible work and it just had a three-year strategic plan that is undertaken. The position that he's referring to that has been unfilled for two years is a director position. This is an executive director-level position at an executive salary that was approved by the board, and when it comes to hiring executive level positions within government, whether it's a deputy minister or an assistant deputy minister, this person had already worked in government at the head of marketing and communications for the brand division responsible for all core government. She would amply be the most qualified person within government to do this great work here at The Rooms earning the same salary and in a role she already was in in terms of being able to be (inaudible).

**MR. SPEAKER:** Thank you.

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

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

**MR. CROSBIE:** Mr. Speaker, I appreciate that Ms. Foote may be a person of great talent and may indeed be the person best suited for the role, but how does anybody know?

Did the board of directors of The Rooms, and or the CEO of The Rooms, decide, without consultation with the minister, to make the decision to hire Ms. Foote without going through a competitive process? And if they did consult the minister, what exactly did he instruct them?

**MR. SPEAKER:** The Minister of TCII.

**MR. MITCHELMORE:** Mr. Speaker, as I've pointed out time and time again, I'm not sure if the Member opposite understands when somebody is in a deputy minister or an assistant deputy minister role as an executive within government – somebody who was the associate secretary to communications in Cabinet for a number of years and responsible for all marketing and communication – has those qualifications. It is not uncommon to see somebody transferred in a lateral move to another position, and that is what had taken place here at The Rooms and a competition is not required.

The former administration had done this previously with a transfer to the MMSB with a Mike Samson. This was not a particular issue for the Member opposite at that time.

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

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

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

I again point out that –

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

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

**MR. CROSBIE:** – it would have been protective of the reputation of the person filling this job had a competitive process been followed.

Would the minister table the business plan that created this urgency?

**MR. SPEAKER:** The Minister of TCII.

**MR. MITCHELMORE:** Mr. Speaker, for the Member opposite to talk about protecting reputation – this is very important and this is a real low point for the Member opposite to be bringing up these types of points. It was his very own father, who was a federal minister at the time, that had appointed the Member opposite and his brother as an agent to work for Newfoundland and Labrador, and had said that this –

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

**MR. MITCHELMORE:** His father, who's a former LG, had said: this is the worst and lowest point, this was vindictive of the Opposition to make this move and damaging to the professional career of my son.

It's very unfortunate that the Member opposite is taking this line of questioning when he knows the difference.

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

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

**MR. CROSBIE:** Mr. Speaker, I suspect this is called the red herring technique.

I didn't hear an answer to my question: Would the minister table the business plan that created the urgency?

**MR. SPEAKER:** The Minister of TCII.

**MR. MITCHELMORE:** Mr. Speaker, it's called the Strategic Plan of The Rooms, the three-year vision that's taking place.

The Rooms has moved far beyond its fundraising and exhibit development role. We've had this debate and discussion in the House of Assembly, and I know the Member opposite wasn't a part of that debate and that discussion when we talked about Bill 56 and we talked about all the opportunities that is available at The Rooms to build the synergies

and connectivity between core government and The Rooms, because The Rooms has to have that connectivity with Tourism and Culture, but also with the Education, with Intergovernmental Affairs, and look at making it that cultural institution, but also a place of which we can do business and do other activities to elevate the status of the Rooms to implement all the initiatives that are part of the strategic plan.

This is a good move by having the most qualified person who ran marketing and communications (inaudible).

**MR. SPEAKER:** Thank you.

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

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

**MR. CROSBIE:** Mr. Speaker, does the House understand then, correctly understand, that the only document that created the urgency for this hiring is the three-year business plan, which I assume is publicly available?

**MR. SPEAKER:** The Minister of TCII.

**MR. MITCHELMORE:** Yes, the strategic plan is readily available. It's about creating visitor-focused, collections-based experiences that's certainly emotional and participatory, interactive.

There was a process of which a marketing firm, an agency of record was hired so that this person can support this role and everything that The Rooms is doing to engage the community.

We had broad consultation with patrons, with supporters at The Rooms. We had consultation when it comes to the arts community. This is meant to be an engaging process of which the person who is most qualified to do this role within government has the equivalent of a DM or ADM is transferred in a lateral move, earning that same salary to be able to do that role.

**MR. SPEAKER:** Thank you.

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

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

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

Earlier this year, The Rooms issued – and my question is again for the minister – an RFP for an agency of record, for a marketing agency to do, and I quote: Marketing, consultation and planning, campaign strategy and creative development, social media strategy, online and digital content, media online planning and buying.

Would the minister state whether this RFP was awarded, to whom it was awarded, and whether they are still on contract?

**MR. SPEAKER:** The Minister of TCII.

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

And, yes, I certainly can state for the record that the Idea Factory was engaged in June 2018 and it's a contract that expires in 2020. The contract value doesn't exceed over \$100,000. The Rooms established a three-person selection committee to review the four submitted proposals, and that the appropriate protocols were followed at that time to award the contract.

Thank you.

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

**MR. SPEAKER:** Thank you.

The hon. the Leader of the Official Opposition.

**MR. CROSBIE:** I thank the minister for that information.

Can he explain to the House why The Rooms needed to hire a marketing firm and an executive director of marketing and development?

**MR. SPEAKER:** The hon. the Minister of TCII.

**MR. MITCHELMORE:** Mr. Speaker.

I would say to the Member opposite: In the Department of Tourism, Culture, Industry and

Innovation, when we look at our beautiful ad campaigns that we have for Newfoundland and Labrador, we have an executive position for assistant deputy minister responsible for tourism, we have a director responsible for tourism, but we also have an agency of record called target marketing that has been in that position for a number of years, that extends well beyond this administration and into the previous administration.

It is not unusual to have an agency on record to be able to do your creative and do the work that's necessary, and have an executive-level position to bring everything full circle. This person is going to be the connector between government, all of core government and The Rooms and the public.

Thank you.

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

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

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

Again for the minister: Can he distinguish in what particulars the hiring of Ms. Foote is different from what the former minister of Municipal Affairs tried to do in intervening in the public service job competition detailed in reports tabled last week?

**MR. SPEAKER:** The hon. the Minister of TCII.

**MR. MITCHELMORE:** Mr. Speaker, I certainly can't comment on any matter that would be in a particular report. What I can say is that when it comes to the hiring practice within government of an executive-level position, somebody who would be in a deputy ministerial role, or an assistant deputy ministerial role, it is not uncommon that these positions would not be advertised, and that there would be no competition.

This is a lateral move; this is a transfer of position. The person is more than amply qualified to do the work, and I look forward to working with the individual in the role of the executive director of marketing and

development at The Rooms to continue to elevate the role and responsibility of The Rooms for the people of Newfoundland and Labrador.

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

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

**MR. CROSBIE:** Mr. Speaker, I'm sure the public is gratified to be reassured by the minister of the talents and the fitness of this person for the job. However, it is understood that when this job was previously advertised, there were over 70 applicants and the competition was cancelled.

How do you know if some of those individuals were not possibly more qualified?

**MR. SPEAKER:** The hon. the Minister of TCII.

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

This is something that the Member opposite is quite confused on and I've explained it already that this is a newly created position. It's an executive-level position. It is not the director of marketing position that he is stating in his question. There were, in 2016, 77 people that did apply; three people were screened in as qualified; one person dropped off; and The Rooms cancelled and did not fill this particular position at that time.

I had nothing to do with that particular matter, but what I will say is that the new position that is created does follow the appropriate process. The individual has been hired and is doing great work. I look forward to the additional executive-level position and the work that's going to be done at The Rooms as well that has been approved by the board.

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

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

**MR. CROSBIE:** I thank the minister.

My next question is for the Premier. On March 10, 2016 the Premier stated – and I quote –

many people made it very clear to him that appointments should be merit based, not political based, not done with a political bias – unquote.

Does the Premier still stand by this statement?

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

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

I've said, as the minister quite eloquently answered all the questions today, the merit base – Ms. Foote, the lady that you're talking about, is certainly qualified. It was a lateral move. Mr. Speaker, in this particular case here, this has been a decision that has made for new position for the executive director of marketing and development, a lateral move, no increase in pay, Mr. Speaker.

I know the Leader of the Opposition, they want to play some politics with all of this; completely understandable what they're doing here. Mr. Speaker, they themselves, they know very well what the truth is about all of this. This is a lateral move within government right now and Ms. Foote is extremely qualified to do the work that she's been asked to do.

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

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

**MR. LESTER:** Mr. Speaker, today on the Order Paper we have a motion on democratic reform.

On December 18, 2015 the current Minister of Finance had the honour of making history in being elected as Speaker in the very first contested secret vote of Members.

Premier, do you believe in electing a Speaker by a free and unfettered secret vote of Members?

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

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

I think the Members opposite participated in this free vote. Both individuals that were interested in the Speaker position on both occasions right

now – I have said publicly, I said to all those that would have been involved, Mr. Speaker, that we encourage people to put their name forward. I did that to all that participated.

Mr. Speaker, but I do remember a time – I’ve been in this Legislature long enough to know now that that was not the case with the former administration. Because down to the last, essentially, hour back in 2011 there were names, and the previous administration would not allow it to go to a free vote and the decision was made by the leader at the time, and supported by Members at the time, not to have an election. Quite (inaudible).

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

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

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

**MR. LESTER:** Well, in listening to that response I would expect an amendment to *The Way Forward* on agriculture that would include the growing of bananas.

Electing, rather than appointing, a Speaker was a measure of democratic reform –

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

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

**MR. LESTER:** – adopted on November 12, 2003.

Premier: Do you believe the importance of and need for democratic reform?

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

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

Interesting enough, I will speak to the preamble, since the Member opposite brought it up about *The Way Forward* on agriculture. He himself seems to be very interested because it was only just last week he was supporting this government, Mr. Speaker, about *The Way Forward* on agriculture. And I can tell you, just a few months ago he sat in my office and told us how great the agriculture initiative was for this

government when he was looking at running for us in the last by-election.

I would ask the Member opposite, would he say that I’m making a mistake by saying that he did not sit in my office? Now is your opportunity, Member, get up, stand in your chair: Did you speak – did you sit in my office and have that discussion, yes or no?

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

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

Order, please!

**MR. LESTER:** Mr. Speaker, I would like to say I support all expansion of agriculture, no matter what government is in power.

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

**MR. LESTER:** Following a Cabinet shuffle on July 31, 2017, the Premier endorsed a Member for post of Speaker saying: “We’ve got a plan for” that Member. The Member did not need such an endorsement to have the respect of all Members on either side.

Premier: Did you intend your endorsement to be an indication on the vote and it would not be free but whipped for Members of your caucus?

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

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

I’m happy to stand up in this House and speak about democratic reform in the House of Assembly. And as the Members have pointed out, we do have a motion on the floor. It’s the first motion in well over a decade in this House to talk about making fundamental changes to democracy and our democratic process.

We’re open to suggesting any number of changes, which is why we’ll have a resolution that we’re hoping everybody will support, and the creation of a committee that will allow Members from all sides to work with experts, to work with academics, to work with people in

this province to talk about how can we make this House better for all people in the province.

Thank you.

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

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

**MR. LESTER:** Mr. Speaker, after the Premier endorsed the candidate for Speaker, did he indeed say he would leave the decision of the House up to the House of Assembly? Premier, did you make it clear to your caucus and your Cabinet and your staff that this vote would be free and not whipped?

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

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

I'm happy to stand up and say that, certainly, I can only speak for myself but I knew I was free to vote for whoever I wanted in this process. It was a bit unusual, in fact, because we had never seen a vote for Speaker in the House of Assembly ever before.

I can remember hearing about rumours in 2011 when there was some trouble about a Member wanting to run and being shut down by the premier at the time and his colleagues; but, when it comes to the processes that I've been a part of, we're certainly free to vote for who we wanted.

Again, I'm happy to vote again if there's ever another vote on Speaker in this House.

Thank you.

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

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

**MR. LESTER:** Mr. Premier, last Thursday your Members voted down an amendment to have a democratic reform committee report to the House of Assembly. Rather, you wanted it to report to an individual Minister of the Crown.

Do we expect the same type of whipping to occur in the democratic reform committee run by a government minister?

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

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

One thing I can guarantee you is there'll certainly be no whipping when it comes to this process.

Now, there are two things here. What I would say is that this process we've put forward is very similar to the same process that the Members opposite put forward in the All-Party Committee on Mental Health; one that started in their administration and continued in ours, and was supported by all Members because it was for the betterment of our province. We are using the exact same process.

Given that not a single Member on the other side has ever stood up and made any sort of motion about democratic reform in this House, I find it very interesting that they're standing up asking questions about how we would do it.

Thank you.

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

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

**MR. HUTCHINGS:** I just remind the Member, we did a private Member's resolution on recall legislation that was voted down. So we did bring this to the House in one of the areas of democratic reform.

Despite this province giving \$40 million to Canopy Growth to ensure supply for this province, shelves are empty. When the agreement was signed the Department of Tourism, Culture, Industry and Innovation said this agreement guarantees the province a supply of cannabis.

I ask the minister: Does your department's agreement with them penalize them for their inability to provide the supply?

**MR. SPEAKER:** The hon. the Minister of Tourism, Culture, Industry and Innovation.

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

We're quite pleased to have entered into a \$40 million incentive contract to guarantee supply with Canopy Growth. In order to do that, Canopy Growth is going to be building a production facility here in this province. It's not costing the taxpayers anything. It's creating 145 jobs and it's going to return benefits to the province. They have guaranteed over a year to produce 8,000 kilograms of cannabis and supply to our province. They are living up to their obligations.

I don't know why the Member opposite is so anti-business and would rather have jobs elsewhere in other provinces rather than have jobs here in Newfoundland and Labrador. We're doing great business and great business deals here. There are shortages in cannabis all across (inaudible) –

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

Your time has expired.

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

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

**MR. HUTCHINGS:** There was no other province gave \$40 million worth of credits to any other supplier; that's the issue. If that's a great business deal, God help us, I'd say, Mr. Speaker.

Mr. Speaker, the CEO of Canopy Growth has said they are treating all provinces equally, but our province has given \$40 million. That's \$40 million that's not going into the Newfoundland and Labrador Treasury over the next 10 years. That's money we're not receiving.

So I ask the minister: Do you believe that \$40 million should be giving this province even some priority on meeting supply, or is it just a free for all for this company that you have no control over?

**MR. SPEAKER:** The hon. the Minister of TCII for a quick response, please.

**MR. MITCHELMORE:** Mr. Speaker, without a supply agreement, there would be no guarantee. There would be absolutely no supply. Canopy Growth is supplying our province. They are providing for Newfoundland and Labrador and there is no \$40 million that is being given to Canopy Growth. Jobs are being created and a return to the province.

For every dollar that is being provided to Canopy Growth, we are getting more as taxpayers of Newfoundland and Labrador. It's a good deal for the people of the province. I don't know what your solution would be.

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

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

The hon. the Leader of the Third Party.

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

Mr. Speaker, people were astounded once again when a former Liberal staffer was hired for a senior position at The Rooms without a competition. People are fed up with this kind of politics. The Premier actually campaigned on taking politics out of the hiring process.

Now, the minister said the director of marketing and development, a newly created senior position, was urgent. The minister also tried to make this controversial issue go away by portraying it as a standard, lateral appointment; but we all know that such lateral moves, without competitions, happen at the DM and the ADM level, and not for core civil service positions at the director level.

I ask the Premier. What exactly was the urgency and what does he have to say to the people for this blatantly political appointment?

**MR. SPEAKER:** The hon. the Minister of Tourism, Culture, Industry and Innovation.

**MR. MITCHELMORE:** So, Mr. Speaker, I'm very happy to say in the House again that I'm very proud that the Premier created the Independent Appointments Commission to



create appointments on a merit base for agencies, boards and commissions for those in a volunteer capacity. The Rooms board has been appointed through a meritorious process. The CEO will also go through that particular process.

When it comes to deputy minister or assistant deputy minister positions or their equivalences, the person who is an executive director-level role, which is an executive-level role at The Rooms today, has gone on a lateral move. This is not uncommon for the public service within government that somebody would move from an executive-level position to another.

She's receiving the same salary, and she's more than amply qualified to do the work.

Thank you.

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

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

**MS. ROGERS:** Mr. Speaker, this is a director level.

Mr. Speaker, as an agent of the Crown, The Rooms Corporation has followed merit-based appointment processes similar to those used by the public service and other Crown agencies. It launched competitions, conducting interviews with potential candidates and for positions at the level of director, it also regularly advertised nationally.

I ask the Premier: Why was there no competition? Why were there no interviews? Who ultimately made the decision not to follow this process? Was it the CEO or was it the minister, and who specifically made the ultimate decision to hire Ms. Foote?

**MR. SPEAKER:** The hon. the Minister of TCII.

**MR. MITCHELMORE:** Mr. Speaker, as minister responsible for The Rooms I have to say that the Member opposite doesn't – I have to explain it again, I guess. This is an executive director position; it is an executive-level equivalency. Your preamble and everything that you raised towards it talked about a director

position. There is a complete difference between a hiring process for a director-level position, than it is for somebody who is an executive-level role.

And when it comes to The Rooms and what they're doing, it was deemed that executive-level positions are required at The Rooms to elevate them to do exactly what they're tasked with in their strategic plan and the initiatives that they will undertake to make sure that they have the synergies with government that they can continue to do the great work that they do. I know you like (inaudible)–

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

The hon. the Leader of the Third Party.

**MS. ROGERS:** Mr. Speaker, with the urgency for this position and the executive director, they have the whole country to choose from, yet they did not even advertise or have a competition.

So, Mr. Speaker –

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

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

**MS. ROGERS:** – can the Premier confirm that essentially the same or a similar position was advertised by The Rooms earlier this year, that the salary was in fact a hundred thousand, and that the CEO offered it to an experienced and talented applicant, but then the offer was suddenly reneged.

Why, and had Ms. Foote applied for that position at that time?

**MR. SPEAKER:** The hon. the Minister of TCII.

**MR. MITCHELMORE:** Mr. Speaker, when it comes to the organizational review of The Rooms, and what has been taken place since Bill 56, we have gone down an organizational review in consultation with the CEO and with their management team, with HRS, to determine what would be the best flow of activity and responsibilities for positions at The Rooms.

This had been discussed with the board and approved by the board that there would be two executive-level positions created at The Rooms based on flow and responsibility. One of those executive-level positions is the executive director of marketing and development, and the other executive-level position would be for museums and galleries because of the workflow that had taken place. So, there are actually two positions that have been created at an executive level at The Rooms.

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

**MR. SPEAKER:** Thank you.

The hon. the Member for St. John's East - Quidi Vidi for a very quick question, please.

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

I ask the Minister of Tourism, Culture, Industry and Innovation will he table a copy of the contract for the position of director of marketing and development at The Rooms.

**MR. SPEAKER:** The hon. the Minister of TCII for a quick response, please.

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

Any document that can be tabled before this House, I will certainly endeavour to bring that back to the House and make it available.

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

**MR. SPEAKER:** Thank you.

Oral Questions has ended.

Presenting Reports by Standing and Select Committees.

Tabling of Documents.

Notices of Motion.

#### **Notices of Motion**

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

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

I give notice that I will ask leave to introduce a bill entitled, An Act To Amend The Public Sector Compensation Transparency Act, Bill 33.

**MR. SPEAKER:** Thank you.

Further notices of motion?

The hon. the Member for Burin - Grand Bank.

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

Mr. Speaker, as Member for Burin - Grand Bank, I stand today to give notice of the following private Members' resolution:

WHEREAS stress among children is estimated to have increased 45 per cent over the past 30 years; and

WHEREAS in 2016 intentional self-harm was the first leading cause of death in Canadians aged 10 to 14 and second leading cause of death in Canadians aged 15 to 19; and

WHEREAS initiatives like Bell Let's Talk have shown that overcoming stigma around mental health is essential in ensuring people are comfortable seeking help; and

WHEREAS this government established *Towards Recovery: A Vision for a Renewed Mental Health and Addictions System for Newfoundland and Labrador* as part of *The Way Forward*, to modernize the approach to promoting mental wellness across all populations; and

WHEREAS following the release of the Premier's task force report *Now is the Time*, this government developed an Education Action Plan which reflects the importance of student mental health;

THEREFORE BE IT RESOLVED that this hon. House will continue to increase social and emotional learning in our schools by focusing on mental health education and awareness.

And that's seconded by the Member for Stephenville - Port au Port.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you.

The hon. the Government House Leader.

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

And the private Member's resolution just entered shall be the private Member's resolution that is debated on Wednesday.

**MR. SPEAKER:** Thank you.

**MR. A. PARSONS:** Further, Mr. Speaker, I give notice, pursuant to Standing Order 11(1) that the House do not adjourn at 5:30 on Tuesday, October 30, tomorrow.

Thank you.

**MR. SPEAKER:** Thank you.

Further notices of motion?

Answers to Questions for which Notice has been Given

Petitions.

**Petitions**

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

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

I present the background to this petition as follows:

WHEREAS the Bay d'Espoir highway and its branch roads, Routes 360, 361, 362, 363, 364 and 365, have become overgrown with very dangerous roadside alder growth; and

WHEREAS the Coast of Bays region is a very, very busy area with a high volume of industrial traffic for aquaculture, the fishery and hydro-electricity; and

WHEREAS the region has a transient workforce that requires workers to travel the highway at early morning hours and late at night, often in

foggy, dangerous weather conditions with no cell coverage; and

WHEREAS there have been weekly incidents of moose accidents in the region this summer, some very serious and daily near misses; and

WHEREAS all residents are very concerned and worried to drive the highway due to a fear of a moose accident; and

WHEREAS every effort should and must be made to protect the safety of residents and reduce unnecessary road hazards for travellers;

Therefore we petition the hon. House of Assembly as follows:

We, the undersigned, call upon the House of Assembly to urge government to address the serious and dangerous problem of alder overgrowth in the Coast of Bays region, expeditiously and immediately.

Mr. Speaker, I have here today three pages of a petition and this petition has been circulated throughout the entire region. I'm expecting we will have thousands of signatures by the time it is submitted in its entirety, because the one issue that I heard over and over and over again from every single one of my 22 communities this summer was the deplorable state of alders on our roads.

I have picture after picture after picture of people who have struck moose and are lucky to be alive today. It's the grace of God that they still are. We've had some very, very serious run ins, and almost every day someone has a story to tell: I almost struck a moose today.

Over the last three years, Mr. Speaker, we haven't seen much brush clearing on the Bay d'Espoir highway and people are noticing. It really is becoming now to the point where it's hazardous to our health. We have ambulances. We don't have a hospital in the Coast of Bays region, we have clinics; but if someone's having a heart attack or a brain aneurysm, they have to be sent to Grand Falls. Doesn't matter if it's 2 o'clock in the morning or 2 o'clock in the afternoon.

We need safe roads to drive on. The ambulance operators need to be sure that a moose isn't going to jump out of the alder and right on to the road, because you can literally put your hand out the window, Mr. Speaker, and grab that alder as you're driving along.

So I certainly hope that the government hears how serious it is in the Coast of Bays region, and takes action immediately to do something about it.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you.

The hon. the Minister of Transportation and Works for a response, please.

**MR. CROCKER:** Thank you very much, Mr. Speaker.

I concur with the hon. Member when it comes to brush cutting, and that's why this government we continue to invest \$2 million a year in brush cutting. We've also taken brush cutting to a point where we're doing earlier tenders, and that's been successful for us in many things, in road construction and also in brush cutting.

But I do take a small exception to the Member's comment about the last three years. I am going to remind the Member that alders didn't grow in the last three years. It takes a bit longer for that, for serious brush to grow, Mr. Speaker, and the Member knows – the Member and I had conversations about this – every single highway in this province is important to us as a government.

Mr. Speaker, when you're dealing with 10,000 kilometres of roadway, limited budget, it's hard to cut every single bit of brush every year, but the Member gets up and talks about the last three years. Well, those trees didn't grow in the last three years. It takes time.

So, I don't know what happened in the years previous, but as a government we're committed to brush clearing and we're working with SOPAC and we're working with others for public awareness when it comes to help making the public aware of moose and the challenges that presents on our highways.

We've been successful with our brush-clearing program and we'll continue to work with our brush clearing in this province.

**MR. SPEAKER:** Thank you.

The hon. the Opposition House Leader.

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

I think the trees did grow for over the past three years though all the same.

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

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

**MR. HUTCHINGS:** Mr. Speaker, I present the following petition on behalf of residents from my district:

Route 10 on the southern Avalon forms a large section of the Irish Loop. It is a significant piece of infrastructure and is the main highway through the Irish Loop. The highway plays a major role in the commercial, residential growth of our region.

Therefore we petition the hon. House of Assembly as follows:

We, the undersigned, call upon the House of Assembly to urge the Government of Newfoundland and Labrador that immediate brush cutting is required on Route 10 South Shore Highway for the safety of commuters, prevention of moose-vehicle accidents. Reasons due to the volume of vehicles travelling the highway daily.

Now, I just heard the minister reference about trees growing in the past three years, but I do believe there was growth in the forestry in alders in the past three years, and this is significant. I understand the minister has said there's vast amount of kilometres of highway and byroads across the province, all certainly with our moose population deserve attention. And I do understand from his perspective there's a lot of work to be done, and we need to certainly look at and rate those areas in regard to safety and the importance of those areas.

I do acknowledge, as well, the Witless Bay Line, through the minister's department, we are doing some work this particular year, which I certainly acknowledge that. But obviously there are other concerns as well, and that's what I'm doing today, bringing these concerns forward on other pieces of Route 10.

Significant, I know – four or five years ago we did a section from Tors Cove past La Manche, which was very significant in regard to the amount of work that was done. We also did some work in the Trepassey region. But, intertwined in all of that, on Route 10 there are various other areas that require brush cutting. I did submit last year, I think, in regard to requests and I'll do it again this year, but there are other areas that need attention.

I ask the minister to look at it, work with the local depots and those staff we have on the ground. They certainly do a good job but they need the resources to deal with this. As I said, there is some work to be done on Witless Bay Line which I acknowledge. There are other areas, and I ask for due consideration for these areas related to safety, moose vehicle collisions, that we all know are very serious. None of us want to see this, and do what we can to address those areas as soon as possible.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you.

The hon. the Minister of Transportation and Works for a response, please.

**MR. CROCKER:** Thank you very much, Mr. Speaker.

As to the earlier petition, I thank the Member for the petition. He is correct when he does point out that this is a safety hazard throughout the province. It is something we take very seriously as a department and as a government, and as I guess all Members in this House would.

One of the things I did outline in my last answer was we are working with SOPAC for awareness. The Member points out that we are doing some work this year on Witless Bay Line. One of the things we're trying to do with our brush cutting, no different than what we're doing with paving

contracts, is take larger stretches of road and actually get them done.

I know there are some contracts coming up in the minister's district next construction season. Because one of the other opportunities that we find when we're doing construction and roadbed construction is we'll often add – we talk about a \$2 million budget for brush cutting but the other portion of that as well is that most of the time when we're doing road construction tenders through our engineering division, we'll also add brush cutting on as a part of that.

So, Mr. Speaker, I get the gist of the petitions. The reality is there are a lot of roadways, and it's very important for all of us and it's something that our department is committed to continuing.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you very much.

The hon. the Leader of the Third Party.

**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 Newfoundland and Labrador has one of the lowest minimum wages in Canada, and minimum wage workers earn poverty incomes; and

WHEREAS proposals to index and minimum wage to inflation will not address poverty if the wage is too low to start with; and

WHEREAS women and youth, and service sector employees, are particularly hurt by the low minimum wage; and

WHEREAS the minimum wage only rose 5 per cent – 5 per cent, Mr. Speaker – between 2010 and 2016, while many food items rose more than 20 per cent; and

WHEREAS other Canadian jurisdictions are implementing or considering a \$15 minimum wage as a step towards a living wage;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to legislate a gradual increase in the minimum wage to \$15 by 2021, with an annual adjustment thereafter to reflect provincial inflation.

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

Mr. Speaker, this is absolutely an issue of fairness and justice. How unfair for someone to work full-time hours and still live in poverty. For someone in this day and age, 2018, in Newfoundland and Labrador to work full-time hours – often minimum wage jobs are difficult jobs, are strenuous jobs. You often do not have health benefits or pension benefits; yet, no matter if you are working full-time you still live in poverty. That is not fairness and justice.

All the research – currently, minimum wage in this province is \$11.15. It went up by a mere few pennies in the last increase; a mere few pennies. That's like the 1930s when people were on the dole. Mr. Speaker, we can do better than this.

It's very interesting, the research that's being done around increases in minimum wage – both in other parts of Canada and even in some places in the States – shows that there's an economic benefit to the overall economy of the province where minimum wage has been raised to \$15 and where minimum wage has been raised significantly in other jurisdictions.

So we're not saying to shock the system at \$15 immediately. We're suggesting to reach \$15 by the year 2021. That still gives us three years, Mr. Speaker – well, a little bit less than three year. This is an issue of justice and fairness.

Thank you very much.

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

**MR. SPEAKER:** Thank you.

The hon. the Minister of Advanced Education, Skills and Labour for a response, please.

Thank you.

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

I think all of us in government, we all realize we have to somewhere strike a balance with regard to what we're looking at, employers and employees.

Mr. Speaker, when the Member opposite talks it was mere pennies; when we came to office we made significant changes. We made two minimum wage changes within a year, and then – actually, if we count April 1 last year, it was three. So we increased it to \$11.15.

Mr. Speaker, there were considerable consultations that were done throughout the province when we talked about minimum wage, and there were a number of recommendations that came back. Not a lot came back with recommendations that we would increase to \$15 an hour, but there were some recommendations. We know there are different agencies and we know there are different organizations. We know different groups have differing opinions on what the minimum wage should be.

So, Mr. Speaker, it's important for us to be able to work with these organizations and these groups. We've made significant changes when we talk about poverty reduction, when we talk about making changes to legislative, to the Labour Standards Act, and we will continue to do that.

Mr. Speaker, last year we increased the minimum wage. We have it now attached – every April 1 it will be on the national CPI average. So we are making differences and we will continue to work with that, Mr. Speaker.

Thank you.

**MR. SPEAKER:** Thank you.

The hon. the Member for Mount Pearl - Southlands.

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

At a time when the people of Newfoundland and Labrador are dealing with high levels of taxation, increased unemployment rates, increased food bank usage, increased bankruptcies, and many are being forced to choose between food, heat and medications, Newfoundland Power and Newfoundland and

Labrador Hydro are continuing to seek numerous power rate increases for the Public Utilities Board.

Once the Muskrat Falls Project comes online, these rates are predicted to further increase significantly to unmanageable levels for the average citizens of our province. While government has indicated they're working with Nalcor to mitigate rates, they've provided no detailed plan as to how they intend to do so. Therefore, we petition the House of Assembly as follows:

To urge the Government of Newfoundland and Labrador to publicly provide all of the potential options for rate mitigation and develop a comprehensive, detailed plan to deal with current and impending power rate increases. This plan is to be provided to the public as soon as possible to allow for scrutiny, feedback and potential suggestions for improvement.

Now, Mr. Speaker, we could all lament on what happened. We know there are people on both sides of the House of Assembly here today who supported Muskrat Falls and we know there are people on both sides of the House of Assembly who did not support it; but that's for the Inquiry to determine as to exactly what happened and who knew what, or who should have known what and so on. I certainly look forward to the results of that Inquiry.

With that said, regardless of what happens at the Muskrat Falls Inquiry, we do know we have a looming issue in terms of power rates. People in Newfoundland and Labrador are very concerned with that, and they're looking for some solutions.

Now, as is indicated, government has indicated that ratepayers and taxpayers, neither one apparently are going to be on the hook for it – which all sounds wonderful. I would certainly hope that's the case, but people are not exactly trusting those words. They want to see a detailed plan as to how we intend to get there. To date, there has been no detailed plan, other than to say don't worry about it, basically. So the people of Newfoundland and Labrador are calling upon the government to provide that plan.

Today, I have petitions. These are, again, primarily from the CBS area, but I know for a fact that we have thousands of signatures from all throughout Newfoundland and Labrador. It is a concern for the people.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you.

The hon. the Minister of Natural Resources for a response, please.

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

I rise to respond to the petition. I think it's very important that we do have a plan, as we move into 2021 and 2022. It's very important.

As the Premier of this province has clearly indicated that the construct of Muskrat Falls, the whole premise of Muskrat Falls, that 100 per cent of the cost of Muskrat Falls – the Member opposite indicated that he voted in favour of that and he did know that 100 per cent of the cost of Muskrat Falls would have been borne by the ratepayers. The Premier has said categorically that will not happen. Only 40 per cent, a maximum 40 per cent of the energy from Muskrat Falls will be used in this province, Mr. Speaker.

I will point out that when Muskrat Falls was sanctioned, it was indicated at that time that even at the cost of Muskrat Falls at that time, it would have driven rates to somewhere between 15 and 16 cents. Mr. Speaker, we cannot have 15 and 16 cents even as something that's out there. We're really working hard to make sure that the increases, if there are to be any increases, are not in that range.

We're really working hard to make sure that the people of this province's rates are protected and that is the role of the Public Utilities Board as well, Mr. Speaker. As we move to 2021-2022, we'll put a plan in place.

Thank you.

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

**MR. SPEAKER:** Thank you.

The hon. the Government House Leader.

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

I call 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 Order 2, second reading of Bill 9.

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

**MR. A. PARSONS:** Mr. Speaker, I move, seconded by the Minister of Finance and President of Treasury Board, that Bill 9, An Act To Amend The Revenue Administration Act No. 2 be now read a second time.

**MR. SPEAKER:** It is moved and seconded that Bill 9 entitled, An Act To Amend The Revenue Administration Act No. 2 be now read a second time.

Motion, second reading of a bill, "An Act To Amend The Revenue Administration Act No. 2." (Bill 9)

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

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

I understand that it's been moved and seconded, so I'll get straight to the speaking points. It is a pleasure, Mr. Speaker, to stand in the House and bring forward amendments to the *Revenue Administration Act* relating to the reduction of retail sales tax on automobile insurance.

As everybody knows, this was announced as part of *Budget 2018*. What's happening, Mr. Speaker, there's 5 per cent of the 15 coming off of automobile insurance over the course of the next four years. So, as of January 1, there will be 2 per cent, the following January there will be 1 per cent, and 1 per cent the January after that,

and again the January after that, to total 5 per cent.

We made the commitment at the time that we'd like to go even further than that. If the situation of the province improves such that we are able to go further than that, we will, but it will be guaranteed a minimum of 5 per cent over the next four years.

So, Mr. Speaker, we've been clear. I know that this tax is something I don't like. Most people in the province don't like this tax. The tax measures that were brought in place in 2016 were primarily a result of the situation the province found itself in at the time. We were dealing with a projected deficit of \$2.7 billion. At the end of the fiscal year, Mr. Speaker, based on some measures that this current government made, that deficit was brought back to \$2.2 billion.

At that time, oil projections in the budget of 2015 had called over a five-year period for oil revenues to be considerably higher than they were in 2016 or 2017. Even this year, Mr. Speaker, based on oil performing well, oil projections in budget '15 were higher than what they're actually performing at now this year.

So, based on projections of where the province would be deficit-wise over the course of those five years, we had to deal with the fact that oil prices were lower than anticipated, and therefore we brought in measures to deal with the situation we were dealing with.

So, Mr. Speaker, as I've said on many occasions, as we're able to reduce the tax burden, not only on automobile insurance but in other areas, we will do that. In *Budget 2018* we saw the payroll tax change, which is something the business community were asking for. For example, we've seen a reduction in the gas tax. The temporary levy that was put in place will be eliminated in 2019. There is legislation already passed in this Legislature to ensure that that temporary deficit reduction measure will be eliminated.

We've seen the book tax eliminated, and I am absolutely committed to ensuring that as the fiscal situation of the province improves, we will have a balanced approach. I said that the very



first day that I became Finance Minister. My colleagues on this side of the House strongly support that position. As the position of the province improves, we will reduce tax measures in this province correspondingly.

Mr. Speaker, reducing the tax on automobile insurance was an obvious choice as we looked at ways to reduce taxes that would have a broad impact, and this reduction will have an impact not only on motorists in the province, but also on small businesses that have vehicle fleets or transportation as part of their operations. With this tax reduction, we'll have a significant positive impact to the largest cross-section of Newfoundlanders and Labradorians.

So, Mr. Speaker, as I said, this will start on January 1, 2019 as part of the 5 per cent reduction on automobile insurance tax. One change that we made, I already mentioned the payroll tax, that will eliminate the payroll tax being paid by 50 additional companies, and the remaining 1,200 companies that pay payroll tax will pay up to \$2,000 less per year in taxes.

That was something that they'd been calling for, the business community had been calling for, literally, for about two decades to see some changes in that. That's the start. We'd like to see further changes to the payroll tax as well, which will benefit a number of businesses throughout the province.

Mr. Speaker, when you look at some of what we've done as part of *Budget 2018*, the investments in infrastructure, the investments in expanding and growing the economy, diversifying the economy, and finding efficiencies, the attrition measures that we see, these are all done to continue to improve the economy in this province. We are striving to do that; we're striving to improve the job base in the economy. We know that based on the three megaprojects – two of them have concluded and Muskrat Falls is now winding down – there were some 17,000 people working on those projects.

We also had the Fort McMurray situation where they face the same challenges in Fort McMurray with oil prices declining that we face, on top of the fact that they had the fire in Fort McMurray, and literally thousands of Newfoundlanders and Labradorians who were working in Fort

McMurray and commuting from this province to there making very high wages were affected by that.

So in addition to the jobs as a result of the megaprojects, you had the Fort McMurray effect; but, despite that, based on what we're doing to try and diversify the economy and create jobs, we've seen: in July of this year improved job numbers, employment numbers over July of last year; August this year, improvement over August of last year; September of this year, an improvement over September of last year.

So we're starting to see things improve. I am looking forward and continue to look forward to things improving in this province, Mr. Speaker, because our solid commitment to the people of this province is as things improve so that – it's a balanced approach. We don't have to continue to put money on the province's credit card to the point that it was in 2015-16, where over \$2 billion was put on the province's credit card. We're going to balance that, and we're going to reduce taxes as we're able to do so.

Thank you, Mr. Speaker.

**MR. SPEAKER (Warr):** The hon. the Member for Ferryland.

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

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

I'm pleased to rise today to speak to Bill 9, An Act to Amend the Revenue Administration Act.

The minister just took us through, to some degree, the implementation and the intent of the legislation over the next four years to take 50 per cent of the retail sales tax collected on automobile insurance down to 10 over a four-year period.

In budget 2016, I think this was an action taken by the current administration to put back on the 15 per cent which was vacated and taken off by the prior administration, fundamentally to look at the ability to free up dollars in people's pockets. He talked about the word balance, and there is a balance. It's about making sure there's minimal taxation, and, as well, allow the

expenditure to occur for people's disposable income so they can buy things, they can drive the economy and they can provide services for their family. So that's the balance we need to strike, and in any government they make decisions in regard to what that balance is going to be.

Now, we go back to 2016. The first budget of this administration, this was one, along with other taxes and fees. I think there were 50 new taxes and 300 more that were adjusted accordingly, related to the whole taxation direction they had taken.

The minister referenced coming back to surplus and balance. They outlined a seven-year plan, or seven-year roadmap. I'll get to that in a little while. The AG has commented on that.

Recently, the consolidated statements for 2016-2017 financial year has been – or '17-'18, I think it was, has been filed. There's some commentary on that in regard to the current efforts of the current administration of that seven-year plan in getting to balance in '21-'22 and calling that into question based on not getting your expenditures reduced to where they needed to be, over expenditures in the budget programs.

If you look at the 2016 budget, 2017 budget and 2018, all of those had increased expenditures from the prior years when you look at the totality of those budgets. So it's an interesting commentary on getting our fiscal house in order.

In 2016, a different Finance Minister brought down that budget, but there was much discussion again about a two-phased approach dealing with taxation and the economic challenges we face. One was that early on in the budget process it would deal with the revenue side of the ledger. In that we saw, as I said, 300 taxes increased and 50 more added. One of those was a rollback of people who didn't have to pay the 15 per cent retail sales tax on their insurance. That was put back on. That was one part of those new taxes that were added.

So in that process – early on in the budget process it was that it was a revenue generator and we're going to deal later in the year, in that fiscal year with expenditures, getting

expenditures under control and matching up that balance sheet. At the time the minister said Cabinet – and all the folks over there went through every department line by line. Line by line they went through and they looked at everything they needed to do, but we never did get to the expenditures. There was supposed to be one in the late fall of 2016 and we were going to look at it later in the fall, again rolling into the next budget year but we never did see it.

So that's probably why, when you look at the audited financial statements that were released just a little while ago, targets have not been met. Whether it's a reduction in expenditures, or whether it's the expenditures themselves, the targets have been missed. That factors into the whole seven-year plan and the commentary, as I said, from the AG and others of the likelihood and probability of meeting that based on the actions we're taking.

This bill speaks to a one-off in regard to the actions that were taken then in 2016 and maintained in 2017, and in 2018 spoke to phasing this out; not phasing it out completely, but basically going from 15 to 10 per cent. This culminates with all those other, I guess taxes and fees we've talked about, and the increase and striking that balance to consumers and with families, with seniors, people who want to move here.

The minister mentioned some of the indicators. Well, actually some of the indicators we look at are the most serious that we've seen over the past year and months is out-migration. In many cases, those people who are leaving the province are really – in many cases are young families or single people at a younger age who, at some point, would want to stay here, we would hope, raise a family and contribute, work, raise their family here and increase the population. Unfortunately, initiatives like this, and some of that balance I talked about when it goes too much the other way, is a disincentive.

Those young families, where they haven't put down roots – maybe they haven't formed a partnership or married or had kids yet, when they're looking for opportunities to go to post-secondary or to look at finding employment, all of it factors into if an opportunity exists somewhere else. What's the environment here

like? Can I be competitive here as a place I want to raise my family? Can I, from that perspective – taxation, all of those areas – is that going to allow me to have a standard of living that I've always desired to have? Certainly, based on their education as well, can they meet that employment part? So that's why fiscal policy, like this taxation policy, is so important.

Now, as well, this government has mentioned they're doing a review of taxation in this province. That was one of the things they announced some time ago but we haven't seen that yet. I think that was early in the mandate that was talked about. They were going to do a taxation review to look at the overall taxation structure.

Now, you would think that would factor in to all of this because we went through, as I said, the first budget in 2016 and increased all these taxes, added some new ones. Then we continued it on in 2017, and pretty well in 2018 with some minor adjustments. So if you're going to tax review you think you'd do that and look at the competitive nature of our taxation environment, whether it's personal income tax, business tax, corporate tax. All of those things and how that puts us in stead in regard to jurisdictions, in regard to being competitive. Certainly, corporate investment from all over the world is important.

Over the last 15 years we've seen tremendous investment in industries in Newfoundland and Labrador. I think one year it reached \$8 billion in regard to overall capital investment cost. No doubt, that was related to the significant megaprojects we had and infrastructure, but from that flows a whole array of activities as well, whether it's the oil and gas sector in regard to supply companies and expertise in driving that expertise and driving small business. So you can export that knowledge and knowhow all over the world.

Even corporate taxation, the business environment, all that is extremely important. It intertwines with things like we're talking about here today and how that creates the environment where we want to make sure people want to live, work and continue to grow our province. Because related to taxation, we all know what our demographics are like in regard to our aging population. It is probably one of the fastest aging

populations in the country, and what that means in regard to people retire and come out of the workforce, who's paying taxes, how much taxes are being paid, and how do you support a society with those demographics.

As we know, indicators are for health care, as you move down that continuum of 65, 70, 75 years of age, we live longer, but as well the amount that's spent on health care per individual as that aging process moves along, increases. So if you've got a population that's far more on that end of the demographic scale in regard to age and access to health care, all that ties back to taxation and that balance, and how we can support that.

We need a growing economy and we need people here that have kids and raise families, but we also need to attract people, whether it's through our immigration strategy, through people from other parts of the world, or certainly from other jurisdictions. And all that collectively brings taxpayers, bring people who contribute, brings volunteers for our various regions in our province and in all of our districts that drive our economies, that drive our communities, drive our regions, drives our cities, drives our towns, and allow people to want to live and grow.

So that's all encompassing. That's why when we talk about a one-off bill of Bill 9 to amend the *Revenue Administration Act*, that's one cog in the wheel of fiscal management, taxation, that needs to be put in the context of overall ability of people to want to live, stay here, have expenditures, and be able to meet the requirements of what's required just in terms of daily living.

I know all the time I speak to people – I'm sure all of us do – in terms of people in our district, young families raising kids, of all the various activities, various sporting activities, music, theatre, all kinds of things they're involved with that requires cost for them. On the federal side there used to be a tax credit at one point for kids that were involved in athletics or theatre, and parents would get somewhat a return on that when they filed their taxation. That was wiped out by the federal government and now that's no longer there.

Again, that's taking it away. This here as well, when you put a 15 per cent tax on insurance, something as fundamental as that, certainly middle-class families – I know myself I have a son and daughter who both started driving a few years back and, you know, to ensure them that's taxation that's paid as well, it's extra dollars to pay by both middle-class families, and certainly for seniors as well, for their challenges in coming up with those dollars often on a fixed income. So it'll limit somewhat their activities, and all our activities in what we can do in the ability to overall function in a society and contribute.

I did mention choices earlier and how you manage your way through particular situations. What we've seen this year in regard to the projected cost of a barrel of oil and where it's to today, I mean I think this administration is going to see that we may get anywhere close to reducing what was predicted as an annual deficit. Not to anything this particular government has done, but to the fact that on the worldwide market when you look at a barrel of oil, what it was predicted to be and what it it's going to come in as it's just – and you look at the exchange rate as well, which has been favourable, you could be looking at anywhere from \$300 million to \$400 million coming in to the Treasury.

Not any public policy direction taken by the current administration, but just because, as I said, the world market and what transpired in regard to oil reserves, production of various countries and entities around the world. So that allows some decisions to be made as well in regard to this type of taxation and that balance again of taking it away and putting money in people's pocket and the ability to cover it off in other places.

There were also initiatives taken which haven't been met in this overall fiscal management. I think originally there were 30 per cent reductions wanted in agencies, boards and commissions as part of the seven-year fiscal plan of this current administration. We haven't come close to meeting that, by information that's been supplied or questions asked here by the minister, which again is a choice.

If that was done, then there are other choices you could make in regard to taxation and how much you tax. A fundamental part of the Canadian federation is equalization, which we've seen in the past couple of years in the form now that was rolled over without much commentary from this particular jurisdiction to 2024, I think it is, and leaves us with no better off than what we had. The fundamental principle of that is reasonable means of services provided to Canadians at reasonable level of taxation. So we're not able to avail of that pot or avail of it on a reasonable level, and you find yourself in a situation where you need to generate greater revenue to pay for expenses or pay for services you have to dip into taxation.

If we had been more active in speaking out on equalization, looking at other jurisdictions and what's in the overall pot – I think this year in Canada it's somewhere around \$19 billion – 18 and change, I think – and when you look at various jurisdictions, it's ironic that the parliamentary officer in Ottawa did a report a little while ago and talked about Nova Scotia and a couple of jurisdictions and how they were well balanced and well positioned for the future. But ironically, those same jurisdictions who got that assessment, they were getting \$1.8 billion or \$1.6 billion in equalization they could put right in through the budgetary process, didn't have to raise taxes to the extreme that we have here in this province and made their financial picture and their budget process for that particular year and future years certainly somewhat significant and somewhat – or not somewhat, but extremely much better in terms of their overall operations.

So, that's the key component that we haven't heard much here provincially from the government side or on a federal level. As I said now that's rolled over again, so that's not an option that can be pursued in regard to the overall fiscal management plan of this, which is a seven-year plan. I mentioned earlier there has been commentary from the Auditor General, certainly some with the bond rating agencies based on the track record of this administration of what they projected and their expenditures and what that's left them with and whether it's even conceivable or even possible that we could get to where it's been demonstrated in '21, '22 in regard to balancing or even getting close to a surplus.

One of the things that always bodes well is the many resources we have and the resourceful people we have. The oil and gas sector has ebbs and flows, but there is huge reserves off our coast, the Island and Labrador. Certainly our mining sector has done well, continues – iron ore in Labrador and other deposits, our gold mining in parts of the province does bode well and gives us opportunity to manage some of these things through.

Some of the reserves in oil and gas off our shore – we don't do anything with natural gas yet. It is something I think we need to look at as we move forward. I think our Leader of the Official Opposition has talked recently about a Pan-Atlantic strategy to deal with taking carbon out of the production as the federal government has indicated needed to be brought out as a means of generating energy by the mid-20s.

So there are options there, but we need to certainly dig into those, grasp them and get an understanding of how we can best drive our economy. It's all intertwined in our taxation plan and in bills like this, Bill 9. So it's important that we take that long-term look.

Unfortunately we haven't seen it from this administration, to any great degree, but we're debating Bill 9 today to look at this. I think we need to lessen the tax burden on the people of Newfoundland and Labrador because we need people to live and stay here and we need an inviting place to move. With that, we can drive an economy and we do have the resources and that ebbs and flows with various industries. We do have a future and, based on all the resources we have, it can be bright, but we need that strong leadership and direction to get us there.

So, Mr. Speaker, thanks for the opportunity to speak to Bill 9 and I certainly look forward to debate.

Thank you.

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

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

It's a pleasure for me today to stand in my place and to have a few words on Bill 9, which is, An

Act to Amend the Revenue Administration Act No. 2.

Mr. Speaker, I listened to the Minister of Finance and President of Treasury Board give his remarks and I also listened to the Opposition House Leader give his remarks on this bill. I just wanted to add a few things.

Of course, first of all, I want to say this is another indication that we are doing – we being the present administration – what we said we would do when we introduced that terrible budget in 2016, and nobody is going to argue that that wasn't a terrible budget. We certainly know that as well as anybody does, but we did say at the time, as our financial situation improved we would do things that would lessen the burden on the taxpayers of Newfoundland and Labrador, and today is just another example of us doing that.

Mr. Speaker, we heard it loud and clear that the tax on automobile insurance needs to be reduced. Hopefully, if things continue to improve, we can go even further with that and probably remove it altogether, but that remains to be seen. This is a good first step, removing 5 per cent of the 15 that currently we have on automobile insurance. This is a great first move.

Mr. Speaker, we all know – and it was mentioned by the Opposition Houser Leader – the ebbs and flows of revenue in the oil and gas sector and mining and all that could stuff, yes, and that will continue. The fact is when we get the flows we tend make moves that are certainly beneficial to all the taxpayers, but one thing we failed to do, and that's plan for the ebbs. That's what has happened here, Mr. Speaker.

I can write a book on ebbs and flows in Labrador West with the mining industry, because if you don't – and the boom times everybody is looking for, all the benefit from it, and rightly so, but, Mr. Speaker, we have to manage those expectations. We have to manage and prepare for the future because we know those booms don't last forever. That's what's happened in this case and that's what happened in 2015.

When we took over government we found ourselves in the situation we were in. We

introduced many taxes that we didn't want to introduce but we had to in order to maintain our fiscal situation within the province. The minister mentioned a couple. Like the gas tax for instance, that's down now to four cents. The book tax, which was implemented, that's been removed.

So, Mr. Speaker, we are making moves and we are doing what we said we would do. On January 1, 2019, we'll see the first reduction in the automobile insurance tax, which will continue for the next three to four years. As the minister said, if the situation improves we can probably see further reductions.

Mr. Speaker, what this government has been focused on since we took office, we've focused on two things: basically to reduce our expenditures, but we have to also find ways to increase our revenues. Unless we increase our revenues, then we would not be able to continue to provide the services that we do to the citizens of our province. And we are improving our revenue streams, and the industry is improving its revenue streams.

The Opposition House Leader mentioned a couple of things. Mining, for instance; when we took office mining was in doldrums. Iron ore – and I'll use iron ore because that's what I'm familiar with. Iron ore was \$40 a ton. Today, Mr. Speaker, that same ton of iron ore is now \$78. So, yes, the industry is improving, and as the industry improves we see production improve. We see mines reopening and we see new mines that are on the verge of looking for their capital to reopen.

I know, Mr. Speaker, you're quite familiar with the gold mining, and it's no different. No matter what the metal is or what the type of metal is, it's the same story. We all have our ups and downs.

We see the improvement, Mr. Speaker, in aquaculture. The big announcement on the Burin Peninsula that will improve revenue streams for not only the Burin Peninsula, but for the whole province. You know, when you talk about putting things forward in this House, there are still people in this House who do not agree with that project, but that will provide jobs and provide revenue for this province.

The oil and gas sector, Mr. Speaker, the *Advance 2030*, it's real. It's not a fantasy story, it's real, and things are happening within that to prove that it's real.

Agriculture; again, we see the Member for Mount Pearl North talk about agriculture. It is improving. Revenues are improving and we are seeing more farmers than we ever did.

So, Mr. Speaker, we are doing great things for this province, and all those things will help improve our revenue streams and we'll be able maybe next year go to 10 per cent reduction on the automobile insurance. I hope we do; but, Mr. Speaker, we are committed today to 5 per cent –

**MR. OSBORNE:** Minimum.

**MR. LETTO:** Minimum of 5 per cent.

So, Mr. Speaker, we are putting our money where our mouth is and we are making moves. Next year we'll see the levy be reduced and taken away.

So, Mr. Speaker, yes, we did take over an awful mess, and we introduced some hard measures in 2016 but we are making progress.

The IT sector, we've only scratched the surface of the IT sector as proof. Well, anyway, we are improving the IT sector, Mr. Speaker, and there's more to come. Like I said, we've only barely scratched the surface of that one.

The Opposition House Leader mentioned something about a balanced approach. And, you know what, I totally agree because that's what it's all about.

Mr. Speaker, at the time when we saw our revenues down and we had to take those measures, we were able to maintain some of the highest investment ever in municipal infrastructure, for instance, in roads in this province. We've seen record investment. So we've been able, despite the challenges we've had in our economy, we've been able to maintain good services. We've improved in many cases and we will continue to do that.

Mr. Speaker, I'd be the first one to stand here today and say we didn't do it alone. Absolutely

not, absolutely not. Because we have great cooperation with our federal government that's been allowed to provide funds that we've been able to partner with to provide the services that is much needed in this province.

Mr. Speaker, we talk about attracting business, and everybody – again, the Opposition House Leader mentioned about attracting business. Mr. Speaker, we are attracting business. There are new people coming to our province, especially in the oil and gas sector, in the IT sector and, yes, Mr. Speaker, in the new industry of cannabis.

Now, as in anything, people tend to forget. You listen to people talk about we're out of product and it's only happening in Newfoundland and Labrador. That's not true, Mr. Speaker. It's happening right across the country. This was the biggest policy shift in Canadian history. The biggest policy shift in Canadian history when we legalized cannabis, and I guess it's hard to determine – when you're going into a new industry, it's hard to predict what that industry will look like the first day, the second day, the first week, the second week.

Mr. Speaker, yes, we've had our challenges, and the industry has had its challenges, but we will improve. It will get to a point where there will be a steady supply right across the country, not only in Newfoundland and Labrador. So that's an industry that we have to benefit from, that we will benefit from. It has its growing pains, like any other industry that's new.

As I said, cannabis legalization is the biggest policy shift in Canadian history. We can argue maybe history will not be kind to us that we weren't prepared for this shift, and maybe they're right, but we don't throw out the baby with the bathwater. We work with industry to ensure that we do have a continuous supply and the people of our province will be able to have access when they need to.

So, Mr. Speaker, this bill is much more than the 5 per cent coming off automobile insurance. This is an indication, this is a sign of things to come that we are going to put money back into the pockets of Newfoundlanders and Labradorians as soon as our fiscal situation allows us to do that. And we've proven that.

We've proven that in the last two years. We've proven it with the gas tax, we've proven it with the book tax, we've proven it with the levy and we'll continue to work with our people, to work with industry, to work with business to be able to be in a position that we can continue to reduce the tax burden on our citizens.

Mr. Speaker, again, we have to make sure that when we do these things that we're looking to the future, that we do it with a balanced approach and that we don't put ourselves in a situation where next year or the year or the year after that we'll have to put it back on.

We have to make sure it's sustainable, and that's the key to all of this. That's what we've failed to do in the past. We've done things in the past that weren't sustainable. We weren't prepared for the downturns. We spent like drunken sailors, Mr. Speaker – we spent like drunken sailors. But we have to be in a position where we can start giving back to the people when we can fiscally afford to do so, and that's exactly what we're doing as the government. That's why we're here today debating another benefit for the people of this province. Because automobile insurance is just one example of what has happened and what will happen in the future.

So, Mr. Speaker, it's good news when you can stand in your place today and talk about tax reduction starting in January 1, 2019. But, as I said, we can't do something today that we'll have to reverse again tomorrow, and that's where we are. That's why we're taking the balanced approach. That's why it's only 2 per cent in 2019, 1 per cent in 2020, 1 per cent in 2021 and 1 per cent in 2022. As I said, and as the Minister of Finance said, if our fiscal situation allows us to do better than that, then we will, Mr. Speaker.

So, on that note, I will take my place and be very pleased to support Bill 9 as it goes through the House of Assembly.

Thank you, Mr. Speaker.

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

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

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

I just want to stand to have a few words on this bill because I was a part of it back when it came in, Mr. Speaker, and I definitely do not want to try to shy away from it, that I was a part of it. I agree with what the Member for Lab West said. I heard the Member for Ferryland, Mr. Speaker, and there are a few comments I'd like to make about what he was saying also.

There's absolutely no doubt that in 2015 it was a tough budget; 2016, it was a tough budget – absolutely no doubt. I know I was there – I'm going back probably now two or three months ago, probably four months ago, when I was doing an announcement of the Small Communities Fund. MP Ken McDonald got up, had a few words.

I just want the people of the province to hear what MP Ken McDonald said at the time, Mr. Speaker. He said when he first got in as the MP – and he went up in 2015, late 2015 – he had a briefing. The briefing was on the funding for capital works programs for Newfoundland and Labrador. It's striking what he said. I knew it and I'd been saying it, but Ken McDonald stated this publicly to the media. In 2015 when he got the briefing, the only province in Canada that never spent one cent of over \$300 million that was there was Newfoundland and Labrador.

Do you know why? Because we never had one penny to put towards the funding to leverage the \$300 million dollars; that's the financial state this province was in, Mr. Speaker. That's the financial state – and I know the Member for Ferryland was just up there talking about all these things that we should have done, we could have done. Mr. Speaker, I said it before and I'll say it again: There was a \$34.6 million Small Communities Fund sitting on his desk that he never signed because we never had a cent to go towards it.

I have no problem with him saying that I was a part of that budget, Mr. Speaker. I have to say that through the province and the way we worked through things, and the way we managed the finances, we did make some tough decisions, Mr. Speaker, and I went out publicly and I said yeah, we had to do it.

Mr. Speaker, do you know at the time in 2015 when we started the budget in 2016, the deficit was up to \$2.7 billion – \$2.7 billion? I just want to let the people of the province know. If you want to talk about dishonesty in government, the easiest thing for this government opposite, easiest thing for the Liberal government to do today if they wanted to balance the books next year, do you know what they got to do? Put it in their budget that oil is going to be \$95 and they'll say oh, we got a balanced budget because here's what we're projecting, with absolutely no truth or fact to it.

What the PC government did at the time, Mr. Speaker, in 2015 – I just want people to know this because I don't back away from what happened in 2015. In 2015 for the 2016 fiscal year, they had oil at \$83 a barrel. I don't know if it went past \$55. That's what we were faced with. I hear Members opposite talking about capital works, oh, you know, we can't get enough funding; there's not enough funding.

What do you expect –?

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

**MR. JOYCE:** I say to the Member for St. John's North: We're not on the same side; no, Sir, I would never let Muskrat Falls go through and ruin the Province of Newfoundland and Labrador. I'm not on your side. There's not a chance I would ever stand up and let Muskrat Falls go through and some people would say that we didn't know the difference. We were all hoodwinked into it. I'm not with that Tory Party, Mr. Speaker.

Remember one thing, I was a Liberal; I'll die a Liberal, Mr. Speaker. I will die with the people of Newfoundland and Labrador. I will not put them in that financial burden, so don't ever say the Member for St. John's North –

**AN HON. MEMBER:** No, Mount Pearl North.

**MR. JOYCE:** – Mount Pearl North that I'm on your side now because I'm over here, not a chance. It will not happen because the people are going to have enough, Mr. Speaker, I can assure you that.

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



**MR. JOYCE:** So, Mr. Speaker, I thought heckling was supposed to stop here. I thought heckling was suppose to stop but I guess not when the truth kind of hits home.

I got to say to the new Leader of the PC Party: I know when you were running – and I understand politics, Sir – I hope you’re going to stand in this place, with all these constituencies down – I never tried to hide a thing. I know your politics and I know it’s politics; but, Sir, I hope someday you’ll stand up and say that you did it for politics and not making accusations that I was trying to hide something, hide the reports. It’s just not true. It’s not true.

I’m a firm believer, let’s speak the facts – whatever the facts are because I do have a family, I do have friends and when it’s put out there, Sir, that I’m hiding the report, it’s just basically not true.

So I just ask that someday that you confirm that that was just rhetoric during politics, and I accept that, but it just never happened. I say to the Leader of the Opposition, it just never happened.

So, Mr. Speaker, I’ll just get back to – just talking about the capital works programs, how we leveraged the federal money and now the towns and municipalities are very happy with it.

The Minister of Transportation and Works, Mr. Speaker, I got a few words about him. This is something that I’ve seen for years when we were in Opposition, that we tried to fight for ourselves. When you get through some kind of a political election or close to election, what you do is you go to each district and say, okay, let’s put a kilometre here, let’s put a kilometre over here so everybody – let’s get a few votes.

What the minister did, and the former minister did, Mr. Speaker, is they said let’s do it right. Let’s go on priority, let’s go on priority. Because we’re on priority instead of just going off for political reasons, we did what was necessary and we did what they call the bucking; you know, a lot of the costs that come mobilization, demobilization.

When you do bucking, instead of doing a thousand yards you do a spot; six, seven, eight

miles which is the necessity. Mr. Speaker, because of that in the last couple of years, and I’m proud I was a part of it – the last couple of years they got over 33 per cent more pavement done than previously with the same amount of money. So that’s the kind of things.

There is something I’m going to speak about that I spoke about, and it’s a bit close to my heart, Mr. Speaker, is the hospital in Corner Brook and the long-term care facility. That was promised back in 2007. There are probably about eight, 10 commitments made there. I know the Members opposite here, the PC Party, I’d say they ran about two or three elections on it. I know in 2011 the tractors were up there rolling around, Sir, moving the dirt from one side to the other with absolutely nothing done.

I remember coming in the House, it was Tom Hedderson who was the minister of Transportation and Works, and I asked him about the design. Tom Hedderson, I got to give him credit, he spoke up and said, I’ll be honest with you, he said, there wasn’t even a pre-design done. And here was the big announcement out in Corner Brook with the election, 2011, tractors moving dirt from one side to the other.

Mr. Speaker, I know there was a staffer that helped a lot, too, when we were in Opposition, and I pushed for the hospital in Corner Brook. I know the Member for Corner Brook, he was an MP at the time, he was behind us, too. He helped us all, too. And I know the Premier was committed to it also.

But guess what? There was no rhetoric. Once we got in, Mr. Speaker, we sat down and we rolled up our sleeves and we said we made this commitment, let’s find a way to make it work. If anybody ever went around that site now and looked at the long-term care, you see what an improvement. It’s on track to be finished and open probably next year.

I can tell you, when you get 130 seniors that are going to move in that now, at the end of their life and have their dignity, that is why when we took over we made commitments that we lived through, even with the financial strain we had. It is great for the people of Corner Brook, Western Newfoundland, great for the seniors.

The Waterford Hospital is another one. The Premier made that a priority, Mr. Speaker, and this government – the government opposite made that a priority. Guess what? That's going to be done; that's going to be done. And I have to say, that's a great initiative.

So when you stand up and say, yes, it was financial times for the government – and I was a part of it. The hospital in Corner Brook, and I know I spoke about this on many occasions and I'll continue to speak about it, because I can tell you, when we're all moved on from this hon. House, when we all move –

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

I must remind the Member to stay relevant to the bill. We are talking about the *Revenue Administration Act* with regard to the tax on insurance. So I'd ask the Member to stay relevant.

Thank you.

**MR. JOYCE:** (Inaudible) with the revenue tax, if we didn't do what we did back in 2015 for this tax, we wouldn't be able to do the things we're doing now. That's why it's relevant. We would not have the funds to put towards it. So that's why it's relevant, Mr. Speaker. I understand and I respect your opinion, but that's why it's relevant. The decisions we made then for the seniors and the people of this province, that's why we had to do it, and that's the relevancy toward it.

Mr. Speaker, the biggest part of all that was some of the money we had to put through was for the radiation in Corner Brook. We would never ever get a lot if we never started and moved on ahead throughout and budgeted out for a number of years and having the forecast say, yes, not only can we put it there, but we're going to be able to sustain it and it's going to be more efficient. That's the key.

So when you see people coming across from Western Newfoundland for cancer treatment, for radiation, and now they can stay home – hopefully, in 2023, they can stay home – well, that's going to be a proud day for me. That's going to be a proud day.

So, Mr. Speaker, I just want to say that at the time we all did understand that the 2016 budget was a tough budget but we had to do it.

I look on the West Coast and I look at the Member for Corner Brook, when the Crown lands opened up in agriculture – and I'm not going to get in any debate of what we're doing right or wrong, but when you open up 67,000 hectares of Crown land, that's going to open up new entrants into farming. Where is that going to help? Where is that going to help? Rural Newfoundland and Labrador.

That's the kind of initiative – it's going to take a while. It's not going to happen overnight to get land and grow up the land, clear the land, plant the land and get vegetables. It's going to take a while. It is going to take a while, but the initiative – you have to start somewhere.

Any time you're going to start a tree, you have to start from a seed. The seed is release the 67,000 hectares. Let the people in the industry say here's the best way to disperse this land, here's what we need to ensure that we can use this land. Mr. Speaker, that government – I know, personally, people who took advantage of some of the initiatives that were put in.

So, Mr. Speaker, I'm going to sit down for a minute. I'll sit down now, Mr. Speaker, on the last minute. I said back then, back when this budget came out, I apologized to the people of Newfoundland and Labrador as a part of government that we had to do what we had to do. I said then, that as the fiscal state of the province improves a lot of those taxes will be decreased.

Mr. Speaker, I'm proud – I had no part of this here. I wasn't there at the time, but I'm proud the government has started to fulfill its commitment. They had fulfilled many commitments, but this is another one that the government has fulfilled and is going to continue to fulfill.

I'm proud to say, Mr. Speaker, when I was a part of it we made a commitment to the province, as we improve we'll improve your lot in life. I'm just proud that the Members opposite have followed through on that, Mr. Speaker, because when I speak, I was speaking on behalf of the

government. Now they're speaking on behalf of the government themselves and they followed through on the commitments.

So I say thank you very much.

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

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

Before I recognize the next speaker, I need to clarify the fact that this is not a money bill. This is An Act To Amend The Revenue Administration Act No. 2. It's not classified as a money bill, and I remind all hon. Members. I did allow leeway but I'd like to ask Members to stay focused on the bill at hand.

Thank you.

The hon. the Member for Virginia Waters - Pleasantville.

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

**MR. B. DAVIS:** Thank you, Mr. Speaker.

I'm pleased to stand here today to speak in favour of Bill 9. I'm happy that we are reducing, as a government, the vehicle insurance tax by 5 per cent starting January 1.

No one – as eloquently mentioned by others – was happy with what we had to do in 2016 with respect to the financial situation of where we were, but I'm so pleased we're moving to correct that direction.

One of the things the Minister of Finance said that I'm truly happy about is that this is only the start and a minimal as he said. As funds allow, we will do more like we've done on every other initiative that we've tried to fix – their mistakes, we've tried to fix over time.

In my position as parliamentary secretary for Service NL, I'd just like to highlight some of the things we've done as a department that have made significant improvements to the *Highway Traffic Act* and improved road safety in our province, which in turn helps alleviate some of those costs associated with the high cost of insurance.

Strengthening the legislation with respect to impaired driving was one of the things we pushed for within this government and it's an important piece that's going to help with reducing the costs associated with administration of the insurance.

Amendments required for novice drivers under the age of 22 and commercial drivers to maintain zero-blood alcohol levels and content, which is important – these changes will help lower insurance rates which will, in turn, make it more affordable for individuals to pay for those high insurance premiums that they're paying in our province. The already strong legislation that we have in place, we're making that even stronger with respect to impaired driving, both from the drug perspective but also the alcohol perspective.

Changing driver tendencies, which is an important piece that we're working on, and changing habits are a long-term solution that will help make our roadways safe and, in turn, reduce the high burden of insurance costs on the people of this province and, in turn, reducing the taxation that we're paying because if the insurance rates are lower, you pay less taxes for sure.

Strengthening these provisions for excessive speeding, street racing, stunting and those things, Move Over provisions, Bill 27, which is very important for lowering those costs associated with insurance.

Changing mindset takes a lot of time and it's not easy, and we're trying to do it piecemeal, attacking pieces of legislation that make sense to change. That's what we're doing from our department standpoint and we're pleased where we've come. Have we got a large portion to go? Yes, we do, but we are happy with what we've done so far.

With respect to the insurance review that's occurring right now, with respect to the Public Utilities Board and them looking at how we can contain the rising cost of insurance rates – Newfoundland and Labrador has some of the highest automobile insurance rates in Atlantic Canada; we all know this. That's why we've reached out to the Public Utilities Board with the terms of reference, as the Member for Bay of

Islands did allude to earlier, that we created terms of reference for the Public Utilities Board to conduct consultations and conduct two independent close-case studies that will allow us to get a clearer picture of why the rising automobile insurance are happening and how we can focus on trying to reduce those. We've also asked them to do a separate study with respect to taxi operators.

In addition, our own department has started its own consultations, including things that are outside the terms of reference for this Public Utilities Board review and looking at the rate-setting process itself. Those are things that we've done in our department to try to reduce those costs and maintain a lower level of insurance in this province.

The Public Utilities Board has received written submissions that were closed on October 12. A number of these submissions have come forward. So many, in fact, they had to let us know that there were a significant number of them come forward and we're awaiting this report. When this report comes back, it will be tabled here in the House of Assembly and we're hoping to have new legislation coming to the House of Assembly to help alleviate some of those costs of those rising insurance premiums that we have facing here in our province.

I've also had numerous meetings with the taxi operators. These individuals do fantastic work within our province, and in particular in our city here. I understand fully the pressures that are facing them and this industry, and that's why we've asked the Public Utilities Board to look at them specifically.

We've looked at significant numbers of drivers of the taxi cabs that are not listed on the policy as ways to improve. We've done training sessions – or funded training opportunities through the Department of Advanced Education, Skills and Labour for the taxi association to develop human resource plans to allow the industry to become better, and to allow them to reduce those costs. Because, at the end of the day, the insurance regulations and the insurance costs that are happening are a direct reflection of the number of accidents that we're having on our roadways. Anything we can do to mitigate those accidents, we can bring those insurance

rates down and, in turn, over time, reduce that cost to the ratepayers for those insurances.

Changing how the claims are handled, without major changes to the product, will assist reducing lower costs – so we we're looking at all these ways to change products and the difference in how we can lower those and make it more streamline to allow us to get a better bang for your insurance buck in this province.

So, those are some of the things we've done through the department that are going to help alleviate some of the costs associated with the insurance costs in our province.

Mr. Speaker, I won't speak for too much longer. I just wanted to say, in conclusion, I'm very supportive of where we're taking the approach of trying to reduce these costs and looking at it from an objective, balanced approach, as my colleague from Labrador West mentioned earlier.

We have to take that balanced approach. If we were flush with money here like the previous administration was, maybe we'd be able to move a little quicker, but that's not the case on this side. I don't think it should ever be the case. If there was a windfall in money that comes into this province tomorrow, I would think that we'd still take the balanced approach for the long-term sustainability in our province.

I think that's one of the biggest regrets that I have for the previous administration's work. It's not that they didn't do some good things because they did, at the end of the day; but, my biggest regret is that they never planned for the days of which there was going to be, as my colleague said, the ebb in the water.

So, from my perspective, I think it's important that you plan for those, and that's why I think it's so important that our Minister of Finance stood on his feet today and brought forward this bill. I'm so happy to support it. More importantly, I'm happy that he's got an open mind to look at ways we can increase that number, if the funds allow. As our financial position improves, I know people on this side of the House are going to do everything they can to reduce those costs associated with the insurance and taxes that have been instituted. So anything

we can do, we're going to do it. With that, I'm very pleased to support Bill 9.

Thank you very much.

**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 get the opportunity to speak to Bill 9, which is an amendment to the *Revenue Administration Act*. I find it very interesting to hear the government side of the House promote this as a good-news thing. Well, the good news is they're starting to undo some of the damage they did in 2016. And, of course, they're smart enough now to say, oh, we know it was a bad budget and then they go on and explain why they had to do it.

I find it all extremely interesting. Especially when I hear my colleague from Labrador West talking about ebbs and flows and we all have ups and downs in our life. And government has to deal with the ebbs and flows of revenue from the oil industry in particular or from the mining industry, the resource sector from which we get revenue. But what doesn't seem to resonate in the minds of my colleagues on the other side of the House is that when you're a person on a fixed income, there are no ebbs and flows in your life.

If you're a person who's retired, if you're a person who has a fairly low income, there are no ebbs and flows; there aren't times when there's lots of money and times when there's less money. So when a government, like they did in 2016, brings in the kind of tax burdens that they brought in to the people of this province, then they should be doing more than just apologizing here today. They should be getting rid of the whole 15 per cent of the tax that they put on people on the backs of people in 2016.

Can you imagine a retired person who needs a car – no matter where they are, there are very few places in this province now where you don't need a car because we don't have a good public transportation system province-wide – that a person on a fixed income all of a sudden having that increase laid on them? Having to have a car,

having to have insurance and having that laid on their shoulders, Mr. Speaker, it was totally unacceptable.

So to hear the Minister of Finance now, and to hear, especially, the Member for Labrador West talk about how much they care and they wish they could reduce it more, they wish they could take all 15 per cent off, not just 5 per cent, I find very disingenuous, especially when this government is finding other ways in which to let corporations benefit.

For example, they can't possibly take this whole 15 per cent off but they can give a \$40 million taxation break to Canopy Growth. So what's that all about? I know what they'll say. They'll say: oh, it's jobs, jobs, jobs and Canopy Growth is going to produce jobs.

Well, number one, it's a precious few jobs they're going to be producing; and, number two, this is a huge corporation. If it can't afford to come to Newfoundland and Labrador and operate here without such a tax break from this government, and they keep insisting it's not money – it is money. It's money that isn't coming into this government. And here they are, they can't help the people of this province on whom they laid that burden in 2016. They can't help them right off the bat right away, but they can give that \$40 million tax break to Canopy Growth.

The same way with the whole thing of carbon pricing and the policy that came out last week. I found it, again, extremely interesting. I mentioned it at the time, very, very interesting that I don't see very many demands being made on the oil and gas industry, one of the emissions producers in this province. Yes, they've made a commitment. They have in the policy that they will slowly cut back on some emissions, but I don't see any demand for money from that industry; greater taxation, greater royalty, greater money to make up for what they are doing as carbon emitters in this province, Mr. Speaker.

So there are all kinds of ways in which money can be found from the corporate sector but this government is refusing to do that; yet, they say to the low-income person, the person on a fixed income: oh, we're really sorry but put up a little

bit longer with this taxation that was laid on you, an unfair tax.

I'm happy to have the opportunity to make these points here in this House, Mr. Speaker. When this government dares to talk about ebbs and flows, and we're so sorry we had to do this to you, let them put a face on the people they're talking to. Let them put a face on the person who's on a pension that isn't even enough for them to live on.

Let them put a face on the person who's making minimum wage, yet also needs to try to get around and has to try to have a car as well and holding down more than one job in order to be able to do that. Put a face on the people they're talking about when they're standing here in this House and making their casual comments: you know, we'd like to put money in people's pockets. This is putting money in people's pockets. Well, think about the money that has come out of those pockets over the last two years from people who don't have ebbs and flows in their financial lives.

Yes, I'm happy that they're doing this. I'm not going to say I'm voting against it because it's something they should do, but they should never have put the tax on in the first place. They should have looked at the other options for revenue they have here in this province, and to think that they're not only ignoring choices they could have made in the past but doing new things like the \$40 million tax break for Canopy Growth.

They just continue doing these things, thinking people don't see through it. Of course they see through it. People understand. The people who are on fixed income, the people who are on low income, people on minimum wage, they understand what's going on. They see what's going on.

The people who were looking forward to getting in to cannabis production, for example, they see what's going on as well. Favouritism is paid to a large corporation based in Ontario here in this country; yet, not giving real support to people who would produce cannabis here, creating jobs and increasing our business sector in this province, not making Canopy Growth bigger than it already is.

So, yes, I obviously will vote for the bill, Mr. Speaker. I obviously want to see this tax not only reduced but eliminated. But at the same time, I do it reminding this government that they better start thinking about the people where they could be getting money from and really help the individuals in this province who do not have ebbs and flows and ups and downs in their income; who have fixed incomes, who have incomes whether they're fixed or not that aren't increasing.

We talk about minimum wage; well, people who are minimum wage and can't look forward to any more increases except that little cost of living they're getting every year now which is a few cents a paycheque. Think about those people when you talk about caring, when you talk about wanting to put money in people's pockets. Well, you're not putting very much money in people's pockets with this change, I'm telling you that. That would be one thing very interesting to have, what exactly it's going to cost the first year; how much money really is government going to be giving back to people as they go through this process.

So yes, I'll vote for the bill, Mr. Speaker. Obviously, we want this, but this government is going to have to show more that this little action to really get people to really believe they care about what's happening to them in their lives.

Thank you very much, Mr. Speaker.

**MR. SPEAKER (Reid):** The hon. the Leader of the Opposition.

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

I am delighted to make a common cause with the Member for St. John's East - Quidi Vidi in the desire to leave more money in the pockets of the people who own the money. Who should know better how to spend their money than the people who earn it – not better than the government?

In my campaign to obtain the leadership of the PC Party of Newfoundland and Labrador, I took a stand in favour of abolishing this government's insurance tax – to be clear, there's an insurance tax. There is also a 15 per cent sales tax on top of insurance premiums right across the board. Now, I understand, Mr. Speaker, that we're

dealing today with only that aspect of the sales tax on insurance premiums that applies to automobile insurance.

Be that as it may, it is the most inequitable portion of this government's taxation measure of placing a sales tax of 15 per cent on top of auto insurance premiums, and the reason for that is, of course, that auto insurance is mandatory. You are breaking the law if you drive a vehicle, as so many of us find to be a necessity, and you do not purchase auto insurance.

The burden falls most heavily on the younger generation. Those people who are in their teens and early 20s, as we well know, pay the highest amount in insurance premiums when they're insuring their vehicles. They have to do this or they can't drive. So, it's the people who can least afford the taxation who are being forced by this measure to pay the taxation.

Mr. Speaker, going to door to door in my District of Windsor Lake in the course of the recent by-election, I heard time and time and time again, as did my friends on this side of the House who supported me in that, how hated the insurance tax is; how hated, in particular, that portion of the insurance tax, the sales tax on top of auto insurance premiums.

It was given again and again at the doors of my constituency that it was driving people out of the province. Those who were still here told me, again and again, that they, too, were seriously thinking of leaving this province. The most frequently cited tax was the sales tax on insurance premiums when people talked about being driven out of this province.

So, Mr. Speaker, at this point I would like to take the opportunity to give the Member for St. John's East – who unfortunately isn't here; might want to vote in favour of this, judging by her comments.

I'd like to propose the following amendment:

“Clause 1 of the Bill is amended by deleting the figures ‘13%,’ ‘12 %,’ ‘11 %’ and ‘10 %’ and substituting the figure ‘0 %.’”

“This amendment would amend Clause 1 of the Bill by replacing 13%, 12%, 11% and 10% with

0% as the rate of tax of the premium for the insurance.”

**MR. SPEAKER:** Is there a seconder for that?

**MR. CROSBIE:** Seconded by the Member for Ferryland, Mr. Speaker.

**MR. SPEAKER:** Okay.

We'll recess to House to review that proposed amendment.

### Recess

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

The amendment is not in order at this point in the debate.

We'll resume. We're going to resume the date.

**MR. KING:** I'm still waiting for the –

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

**MR. KING:** Mr. Speaker, I know your eyes aren't that bad, you can't see the likes of me.

Thanks for giving me some time this afternoon to talk about Bill 9, An Act to Amend the Revenue Administration Act No. 2.

It's interesting how we got here today to see the proposed amendment, which didn't make much sense given the nature of how much it would cost to implement it. We've seen that from the previous PC administration where they had absolutely no responsibility for their actions with money. They spent it like drunken sailors. Given my background, maybe I'll use this term. I know a thing or two about drunken sailors but at least they spend their own money, Mr. Speaker. The previous PC administration, over a 12-year period, spent enormous amounts of taxpayers' money with little to nothing to show for it, putting us in the state we are in today.

Getting back to Budget 2016 where we had to put on the gas tax – it's a decision, not the gas tax. The tax on insurance. It's not something we wanted to do but when you face a \$2.7 billion deficit, Mr. Speaker, it's an action that you have

to take. It's either that or face bankruptcy. That is what we faced, Mr. Speaker.

**MR. DEAN:** Going the way of the Greeks.

**MR. KING:** Going the way of the Greeks, as my friend from Exploits said.

Mr. Speaker, when we took government, when Cabinet was sworn in, when the Premier was sworn in on December 14, 2015, the first meeting they had was with the Department of Finance who told them, two weeks before Christmas, they weren't going to make payroll. They weren't going to make payroll, just imagine that. That's what you face the first day on the job, Mr. Speaker, you're not going to be able to pay your people. So then you have to go out and get an emergency loan and cash in bonds. That's what we had to deal with.

In the budget of 2015, the PC government at the time said the deficit was only going to be – only – \$1.1 billion. We ended up facing a \$2.7 billion going into 2016. We had to make some tough decisions, and no one liked them. I remember my friend from Humber - Bay of Islands said the same thing. No one on this side liked the budget, but it was a necessary budget to get us back on track, and over the last two years, Mr. Speaker, we've done that.

We've worked hard to get our province back to a fiscal reality where this fiscal year we only face a \$683 million deficit. Now, that's still pretty high, Mr. Speaker, but given the fact we faced a \$2.7 billion deficit just two short years ago and able to get it down to that much without massive layoffs in the public sector, which would have crippled our economy, without cutting services across the board, we've been able to bring that down by attracting new investment, by smartly going through government and fixing areas where we could save money.

Mr. Speaker, the former PC government didn't do that; they didn't have the wherewithal to do that. Over a 10-year period they had \$25 billion – just let that sink in – \$25 billion of all revenues. What did that give us? Certainly, the roads in the District of Bonavista, it didn't go there. We invested in some of the worse roads the province has ever seen. Through our roads plan, we've seen infrastructure renewal slowly

but surely getting to the bad roads in our province. We're able to work with our federal counterparts.

Mr. Speaker, the Member for Humber - Bay of Islands said there was \$34 million left in the Small Communities Fund, Building Canada Fund. They wouldn't sign off on because they didn't have a cent of their own money to spend. The first thing we did was found money, signed it off so we could take advantage of that fund to improve our infrastructure here in Newfoundland and Labrador; crumbling infrastructure that hasn't been looked after since the '70s and '80s, aging infrastructure in every municipality, every road in the province, Mr. Speaker.

I've been very fortunate in my district to see major improvements. You look at Milton, for example, they went three years without a reliable water source and we were able to help them through the Clean Water and Wastewater Fund, partnered with the federal government and their local service district at the time – they're now a town, very happy about that. But the first time in three years we got them a reliable water source, and I hope very soon we'll see phase 2 of that project move forward.

We've seen investments along Route 235 in water and sewer and we're going to see more next year through the Small Communities Fund in partnership with our federal government and municipalities.

We maintained a 10 per cent cost-share, a 90-10 cost share with municipalities for things like water and sewer. That's what they've been asking for. And we've seen major improvements. My own home community in Trinity Bay North has seen new lift stations put in. You've seen water and sewer in Bonavista. You've seen paving going on around the district in municipalities, and you've seen it through our five-year Roads Plan, Mr. Speaker. The amount of money that we've spent per kilometre of road is amazing.

We had the Member for CBS last year say, well, I don't understand how you could get more paving for less money. Well, it's called having a plan, working with the construction industry. It's having contractors who know what to bid on



every year. It keeps costs lower so you're able to get more done. You do large chunks instead of a kilometre here, a kilometre there, which was done under the former PC administration, which was going out buying votes. Let's do a little section here to please some people, let's do a little section here to please some more people to try to win us some votes.

We've gone away from that. And because we've done that, Mr. Speaker, we've been able to do opportunity work on top of that. As tenders come in under budget we're able to look at the area in general and say, where can we do some more work? It's been amazing in my district. People are talking about now you can drive from the Trans-Canada Highway up to Bonavista on a decent road, on Route 230. You've seen the Elliston road finally done.

I believe I saw a post from the Leader of the Official Opposition last year: well, let's get this road done. Well, obviously, he hadn't looked in the five-year Roads Plan because if he did he would have seen that it was being done this year, and I'm happy to report it is done.

You've seen the road from Musgravetown to Bunyan's Cove completed, one of the major thoroughfares in the area. You've seen Route 230A from George's Brook to the Bonavista highway – badly needed for 15 years, but you couldn't get it done because you had the former MHA for Trinity North and the former MHA for Bonavista South didn't want to take recognition that it was their road. I mean, how foolish is that, Mr. Speaker, when you couldn't get two Members of the same party to get along over a road that benefited both districts? It's unbelievable. We had that done – it was committed to in the first year that we took over in power.

We have seen a new water tower in Bonavista, water work done in Bunyan's Cove, we have seen emergency funding sent out to communities such as Upper Amherst Cove, Cannings Cove to deal with crumbling infrastructure – crumbling infrastructure over 12 years that was largely ignored.

So, I always get a kick out of listening to the NDP because they're against everything. They are doom and gloom – doom and gloom. We're

against it for the sake of being against it. They're against the oil and gas industry. You just heard them now about the carbon tax. So they want to drive off investment and let that go by the wayside.

They're against jobs in aquaculture. Their leader was at a forum against aquaculture here in St. John's. She should probably go down to the Burin Peninsula and talk to the people that need those jobs. Today in the House of Assembly the Leader of the Opposition got up and said: Well, we should fill the job at The Rooms for someone out of the province; let's open it up nationally. So another job here in the province gone to someone outside.

They're against the cannabis industry. Of all things you'd think the NDP would be for is the cannabis industry. I mean, we've been very frank. We had to get supply here for October 17. We've been very successful, so successful with this that we've run out of supply. We have Canopy Growth who is operating out of here in Newfoundland and Labrador. You have a company that's looking at doing a cannabis operation in my hometown of Trinity Bay North.

So we're not closing the doors, as the NDP would say, on any competitors. We're opening the doors, we're welcoming in because the more competition there is, the more money it brings into the province and the more supply that there is. So this is how the NDP are against jobs for the sake of jobs.

Now, I want to get to the PC Party and their leader. He campaigned on honest government, lower taxes and balanced budgets. So, lowering taxes, we've done that since we implemented our budget in 2016. We've seen a cut in the gas tax, levies gone as of next year and book tax is gone; now we're lowering the automobile insurance taxes. But if you lower all those taxes like you would have, like the Leader of the Opposition would have us believe he's going to do, how do you pay for the services, the running of the province?

Now, he hasn't been very clear on that. That gets back to his second thing: honest government. So would the Leader of the Opposition be honest with the public of Newfoundland and Labrador and tell us how you're going to lower taxes

while keeping and maintaining services and keeping a strong public sector?

Because, Mr. Speaker, giving a \$683 million deficit that we have this year, if you want to balance your budget down to zero, you got to cut somethings. If you take away fair taxation, then how do you do it? So, what you do – and this is what the Leader of the Opposition won't tell people. He's going to cut jobs, mass layoffs – things that we negotiated against. We want a stable public service. The Minister of Finance has done a good job with that.

What else do you do? You get rid of the infrastructure funding which I just talked about. You cut services to health care and education. That's how you bring your budget down to zero, and that's what the Leader of the Opposition wants to do. It's unbelievable, Mr. Speaker. They haven't learned anything in the past three years since they've been out of government.

I support Bill 9 and I'm happy to see the automobile tax drop by 2 per cent this year, 1 per cent, 1 per cent, 1 per cent. As the Finance Minister said, if we're in a position to drop it even lower, he will do it, so it's great to see.

Thank you, Mr. Speaker, for giving me the opportunity to speak.

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

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

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

It's certainly a pleasure to have an opportunity and speak to Bill 9 for just a couple of moments. I'm not going to drag it out. I suppose you could take this as an opportunity to relive Budget 2016, but I don't really plan on doing that either, but certainly the 15 per cent on insurance tax was part of that. It was a big part of that. The concern I had at the time and was expressed by my constituents was they felt that the taxation was just too much too fast is what I heard.

The two big hitters from my district and my constituents' point of view were the levy and certainly the insurance tax. You know, while there may have been some measures in place to

protect low-income seniors – certainly not all seniors, but the very lowest end of the scale. When you look at the demographics in my particular district, my district really represents the working-class people, two-income households. People in my district were getting hit with double levies and getting nailed to the wall with the insurance tax.

As the Leader of the Official Opposition said, in his experience going door to door in his district, I would suggest that I would have the same opinions expressed to me by constituents in my district in Mount Pearl and certainly the South Lands area where people pay high insurance. They probably got a couple of vehicles or whatever, at least, because they got kids in university and stuff like that. They got two or three cars at home and they're paying high insurance as it is. That 15 per cent, in most cases, I would suggest that a lot of the people in my district were hit harder with the insurance than they even were with the levy. So it is, without doubt, a big issue for people in my district. They were very upset by it and that's why I couldn't support the budget at the time.

So to see that we are going to roll it back ever so slightly, but at least something is better than nothing, I suppose, obviously I'm going to be supporting this particular piece of legislation. We're going to roll it back 5 per cent over the next four years, I believe. I'm not sure that it's going to change the opinion of the people that I represent.

As a matter of fact, I'm pretty confident in saying that it's not. They'll take it, but they're still not satisfied with where we have gone. I'm sure that they're not going to be thrilled about this. As a matter of fact, when it sort of came up a while ago that this would be happening, a lot of the commentary I received from people was they thought it was a bit of a joke and just an opportunity to try to throw a few crumbs prior to an upcoming election.

But that's their thoughts, not mine. I'm only conveying what was said to me by a number of people. With all that said, how could I vote against reducing this tax? I certainly won't. I will be supporting it. Hopefully, we'll see other measures happening sooner rather than later to

reduce this even further and eliminate it at some point in time.

Thank you, Mr. Speaker.

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

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

I just wanted to have a few words on this bill as well. Reducing insurance tax is not bad thing and I would never say that. I mean, eliminating the taxes, our leader proposed, is the right thing to do. It's a tax that was brought in in 2016. There were a lot of complaints.

We fought this bill heavily in the House back at that time. We went into a filibuster and what have you. We spoke many times. Most every time I stood to my feet, I spoke to the insurance tax and the effect it's having on many families. And to reduce it – it's nice to see some reduction but, like I say, we feel, and we still feel, obviously, that elimination of this tax is the only answer. As we said, and it should be restated, it's 300 taxes and fees; in excess of 300 taxes and fees since 2016. They're still there, Mr. Speaker. Right there today, they are still not removed.

People think, and the Members opposite may think that the 2016 budget is forgotten about, but it's not. We're still living it. We see it in our communities.

We got housing in my district, I'm sure in a lot of Members districts, the housing market has dropped. Construction is down. Building supply places are struggling. That's not by accident, Mr. Speaker. That's because confidence in our economy is down. Confidence in the economy is going down because you have less disposable income. People are afraid to spend.

One of the biggest taxes outside – I heard the levy said, and that's always a bone of contention. I know our leader mentioned knocking doors in Windsor Lake – the levy and insurance tax were, bar none, the two biggest tax issues we heard at the doors. Each one of us that knocked doors, we heard it. We spoke to people and that is a concern. It's affecting the economy, and we can't overstate the economy. We talk

about the economy, but the economy is what's driving this.

Right now, our economy is struggling. You can look at it whatever – you can put your rose coloured glasses on and you can look at it in whatever way you want to, but the reality is when you go out and you talk to people – and I spoke last week about this and I'll speak again. There's a lesson a lot of people need to take, maybe a lot of Members opposite can take, because I think a lot of our Members already do it.

Go talk to the average person, go talk to the average family, go talk to the family that got three or four vehicles. They got two young people going to university, they got to have a vehicle for them to drive. Go talk to them and ask them what the cost of this insurance tax has put on their families. One family, a family of four, a middle-class family, just ask them. It's not nice. Multiply that by the many, many in all of our districts.

So it's nice to see a reduction. We're not going to say it's a horrendous thing to see. Any reduction is a good thing. Elimination is the only answer. I was quite surprised, because I knew there was a lot of good news – there was an announcement coming out. The price of oil was going up.

There was some rumour – and I know our leader's campaign. We're going to eliminate the tax if elected. That's our policy. So when it was rumoured that there were changes coming to the insurance tax, well we figured they're going to one-up us and try to get ahead of us. Then when we heard it was this incremental drop, we're still going to be left with 10 per cent.

Mr. Speaker, we, as a party, the former administration eliminated this tax, and it was good news. Fifteen per cent on insurance is a huge amount of money coming out of every family when you multiply that on the amount – what it costs for insurance. As we know, rates of insurance are not the cheapest either, as evidenced by the ongoing – the debate on putting caps on, lowering insurance rates. It's an issue. This is not – I'm not creating new issues. They're out there. They're in the public domain daily.

Adding 15 per cent to that is tough. It's very tough on the average family. When we say the average family, that's the family – they're the ones we see most everyday in the supermarkets, out in the malls. They're the ones that are struggling. Most people are the working family, they're working – a lot of them are the working poor. This tax really, really hits – it's hitting them hard in the pocketbook, Mr. Speaker.

So Members opposite can get up and they can rail against previous decisions. They can make references to other funding things. They can talk about roads, and all that stuff is important and I argue about those things all the time, but put it in perspective. Talk about the issue, what we're talking about in this Bill 9. It's about the reduction on insurance. It's about a reduction in insurance tax – again, that's not a bad thing, but we're arguing and we're adamant that this tax has to go.

The levy and those insurance taxes, just to name a couple – and I can go into more of them – they're the ones that have really hit people.

Gas tax; now we're being told the gas tax is going to be no longer, but we're getting a new gas tax called a carbon tax that's going to be a little bit more than what we're paying as a gas tax. So it's not going to be any effect, but it is going to be an effect. All of this stuff is hurting our economy.

I'm not an economist, Mr. Speaker, not many of us in here are, but we all know the reality of what we're faced with everyday when we get up and we go and we make purchases. Everything we do, the economy is driving our decisions.

Confidence in the economy is down, and a big part of the reason the confidence is down is because of the taxes. One of the biggest taxes is the insurance tax. Mr. Speaker, it's having an effect on every family.

This Liberal administration has come in with a high tax agenda. That's what I like to refer to it as. You have a spending problem, but then you have a revenue problem. The price of oil went down – this is what we've heard for the last three years. The price of oil dropped so the revenue has dropped, which happened across the

country. Then we were told the previous government had a spending problem.

We were led to believe there was going to be two tiers to the budget in 2016. There was going to be a revenue generation, a revenue budget in the spring. In the fall we're going to deal with the spending, but the former minister of Finance never got the opportunity to deal with the spending issue.

They came in with the taxation budget in the spring of 2016, and to great public outcry and criticism, the government never had what it took to bring in the spending reductions they had promised in phase 2 budget of 2016. They abandoned it, Mr. Speaker. Now, based on the public outcry at the time, it's not that I can see – I can understand them being nervous because there was a great outcry, and for good reasons. People were just astonished with the level of taxation.

Then in the fall, to deal with your spending issues – which they've not dealt with, by the way. The spending has gradually increased every year since they've been elected – they abandoned it. They never had the political will to do what needed to be done.

According to them we overspent, but they haven't done any different, Mr. Speaker. They're spending more than us, the previous government. They're spending more. So obviously that's been a bit of hypocrisy going on there to be saying one crowd spent too much, now the other crowd's spending more. What is it? Yet, on the revenue side when oil dropped – to replace the cost of oil, instead of dealing with the fundamental foundational problems within our finances, they just taxed us and they filled in the blanks.

When they were short they added a new tax. Then they added another tax. Then they increased another fee and another fee. And guess what? When they stopped we had 300-plus new taxes and fees to solve the revenue problem we had in the province. They never acknowledged oil was the problem, our revenues in oil dropped. No, they never did that. That's what they did, they taxed us to balance the books.

Now, oil has actually increased and they're out – we got extra monies, a little bit of a bounce in their steps, a bit smug. They're going to do this, we're going to do that. They're going to do a lot of things because in 12 months or less there's going to be an election. The voters see this stuff, Mr. Speaker. The general public see this. I don't know – again, I said last week about being in a bubble. We're not in a bubble and neither are the public. They see it first-hand what's going on – trying to fool you with your own money. So it's great to see a reduction in this insurance tax. I'm good with that.

I'm going to wrap up there now, but I just want to finish off by saying the public don't have the rose glasses on, Mr. Speaker. They're struggling. They see what's happening across the way. They listen to some of the stuff that comes across the way, and they're not pleased. They're struggling. They want this government to take action, but instead the government tries to play political games with everything they touch. Eliminate the tax. Do one good thing in the last three years. Tell us, eliminate the tax, just one good thing.

Thank you very much.

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

**MR. SPEAKER:** If the Minister of Finance speaks now he will close the debate.

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

First of all, I want to thank everybody for contributing to the debate. We may not always agree, Mr. Speaker, on everything that happens in this Legislature, but it's important that we have debate and we hear the various points of view.

I will address the last, most recent speaker, Mr. Speaker, to a certain degree, because he talked about hypocrisy. Mr. Speaker, I sit here and listen to Question Period and listen to debate, and I will address things when they come to the floor, and if a Member makes a statement like that I will address it. I generally don't delve into things that I've seen over there in the past or things that have been talked about in the past.

But I want to talk about what the Member just talked about: hypocrisy. That very Member, Mr. Speaker, talked about the job-killing carbon tax, and then when the carbon tax details were announced that very Member says: You didn't go far enough. Now, I don't know, but I'd call that hypocrisy. Personally speaking, I would call that hypocrisy.

Mr. Speaker, you talk about what happened in *Budget 2015*. I generally talk about the future and how we're going to deal with things and I stick to those facts, but if we want a history lesson, we'll talk about *Budget 2015*. I got the Estimates document here on *Budget 2015*. It outlines a five-year fiscal recovery plan to return the province to surplus in 2020-21. This will be achieved through a series of measures, including increased taxes and fees.

Now, that's what they said. They were going to do it over five years. We saw year one of that; we didn't see the remaining four years. If you dig deeper into this, and if you analyze that budget, Mr. Speaker, they had some significant cuts to services and some significant taxes in their fiscal forecasts. They had to, because the numbers add up that way.

They talk about it on a very light basis here. They had it; they were building it into their fiscal forecasts. We'll get into that in a second. They expressed the interest of Newfoundlanders and Labradorians to maintain strong public services and, therefore, they were going to have to borrow \$2 billion in 2015. So we'll keep that number in mind for a second because I want to talk about a few things here, but we're going to keep that number in mind.

So they talked about a five-year plan where they were going to go through increases in taxes and fees in order to get the province back on a sound fiscal footing. They only did a little bit in 2015. Now, we all know why, because it was election year; but if they had to get re-elected, based on their fiscal forecasts and the numbers they had built in and what they had planned, we would've seen additional taxes and fees.

So we want to talk about hypocrisy. Now, I can get well into this, because there are lots of little nuggets in *Budget 2015* – lots of them. After 10 years of significant economic growth, conditions

in Newfoundland and Labrador have weakened but are expected to rebound in 2019.

Now again, that's a little nugget. If you dig deeper into that and you look at their charts and you look at their statistics and you look at what they're pointing out, they'll stand over there and say employment numbers are down. Well, Mr. Speaker, read *Budget 2015* – the new leader, I invite him to read it in great detail, add the numbers together and look at the little nuggets of information, the scopes into the future that they were providing.

In *Budget 2015* – because we know that it can be dressed up by the minister and by Cabinet, but the charts and the graphs and the details are generally put together by the bureaucrats. They have a vested interest in putting out the accurate numbers, the charts, the graphs, those totals. Now, they can be swayed by things like saying by 2017 we'll have Alderon up and running. Alderon is going to create thousands of person-years of employment.

So the bureaucrats who do up the employment numbers, those are based on details that are provided, like we'll have Alderon up and running by 2017. Well, Mr. Speaker, they didn't do that in 2015. They didn't fulfill that promise and those thousands of jobs, while they were built into the fiscal forecast, they didn't happen.

If you want to look at the job numbers, they were predicting a decline in employment in the province. Well, guess what? It happened, but the decline, if they had to put the true numbers in, because Alderon didn't happen, those numbers would have been even better, or even greater – not better, but even greater.

If you look at the numbers they projected and you look at the fact that Alderon didn't happen, Mr. Speaker, we've performed better than they projected. That's the reality. We also have built into the forecasts Bay du Nord. That was supposed to happen, Mr. Speaker, and plans were supposed to be in place by now and employment would have been ramping up by now, but they didn't do that either. That was delivered by this side after it fell off the radar completely in 2015. The Minister of Natural Resources and the Premier, this year, put that deal together.

It's not in the fiscal forecast that they had, where they had it built in; but based on putting that deal together now we know that between now and 2025, we're going to see employment numbers ramp up from there. If you take into consideration the fact that they were projecting declining employment numbers and increasing unemployment rate and then you put into that the fact that they fettered in Alderon and Bay du Nord to bump up their numbers so they wouldn't look as bad, we're actually performing better than their *Budget 2015* document. That's the reality.

Mr. Speaker, Fiscal Performance Targets: Debt expenses as a percentage of gross revenue will not exceed 13 per cent. Well, guess what? In 2015 they did. Not only did it exceed 13 per cent, it went beyond 15 per cent in their own budget in 2015, that one fiscal year.

Net debt as a percentage of nominal GDP will not exceed 40 per cent. Well, guess what? They didn't meet that target either. It exceeded 40 per cent, Mr. Speaker, in that year. That's the reality. Annual deficit will not exceed 3 per cent of nominal GDP. Guess what? That was over 7 per cent.

So, Mr. Speaker, you want to look at what they had in their budget and their budget promises, none of it came to reality – none of it. Not one bit of what they projected in 2015, other than the fact that they projected that unemployment numbers were going to go up, again fettered by the fact they were promising two projects that they didn't have – they said that employment were going to drop. Well, they did, because they fettered it on two projects that they didn't have to make their numbers look better.

Mr. Speaker, we want to talk about hypocrisy. I generally don't get up and do this, what I'm doing today. When we hear people on the other side talk about hypocrisy, it needs to be addressed.

We've got a number of other details in *Budget 2015*, Mr. Speaker. Cost containment: The plan recognizes that program growth is significant and cost containment measures must be put in place over the next five years. Well, we didn't see what they were going to do because they didn't get a chance to do it. They'll criticize the

fact that we did it, but they talked about it in their budget documents that over the next five years they were going to get at these things because they had to.

They'll say: Why did you guys do it? Well, Mr. Speaker, it's quite obvious they were going to do it as well. They had to do it. They had to do it because they saw the way things were going. They knew how things were going.

*Budget 2015* tax adjustments. Now, we're talking about taxes here today, but personal income tax rates will be made more progressive over the next five years. Can you imagine? Now, you'd need a crystal ball to see what they were actually going to do, Mr. Speaker, but they were going to make it more progressive, starting with the introduction of a fourth rate of 14.3 per cent to deal with the fiscal realities that the province was facing.

And they were going to add a fifth rate of 15.3 per cent for taxable income above \$175,000, effective July '15. Now, where else were they going to go? Because they'll look at us and criticize us for doing some of what they had planned to do because they needed to do it. That's what you call hypocrisy.

Mr. Speaker, the harmonized sales tax. Now we know they did that, put that up to 15 per cent. At least they were honest and completely forthright about the fact that they had to do that.

The financial corporations capital tax rate will increase from 4 to 5 per cent. Now they did that in '15, but we know they had a five-year plan. We only saw the first year of it.

If we were to completely remove the hypocrisy on the Legislature floor today, Mr. Speaker, we'd know that they would be honest enough to say they would've had to do some of the same things that we did in 2016. We didn't like it, nobody on this side liked it, but another reality that nobody on that side told anybody. They had known. They had to know, and I can tell you I know for certain they did, because some of the same people that worked for them, bureaucrats and officials, now work for us.

Mr. Speaker, I won't go into what they may have been told, but I will go into what we were

told. Literally, within hours of one premier walking out of their office and the new premier walking in, we were advised that unless we issued an emergency release of Treasury bills, the province would not have made payroll in January. Now that is a reality, Mr. Speaker. That's the situation that the former administration left this province in.

Now, I do say, and with great respect because I happen to like the Leader of the Opposition, the new Leader of the Opposition, Mr. Speaker. The reality is you can't change the head on a donkey and call it something other than what it is. That's the reality.

Now, Mr. Speaker, we'll talk about program growth. "Program growth can primarily be attributed to negotiated salary costs, compensation increases and inflationary pressures related to utilization of existing programs."

Now that's another little nugget. It's a look into the future on what they were planning to do, but they did recognize the fact that increasing the public service from 40,000 people in 2003 to 49,000 people in 2015, and then on top of that a 28 per cent increase was part of the spending pressures that government was dealing with. They recognized that.

Now, Mr. Speaker, it's the first time in the province's history that we have negotiated zero, zero, zero and zero. The first time in the province's history.

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

**MR. OSBORNE:** The first time in the province's history, Mr. Speaker, that we've eliminated severance for core government. It's been tried, because the other side recognized that it needed to be done. It was on the table as one of the items to be negotiated in the round of negotiations just prior to the election, but they didn't deal with it. Now we could speculate it was because it was election year, but that would only be speculation – maybe hypocrisy.

We want to talk about hypocrisy, Mr. Speaker. I've got some more information coming out of *Budget 2015*. "The actions taken by this government to contain growth and find

efficiencies ....” Find efficiencies, because again that’s a nugget. That’s a nugget, I say to my colleagues on this side of the House. It’s a glimpse into the future that they need to find efficiencies. Beginning in this year’s budget “and the plan to further that work.” I’d find that that’s a nugget into the future.

**MR. LETTO:** What year was that, anyway? What year was that?

**MR. OSBORNE:** That was in 2015, *Budget 2015*.

Now, Mr. Speaker, there are lots of goodies in this. I got about four minutes left to speak here. I’m going to get into some of them, but do you know something? I’ve spent some time studying their documents and studying their numbers because it’s quite fascinating – it’s fascinating.

Investments in Nalcor; now this one here, I had to read this two or three times because the first time I read it I said no, I must be reading that wrong. I read it two or three times, Mr. Speaker, just to make sure I had it right.

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

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

**MR. OSBORNE:** “Investments in Nalcor will be paid back to the Government ... by 2025.” Now, Mr. Speaker, I’m not sure who was riding the unicorn that day that this was written, but the investments in Nalcor will be fully paid back by 2025.

Mr. Speaker, I would probably like to say that was a dishonest statement but I know we’re not allowed to say that in this House, so I won’t say it. Investments in Nalcor will be paid back to government by 2025. I love the sound of it, and considering it was an election year budget, everybody else liked the sound of it, too. I would say they knew that wasn’t accurate when they wrote it, but that’s what’s in here.

To go further on Nalcor: “... the province will continue to receive annual cash dividends.” Mr. Speaker, I haven’t seen a dividend from Nalcor since 2015. If we were receiving annual cash dividends this province would be in much better shape.

So, Mr. Speaker, we want to talk about hypocrisy. We want to talk about hypocrisy. There’s lots that we can talk about in this House.

It reminds me of parents coming home to a house after the teenagers had a wild party and getting up the next day and complaining that the mess is not cleaned up. That’s what it’s like, Mr. Speaker, because they can have the wild party and leave a mess for us to clean up and on one hand we didn’t clean it up fast enough, but depending on which way the wind blows, the next day they’ll say we went too far. You’re borrowing too much; you raised the taxes too much; you’re not cutting spending enough; what, you cut spending, you shouldn’t have cut that.

Mr. Speaker, I’d like to have a little bit of consistency from the other side on any given week to have them consistent with what they said the week before. Because the very Member that talked about hypocrisy, Mr. Speaker, stood on his feet prior to finding out the details of our carbon plan – where every other province in the country talked about the fact we got a pretty good deal – and said it was a job killing program. Then he stood on his feet last week, Mr. Speaker, and said we didn’t go far enough, but that’s what we’ve come to expect.

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

**MR. OSBORNE:** Now, Mr. Speaker, I know they’re not interested in hearing what I’ve got to say, but I’d ask if you can bring them to order.

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

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

Now, Mr. Speaker, we talked about Bay du Nord and the fact there would be 8,700 person-years of employment started. That was going to be started in 2015 that deal.

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

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

There’s too much noise in the House. I ask Members to stop talking back across the House.

The hon. the Minister of Finance.



**MR. OSBORNE:** Mr. Speaker, there are 26 seconds left on the clock.

I'm going to get back to this document because I've read it, Mr. Speaker, and I've studied it. There's lots of good stuff in here, but one of the things I'm going to talk about is their fiscal projections for revenue and how far off the mark they were there.

Mr. Speaker, I'll have an opportunity to speak again.

Thank you.

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

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

The motion is that Bill 9 be now read a second time.

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

All those in favour?

**SOME HON. MEMBERS:** Aye.

**MR. SPEAKER:** All those against?

The motion is passed.

**CLERK (Barnes):** A bill, An Act To Amend the Revenue Administration Act No. 2. (Bill 9)

**MR. SPEAKER:** This bill has now been read a second time.

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

**MR. A. PARSONS:** Presently.

On motion, a bill, "An Act To Amend The Revenue Administration Act No. 2," read a second time, ordered referred to a Committee of the Whole House presently, by leave. (Bill 9)

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

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

I am going to come back to Committee now shortly. I had overlooked doing these first readings, so I'm going to do these now and then bring the House back into Committee to debate Bill 9.

Mr. Speaker, I move, seconded by the Minister of Tourism, Culture, Industry and Innovation for leave to introduce a bill entitled, An Act To Amend The Arts Council Act, Bill 28, and I further move that the said bill be now read a first time.

**MR. SPEAKER:** It is moved and seconded by the hon. Government House Leader, shall he have leave to introduce a bill entitled – Bill 28, and that the said bill now be read a first time.

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

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

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

Motion carried.

Motion, the hon. the Minister of Tourism, Culture, Industry and Innovation to introduce a bill, "An Act To Amend The Arts Council Act," carried. (Bill 28)

**CLERK:** A bill, An Act To Amend The Arts Council Act. (Bill 28)

**MR. SPEAKER:** This bill has now been read a first time.

When shall the said bill be read a second time?

**MR. A. PARSONS:** Tomorrow.

**MR. SPEAKER:** Tomorrow.

On motion, Bill 28 read a first time, ordered read a second time on tomorrow.

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

**MR. A. PARSONS:** Mr. Speaker, I move, seconded by the Minister of Natural Resources,

for leave to introduce a bill entitled, An Act To Amend The Forestry Act, Bill 29, and I further move that the said bill be now read a first time.

**MR. SPEAKER:** It is moved and seconded that the hon. the Government House Leader shall have leave to introduce a bill entitled, An Act To Amend The Forestry Act, Bill 29, and that the said bill now be read a first time.

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

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

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

Carried.

Motion, the hon. the Minister of Fisheries and Land Resources to introduce a bill, "An Act To Amend The Forestry Act," carried. (Bill 29)

**CLERK:** A bill, An Act To Amend The Forestry Act. (Bill 29)

**MR. SPEAKER:** The bill has now been read a first time.

When shall the said bill be read a second time?

**MR. A. PARSONS:** Tomorrow.

**MR. SPEAKER:** Tomorrow.

On motion, Bill 29 read a first time, ordered read a second time on tomorrow.

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

**MR. A. PARSONS:** Mr. Speaker, I move, seconded by the Minister of Service Newfoundland and Labrador, for leave to introduce a bill entitled, An Act To Amend The Private Investigation And Security Services Act, Bill 30, and I further move that the said bill be now read a first time.

**MR. SPEAKER:** It is moved and seconded that the hon. the Government House Leader shall have leave to introduce a bill entitled, An Act To

Amend The Private Investigation And Security Services Act, Bill 30, and that the said bill be now read a first time.

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

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

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

Carried.

Motion, the hon. the Minister of Service NL to introduce a bill, "An Act To Amend The Private Investigation And Security Services Act," carried. (Bill 30)

**CLERK:** A bill, An Act To Amend The Private Investigation And Security Services Act. (Bill 30)

**MR. SPEAKER:** The bill has now been read a first time.

When shall the bill be read a second time?

**MR. A. PARSONS:** Tomorrow.

**MR. SPEAKER:** Tomorrow.

On motion, Bill 30 read a first time, ordered read a second time on tomorrow.

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

**MR. A. PARSONS:** Mr. Speaker, I move, seconded by the Minister of Natural Resources, for leave to introduce a bill entitled, An Act To Amend The House of Assembly Accountability, Integrity And Administration Act, Bill 31, and I further move that the said bill be now read a first time.

**MR. SPEAKER:** It is moved and seconded that the hon. the Government House Leader shall have leave to introduce a bill entitled, An Act To Amend The House of Assembly Accountability, Integrity And Administration Act, Bill 31, and that the said bill now be read a first time.

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

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

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

Carried.

Motion, the hon. the Government House Leader to introduce a bill, "An Act To Amend The House Of Assembly Accountability, Integrity And Administration Act," carried. (Bill 31)

**CLERK:** A bill, An Act To Amend The House Of Assembly Accountability, Integrity And Administration Act. (Bill 31)

**MR. SPEAKER:** The bill has now been read a first time.

When shall the bill be read a second time?

**MR. A. PARSONS:** Tomorrow.

On motion, Bill 31 read a first time, ordered read a second time on tomorrow.

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

**MR. A. PARSONS:** Mr. Speaker, I move, seconded by the Minister of Finance and President of Treasury Board that the House resolve itself into a Committee of the Whole to consider Bill 9.

**MR. SPEAKER:** It has been moved and seconded that I do now leave the Chair for the House to resolve itself into a Committee of the Whole to consider the said bills.

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

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, the Speaker left the Chair.

### Committee of the Whole

**CHAIR (Warr):** Order, please!

We are now considering Bill 9, An Act To Amend The Revenue Administration Act No. 2.

A bill, "An Act To Amend The Revenue Administration Act No. 2." (Bill 9)

**CLERK:** Clause 1.

**CHAIR:** Shall clause 1 carry?

The Chair recognizes the Leader of the Official Opposition.

**MR. CROSBIE:** Thank you to the Chair for that.

This will not surprise anyone. I would propose the following amendment. "Clause 1 of the Bill is amended by deleting the figures '13%,' '12%,' '11%' and '10%' and substituting the figure '0%.'"

"The amendment would amend Clause 1 of the Bill by replacing 13%, 12%, 11% and 10% with 0% as the rate of tax of the premium for the insurance."

Having had the recent experience of doing a rolling focus group door to door in my District of Windsor Lake, this tax is particularly hated by the public and the public wants it gone. That is why we are moving the amendment that I just read into the record.

Thank you.

**CHAIR:** Order, please!

May I have seconder for the --?

**MR. CROSBIE:** The hon. House Leader.

**CHAIR:** Thank you.

Order, please!

We will recess the Committee to have a look at the proposed amendment and come back to the House.

**Recess**

**CHAIR:** Are the House Leaders ready?

**MR. A. PARSONS:** Yes, Sir.

**CHAIR:** Order, please!

After reviewing the amendment, the amendment is deemed not to be in order.

Shall the motion carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

**MS. COADY:** We're voting on the bill, correct?

**CHAIR:** We're voting on the bill.

**MR. A. PARSONS:** Clause by clause or —?

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

**CHAIR:** Order, please!

I'll recall the vote.

Shall clause 1 carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, clause 1 carried.

**CLERK:** Clauses 2 and 3 inclusive.

**CHAIR:** Shall clauses 2 and 3 carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, clauses 2 and 3 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 Revenue Administration Act No. 2.

**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 9 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, Mr. Chair, that the Committee rise and report Bill 9.

**CHAIR:** The motion is that the Committee rise and report Bill 9.

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 (Trimper):** The hon. the Member for Baie Verte - Green Bay, Chair of the Committee of the Whole.

**MR. WARR:** Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have directed me to report Bill 9 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 him to report Bill 9 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:** Mr. Speaker, given the hour of the day, I move, seconded by the Minister of Finance and President of Treasury Board, that the House do now adjourn.

Thank you.

**MR. SPEAKER:** It has been moved and seconded that this House do now adjourn until tomorrow at 1:30 o'clock.

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