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*Speaker: Honourable Perry Trimper, MHA*

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The House met at 1:30 p.m.

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

Admit strangers.

In the public gallery, I would like to welcome Scott and Joann Parsons, of Parsons & Sons Transportation, who are joining us today for a Member's statement.

Welcome to you.

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

### Statements by Members

**MR. SPEAKER:** For Members' statements today, we will hear from the hon. Members for the Districts of Conception Bay East - Bell Island, Harbour Grace - Port de Grave, Fortune Bay - Cape la Hune, Harbour Main and St. John's East - Quidi Vidi.

The hon. the Member for Conception Bay East - Bell Island.

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

Mr. Speaker, I stand today to acknowledge a resident in my district who has recently been acknowledged for his contribution to the music industry and the culture of our province. I speak of Mr. Ralph O'Brien who was recently awarded the Lifetime Achievement Award from MusicNL.

Ralph's band, the Sons of Erin, were formed in Newfoundland in 1968, and it wasn't too long before Ralph became a pillar of strength for the promotion of our music culture and the development of skills for the up-and-coming young artists.

Ralph and his bandmates are the godfathers of Irish, Celtic style of Newfoundland traditional music. Ralph and the Sons of Erin took music from the kitchen and put it on the stage.

Ralph has remained the leader of the Sons of Erin for the past 50 years. We must also recognize Ralph's other contribution to developing and promoting the next generation of

traditional Newfoundland musicians through his entrepreneurship with his owning and operating Erin's Pub for nearly three decades that saw hundreds of musicians entertaining and developing their talents. His venture helped launch the careers of many traditional Newfoundland musicians such as Great Big Sea, Shanneyganock, The Irish Descendants and Rum Ragged, to name a few. His love of music and love for Newfoundland continues as Ralph continues to entertain and serve as a music ambassador.

I ask all Members in this House to join me in congratulating and thanking Ralph for his years of dedicated service to the music industry and to our province.

Thank you, Mr. Speaker.

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

**MR. SPEAKER:** The hon. the Member for Harbour Grace - Port de Grave.

**MS. P. PARSONS:** Thank you, Mr. Speaker.

I would like to recognize all participants and volunteers involved in the 31st annual Peace Poster Contest. On November 15, the Bay Roberts Lions Club celebrated eight young artists from All Hallows Elementary in North River, Amalgamated Academy in Bay Roberts, Holy Redeemer Elementary in Spaniard's Bay and St. Peter's Elementary in Upper Island Cove.

Approximately 180 students from grades six to eight participated in creating a poster to represent the theme "Kindness Matters" for the annual Lions Club International Peace Poster Contest. Judges, Lion Ivy Pynn, who is also the Peace Poster chair, and teachers Corey Morgan and Robyn Newhook had the difficult task of selecting one top poster and one honourable mention poster from each of the four schools.

The four winning posters created by Jessica Smith, Jane Margaret Evely, Kassy Keats and Lauren Foley will advance to the district level contest on November 22 at 2:30 p.m. in St. John's, hosted by the Waterford Hospital Lions Club.

Mr. Speaker, it certainly was a wonderful event and dinner to honour all involved. A special thank you the Bay Roberts Lions club and congratulations to all of our students. Keep up the great work. We are proud of you.

Thank you.

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

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

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

I rise in this hon. House to extend congratulations to the Father Michael Francis Hayes Council #7127 Knights of Columbus in Harbour Breton who recently celebrated their 40th anniversary. Formed on June 4, 1978, the council recognized the tremendous dedication of members that are still on their roster today achieved the 40th milestone as well.

I commend Knights Robert Coady, Roland Rogers, John George, Edward Whittle, Thomas Cox, Raymond Hynes Junior and E. J. Gale for their outstanding citizenship and commitment to improving the lives of everyone in their community.

Today, I would also like to throw a special bouquet to Brother David Drake for achieving the distinct honour of Knight of the Year in recognition for his significant role in their service program and involvement in all aspects of the council.

Hats off to Mr. and Mrs. Thomas Hickey who received accolades for serving as an inspiration to the council and the community. We thank them and every Knight wholeheartedly for their activities and giving freely of their time and talents to ensure the success of council programs.

I ask that all hon. Members join me in wishing the Father Michael Hayes Council a very happy 40th anniversary and thanking these dedicated Knights for such outstanding service. I encourage them to keep put the fantastic work.

Thank you, Mr. Speaker.

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

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

**MS. PARSLEY:** Mr. Speaker, I rise in this hon. House to recognize Parsons & Sons Transportation, a business in my district whose spirit of giving has reached global proportions. In February of this year, Zainab Jerrett of the We Care Foundation approached Parsons about purchasing a second-hand school bus to donate to the children living in Nigeria.

Terry Parsons, one of the owners, was quick to let the We Care Foundation know that they didn't need to purchase a bus, because he was willing to donate one. It was a no-brainer, Terry said.

In addition to the bus, Parsons & Sons went a step further and initiated the collection of books, clothing and school supplies. The outpouring of support for this endeavour was incredible.

The bus and the supplies were shipped to Nigeria in June of this year. A second vehicle also made the journey because all the donated items could not fit on the bus.

Mr. Speaker, this is such an inspiring story and I commend Terry and Scott Parsons, staff members Kim Hewlett and Krista Pitcher, as well as everyone who contributed to the fantastic gesture of kindness and generosity.

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, Mr. Speaker.

I am delighted to recognize an organization that works tirelessly to serve the community. The Gathering Place was recently inducted into the Duke of Edinburgh Hall of Fame honouring exceptional volunteers.

As a non-profit community service centre that provides help and social supports to those who

are homeless or precariously housed, The Gathering Place has approximately 2,000 guests.

With over 1,000 volunteers annually, the wide-ranging roles that volunteers fill is truly incredible: everything from assisting in cooking and serving meals, to running a clothing boutique, hair salon and computer room, to providing professional services including medial and dental clinics and counselling. Nominees for the Hall of Fame were assessed on criteria including role, impact, reach, engagement and inspiration.

I ask all hon. Members to join me in thanking The Gathering Place, including executive director Joanne Thompson, the board, the staff, and the incredible volunteers for all they do for the community and congratulating them on induction into the Duke of Edinburgh Hall of Fame.

Thank you, Mr. Speaker.

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

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

#### Statements by Ministers

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

**MS. DEMPSTER:** Thank you.

Mr. Speaker, I rise today to recognize November as National Adoption Awareness Month.

This month provides us with the opportunity to celebrate the care and commitment of adoptive families throughout our province. Families who choose adoption are making a life-changing decision that will create a meaningful difference in the lives of all those involved.

It's true what they say: Adopting one child won't change the world, but for that child the world will change.

During this month, there is also a need to remind Newfoundlanders and Labradorians that there are children, teens and sibling groups in our province who are ready to share their love, hopes and dreams with a permanent family.

As a government, we are committed to strengthening the adoption process with an additional investment of \$395,000 over two years for dedicated resources to ensure children and youth waiting to be adopted are matched with adoptive families that will help to nurture their growth and development.

I invite my colleagues in this hon. House to join me in celebrating the gift of adoption, acknowledging the many families created through adoption and thanking the individuals who have opened their hearts and provided a forever home for children of all ages.

Thank you.

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

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

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

I thank the minister for an advance copy of her statement. On behalf of the Official Opposition, I join the government in recognizing National Adoption Awareness Month, and I too wish to celebrate families who have been joined through adoption.

Mr. Speaker, adoption is a special life-changing gift which matches loving and caring families with children who are often in need of a permanent family. Adoption provides children with much more than just a home. It provides them with a loving family environment to grow up in where children can flourish and attain their hopes and dreams.

I'd also like to take a moment to thank the social workers within the adoption services program for their continued efforts and diligence in supporting children and youth who have been adopted or who are awaiting adoption within our province. Keep up the fabulous work.

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 too thank the minister for the statement. I'm very pleased to join with government in recognizing National Adoption Awareness Month. It is so important to recognize the so many adoptive parents around the province for their contributions to the lives of children; and many of whom just don't take a single child, but sometimes take siblings as well, keeping children together. And I'm very pleased to see that the resources have been directed to address the backlog that was occurring in the system.

Thank you very much, Mr. Speaker.

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

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

The hon. the Minister of Fisheries and Land Resources.

**MR. BYRNE:** Mr. Speaker, what a pleasure it is to inform this House of yet another step forward for our Mistaken Point World Heritage Site as it continues its upward arc of national and international prominence. Just days ago, Mr. Speaker, a significant partnership was featured between our unique, provincially-owned and managed World Heritage Site and the Royal Ontario Museum.

The world-renowned ROM, or Royal Ontario Museum, receives close to one million visitors per year. When complete in 2021, the museum's permanent 10,000-square foot Dawn of Life gallery will feature four Canadian UNESCO World Heritage Sites, including a detailed exhibit and mould from Newfoundland and Labrador's own Mistaken Point.

Mr. Speaker, our government commits \$470,000 each and every year to staffing for Mistaken Point. This year we also provided \$40,000 for cutting edge provincial research activity, on top of \$35,000 a year for operational supports.

We recently installed a full-time on-site manager to oversee the work of several professional natural history interpreters, as well as several local student placements, to assist in the

interpretation. We also provide supports to the not-for-profit Mistaken Point Cape Race Heritage Incorporated and their Edge of Avalon Interpretive Centre. This group, Mr. Speaker, receives \$15,000 annually for operational support funding.

My department has also entered into a long-term lease for office and exhibit space at the centre, and from this not-for-profit group, valued at \$26,000 annually, which goes directly to Mistaken Point Cape Race Heritage Incorporated. More recently, and at their request, I granted authority to the group to charge an admission fee to visitors for access to the provincial site, with all revenues retained by them, to use as they see fit. This is a very unique arrangement and one that the Mistaken Point Cape Race Heritage Incorporated certainly appreciates, with \$40,000 in new revenue made available this year alone.

Now, Mr. Speaker, due to its great success, there have been calls to increase visitation to the site. We all recognize that specific commitments were made to UNESCO, prior to the designation, that would limit the number of visitors on the site each year.

This is a very fragile site and this was acknowledged that it must be preserved or the World Heritage designation could be removed.

In preparing the nomination package and the site management plan for review by UNESCO, some years ago the government of the day committed that the number of tours and tourists visiting the site will be limited by this reality. Again, failure to maintain this promise, that was made years ago, could now result in Mistaken Point losing its World Heritage designation.

So, Mr. Speaker, while we applaud the ongoing success of promoting Mistaken Point to the world, and we shall continue to do so, we do so with the greatest of care to protect this priceless, timeless treasure for us all, for generations to come.

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

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

**MR. LESTER:** I thank the minister for an advance copy of his statement. Mr. Speaker, we on this side of the House are very aware of the tremendous beauty and uniqueness of Mistaken Point World Heritage Site, and we are certainly pleased to see it recognized in this partnership between the site and the Royal Ontario Museum.

The Mistaken Point Cape Race Heritage group, and the amazing people of the region, have worked very hard to preserve and promote this site, but they've also struggled. It's unfortunate that the group has been forced to hold raffles and dinners to keep the interpretation centre, which is the gateway to this incredible site, operational.

Mr. Speaker, Mistaken Point received UNESCO designation in 2016, and it is unfortunate that the government has not seized the opportunity over the past two years to not only protect the Mistaken Point fossils, but to also actively promote the site to drive economic development in the region and the province.

The minister is undoubtedly aware of the significant value that UNESCO sites can bring to a region, as there are a number on West Coast and in Labrador. Mistaken Point is the only site in Eastern Newfoundland to be granted UNESCO status, and is also the only provincially managed UNESCO site in the province.

The circumstance of inadequate support and management has been an issue –

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

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

**MR. LESTER:** – which we have raised many times.

I encourage the minister to get informed about what is actually happening at the site and, if he has not already visited Mistaken Point, he really should.

I also encourage all residents to take opportunity to explore Mistaken Point, in Portugal Cove South, our province's newest UNESCO World Heritage Site.

**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, too, thank the minister for the advance copy of his statement. There's no doubt that Mistaken Point is a very special site that must be shared while being protected. I congratulate the Mistaken Point and Cape Race Heritage Society on the great work that it does, and I congratulate them on obtaining a new revenue source. But I have to point out to the minister the reason they requested permission to charge admission was that they didn't have enough money to run the centre the way they knew it needed to be run to handle tourists and to do their part to protect the site.

I suggest the minister fully evaluate how much money the group needs and provide it directly so there will be no more question about whether this World Heritage Site is being properly developed and protected, and the people who are doing this work do not have to worry about the future.

Thank you very much, Mr. Speaker.

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

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

Oral Questions.

### Oral Questions

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

**MR. CROSBIE:** Mr. Speaker, my question is for the Minister of TCII, and concerns the mistaken point of a different kind. On May 7, 2018, the minister stood on the site of future Canopy Growth facility with a sod-turning shovel.

I ask the minister: Did you know, at that time, who owned the land that you were digging?

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

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

I was quite pleased to be involved with the company, Canopy Growth, in terms of what they're doing here in St. John's, and that's creating jobs and making significant investment. They're using all their own capital to do so. In return, as they increase their sales, and they produce here in this province, every dollar that's sold, the taxpayer of this province will get at least double that, and that's quite significant.

I'm also quite pleased today to see that BeeHigh Vital Elements of Corner Brook has been able to achieve a production licence for cultivating cannabis, so there is more activity happening here in Newfoundland and Labrador as we build and grow our cannabis industry here in this province.

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

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

**MR. CROSBIE:** Let the record show that the minister has chosen to take refuge in the Standing Orders that don't require him to answer a question.

I ask the minister: Did the numbered company 80521 NL Ltd. own the land you stood on at the time of you wielded your shovel?

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

**MR. MITCHELMORE:** Mr. Speaker, when it comes to the private business dealings of companies and business in the community in Newfoundland and Labrador, that is between those private businesses. When it comes to any deal that we do as the Government of Newfoundland and Labrador, our deal and our contract is clearly with Canopy Growth Corporation. When it comes to achieving a production licence, Health Canada will go through the appropriate checks and balances for security.

What the Member opposite is insinuating is that there is something untoward, or that there's something happening between a publicly traded

company and the private business sector out there in Newfoundland and Labrador. It is not with the Government of Newfoundland and Labrador.

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

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

**MR. CROSBIE:** Can the minister state to the House whether the numbered company purchased the land only after Canopy had selected the land as the site of the production facility, and if he does not know the answer to that question does he think that he should know?

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

**MR. MITCHELMORE:** Mr. Speaker, these are private business matters between a publicly traded company and another entity outside of the Government of Newfoundland and Labrador.

When it comes to our agreement with Canopy, they have agreed to set up 145 jobs at a production facility here in the province and they will only receive a reduced remittance on eligible cost; so, only things that are deemed eligible. If they do not own the land, then that is not eligible. Leasing cost is not eligible. If they do not own their property at the end of the day, then those would not be eligible costs to be eligible for their investment.

So, those are the types of things. All the risk here is squarely with the company. What's come out of the Member opposite, he's raised questions about the people breaking the law, about the business community breaking the law. If he has some sort of evidence to state that, then he should make those matters known publicly and take them to the RCMP.

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

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

**MR. CROSBIE:** The minister will be well aware that the province entered a comprehensive business agreement with Canopy Growth on December 7, 2017. Schedule A states the land

for the facility be purchased within 90 days of December 7. Canopy did not purchase land but are leasing it from the numbered company.

I ask the minister. Did the government formally excuse Canopy Growth from compliance with the 90-day purchase requirement of the agreement?

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

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

Certainly when we entered into the agreement on December 7, 2017, there was clearly an outlined schedule and time and milestones that would be met, but we did receive a request, in writing, in May for the schedule to be adjusted based on the fact that in July of 2017 it was anticipated that cannabis would become legal at that time. Also site development, there was extra excavation, a lot of granite in particular in the White Hills that would have delayed a bit of the construction work, some of the permitting that needed to take place with the city in terms of their land and issuance.

But what we have done is we have stated from a milestone that their cannabis production facility would be open in October of 2019, as I said in this House previously.

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

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

**MR. CROSBIE:** I take it the minister is confirming that Canopy did indeed violate the 90-day provision of the agreement?

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

**MR. MITCHELMORE:** Mr. Speaker, what I am saying is that we have entered into an agreement with Canopy to produce and supply 8,000 kilograms of cannabis on an annual basis. They are supplying us with cannabis. Our retailers are in far better shape than some of the other retailers across the country, where places like New Brunswick has had to close down

upwards of half their stores. Quebec had to go to a point where they were only open three days a week.

One thing that I have been saying all along is that we are open for business and that we are working with businesses here in Newfoundland and Labrador that want to operate here and grow and expand and create jobs and investment here.

I don't know what the Member opposite would be looking at doing. I guess the Member opposite would prefer the strategy that was implemented in their ferry replacement strategy, building them in Romania.

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

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

**MR. CROSBIE:** Three answers ago, if that is how they are going to be styled –

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

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

**MR. CROSBIE:** Three answers ago if that is how they are to be styled, the minister alluded to eligible expenditures defined in the agreement as he knows. There are types of expenditures therein set out which would qualify for the \$40 million subsidy.

Would the minister confirm that direct construction costs and direct land acquisition costs are eligible expenditures?

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

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

As I said, in terms of any type of reduced remittance that's available, Canopy Growth Corporation has agreed to spend tens of millions of dollars and they would be eligible to receive up to \$40 million in reduced remittances only on eligible cost. So they have to sell, in Newfoundland and Labrador, their product and they will get revenue from that. But for every dollar that they sell here in this province, we will



get more than that, the Newfoundland and Labrador taxpayer, plus we also get excise tax and the HST.

So having a production facility here and the jobs and the benefits are quite significant, because it does return revenue to the provincial Treasury. That's something that we'll continue to do, to attract those types of businesses.

Leasing costs are not eligible, Mr. Speaker. So if somebody doesn't own the land, then it's not eligible.

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

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

**MR. CROSBIE:** I thank the minister for confirming something useful in that last answer.

The agreement between the province and Canopy specifies that eligible expenditures must be incurred by Canopy and payable to a company that is arm's-length to Canopy; clause 3.6.

I ask the minister: How can he ensure compliance with the arm's-length requirement of the agreement without knowing the identity of the shareholders of the numbered company?

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

**MR. MITCHELMORE:** Mr. Speaker, the Member opposite keeps bringing up a numbered company, but the contract that we have is with Canopy Growth Corporation, and that is what the Government of Newfoundland and Labrador is doing with business, and that is who Government of Newfoundland and Labrador is doing business with: Canopy Growth Corporation.

So what we do, is we have protections placed in our contract, and I am very pleased of the diligent work that our staff has done on this, the due diligence, and to ensure that we are getting a return to our Treasury, the taxpayers of Newfoundland and Labrador.

All the risk is with the company, not with the taxpayers of this province. We don't have to issue a cheque, there is no cash infusion to the company, so therefore if the company is not able to live up to their agreements, all the risk settles with them.

What I can say is that we have an audit process put in place and we have adequate protections to ensure that all steps are being followed.

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

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

**MR. CROSBIE:** I ask the minister: Is it not true that Canopy is incurring construction costs, and is it not true that clause 3.6 requires that for expenditures to be eligible for government money, they can only be incurred with respect to an arm's-length corporation?

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

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

And as I said, we have an audit process that's put in place to determine exactly which costs would be eligible. As the building is still under construction and this process is still taking place, until Health Canada provides them with a production licence and a sales licence here within the province, then these are all matters that the Member opposite is asking me to make a determination on that.

We have the protections in the contract to ensure that they will only be remunerated for any eligible cost. What I can say is that the City of St. John's is going to be getting municipal tax now because of this. The Member for Fortune Bay - Cape La Hune wanted us to ensure that the City of St. John's wouldn't get any municipal tax, that Crown land would be given for a dollar under the EDGE Program and more.

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

**MR. SPEAKER:** Thank you.

The hon. the Leader of the Official Opposition.

**MR. CROSBIE:** Is the minister telling the House that he is relying upon auditors to guarantee the arm's-length nature of the relationship between Canopy and the numbered company and to know who the shareholders are, but he does not need to know?

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

**MR. MITCHELMORE:** Mr. Speaker, Canopy Growth Corporation is a publicly traded company. It has shareholders. It has people who are majority shareholders, and people who are minority shareholders. There could be any number of people that would be buying shares at Canopy Growth Corporation from day to day to day.

What I can say is that we have a very clear contract with Canopy Growth Corporation, as we do with Biome, and as we will with any other production facility that we would enter into in Newfoundland and Labrador. Our government made the decision that we would be a leader in the cannabis industry, that we would attract those businesses here to our province. We are doing so, we are creating jobs here, and we have adequate securities and protections put in place to protect us. And what we have done is that we've made sure that no tax dollars are being put at risk here, and all the risk are with those companies.

Thank you, Mr. Speaker.

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

**MR. SPEAKER:** Thank you.

The hon. the Leader of the Official Opposition.

**MR. CROSBIE:** I put it to the minister that under this agreement with Canopy he has not only the right, but the duty to inform himself, as a prudent and responsible steward of public money, as to the identity of the shareholders of the numbered company.

When will the minister enforce this agreement and act on his duty to inform the taxpayer?

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

**MR. MITCHELMORE:** Mr. Speaker, we have no relationship, the provincial government, with this numbered company, but the Member opposite continues questioning. So our contract is with Canopy Growth Corporation, and we will determine the eligible expenses and costs that are eligible for recoupment. We have auditors and we have the adequate protection within our contract to do so.

So we have a good relationship with this company, and we anticipate having a good relationship with Biome and any other companies that want to set up cannabis production facilities in Newfoundland and Labrador. They are creating jobs for our province, and they are creating retail jobs all across Newfoundland and Labrador.

I don't know what the Member opposite is in particular wanting to see here. But when it comes to private business matters, they are done with private business.

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

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

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

Mr. Speaker, I ask the Minister of Natural Resources: What preventive measures were implemented last week prior to the forecasted most intense storm on the province for our offshore oil production vessels?

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

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

As we all know, we did have a rather intense weather event last Thursday, and I'm pleased to report to this House that everyone was safe and there were no major incidents of safety occurring offshore.

As Members opposite know, and people in the province know, C-NLOPB ensures that through their operating licence that every single operator is required to have a safety and environmental protection plan, and it is under that plan that

they would have been prepared for the storm on Thursday, Mr. Speaker.

I can report that on Thursday of last week all operators offshore did shut in because of the storm and that I will leave it at that, Mr. Speaker. I'm sure there are more questions to come.

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

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

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

I wonder if the minister could advise was there an emergency disconnect or a controlled disconnect by the operators.

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

**MS. COADY:** Certainly, I will undertake to discuss that with C-NLOPB, what type of disconnect it was. The storm was intense, Mr. Speaker. There are safety and environmental protection plans that each operator must have and they were exercised under that plan. It was probably one of the most intense storms we've seen offshore.

We were constantly – I can tell you – from this government's perspective, I was in constant contact with C-NLOPB all throughout Thursday and into Friday to ensure the safety of our workforce and I'm pleased to say that was the case.

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

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

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

Mr. Speaker, this weather pattern wasn't a surprise. We knew it was coming and it was, back then, alleged to be one of the most intense storms on the planet. So, I don't understand why the minister can't say whether it was an emergency disconnect or a controlled disconnect.

I'll ask the minister: Were the offshore production vessels ordered to disconnect by the C-NLOPB prior to the forecasted winds and high seas arriving, which were forecasted and everybody was aware of it?

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

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

The Member opposite would be fully aware that the Canada-Newfoundland and Labrador Offshore Petroleum Board exercises that requirement under the Atlantic Accord act. There is a chief safety officer. There is a chief conservation officer. Even in the act, it says the chief safety officer overrides the board. It overrides the conservation officer as well, Mr. Speaker.

It is his responsibility to ensure that everything under the safety and environmental protection plan is enacted and I am sure that he would be on that all of last week and into, of course, this week with the instance of the oil spill.

Thank you, Mr. Speaker.

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

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

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

Mr. Speaker, when the oil spill occurred the seas were too rough to contain the spill or even to determine how big the spill was.

I ask the minister. Who issued the order or permitted to allow Husky SeaRose FPSO to reconnect and to restart production even when the most intense storm on the planet was ongoing?

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

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

I'll again say that the chief conservation officer ensures that each operator has a safety and environmental protection plan that they must

follow. Part of the investigation of this oil spill will be to determine if protocols were followed and if they were followed, what do we need to do to ensure this type of an incident does not occur again.

The chief conservation officer, the chief safety officer would have been on top of both of these activities late last week. I can inform the House, as I did the Member opposite, they were involved all weekend long addressing the concerns around the oil spill, Mr. Speaker.

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

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

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

Mr. Speaker, I wonder if the minister could advise us: Did C-NLOPB make you aware that connections by Husky in record high winds and sea conditions were approved?

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

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

On Thursday, I did reach out to C-NLOPB to make sure that we were in a good position, people were safe offshore, that things were okay looking at the weather forecast and looking at what was happening.

C-NLOPB was obviously in constant contact with the operators and ensuring that the operators were operating, were shut in and operating as safely as possible, Mr. Speaker. The chief safety officer under the act is responsible for safety. He was completely involved. The chief conservation officer, of course, is responsible for environmental protection and they are continuing to work today, especially in light of the oil spill.

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

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

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

I wonder if the minister could advise: Was the Nalcor CEO or any of the officials with Nalcor notified or involved with the discussions during this period?

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

**MS. COADY:** Mr. Speaker, I could undertake to find out if Nalcor's CEO was involved. I can tell you that the safety officer was involved with C-NLOPB. They were talking to the operators throughout this entire process all throughout last week.

As a matter of fact, everyday, Mr. Speaker, the chief safety officer is in contact with the offshore in making sure that things are progressing as they must do. The chief conservation officer has been very much engaged since there has been an oil spill as of Friday, but I can undertake to determine whether or not Nalcor Energy Oil and Gas Co. was advised.

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

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

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

The Terra Nova FPSO did not attempt to reconnect in high seas, yet the SeaRose did.

I ask the minister: Has the C-NLOPB explained the different approach?

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

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

I have had that conversation with C-NLOPB to determine under whose direction and authority the restart would happen. It is under their plans, the safety and environmental protection plans that these restarts do occur. And I can say that it will be part of the investigation as to whether or not the right protocols were followed and whether or not there should be different protocols.

Mr. Speaker, this government is monitoring two things. First of all, we're monitoring what's occurred with the oil spill of last Friday; and (b), ensuring that we are understanding what actions are being taken, and that action is underway. But we're also monitoring the response by C-NLOPB.

**MR. SPEAKER:** Thank you.

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

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

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

I understand the monitoring and reviewing and investigating, but these are live activities that are happening today off our coast.

Mr. Speaker, I ask the minister: Have you spoke with the senior managers of the two companies in regard to why one company took action to reconnect in what was described as the hardest environment on the planet at the particular time and why another company did not? What's the C-NLOPB's recommendation? Why did they allow that to happen?

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

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

I have spoken with both operators, and the SeaRose was getting ready to – or was preparing to recommence operations on Friday following their safety and environmental protection plan protocols, Mr. Speaker, as I've said to this House already.

The question is, in the investigation, whether or not the right protocols were followed, and whether or not we need to change those protocols. One was ready to recommence, they did. Terra Nova was not quite ready to commence, and once this occurred, of course, they have not yet recommenced.

Thank you, Mr. Speaker.

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

**MR. SPEAKER:** Thank you.

The hon. the Opposition House Leader.

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

I recognize the minister spoke to the protocols that would be in place for any of the operators.

What feedback she's gotten back from the C-NLOPB in regard to the disconnection and restarting production after a harsh weather shutdown. Were they following the protocols at the time, or is there any clear indication that they infringed on standard protocols?

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

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

I'm sure the investigation that will very much have to incur in this incidence will occur. And I can assure the Members of this House and I can assure the people of this province, we will be monitoring the actions of C-NLOPB, the review of this particular incidence and how we can improve upon.

As I've said before in this House, the safety and environmental protection are paramount in our offshore. They are not to be compromised in any way, in any shape, at any time. So therefore, Mr. Speaker, I can assure the Member opposite that we'll be following through on this investigation to make sure everything that can be done to avoid this in the future, will be done.

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

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

**MR. HUTCHINGS:** I share her concern that what should be done will be done, but if protocols were in place they're not followed. That's a huge concern. When it happens it happens, Mr. Speaker.

In the C-NLOPB release, they reference next steps: "carefully review Husky Energy's ongoing response, the company's investigation report when ready and its Operations Authorization in light of this incident and the

one last year involving the near miss of an iceberg with the SeaRose FPSO.”

I ask the minister: This is the second serious incident. What’s she going to do to ensure that companies like these are held accountable? The last time there was no sanction against Husky. So what’s she going to do here and now to make sure that the safety of people offshore are protected?

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

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

As I’ve said repeatedly, safety and environmental protection is paramount. We have a joint board, C-NLOPB, Canada-Newfoundland and Labrador Offshore Petroleum Board, that has, under the Accord Act, the responsibility. They have a chief safety officer, they have a chief conservation officer. They are the group that actually approved the operating licence of the operators offshore.

We are going to make sure that the investigation is thorough, as a government, and I’ll be talking to my colleague, obviously, federally as well on this, making sure the investigation is thorough. There are many things that can occur under the review process, but let’s make sure first of all that we contain this oil spill today, and then get to the investigation as to why it occurred and how can we prevent it in the future.

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

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

**MR. HUTCHINGS:** Mr. Speaker, there was reference to 250,000 litres that was dispersed and there’s no indication yet, my understanding, of whether the leak has stopped. There’s some reference to sheens on the water and where that would be.

I ask the minister: Could she give an update on what oil – believed to this point – has been released, and what operations are underway to contain it?

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

**MS. COADY:** Thank you for the question; it’s an important one.

Multiple flyovers happened over the weekend, Mr. Speaker, to see the extent of the spill. It was farther away from the South White Rose extension, therefore it indicated – and there is no reason not to believe that the oil spill had been what they call a batch spill, meaning an instantaneous spill that had stopped.

I can report that today’s flyover showed no sheen, meaning it is either dissipated or evaporated. That means there was no sheen on the water.

So there are multiple vessels now in the area checking on wildlife, Mr. Speaker. The ROV, the remotely operated vehicle has gone, is now proceeding underwater to check the flow lines and to determine the extent of what happened.

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

**MR. SPEAKER:** Thank you.

The hon. the Leader of the Third Party.

**MS. ROGERS:** Mr. Speaker, that’s speculation at this point.

Last Friday, Husky Energy reported a spill of 250,000 litres at its SeaRose FPSO, with possibly more leaking as we speak. Details about the cause and full extent of damage are still not available, and we are forced to rely on information provided by the company itself.

Australia and Norway know, we know, self-regulation by industry does not work. Surely, the Premier knows that too.

I ask the Premier: How much more will it take before he acts to establish an independent offshore safety and environmental authority?

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

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

I want to stand on this question today because what happened on Friday is a serious incident. It's the environmental concern, safety. I also want to say that the minister and department have done a good job over the weekend keeping in touch with C-NLOPB, Mr. Speaker.

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

**PREMIER BALL:** I also want to say that, as the minister has already mentioned, there is an ROV in place right now to determine if indeed this leak has stopped. But that is done with an independent observer on the FPSO, the SeaRose. So there's an independent observer out there. This is not left to the corporation; this is not left to the company. So this information will come up, will be reviewed by the independent environmental officer that is currently on the FPSO.

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

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

**MS. ROGERS:** Mr. Speaker, last spring a near-miss iceberg incident on Husky Energy's SeaRose FPSO, and now during the worst storm since the 1982 Ocean Ranger disaster Husky discovers the largest spill in our history while attempting to restart pumping in dangerous conditions that are still so bad we can't even assess the spill. It's just happening now.

These incidents clearly show that Husky's bottom line has been far more important to them than worker safety and environmental protection.

I ask the Premier: Will he begin negotiations with his federal counterparts to create an independent offshore safety and environmental authority with the power to ensure that oil companies place environmental and worker safety above profits?

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

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

Well, I can tell you now about this government, and indeed the federal government as well, that safety offshore is a priority. Mr. Speaker, we'll

say that the Hebron production platform is currently producing right now, and they are operating guidelines, as the minister has just said. So there will an investigation that will be done into what happened on Friday.

Mr. Speaker, we understand, and I've said that this is a priority for us, they've been monitoring this on this weekend, there are independent groups involved as we speak right now, as is DFO, Environment Canada, Husky themselves and the Canadian Wildlife Services. They're all involved in monitoring of what happened there on Friday.

So, I'd say to the Members opposite, let's get the investigation done. We'll then see why this happened and when it happened, Mr. Speaker, but first and foremost the minister and the department and the people at C-NLOPB, their primary concern today is making sure that safety is in place.

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

**MR. SPEAKER:** Thank you.

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

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

Since December 2010, we have been repeatedly calling for an independent offshore safety authority, similar to agencies found in Norway and Australia. It is the only recommendation from Justice Robert Wells, Offshore Helicopter Safety Inquiry which has not yet been implemented.

I ask the Premier. Why does he continue to listen to the oil industry and not the experts on safety and environmental protection?

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

**MS. COADY:** Thank you, this is a very important question and I want the people of the province to understand that under the Accord Act there is a role for a chief safety officer, whose recommendations are paramount. They're

paramount to the board. They're paramount to the chief conservation officer, Mr. Speaker.

So, in effect, we have a Canada-Newfoundland and Labrador Offshore Petroleum Board, a jointly controlled board, federal and provincial government that is controlled by an independent board of directors and, plus, we have a chief safety officer within that board whose direction is paramount.

I say to the Member opposite, in some ways, that is the case already. But I will say this, what is needed to be done in our offshore will be done to ensure safety and environmental protection.

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

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

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

While we believe the C-NLOPB is not the best agency to protect offshore environmental and workers safety because it's in conflict of interest, it does have regulatory powers over the industry that it is not fully exercising.

I ask the Premier: Will he immediately work with his federal counterparts to direct the C-NLOPB to tighten regulations regarding operations under potentially dangerous conditions?

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

**MS. COADY:** I think the Member opposite in her preamble was talking about the promotion of the industry. I can assure the people of the province that C-NLOPB is not designed to promote the industry. They're designed to regulate the industry. I wanted to make sure the people of the province understood that, Mr. Speaker.

I will say that whatever needs to be done, coming out of this review and investigation, will be done. Obviously, we're very concerned about this environmental spill, this oil spill. We are overly concerned I would say about continuing worker safety, Mr. Speaker. So we will take this

investigation very seriously and look to improve regulation.

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

**MR. SPEAKER:** Thank you.

The time for 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 Member for Fortune Bay - Cape La Hune.

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

BE IT RESOLVED that the House of Assembly urge the Government of Newfoundland and Labrador to bring forward legislation to require every privately held numbered company operating in the province that does business with provincial government to disclose the identities of the significant shareholders in that company.

This motion, Mr. Speaker, is seconded by the Member for Mount Pearl North.

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

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

The resolution just read out by my colleague will be the one that will be debated on Wednesday, Private Members' Day.

**MR. SPEAKER:** Thank you.

The hon. the Government House Leader.

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

Pursuant to Standing Order 11(1) I hereby give notice that this House not adjourn at 5:30 p.m. on Tuesday, November 20.

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 St. John's East - Quidi Vidi.

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

That was an interesting rising of three at the same time – quick on my feet.

Here are the reasons for this petition: Our licensed child care system is a patchwork of private, for-profit centres – 70 per cent of all centres – non-profit, community-based centres and family daycare, plus a small number of education- and workplace-based centres.

It is nowhere near meeting the child care needs in our province. Affordable, licensed child care is often in short supply in rural parts of the province. Even in St. John's there are long wait-lists for quality child care programs.

Child care programs have both social and financial benefits for society. Studies show that high-quality child care and early childhood education programs result in better cognitive, language and numeracy skills. They help economically and disadvantaged children transition to school on the same level as other children.

For every \$1 spent on early childhood education, the benefits range from \$1.50 to \$2.78 – many studies including TD Economics.

Investing in child care creates jobs; \$1 million invested in child care would create 40 jobs, more than in any other sector.

A gender-based analysis of the provincial budget would have indicated the need for a public child care program as a key way to close the wage gap between women and men in this province.

We, the undersigned, call upon the House of Assembly to urge the Government of Newfoundland and Labrador to take immediate steps to put in place a plan for a gradual transition to a universal, regulated, and publicly funded and fully accessible child care and after school care program.

Mr. Speaker, I'm very happy to present this petition on behalf of people who actually live here in St. John's.

Child care is one of the most important things that we can do as legislators here in this House of Assembly, making sure that child care is available for the children in our province. The need for having a child care publicly regulated, a fully operative child care program is really pointed out here in St. John's actually over the past week.

Just imagine if kindergarten children found out last week that at the end of the month there's no place for them to go to kindergarten because a lease has run out and they couldn't go to kindergarten? We'd be incensed. Well, there's no difference between children needing child care and children who are in our school system beginning with kindergarten.

Yet, what happened here in St. John's this week is just an example of how unsatisfactory our child care system is. The fact that a child care operator has found out a lease is running out, they don't have a place to operate any more. This is unacceptable.

Thank you very much, Mr. Speaker.

**MR. SPEAKER:** Thank you.

The hon. the Minister of Education and Early Childhood Development for a response, please.

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

It is certainly a pleasure for me to speak on behalf of government and the significant contributions that we've made to early childhood development over the last three years.

Mr. Speaker, as a matter of fact, I just got back from Happy Valley-Goose Bay on Friday, where we are working with an organization there.

We've just invested over \$900,000 in child care in Happy Valley-Goose Bay, and these are announcements we're making across the province. We just recently made an announcement in Port aux Basques. We are actually making a significant contribution to child care.

As a matter of fact, Mr. Speaker, our government has committed an additional \$2 million in the annual funding for the Child Care Subsidy Program. That's for this year.

Mr. Speaker, we, as well, are ahead of the target for Newfoundland for our new projected spaces through the Child Care Capacity Initiative with 425 new spaces as of April 1, 2017.

Mr. Speaker, in addition to that, it's anticipated with the change that we've made with regard to the net family income threshold from \$27,000 to \$35,000, that an additional 100 families will have full subsidy or partial subsidy.

So we're making a significant investment into early childhood development, as well as educating our early childhood educators and making them professionals. So we are significantly making the change in child care within this province.

Thank you, Mr. Speaker.

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

**MR. SPEAKER:** Thank you.

Further petitions?

The hon. the Member for Mount Pearl North.

**MR. LESTER:** Mr. Speaker, damage to valuable farmlands continue to occur. This is hampering the province's need to expand our food security and produce more food locally.

This damage is mostly due to individuals using ATVs and other motor vehicles.

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

We, the undersigned, call on the House of Assembly to urge the Government of

Newfoundland and Labrador to strengthen the *Petty Trespass Act* and make direct reference to agricultural properties, increasing fines and power to courts so as they can seize offending vehicles and assign punitive damages to be awarded to the property owner.

Mr. Speaker, I spent the morning, prior to coming in here, driving through the Goulds speaking to various agricultural producers who continually experience damage to their properties by such, I guess, uncaring individuals who are driving ATVs and other recreational vehicles.

What happens is they look at an open, green field as a great place to try out a new set of tires, but in doing that they're often destroying the farmer's crop. In many cases, there's up to 35 to 40 per cent damage on a field and it causes the farmer to lose that crop because, obviously, that has to be repaired before we can harvest it.

I, fortunately, have never had that damage, but I am quite aware of individual farmers who, not seeing the damage prior to the hay growing, they go in there with a \$100,000 piece of machinery and pick up a rock the size of a small suitcase. Not only does it damage the machinery, but it puts the harvest in throes and puts the farmer behind.

We need to give the courts and peace officers more power. Often they'll show up to arrest these individuals or press charges and they'll basically have to let them go because, obviously, a farmer can't put a fence around every field he owns, and signage quite often gets ripped down.

I think we need to make the whole province aware that if it's a field, it's agricultural property. It's their food supply, they got to respect it, and if they don't, they pay for it.

**MR. SPEAKER:** Thank you.

The hon. the Member for Fortune Bay - Cape La Hune.

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

I petition the House of Assembly as follows:

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

WHEREAS the Coast of Bays region is a very busy area with a high volume of industrial traffic for aquaculture, the fishery and hydroelectricity; 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 year, some very serious, and daily near misses; and

WHEREAS all residents are very concerned and worried to drive the highway due to 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:

Mr. Speaker, I have here another four pages of signatures from the community of Conne River. I've submitted already on behalf of communities from Pool's Cove and Bay d'Espoir, and I have petitions from every community in the district.

This is a grave concern for each and every resident of the Coast of Bays region. As well as each and every business entity, I would say, from Grand Falls and Gander that service the area and have to come down the Coast of Bays region on a regular basis in their vehicles to service the area, they too have a grave fear.

In fact, I would venture to say it's probably going to impact the amount of shopping that happens in Central Newfoundland from residents of my district this Christmas because people are terrified of travelling the roads. It has gone beyond the point of there are alders, and there are alders everywhere in the province, we'll get to them when we get to it.

The problem is very, very serious, Mr. Speaker. You're driving along the road, the road is here, the moose jumps out and he's right on you. You can put your hand out and touch the alders, and it goes on for kilometres and kilometres and kilometres.

We really need this government to recognize that it's a serious problem, to be responsible and take preventative action before we have a fatality that is totally unnecessary and totally avoidable if this government would just provide the resources that are required to provide safety for the travellers of the District of Fortune Bay - Cape La Hune.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you.

Further petitions?

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 through 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 are working with Nalcor to mitigate rates, they've provided no detailed plan as to how they intend to do so.

Therefore, we petition the hon. 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.

Mr. Speaker, today I have signatures from St. John's, Mount Pearl, Pouch Cove, Logy Bay, Paradise and Bay Roberts. We also have people from Calvert, Harbour Breton, Badger's Quay, Wesleyville, Valleyfield, Twillingate.

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

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

**MR. LANE:** So, Mr. Speaker, there's certainly a mixture of signatures from all throughout the province, as has been standard with all of these petitions. And, again, I will say this is not about blaming the current administration for the situation that we have. That's why we have the Muskrat Falls Inquiry, to find out exactly what happened.

I think a lot of us are very disturbed by some of the things that are coming out. Some of us are, perhaps, a little more than just disturbed. Some of us are very angry, including yours truly; but, at the end of the day, we know that there are going to be significant hit to ratepayers with the cost of electricity, unless there's something done to prevent that.

While the government has come out and said that ratepayers are not going to have to pay for it, taxpayers aren't going to have to pay for it, that all sounds great. If there was a magic wand and we can all make it all go away, it would be wonderful, but that's not reality and people want to understand exactly what government plans to do to help mitigate power rates. That's what they want to know, and that's what they're calling for in this petition is a detailed plan, other than: trust us.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you.

The hon. the Government House Leader.

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

We 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 from the Order paper, Order 2, third reading of Bill 36.

**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 36, An Act To Amend The Workplace Health, Safety And Compensation Act No. 2, be now read a third time.

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

It is the pleasure of the House to adopt the motion?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

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

The motion is carried.

**CLERK (Barnes):** A bill, An Act To Amend The Workplace Health, Safety And Compensation Act No. 2. (Bill 36)

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

On motion, a bill, "An Act To Amend The Workplace Health, Safety And Compensation Act No. 2," read a third time, ordered passed and its title be as on the Order Paper. (Bill 36)

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

**MR. A. PARSONS:** Mr. Speaker, I move, seconded by the Minister of Service NL, for leave to introduce a bill entitle, An Act To Amend The Highway Traffic Act, Bill 39, 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 Minister of Service NL shall have leave to introduce a bill entitled, An Act To Amend The Highway Traffic Act, Bill 39, 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.'

The motion is carried.

Motion, the hon. the Minister of Service Newfoundland and Labrador to introduce a bill, "An Act To Amend The Highway Traffic Act," carried. (Bill 39)

**CLERK:** A bill, An Act To Amend The Highway Traffic Act. (Bill 39)

**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 39 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 NL, for leave to introduce a bill entitled, An Act To Amend The Housing Corporation Act, Bill 40, 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 Minister of Service NL shall have leave to introduce a bill entitled, An Act To

Amend The Housing Corporation Act, Bill 40, 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.'

The motion is carried.

Motion, the hon. the Minister Responsible for the Newfoundland and Labrador Housing Corporation introduce a bill, "An Act To Amend The Housing Corporation Act," carried. (Bill 40)

**CLERK:** A bill, An Act To Amend The Housing Corporation Act. (Bill 40)

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

When shall the said bill be read a second time?

Tomorrow?

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

**MR. SPEAKER:** Tomorrow.

On motion, Bill 40 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 call from the Order Paper, Order 7, second reading of Bill 38.

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

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

Today we are debating Bill 38, An Act Respecting The Reporting Requirements of Public Bodies – I move, seconded by the hon. the Government House Leader.

Motion, second reading of a bill, “An Act Respecting The Reporting Requirements Of Public Bodies.” (Bill 38)

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

**MR. OSBORNE:** Yes, thank you, Mr. Speaker.

This act will improve government’s access to workforce- and compensation-related information from our agencies, boards and commissions. We’ve been working with our ABCs on finding efficiencies and bringing about cost savings; however, questions have arisen around whether they have the authority to release some of the information to government and how such information should be treated under ATIPPA.

Mr. Speaker, this can include situations where the information is considered to be commercially sensitive or situations where personal information such as retirement projections, we’re asking for that information, and they’ve had some concerns with that.

So, the ATIPPA legislation was never intended to limit government’s ability to access information that is needed to inform sound policy decisions. This new legislation will help ensure appropriate access to that information.

We’ve heard from many of our ABCs that they wish to be open and transparent and to work with government as we look to find efficiencies. This act ensures that we have the ability to obtain timely and consistent information that’s needed to inform those decisions. This will help in meeting our commitment through *The Way Forward* to achieving a more efficient public service.

Mr. Speaker, we are focused on attrition management in government. We’ve set targets for our ABCs to achieve the same. This will allow us to work with them in developing attrition planning through the ABCs as well.

This legislation ensures access to not only compensation information, but also information that’s crucial for our understanding of circumstances that these entities face with

attrition targets such as retirement forecasting and current attrition plans.

As the Minister of Finance, I am responsible for managing the public Treasury and part of that is having a complete picture of how public funds are used in both core government as well as our agencies, boards and commissions. This legislation will help in that regard.

Section 5 lays out information government will be able to access through this legislation, which includes but is not limited to employment and related agreements between the public body and its employees; compensation policies, plans, guidelines, programs and reports relating to the public body; the current and projected organizational structure and human resource requirements of the public body; the current and projected retirement eligibility of employees.

This act will allow government to access this information while maintaining the confidentiality that this information is from public release. This is important, Mr. Speaker, because the agencies, boards and commissions were concerned about this. It does bear repeating, there has to be some level of protection, and that level of protection will be guaranteed, Mr. Speaker.

Those concerns that were raised by the ABCs about the information they’re sharing, whether it be commercially sensitive or whether it be about retirement plans of some of their employees, Mr. Speaker, the legislation here will also ensure that that information is looked at through the lens of ATIPPA and the protection of privacy when it relates to the release of information to the general public.

So these changes will allow us access to the – for the purpose of planning and advising on ways of reducing spending within our agencies, boards and commissions, but the information will still fall under ATIPPA and anything that is commercially sensitive would be protected as per ATIPPA.

Mr. Speaker, Newfoundlanders and Labradorians expect that our public bodies will operate efficiently, as they expect government to operate efficiently. They expect our public

bodies to be accountable for the money they spend, as it is the taxpayers' money.

Our government will continue to work collaboratively and respectfully with our agencies, boards and commissions to make improvements in these areas. This legislation will enable government to work with public bodies on the implementation of organizational and operational changes based on a full understanding of the specific challenges that each organization is met with. The legislation will strengthen the collective responsibility for government departments and government entities to address the province's fiscal challenges and to build an efficient and effective public sector.

Mr. Speaker, I look forward to continuing effective dialogue with our agencies, boards and commissions as we look for efficiencies with our partners, as we are able to deliver on effective attrition plans, as we're able to lay out plans working with our agencies, boards and commissions on organizational structures and so on.

I look forward to the debate in the House of Assembly and to answering any questions that Members opposite may have.

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

**MR. CROSBIE:** Thank you, Mr. Speaker. I thank the minister.

Perhaps in the course of Committee stage – as I've been here, I think I picked up along the way that something like 60 per cent of our spending, of government spending is done by non-core government, by the ABCs. Perhaps the minister would be kind enough to enlighten the House a little bit further with the details of that.

The minister, I think, is at this point aware that the definition as to which ABCs are caught up in the reach of the legislation would not catch a body like Atlantic Lottery Corporation. Atlantic Lottery Corporation has four shareholders and is not a Crown corporation in the sense that it's set up by statute by the province; it's actually a private corporation, incorporated under the federal Corporations Act.

The province does have, however, a 25 per cent shareholding in it. So it is considered as a Crown corporation. I just raise for consideration of the government whether an amendment might be needed to catch entities such as Atlantic Lottery Corporation, which handle large amounts of money as we know, and an amendment which was directed to catching entities considered to be Crown corporations might do the job. I haven't thought this all the way through; it's a drafting matter, but this could be considered by those responsible for drafting.

At section 10, I'd raise a question, Mr. Speaker, as to why the government is concerned about being sued for anything done under this particular piece of amending legislation, which basically seeks information. There may be a thought process behind that, but I, for one, would be interested in knowing why the concern to provide for no cause of action.

And lastly, the particular amendment we're looking at here is concerned with gathering information. I'm all in favour of that. Information is power, as the minister knows. So there's nothing wrong with gathering information, but of course it needs to be part of an integrated scheme for how the government is going to impose fiscal discipline on that enormous sector of spending that happens outside of core government, and we look forward to hearing more from him about that.

Thank you.

**MR. SPEAKER:** Thank you.

The hon. the Member for Bonavista.

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

I just want to speak a few minutes to this bill. It's something that's necessary to put in place to help us create policy within government, and it's something that departments find necessary to develop policy, to develop bills like we're debating here today.

You look at ABCs, which make up the majority of what government actually is, you have over 200; 80 per cent are salaries, the Finance Minister tells me – just think about that. The biggest one by far, you would think, is the four

health boards: Eastern Health, Central Health, Western Health and Labrador Grenfell taking up most of the salary. If you want to develop any sort of policy, let's say on health care, you have to go to each one of those health authorities. Right now, ATIPPA doesn't necessarily allow us to have that information.

So what this bill does, Mr. Speaker, is actually allows us to clean up how we interact with our ABCs and how government departments can communicate between them. We are going to ensure that information provided by agencies, boards and commissions will continue to be protected by the *Access to Information and Protection of Privacy Act, 2015* while still being able to share information – be shared with relevant government bodies.

We're confirming the requirement for ABCs to provide the (inaudible) information in a timely manner; provide the minister with the power to issue directive requiring ABC to provide the information.

If you think about the amount of legislation that's been put through this House in the past three years, Mr. Speaker – we're on Bill 38 right now. I think in the first session of this General Assembly we saw close to 70; the second session we saw another 50 or 60 pieces of legislation come through, but often you see a rush to get legislation in. A lot of that is the departments have to go back, research, find out information and find proper information so that they put the best bill forward, Mr. Speaker, for the people of Newfoundland and Labrador. A lot of times that's hindered by going through ABCs because of this access to information and whether or not we can legally have access to that. So we're not getting the most informed information possible.

You think that the legislation that the House Leader has to deal with – and, right now, we're looking at an influx of legislation coming in next week. The departments have a hard time getting the information that they need. Justice has a hard time then following up and making sure that everything is in order, the bills are in order. We don't want to come to the floor of the House of Assembly with a piece of legislation that we're going to have to come back in six months' time and amend because we put in something wrong.

Mr. Speaker, this is going to allow us to do a lot more work, better work, and it helps us to create better policy. If you look at our *Way Forward* plan, a number of different action items. When you're developing policy, though, you want the best information from each area. If you're doing something in health care, you want to make some major changes in health care, you want to go speak – it's not just the department but it's the health boards. The four different health boards need to talk to the departments to determine what's best for our health care system and based on our old access to information act, it's not working well for us right now.

Mr. Speaker, a bit of a technical brief here: Nearly 80 per cent of salary and benefit costs in the public service are incurred by ABCs, which I already mentioned. Many ABCs have government structures that empower boards to establish and oversee terms and conditions of employment.

Right now, that's where we're seeing some of the challenges is getting those terms, those conditions. Efforts have been ongoing with our agencies, boards and commissions to find efficiencies and bring about cost savings. You think what we were handed with, with the previous PC government, a \$2.7 billion deficit and when you're trying to find savings, 80 per cent of the salaries come from ABCs.

You want to find as much efficiencies in those departments. Now, if we don't know, we don't have the information of where to look to find and get that information, then how can we clean up the mess that the previous PC government left us? I mean it makes it impossible.

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

**MR. KING:** The Member for Mount Pearl North over heckling me now, as he had three years. Well, there are not enough Bounty paper towels I can tell you that, to the Member for Mount Pearl North, in this province to clean up the mess that you left behind. I tell you, Mr. Speaker, they don't want to own up to anything.

Mr. Speaker, (inaudible) bringing about those cost savings. So given the magnitude in spending and salary and benefits, it's important to ensure we have access to all the relevant



information. The question that's arisen: Would our ABCs have the authority to release information in certain situations, such as commercially sensitive information or situations where personal information such as retirement projections?

So when we get back the savings again, these are two big things. How much are spending on something? Can we find something more efficient or that would cost less money? Retirement projections going out – we all know that the Leader of the Opposition wants to balance the budget, and the only way you balance the budget with a \$2.7 billion deficit is to cut and slash programs: health care, education, roads and mass layoffs. That's what the Leader of the Opposition wants to do, blue thunder. That's what he wants to do.

I mean, this is what he wants to do. We are looking at attrition as a way for cost savings. We're not doing mass layoffs; that would cripple the economy. So when the Leader of the Opposition says he wants a balanced budget but he promotes honest government, he's not being honest with us right now. He should be honest and let us know that he's going to slash the public service; he's going to cut across the board – cut our health care, cut education, tear up the Roads Plan. I can guarantee he's going to tear up the Roads Plan so we are back to what we had before.

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

**MR. KING:** (Inaudible.) Yes, you can find it online.

You have the Member for CBS talking about Route 60, and I think there's some great work done in that district, Mr. Speaker.

So when you get to that, very important things – oh, we got the Minister of Advanced Education, Skills and Labour giving me a note. He's liking my speech; he's telling me I'm doing a good job, Mr. Speaker. But the Opposition doesn't think so because they don't want to do that. They could have brought something like this in so you can actually get good information. They didn't want to do it. It was too much trouble for them. It was too much trouble for them, because

they would actually have to do something to find savings.

They spent like drunken sailors. They spent and spent and spent \$25 billion over 10 years, oil revenues, and not a darn thing to show for it. I mean, Mr. Speaker, that is ridiculous. That is absolutely ridiculous when we're here putting bills forward like this so we can get the best information possible to put public, to make the best policy for Newfoundlanders and Labradorians.

And you see a lot of that great policy in *The Way Forward* document. I tell you, it's not easy to do a document like *The Way Forward* when you have to reach out to ABCs and they're very hesitant to give you information because they're afraid to give you things like commercially sensitive information, situations where personal information such as retirement projections are out there.

I mean, this is what you need to plan to move forward and we have been serious about getting our province back on track. *The Way Forward* has done an amazing job. We have created jobs. We get the Leader of the Opposition up asking questions about Canopy Growth every day. Minister, how many jobs is that creating for Newfoundlanders and Labradorians, Canopy Growth?

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

**MR. KING:** Two hundred jobs. Biome is another organization on the –

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

**MR. KING:** Four hundred and sixty total jobs and he's bringing it up like it's a bad thing.

Revenues coming back to the coffers of Newfoundland and Labrador and they're criticizing it going back to municipalities, going back to our health care system, going back to our roads, going back to our education system. I mean, this is what he's getting up every day in the House of Assembly and asking, like there's some sort of boogie man hiding behind the corner because of the cannabis history. I think in 1950s they had a movie out called *Reefer Madness*; I think he may have been watching a

bit of that too much on his tour throughout his leadership campaign.

I digress, Mr. Speaker, what we're doing is getting back to a piece of legislation that has to develop policy for us to move forward. *The Way Forward* is doing that. We work with our departments. We work with the Department of Transportation and Works to develop a Roads Plan because we have all the best information. We knew that paving a kilometre here and a kilometre there and a kilometre here to try to win votes, Mr. Speaker, doesn't do you well.

What you seen over the last three years, Mr. Speaker, based on the information that we had, is that if you get early tenders out, if you plan well in advance – if you plan well advance –

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

**MR. KING:** We have some hecklers here because it all comes back to why this piece of legislation is important, Mr. Speaker, so if you give me the little bit of leniency to talk to that. But what we did was we did our research, developed policy, which this wants to do. You can't necessarily do that with ABCs right now. So that's why we're able to get better value for money.

Now, if we look at our health care boards and we do the same thing, we get in and look at our health care boards and find cost savings. We spend 40 per cent of the provincial budget – roughly 40 per cent of the provincial budget is actually in our health care system, Mr. Speaker. And right now, because they're a health care board, that we have difficulty getting the information that we need to move forward and look for efficiencies.

How can we work with all four agencies to do things similar through – like an electronic system, electronic file system where I go into the Bonavista hospital and then, say, if I get ill today, or if I get ill when I'm on the road driving through Gander which is Central Health, they would have my records on like that. That's the type of ATIPPA information that's hurting us from moving forward, things that can bring us forward, help patients, cut costs, Telehealth, things of that nature, doing the same thing across all four boards.

So given the magnitude of the spending on salary benefits, it's important to ensure that we have access to all relevant information. When the Minister of Finance goes and negotiates with our valuable and certainly wonderful public servants, that we get all the proper information to give them a fair deal.

Questions have arisen whether ABCs have authority to release information in certain situations such as – I just read that. We want to ensure the government's ability to access to information needed to inform sound policy decisions; ensure information provided by ABCs is protected by the *Access to Information and Protection of Privacy Act*; confirm the requirement for ABCs to provide all applicable information in a timely manner. That's a big thing; getting your information when you need it.

I'm sure the Minister of Finance, right now, is working – the budget is probably not until March or early April, but I'm sure he's getting all his ducks in a row right now to plan next year's budget. I'm sure he would like to go back to the ABCs and get all the information he needs to make sound decisions to get us back to surplus in 2022. Given where we've been, that's no small feat, but the Minister of Finance has been doing a good job on that. This bill is going to provide the minister with the power to issue a directive requiring an ABC to provide information.

So, what's covered, Mr. Speaker? Relevant information can include: employment and related agreements between the public body and its employees; compensation policies, plans, guidelines, programs and reports; the current and projected organizational structure and human resource requirements; current and projected retirement eligibility of employees; and any other information the minister deems necessary under the act.

That is quite a laundry list of things that this bill allows us to do that we couldn't do before. I see this is a big step forward; it's something that should've been done a long time ago. It gives us all the information that we're going to need moving forward.

I heard someone say: Now, what's an agency board and director? I use the acronym here, agency, board and director. If I'm out at Foodland in Bonavista, or talking to someone at Swyers, or Mifflin's, or whatever: MHA, we hear you say ABCs all the time. So what does that actually mean?

They're Crown corporations, like the NLC, Newfoundland and Labrador Power, Nalcor – your regular Crown corporations, Mr. Speaker. They're operational and regulatory boards; adjudicative bodies; advisory boards; self-regulating occupation/industry boards; external and internal governmental boards.

Some other key characteristics of agencies, boards and commissions includes: They're accountable to government in accordance with the *Transparency and Accountability Act*. So by bringing forward this piece of legislation, that opens up us to be able to get the information that we need to them, without them being worried that they're breaking the law. A lot of this is, basically, something that's going to make things roll along a little easier.

Other characteristics are established by government, but not a part of a government department. So they're independent. That's why you'll say the CEO of Nalcor, the CEO of NLC and NL Power, they have some autonomy from government. They're under the government structure, but they do have autonomy from government. They make their own decisions and report back to government, and report back to this hon. House. And you see that with the Liquor Corporation or ALC, where we partner with three other provinces and you see a report tabled here every year; same thing with Nalcor, they just had their fiscal update for first half of the year, report to the public and report back to government.

Government holds the primary power of appointment, and a lot of this is through Bill 1, the Independent Appointments Commission, and that's something we didn't see with the PCs. They stacked all their committees and boards and agencies with their cronies and friends and whatnot. We heard the Minister of Tourism, Culture, Industry and Innovation tell us a little bit about that last week when he was pressed on another particular issue, and he tabled that.

I mean, weeks before the election you had a former Health minister hand an official a sticky tab with 20 names on it, saying get them jobs. That's the way it was done under them. Under us, we have Clyde Wells, Shannie Duff, Zita Cobb, two other people, highly qualified people, to go through this, make the recommendation to Cabinet, and ultimately the best candidate is chosen. That's what we've done in the Independent Appointments Commission, and that was a huge step forward.

Now, other characteristics are: excluded from *Financial Administration Act*, but to which government makes at least one representative appointment; and to which government has assigned or delegated authority or responsibility, or which otherwise has statutory authority or responsibility to perform a public function or service.

So, Mr. Speaker, my time is getting short. I'm sure I could go on for another 20 or 30 minutes because this act is that important.

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

**MR. KING:** No, I want to give the Opposition some time to respond to my – but I will be supporting this bill, Mr. Speaker. It's a great piece of legislation. I'd like to thank all the officials who took the time to put this together. As I mentioned early in my speech, it is a challenge to get all the information together in a timely manner.

With that, I'll take my seat.

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

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

Thank you.

The hon. the Member for Conception Bay East - Bell Island.

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

It's indeed an honour to stand in this House as we start our fourth week to debate legislation, and I was truly entertained by my colleague from the great District of Bonavista, and some great outlining of where things are.

Unfortunately, some of them are not exactly in tune where we need to be going in the next year here in the House of Assembly.

But I might note, too, as we debate Bill 38, while it's only a small change on paper, I personally think it's a very significant change. Because, as we've already had the discussion here, and we'll continue to have the discussion, when we're talking about agencies, boards and commissions, we're talking about a substantial portion of money of the public coffers that are being used for services, used for providing supportive mechanisms within our society.

But to do that, to get the best return on that and to be able to be efficient in what you do, you need to have information that's relevant to those organizations; their operational, their salary base, their investment base. All the things that are relevant to being able to make decisions that are in the best interests of the people of Newfoundland and Labrador, and getting the best return on our investments.

We already know in the operations of government, the core operations of government, the Minister of Finance and every other minister, and even the general public are aware of the financial commitments. Be it salaries, any other particular perks, the operational structures that are involved, be it allowances, travel budgets and these type of things, it's only encompassing that we'd have the same thing for all the agencies, particularly when these agencies are using up to 60 per cent of the public monies that are put forward.

Again, while it's a very small change, it's very significant because it sets the tone for three key components as I see it. It sets the tone for the minister and the government of the day to be able to understand exactly what financial obligations they've been committed to, and are they in line with all the other operations of government, or comparable agencies, boards and commissions as part of that process. Also, knowing if indeed the operations internally are on the same page as they would be from another operation within government. I mean, you want to treat everybody equally. You're an employee of the people of Newfoundland and Labrador.

While I understand there are different classifications when it comes to salary bases, and there are remunerations in similar ways in certain agencies for attracting certain people, there has to be a realistic understanding from a taxpayer's point of view and from an operational point of view of what is acceptable. And you can't make changes. You can't even impose new policies if you don't understand the baseline of what you're dealing with. The financial obligations, and whether or not an agency or a board or a commission are actually fulfilling their responsibilities by utilizing their finances in the best manner to get the best return on the services they're hoping to provide.

So what this does here – while it's very simple, I'm just going to read it out so people would understand and why – I think there was an interpretation that maybe you could push in previous legislation for this, but it wasn't explicitly spelled out. So the minister, while thinking it would be very acceptable, the agencies, boards and commissions weren't obligated to share that information. So the minister going to Cabinet, setting budget lines and that, couldn't make an informed decision as to whether or not they had some leeway to make some financial cuts that would not be a major hindrance on providing the services but would be in line with other operational procedures, particularly around salaries and operations.

“This Bill would enact the *Public Bodies Reporting Act*.” Which is what already exists and is what this government and previous governments have ran their finances around, particularly around agencies, boards and commissions. “The Bill would give the Minister the authority to require a public body to provide information and documents relating to the public body.”

So there are a number of things here. It's not only about salaries, but that's a big key component. That's the one thing that you've seen more from the general public, but it's also about procurement. It's about the way contracts are let. It's about standing offers on which companies – and are you getting the best return? Is there a more equitable way of doing it? Is there a fair way? How do you gauge if you're getting the best return on paying for a service if you don't have something to compare it to?

Obviously, the Minister of Finance and Treasury Board and then Cabinet, and all of government here in the House of Assembly, would have a better understanding of what's workable and what is indeed a better return if we knew exactly who was involved here, what the costings were, and to do that you must have proper documentation to be able to assess that. Because sometimes it's not always about the lowest bid or the lowest provider, it's about the return on the service that's been there, or it's about the individual that's being hired and the salary based on that, and where does that individual or that group of individuals fit when it comes to a layered process.

Everybody accepts that not everybody gets paid the same. Even a CEO is a CEO is a CEO, it's not necessarily the way it is. But trends would dictate and setting policies and operational structures would be based on, what is the norm out there? If one agency is paying X number of dollars for a service or for an individual to lead the organization at a certain salary base, why is another organization that either has equal responsibilities or lesser paying more?

So you have to do the examination there, and to do that the first thing you're going to need is the proper documentation, the understanding, the sharing of the information. I would hope the boards, agencies and commissions would understand that they have the same responsibility as any other employee who works in any other level of government to provide the best service possible and to be answerable for providing that service.

Some it is front line, some it's from an administrative point of view, but at the boards, commissions and agencies level the financial responsibilities are the same as they would be in any other department. Particularly when we go through the budget process and Estimates, where every line department is scrutinized, it's evaluated. There are a multitude of questions. There's information that's asked for that has to be responded to in a timely fashion.

So there's an opportunity then to really dig deep into whether or not the monies are being spent in the right areas and what would be the expected return on those. It makes everybody

accountable, and that's what this is particularly about here.

There are two avenues I see here. It's the accountability and transparency that everybody would know exactly what's what, but also from a financial operations and a financial responsibility and a reporting process, that we would know exactly what boards, agencies and commissions have as their expenditures but, more importantly, what it's based on. What are the criteria for staffing? What are the criteria for contracting? What are the criteria for specific types of procurement? What is the process for internal operations?

This change gives us that opportunity to get back to what the people of Newfoundland and Labrador have been saying for the last number of years. We want to talk about openness and transparency. We also want to talk about financial responsibility and best return on our investments. People understand that you're going to have to make certain decisions. Not everything is going to be rosy for every particular group. There has to be priorities in how you do it.

If a lot of our monies, particularly a major proportion of it, is being done by boards, agencies and commissions, who are very capable of doing it, but at times may not have the restraints or the accountability to the higher level. My argument to the higher level here is the House of Assembly, because we're accountable to the people of Newfoundland and Labrador.

What's the best way to do that? Budget debate and when you get into Estimates, because at that point you can get clarification from all the officials who could clarify exactly through the minister what it is that monies have been allocated for, how they're going to be spent, what are their time frames and what are the expected returns on that type of investment?

When we don't have the boards in front of us and we don't have the same understanding, because we don't have the documentation as to what it is they're setting as their operational levels, their operational bar, for example, then we've got a problem about how do we secure a proper fiscal movement forward knowing where

we have ability. So you don't cut something in health care in one area because you have to make a cut, when you know – maybe you have flexibility in something else that will not have an impact on health care or providing a particular service.

So there's an opportunity here for everybody, for government, for the Opposition here, for boards, agencies and commissions, and for the people of Newfoundland and Labrador to get a better understanding of the best approach to ensure we all do our part to keep things flowing from a financial point of view.

The Member for Bonavista had talked about the expenditures and that we're in financially challenging times right now. And we all admit that. There's nobody disputing that. But we have to maximize how we minimize the impact on people here. So there's a maximizing and a minimizing.

We maximize the opportunities we have here, and that means having a real, harsh look at boards, agencies and commissions who are not following, in principle, the operational thing. Not because they set it up that way, it's just that it has evolved over decades about responsibilities and accountability when it comes to particular procedures. So we're given an opportunity here for a senior government official, the Minister of Finance, to be able to request any or all information relevant to the operations, relevant to the expenditures. Relevant to particular changes in the mandate in some of these agencies, boards and commissions. So what we all have to do, from a collective point of view, is let's not talk about moneys that have been spent or moneys that should be spent, let's talk about what are the flexibilities that we have in the existing expenditures.

We already know we are at two points in our juncture here. That our spending is higher than it should be based on our revenues, but we also have a responsibility to provide core services. And there's an expectation on everybody on the services that are being provided. There are no elaborate services that we're throwing money at. Any level of government I haven't seen – sometimes you invest money in a particular avenue to see what the return would be. You

would hope it always works out and it's in the best interests of the taxpayers because the revenues generated or the service provided is in a much better area than it would have been prior to you making that opportunity.

But, in some cases, you can only go with the ability you have to invest. You can't invest what you don't have when you have to provide key things that people expect. They're base infrastructures and they're key things around health care and education. So these are things that you need to prioritize, and every administration prioritizes those. And we talk about infrastructure and we talk about roadwork and we talk about all the other things that are important. We talk about our responsibility to seniors and to young people. So you need to be able to have the balance there as part of that.

But when you know one of your big expenditures, or your biggest one, is agencies, boards and commissions that you don't directly have complete control over – and when I say control, it's not a control about that they have to do everything you tell them, but control over understanding how they spend their money and is it in the best manner. And you're not questioning whether or not they have the ability to do that.

What this will give now, the Minister of Finance, and their Treasury Board and their Cabinet, the opportunity to examine whether or not this is in line with where this administration would want to go, in line where the people of Newfoundland and Labrador feels that is acceptable and equitable, but it also gives them the flexibility to say, knowing through documentation and knowing through salary bases and other expenditures, you have the ability to say: If we are to come up with a fiscal approach that says we're going to cut 3 per cent of our expenditures, how can we do that with minimizing the impact?

Boards, agencies and commissions, because they operate differently, and it may be the culture, sometimes maybe there is no way of changing what's there, but we've known in the past that agencies, boards and commissions, salary bases are normally higher, and in some cases it's necessary. Nobody disputes that. Their procurement system sometimes is different.

Somebody's not arguing that maybe there isn't an opportunity to have that discussion. And in other processes there, the way they operate in having a multitude of segments within their own organization doing the same thing. So, there are efficiencies there that could be found.

As we share information, and as the information is provided, before you did it basically on an agreement that they would supply it. There was no push to do it. They weren't obligated to do it. It would become something that's second nature when they got around to doing it. In a lot of cases, by the time a particular department might get that information, it wasn't either relevant, the time had passed that would've been an opportunity to do something with it, or even the understanding of, you know what, if we find a way, knowing how this group operates, that we can either find a partnership internally, or we don't have to invest monies in a particular program or service because we're re-inventing the wheel. Maybe one of our boards, agencies or commissions are better equipped to be able to provide the services.

So, I don't want to leave the false illusion here that this is about taking stuff away from boards, commissions and agencies. It's not about taking away power. It's not about taking away their operational mechanism. It's about finding a more fluent way of using the information that now can be gathered to make every part of government more efficient, but particularly a part of the entity that we – and I say we collectively, this House of Assembly – didn't have direct control over sharing that information to make that determination of whether or not they were going in the right direction, or if there's a new approach, a better approach, a more inclusive approach, to providing services and saving money for the taxpayers of Newfoundland and Labrador.

As we go through this, and there are a number of things – we get in Committee, there are a few questions that we'll have for clarification around the gathering of the information; the process around how that gets disseminated; to what benefits it will be used; is there an ability here to have boards, agencies, and commissions collaborate on certain things.

We talked about certain things about central locations for particular things and collaborate sharing of services so this would give an opportunity to look at – because when you're talking about the ABCs that we have here, we're talking about tens of thousands of employees; a very, very vast group who provide a variety of services in Newfoundland and Labrador. There has to be ways that an agency, in some cases, that is on the same street as another board or a commission should be able to provide, or collaborate, or partner on particular ways that they provide the service for the people. There are ways of doing that. It could be from an administrative point of view. It could be from a travel point of view. It could be from the actual bricks and mortar as we look at things like that.

This process here, it's not directly – I don't think – about let's go out and say we're going to start cutting money and say there's going to be a guarantee we're going to save money. One of the first philosophies I would like to see is that when we look at exactly how these ABCs operate, we can automatically pick up five or six efficiencies that could be implemented almost immediately by just having the proper dialogue because we can say now, I've got the documentation that this board does this, this commission does this, this agency does this. If you all came together on administration, on travel, on hiring, on procurement, on whatever the service may be, there may be ways of doing it.

It's not going to work everywhere and it's not going to be a perfect system. But once you start doing that then, as a government and as the House of Assembly, we can get a better handle on how much money can be better channelled somewhere else, or how much money can we say we can reach our goals of fiscal responsibility by providing – either get to a point where there's going to be a balanced budget or that the debt load is minimal in comparison so that we bring down what our expenditures every year are and the commitment that we have to pay to the lenders.

So as we go through this process here, I'm going to be looking forward to asking the minister to outline exactly the process that they're going to put in play. Because it's not as simple as just sending a letter to each one of these boards and

saying can you give us the list of these 10 things that we're looking for, the salary bases; what scales people are on; how do people move up the list; how do you do advancement internally; what's the protocol for hiring; what are the protocols for contracting; is it necessary to have five entities in five different locations; can something be done differently.

This is going to be an opportunity. We've had the opportunity to – that the Minister of Finance will have, is to talk to his colleagues in Cabinet and other line departments and say: This board has outlined this is what they do, based on the information that I've collected. How could this be done – if it's a health authority, for example, or if it's another agency that can support health authorities; yet, is it connected to another line department for whatever reason?

We have a great opportunity here to put everything on an even keel. Because you don't want to segregate those who work for government in one level and have agencies, boards and commissions considered differently. They might provide a different service, they might have a more independent structure from government, but they're still responsible back to a government department and to this House of Assembly.

They're still responsible for the revenues they generate and the expenditures they incur to the people of Newfoundland and Labrador. They have, obviously, an ultimate responsibility if they're a service provider, and all of them are a service provider at some level, depending what it is. If it's from the Liquor Corporation, to if it's one of the other boards or agencies who operate in conjunction with a line department, depending on what it is they're going to be offering out there. So everybody has a responsibility to have look at it.

Now, will some be pleased about it? Because it might mean somewhere down the road there's a discussion around – responsibilities, everybody's at a certain level. We have it in government that ADMs and DMs, while there's a variation in that it's not a dramatic variation, because most have similar responsibilities. Most go through similar processes of being hired and similar backgrounds, education-wise and that, but they also have a little bit of a flexibility. Do

boards have five times more of that flexibility and then some? And that's what I think we need to clean up.

So, Mr. Speaker, I'll get an opportunity to speak to this again in Committee.

Thank you.

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

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

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

I'm just going to stand for a few minutes to say I support this bill, and I will be supporting this bill.

I know going back two or three years, this was a big discussions around the government about the boards, agencies and commissions and why there's no uniformity or reasons why. We, as the people of the Province of Newfoundland and Labrador, would like some answers to it, and, of course, this bill will help out.

Mr. Speaker, when you get different agencies, boards and commissions that can set their own standards, set their own policies, set their own wage scale, set their own tendering process, it becomes a system whereby – and to be fair to some of the ministers across the way, when they stand up and ask questions, you try to answer the questions; yet, you can't get the answers on why it's done because this wasn't in place.

This will be very beneficial to the people of the Province of Newfoundland and Labrador. It's almost like, and we all know it, that in some boards, agencies and commissions wages are higher in some areas for the same people who are doing the work in another board or agency or commission. It's almost like hamstringing the government themselves by not being accountable; yet, you don't have the tools to be accountable because you can't get the information you need and you haven't got the authority to do it.

So I will support this bill, Mr. Speaker. I think it was long overdue, and it's great that the government is bringing it forward.



Even the structures of government – when a Minister of the Crown is responsible for a board, agency or commission and he don't have – he or she – control over that board, agency or commission, yet you're expected to be responsible for what's happening in that, you should have some kind of idea and you should be able to make it some kind of uniformity within the department or within government itself.

So it's very, very important, Mr. Speaker, that the government can get control, government can ask questions. The big winners in this is going to be the people of Newfoundland and Labrador. If you can find efficiencies, you're going to save money. You're going to increase the service to the people of Newfoundland and Labrador, and, above all, people will get the answers. So this here itself will ensure that government will have a bigger say in how the taxpayers' money is spent.

Mr. Speaker, just going through it: “the current and projected organizational structure and human resource requirements of the ... body.” That just kind of highlights that you must bring it forward to the minister on the organizational structure of the body itself, and then there'd be discussions with it. I know in some cases when you go to a certain board or agency, the chair of the board or the CEO of the board says: I don't have to answer to you. They can go off and set up their own. It almost creates a two-tier system in government where there's no accountability, or very little to the board that's set up.

The second one: “the current and projected retirement eligibility of employees.” The minister will now have the ability to go in and look for that and to look at the structure of the pay, look at the eligibility for pensions, look at the eligibility.

I know I'm going way back, Mr. Speaker. There are one or two boards or agencies that I remember when we were in Public Accounts that we looked at, and they were setting their own fee structure. Then I remember on one of them they were getting a wink and nod from the former minister – I'm going back five or six, seven years. They were getting a wink and a nod from the Minister of Health saying, yes, go ahead and do it.

The fee structures were way out of whack to everybody else in the whole system. They were setting their own fee structure. They were setting their own pay scale. What it was, was a wink and a nod from the minister at the time. We all agreed this should be stopped and we should try to bring things into some kind of unity within government, and this will do that.

The other one: “any other information and documents the minister determines necessary for the purpose of this Act and the regulations.” This act will say you have to present this to the minister, which should be. I'm a firm believer that if you're a minister of a certain department, you should be able to have all the information that's related to your department. You should not be able to stand in this House – and I don't know, I don't think any minister wants this anyway. I don't think any minister wants to stand in this House and say, I don't know because we can't get the information.

Anybody that I know, that's serving in that role, would stand up and say: I want the information because I want to be accountable. If my name is on it and if I got to stand up and justify it, I want to know what's happening and I want to be able to make decisions about it because the people of Newfoundland and Labrador – they're the ones who got to answer to the people of Newfoundland and Labrador, not somebody who is off on a board, agency or commission who says no, no, no, we can't give it to you.

I don't know of any person in that position who don't want the information; who don't want to sit down and have a dialogue with anybody to help make this policy better, help save money for the people of Newfoundland and Labrador and, also, help provide better services.

I think everybody in this whole House will support this. There are going to be questions on how it was done, but I don't think there's one person in this House that would not support this, Mr. Speaker, because it's the right thing to do, and I know the ministers.

In part (b) of the act, which the minister can ask for: “conduct an analysis of the information and documents provided under paragraph (a) and any related information and documents.”

Mr. Speaker, I know all departments went through a review process. They all went down and said, okay, let's look at our government departments line by line and go through it. When government did that, you were amazed with the amount of funding you found, the amount of streamline departments you could bring in together to a group of services. This is going to allow government to do it to all agencies, boards and commissions.

Again, I know in the budgetary process when you stand up and ask about different departments, all ministers can give the information. But if you got something restricted by legislation and you can't get the information and you know there are savings in that area, Mr. Speaker, it's pretty frustrating as a minister and as a Member of government not to be able to get it, even though you feel confident that you can help and your department officials can help to streamline and make things more efficient.

Mr. Speaker, I will have more to say on this later, but I just wanted to say that I support the bill. I will be supporting the bill. It is better for the people of Newfoundland and Labrador. I say to all the ministers that are there that I feel very confident that every minister in this Crown wants to know the information that is happening in their department and all boards and agencies under them so they can stand up and be accountable to the people of the Province of Newfoundland and Labrador.

I'm very confident that with the support of this going on – we found frustration for the last number of years over this, Mr. Speaker. I'll just say it's great to bring this forward. There will be some questions about – as there are going to be questions on once you bring it in place, are there going to be some standard for all across the departments; is it going to be department by department somehow when you look at the wages, salaries.

Mr. Speaker, another one that there was a lot of complications with it is the tendering and the uniformity for tendering all throughout. We know about that. This will help the departments. It will help the ministers in place for it.

I just want to say I will be supporting the bill. I will be asking questions later on it and I think

the people of Newfoundland and Labrador will be winners on this.

Thank you, Mr. Speaker.

**MR. SPEAKER (Trimper):** Thank you.

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

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

I'm happy to stand and speak to Bill 38, a bill regarding public bodies reporting. The minister gave a good outline of this bill and other Members have spoken to it before me, so I'm not going to go through all the details of the bill. But I think it's extremely important for people to understand that agencies, boards and commissions, those bodies, some of them are Crown corporations that do the work that government needs done, but aren't departments of government. They're absolutely separate agencies.

They are agencies are autonomous, but this act is recognizing the difference between autonomy and accountability. Being autonomous doesn't mean that they don't have to be accountable to government and to the people of the province. As my colleagues have said, that's what makes this bill so important.

When you look at something like the statutory offices, which are a different category, like the Citizens' Representative office, or the Child Youth Advocate office, or the Seniors' Advocate office, all the different statutory bodies, they aren't autonomous, and they are accountable, because they have to account, for example, to the House Management Commission.

At budget time, we have to sit down as the Management Commission – I say we, because I am a Member of the Commission at this point in time – and the statutory officer has to come to us with their proposed budget for the next year. We get to ask them – if they want to add a position, for example, they have to really prove to us why that position is needed. If they want to change their structure, they have to explain why they're changing their structure.

So statutory offices certainly have a built-in accountability to the Legislature. So it's right that the agencies, boards and commissions that comprise 80 per cent of the salary and benefits within the public service, that they have to be accountable to the government through ministers for what they do, both in terms of the structures that they put in place, the employment and related agreements that they have with employees, their organizational structures, as I've just said, their human resource requirements – even the projected retirement eligibility of employees. All of these things are covered by the act and should be covered by the act. These are things that should be known by government, and government should be able to hold these boards, commissions and agencies accountable – or the ABCs, as they're called.

The purpose of the bill is to allow a minister to be able to get information from an agency, board or a commission to actually get information that maybe the body is withholding from government – and maybe withholding, as again, my colleagues have said, under ATIPPA. What this is allowing is that while ATIPPA still stands, there's a lot of information that can be gotten by a minister that isn't covered by ATIPPA. This is what this bill will allow the minister to look for, and that's extremely important.

Now, in general, I do approve of the bill and I will be voting for it, but I do have some concerns. The bill gives broad powers to the minister – clause 5, for example. There are broad powers in what a directive can be issued on; I've mentioned some of those. But I think what I would like to see is something in the bill that says what would trigger a minister taking action, what would trigger a minister going to an agency or a board, one of the Crown corporations, and asking for information with regard to the employment terms, or asking for information with regard the structure. Asking information with regard to why some employees were promoted without competition, for example, or why employees maybe making more money than other government employees doing the same job, but inside of a government department.

So what would trigger a minister doing that? I'm sorry that the bill doesn't indicate a trigger. I think it would be really good if the bill did

indicate a trigger that a minister would say: Oh yeah, I really should go and speak to this agency, r board or committee.

A trigger that comes to mind is something that actually happened in 2013. In 2013, there was an investigation by the Auditor General, and that investigation that was done by the Auditor General showed that the Newfoundland and Labrador Centre for Health Information, which was a public agency, was paying salaries completely out of whack with the government's pay scales. I'm sure most of us remember when that happened; it was five years go. There was quite a noise made about this, and rightly so.

The Centre for Health Information is an arm's-length agency in government, which sets its own pay scales. Its main role is to spearhead the province's Electronic Health Record initiative. The Auditor General reported that employees were promoted without competition. They reported that employees make more money, at the time, than any other government employee doing the same job. The AG reported that their jobs were classified to higher pay scales more frequently than the rest of government.

The Auditor General's report, in this case, was an instance where the minister, in his or her power, could use this act. If an AG came out with a report like that now, the minister could use this act to ensure information flows to government to ensure government policy and regulations are followed.

So, this is a really good example which shows a situation, which government may want more information, to ensure that public policy is followed.

I would have liked to have seen the act to be a bit more prescriptive with regard to the conditions under which the powers outlined in the bill would or could be triggered. It could be an Auditor General's audit, it could be a story in the media or it could be information from a whistle-blower or other criteria.

I'm sure the ministers, now that the act is in place, will be more aware now they have this authority; therefore, I believe responsibility to seek out information from agencies, boards, commissions and committees, that now that they

have that authority, they will be more on top of doing it. Maybe they will be more alert to watching out for situations – they'll be more alert. If they hear something is going on they can proceed and start asking some questions because of this act.

The other thing that the act does, which I think is important as well, is the bill explicitly – the bill I mean – gives the minister the power to make public the failure of a public agency to comply if a minister goes forward and asks for information. And if an agency or board or commission doesn't comply, the bill gives the minister the power to make that failure of compliance public. So that's good as well.

I would have liked it, I think, if the bill actually said that ministers would do that. That it's not just something the minister has the power to do, but that the minister should actually do it.

I know there is a hesitancy in government when it comes to being too prescriptive in bills – I've raised this issue before – and I understand that, but I think we could have had in the bill at least some direction about what would trigger a minister asking for an audit, or a minister asking to see what is actually the practice that is going on. I think I'll have a chance in Committee to ask more questions about that and I will do so, Mr. Speaker, at that time.

In general, I think we need this. We absolutely need it. We start looking at what's happening right now in the Muskrat Falls inquiry and start wondering how maybe a bill like this may have helped, but even then it would have had to have been the will in the Premier of the day or in the responsible minister of the day to take action. So that's my concern. The bill will allow for an act that will give the powers, but only if the minister chooses to use those powers. So that to me is a weakness. But, having said that, I will support the bill, though, I think it does have that weakness.

Thank you very much, Mr. Speaker.

**MR. SPEAKER:** Thank you.

The hon. the Member for Mount Pearl - Southlands.

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

It certainly is a pleasure to stand this afternoon to speak to Bill 38. Mr. Speaker, a lot of what I would have said has been said by others. I will obviously be supporting this bill.

I have to be honest, Mr. Speaker, I was very surprised when I saw this bill that this was even required. I was really surprised it was even required. I was always of the assumption, and we know what we say about when you assume things, but I was of the assumption that if the minister wanted information from agencies, boards and commissions and so on that fell under his or her department, that the minister could just simply get it.

I was shocked to learn that if the minister ever was asking for information from an agency, board or commission that they could just simply say: no, you can't have it – end of story. That's shocking to me. It's shocking that we have gone on this long for years and years and years and have accepted that. Previous administrations over the – I'm assuming this has been on the go, I don't know how many years, but for a long, long time, and I'm shocked it would have just been accepted on face value, that's the way it is, to be honest.

We've seen examples over the years where there've been a lot of questions that have come up, that have arisen relating to agencies, boards and commissions. One that comes to mind, I think of Nalcor as an example – and not even everything that's going on with the Muskrat Falls inquiry, that's something unto itself, but I think of even DarkNL, just as an example.

When DarkNL occurred and the subsequent Liberty report came out, Liberty Consulting concluded that the reason why we were in the dark was a failure to do basic maintenance at Holyrood. I never felt there was ever any legitimate answers given as to how that could have even happened. We know that it did happen. We know the Liberty Report indicated that's what happened, but we never did find out, which I believe the minister – I don't know if the minister knows or not. I don't know if the Cabinet knows. I don't know, but certainly nobody over here knows. The public doesn't know.

When we look back at DarkNL and the Liberty Report, who is responsible? They're saying they didn't do basic maintenance. So who didn't do basic maintenance? I find it hard to believe that the power engineer just decided, I'm not going to do maintenance for the next 10 or 20 years, just leave her be. I'm sure that didn't happen. I can't believe that would happen.

Was it a manager who said we're not going to bother to do maintenance? Was it a director? Was it the head of Newfoundland Hydro? Was it the head of Nalcor? Was it somebody in the Department of Natural Resources or on the eighth floor that said we're not going to go doing maintenance? We're going to roll the dice and see what happens and hopefully Muskrat will come online and hopefully things won't – I don't know what happened.

The point is, that's an example of a Crown agency responsible to the people that we're all paying for and we could not get a good answer, nobody could, as to who made that decision, ultimately, to say we weren't going to do maintenance in Holyrood and then left all Newfoundland and Labrador in the dark. It's absolutely shocking that that information should not be readily available to the minister and to the general public.

And not only at the time, when you think about it – at the time, not only was nobody held accountable – that we're aware of. I don't think anyone got fired over it. I don't know, we don't know. But at that time, everybody got their big corporate bonuses because they had a good safety record, apparently. Allegedly, there was a good safety record.

You think about it: what is the mission, really, of Newfoundland and Labrador Hydro? It is to provide power to the citizens of Newfoundland and Labrador. That's their primary goal, and they couldn't even do that. They couldn't even do that. That's why they exist, and they couldn't even get that right because they didn't bother to do maintenance. At the end of the day, the power goes down and everybody gets their corporate bonuses because we had a good safety record. Absolutely shocking when you think about it. And we still don't have those answers.

We had allegations out there in the media from a former chair of the board talking about conflict of interest amongst board members and so on. Never did get answers to that, either. Never got answers to that. What's that all about? I don't know. Who was in conflict?

And if someone was in conflict, why didn't you bring that forward years before you sort of left in a huff? Is it because you were all friendly and buddies then, so we're not going to say nothing? Now, all of a sudden I'm mad at you, so on my way out I'm going to talk about this conflict of interest and dig out the files. I got the ammo; we got the ammo. Dig out the ammo; I remember that. Never did get any answer on any of that. That's a Crown corporation.

Ridiculous that we can't get answers. We look in more recent times, very recent times, with the English School District; what just happened with the English School District renting wheelbarrows for thousands of dollars and all this stuff that's gone on. Really, you think about it, the English School District, and the minister don't have the ability to get the info and find out what's going on with the procurement practices and the staff setup and how everything is set up and who's getting paid what, who's doing what, how they're tendering or not tendering, and what processes they have in place to ensure that the checks and balances are there to prevent this kind of stuff.

It's ridiculous when you think about it. Absolutely ridiculous that the minister, whoever the minister happens to be, doesn't have the ability to get all relevant information and manage things, because the minister ultimately wears it, and is responsible for it. Yet, the minister doesn't have the ability to get the required information and to make sure that things are going as they should.

Absolutely astounding, really, when you think about it, particularly given the fact that when you looked at the provincial budget, I think somebody said 60 per cent is agencies, boards and commissions, maybe higher?

**AN HON. MEMBER:** Eighty.

**MR. LANE:** Eighty per cent. Wow. Eight per cent, and we don't have access –

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

**MR. LANE:** Yeah, that's true, you think about the health care, the health boards and so on.

The people have duly elected all the people in this House of Assembly to manage their affairs, and to think that somehow these entities can exist and, in theory, do whatever they want, with little to no accountability, is absolutely shocking. It really is absolutely shocking.

I've mentioned it in the past to Members and ministers, and this was brought up. When we're looking at the budget each year and we go through the Estimates process, it's a line-by-line accounting of every dollar that's being spent in core government departments, and Members of all parties can ask questions to the officials from various divisions of departments on the money that's being spent, why there are variances from one year to the next, what got picked up, what got dropped, all this kind of stuff.

We do that because we're doing our due diligence, and it's all done publicly. But when you think about it, agencies, boards and commissions are accounting for 80 per cent of the public money being spent. We don't do any of that. It's just sort of left to their own. They'll do an annual report. They'll probably have an annual general meetings and file an annual report. But there are no specifics; there's no line-by-line analysis or anything else.

I've asked questions in the past about the Newfoundland Liquor Corporation because of some concerns I had there, and you can't get answers, generally. And it's all been: Well, geez, why are complaining about the Liquor Corporation? They're bringing in money; they're bringing in a lot of money. That's true; they are bringing in a lot of money.

But just because they're bringing in a lot of revenue doesn't mean that there are unnecessary expenses going out the door that the public don't have a right to know what they are and that the minister shouldn't be ensuring that the expense side of the equation is not being managed to the best possible scenario for the taxpayer, because money saved is more money earned.

So instead of making a profit, so many millions large, we can make it bigger because of money that we're not spending on unnecessary things, in theory; but, we never know because we never have the ability to question those things, or to get into the details of those things. As disappointing and disturbing as that was, to me as a Member, it's even more disturbing, as a Member, to know that the minister can't even do it.

I say, whoever over on that side decided to get our House in order in terms of this particular amendment, or this piece of legislation, good for you, whoever you were, for identifying this. I'm certainly glad that the government is taking some action on this because it's definitely something that has been lacking, and it's definitely the right thing to do.

Before I take my seat I will say, now that we're on this topic, I would urge the government, as we tie into the whole concept of agencies, boards and commissions, I just want to go back to Nalcor, very quickly, for a moment. We're talking about public disclosure of information, or even disclosure to the minister, we still need amendments to the *Energy Corporation Act*.

We had an amendment brought when we sat in the spring. I said at the time it didn't go far enough and, sure enough, on the embedded contractors, they still said we couldn't get the information. We need to make that amendment. We need to remove a section out of the *Energy Corporation Act* so that ATIPPA applies, and that requests to Nalcor for information, like embedded contractors and other things, would be scrutinized by the Privacy Commissioner and he will determine what information can be made available and what information can't be available, and that there would be an opportunity for appeal and so on.

So the Minister of Natural Resources at the time, when I brought this up in the spring, she said well this is what we're doing now in the interim; there'll be more to come. We've only got a couple of weeks to go, so I hope there's more to come before the House closes on the *Energy Corporation Act* so that we can get more information out of Nalcor. I hope that that's going to happen as well.

But with that said, as I said, this is a very good piece of legislation, and I'm sure that every Member of the House on all sides, I would suspect, is going to support this because, again, it is the right thing to do.

Thank you, Mr. Speaker.

**MR. SPEAKER:** If the hon. the Minister Responsible for the Human Resource Secretariat speaks now he will close debate.

The hon. the Minister Responsible for the Human Resource Secretariat.

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

I apologize for referring to my phone but, as some of the Members were making points, I was making notes and seeking information from departmental officials. So I'll address some of those. Once we get into Committee if there are other issues or concerns, we can certainly talk about those.

First of all, I want to thank all Members who spoke and all sides of the House for putting their viewpoints forward on this piece of legislation. It is important in allowing government to work more closely and work better with our agencies, boards and commissions to find efficiencies and do attrition planning and make changes to organizational structures as we move forward and so on.

So in 2017, in the mid-year update, we revealed at that particular update that 80 per cent of the salaries in this province are paid through our agencies, boards and commissions; 80 per cent of the public service salaries are paid through agencies, boards and commissions. So, that's a very important reason for this legislation.

We've looked at, within core government, which is government departments, finding efficiencies and the Government Renewal Initiative and so on. We've been able to find efficiencies. We've been able to put in place a very solid attrition plan within government departments. But we need to do the same sort of thing within agencies, boards and commissions because that is 80 per cent of where the salaries paid out of the public purse are going in this province.

Section 10 – I think the Leader of the Opposition talked about section 10 – essentially, that's to guard against unforeseen circumstances where someone might object to government being provided with information, or because they object to it – we've heard of contractors, for example, at Nalcor, and Nalcor saying that that was proprietary information. So if one of the contractors, for example, objected and sought to bring legal action because they didn't want that information to go forward.

Essentially, it's to guard against unforeseen circumstances in those situations; keeps the focus on getting information while protecting both the agency, board or commission, as well as government from any potential legal action.

The legislation is not the start of this process. Somebody talked about the fact that it was the start of this process. It's the continuation. We've been working co-operatively with our agencies, boards and commissions. Some of the information they simply cannot provide to us because of either their legislation or because of ATIPPA legislation, and they're concerned about the protection of privacy.

This allows them to provide that information to government in situations, or in areas where they cannot currently provide that information. We can only put in place proper attrition plans or proper organizational structures, or organizational efficiencies if we know the full context of the organization and we're able to work with that agency to put the plans in place.

Somebody talked about issuing directives. That's one tool available but if we're getting co-operation from our agencies, boards and commissions and they're concerned about privacy legislation, we don't need a directive. We continue to work co-operatively with them, giving them the tools they need to be able to provide us with the information we need to continue working with them.

Somebody mentioned about the bill – the information going directly to the minister responsible for the ABC. Again, that's not the intent of this legislation. It is for officials within Finance, and within the Human Resource Secretariat, to be able to work on organizational

structures, attrition plans and finding efficiencies.

One of the Members talked about a trigger; getting information when something has gone wrong. Again, that's not the intent of this legislation. It's to allow the agencies, boards and commissions to have a willingness to work with government to find efficiencies. Some of the information, they want to provide to us – right now, they're concerned about providing that because of potential litigation in the form of external consultants or contractors, or in terms of their retirements plans. People looking to retire and considering that to be information which is considered personal information and within their own legislation –

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

If I could ask the minister to, please, speak into the microphone.

Thank you.

**MR. OSBORNE:** Absolutely. Sorry about that.

**MR. SPEAKER:** Thank you.

**MR. OSBORNE:** I was looking at the member I was addressing.

**MS. MICHAEL:** I understand.

**MR. OSBORNE:** Yeah.

So, it's about allowing the agencies, boards and commissions to work with us. They have a willingness; but, in some cases, their own legislation, they feel, prevents them from being able to share information, and the ATIPPA legislation, they're concerned about the privacy aspect. So this mitigates those concerns and allows us to continue to work with those agencies to find the efficiencies; similar to what we've done within government departments over the past two or three years. There's a whole lot more we can be doing if we're able to focus on the other 80 per cent of salaries that are paid out of the public purse.

So, I think that's most of the information that was brought up during debate. Again, any questions that we have, I'd be happy to get into

those when we get into Committee and go clause by clause.

Thank you.

**MR. SPEAKER:** Thank you.

Is the House ready for the question?

The motion is that Bill 38 be now read a second time.

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

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

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

This motion is carried.

**CLERK:** A bill, An Act Respecting The Reporting Requirements Of Public Bodies. (Bill 38)

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

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

**MR. A. PARSONS:** Now.

**MR. SPEAKER:** Now?

On motion, a bill, "An Act Respecting The Reporting Requirements Of Public Bodies," read a second time, ordered referred to a Committee of the Whole House presently, by leave. (Bill 38)

**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 38.

**MR. SPEAKER:** It is 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 bill.

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.'

The motion is 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 38, An Act Respecting The Reporting Requirements Of Public Bodies.

A bill, "An Act Respecting The Reporting Requirements Of Public Bodies." (Bill 38)

**CLERK:** Clause 1.

**CHAIR:** Shall clause 1 carry?

The Chair recognizes the hon. the Member for Conception Bay East - Bell Island.

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

Again under clause 2, under Definitions, the definition of employee which is used indicates that it is "a person retained under a contract to perform services for the public body."

Minister, I'm asking the question: Can the minister clarify that this will include embedded contractors as well as employees?

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

**MR. OSBORNE:** Thank you.

I had a bit of a job hearing you; there's a bit of chatter in the House. I think the question was does it include embedded contractors.

**MR. BRAZIL:** (Inaudible.)

**MR. OSBORNE:** Yes, it does.

**MR. BRAZIL:** (Inaudible.)

**MR. OSBORNE:** We'd be able to access details around that information as well.

I don't anticipate this legislation will be passed today and we'll have all that information tomorrow. I mean, it's going to take some time, working with the agencies involved, to get that information, but that is part of the information we'll be able to get a greater level of information on, yes.

**CHAIR:** The hon. the Member for Conception Bay East - Bell Island.

**MR. BRAZIL:** I just wanted some clarification. Why does the legislation read that the minister may request the information instead of mandating that the information be provided to the minister on a regular basis?

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

**MR. OSBORNE:** The intent of this legislation is that the information will be provided on a more consistent basis. There would be more regular timelines set up with our agencies, boards and commissions. I know we get from government departments quarterly information, for example, we're not getting that from all of our agencies, boards and commissions. It makes it difficult, for example, to put in place an attrition plan when we don't have all of the information and it's not coming in on a consistent basis.

So the intent is that our agencies, boards and commissions, similar to government departments, would have more regular reporting to HRS on staffing and organizational structures, and more reporting to government on things where we may be able to find operational efficiencies as well.

**CHAIR:** The hon. the Member for Conception Bay East - Bell Island.

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

I do understand and appreciate that. My question would be, just as a rebuttal to that. When you say regularly, will this be set like quarterly we'd like to have these discussions and this information, or will it be when you feel you need some information to make a determination on a financial issue or something that you requested?

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

**MR. OSBORNE:** It's certainly my hope that we'll get more regular information from our agencies, boards and commissions. I believe there's a willingness there from them to be providing that information. That's not the way it's happening currently.

Again, I don't want to handcuff staff within HRS because there's a – I mean they're not walking around with magic wands or anything like that where they're going to be able to compile this information quickly. If we start getting more regular information – I don't want to create an expectation that they're going to be able to just magically somehow deal with that. But the intent, yes, is we would have more regular information flowing from the agencies, boards and commissions to HRS, for example.

As we start getting that information more regularly and we determine the ability to deal with that and handle that information we may have to look at how HRS are equipped to deal with that as well. Hopefully, we're equipped under what they currently have to be able to deal with that and to design organizational structures. If we're looking at job descriptions and so on and we're going to ensure there's a consistency with government job evaluations, obviously, those types of things take time.

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

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

I'm just going to follow up on what the Member for Conception Bay East - Bell Island has been asking the minister.

Are you saying that you're putting in the legislation without the kind of detail that we're asking about? That's the kind of detail I was also meaning when I spoke in second reading. Are you saying you're putting in the legislation without the resources yet in the Secretariat to deal with the kind of information that you're going to be looking for?

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

**MR. OSBORNE:** Thank you.

No, not at all. And if that was the impression, I apologize.

What I'm saying is that once information – I believe we have the resources available to deal with the information but once we start getting information on a more regular basis, as we're getting from government departments – just in being completely open and transparent with the House, I want to ensure that we do have the resources if – so what I said is without handcuffing the staff in HRS or asking them to do a task, that once we start getting the regular information and if we're going to be doing job evaluations for agencies, boards and commissions or what have you, we may have, at some point, to look at ensuring that they're also equipped to deal with the job at hand. I think they are; I believe they are.

Once we start getting information flowing on a more regular basis, what I'm putting out there for the general public and for all Members of the House is to realize that these individuals work very hard. They do a very good job, but I'm not asking them to perform magic in having the details compiled and the statistics readily available immediately if the information comes in more quickly than we anticipate.

**CHAIR:** The hon. the Member for Conception Bay East - Bell Island.

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

I thank the minister for his answer previously to the question I had.

Legislation outlines the information which will be provided to the minister. This includes: employment and relations agreements, compensation policies, project retirements, et cetera. Will this also include information paid to contracting and consulting companies as well?

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

**MR. OSBORNE:** Yes. I'm not sure if that's the same question you'd asked earlier, but, yes, we are hoping to get that type of information as well from our agencies, boards and commissions.

**CHAIR:** The hon. the Member for Conception Bay East - Bell Island.

**MR. BRAZIL:** No, I did ask but from a different angle previously, but that does answer this part of it.

The legislation also outlines that the minister may audit or appoint an auditor to audit the records to ensure that the public body is compliant. Can the minister outline what would happen if a public body is found not to be compliant with the ministerial directive to provide information?

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

**MR. OSBORNE:** The intent here is that just as we're getting the information from government departments there's an expectation that a deputy minister and the minister, the staff within a government department would provide timely and accurate information to government. I fully anticipate that would be the case with our agencies, boards and commissions as well.

I'm not anticipating that we won't have co-operation. I am anticipating we will, but the fact they're arm's-length agencies, we need to ensure that we get this legislation right from the start, and in the event we need to carry out an audit we have the ability to do that. I don't anticipate that's going to be the case, but we need to ensure that the tools are in the toolbox in the event that

five years or 10 years down the road we get an agency that simply doesn't want to comply.

At this particular stage, we have a great level of co-operation with our agencies. This legislation is clearly designed as a continuation of that work. Because some of the agencies have identified areas in their own legislation or in ATIPPA where they can't provide the information, but they've shown a willingness to provide it. So this is to give us the ability to continue to work with our agencies, boards and commissions.

**CHAIR:** The hon. the Member for Conception Bay East - Bell Island.

**MR. BRAZIL:** Thank you again, Mr. Chair.

One last question here. In the legislation it talks about – section 8(2) and 8(3) talks about section 5.4 of the *Energy Corporation Act*. This section which talks about commercially sensitive information.

Can the minister please clarify 8(2) and 8(3)? Will the minister have access to information which Nalcor considers commercially sensitive?

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

**MR. OSBORNE:** Again, the question on the contractors and so on, this is some of the information we were told was commercially sensitive at this particular point. Yes, we're hoping to have access to that information. That's what is referred to here. That's the intent of these clauses, is to create the bridge necessary, for example, from Nalcor to government to be able to provide us with that information.

Now, that information, if it is commercially sensitive, government need that information in order to be able to determine whether or not we can find efficiencies, or whether or not the job can be done by somebody who's hired directly by Nalcor as opposed to an external contractor, or whether or not it should be part of the organizational structure. That information will be treated and respected through the Privacy Commissioner and through ATIPPA, the same as it is today to protect the fact that it's commercially sensitive information.

**CHAIR:** The hon. the Member for Conception Bay East - Bell Island.

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

I thank the minister for that answer.

My last question here is, and it falls in line with the discussion we just had that time: Does the minister envision making regulations general or regulations for specific entities like Nalcor, for example?

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

**MR. OSBORNE:** This legislation is intended to be broad to cover all of our agencies, boards and commissions. I know that the Leader of the Opposition had brought up Atlantic Lottery. We don't have the same level of control at Atlantic Lottery as we would, for example, with Legal Aid, or as we would with Nalcor, or as we would with Eastern Health, because four provinces share in the governing of Atlantic Lottery, for example.

So, Atlantic Lottery was specifically excluded from this for that reason, but this is meant for agencies that have a direct reporting to government, agencies that are set up by this government, that we don't share the responsibility with other Atlantic provinces or the federal government, for example. It's meant to be very broad and encompass all of our agencies, boards and commissions.

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

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

And I appreciate, Minister, that you did speak to the issue I raised in second reading with regard to things that would trigger government wanting to, or ministers wanting to get more information, and I understand what the act is dealing with.

But, at the same time, wouldn't you be interested in the fact that if you get word of some irregularities inside of an agency, that that would be a reason for going to the agency, outside of regular reporting, but that would be a

reason for going to the agency to get information about the irregularity that you're hearing about.

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

**MR. OSBORNE:** Just as an example, we're all familiar with what happened at the English School District, and that was an irregularity. The intent of this is to be able to find efficiencies within our agencies, boards and commissions. That's the intent of the legislation, to have that co-operation, the continued co-operation that we've seen with them. We haven't yet been able to satisfy ourselves that all of the information that's needed to find efficiencies and put in place organizational structures, working co-operatively with the agencies that are there, so that's what this legislation is.

But absolutely, if there's an irregularity such as there is with the English School District, for example, government will deal with that. This is intended primarily – payroll statistics, attrition, planning, and retirement statistics. What we're looking for here is the ability to continue working with our agencies, boards and commissions on these items.

Absolutely, if there's an irregularity found, that will be dealt with. Whether or not this information would help with that, I guess would remain to be seen on what the irregularity is.

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

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

Minister, looking at the issue with regard to auditing, it says the Audit Committee may request that the minister direct the comptroller general to audit the records of an office of the legislative branch to determine whether the office is complying with the act.

Just like you're saying that you're considering regular reporting, maybe quarterly reporting – and I have to say I'm sorry that that's not in the legislation. But if you're considering that why would you – or I'll put the question, are you considering regular auditing as well rather than

intermittent or does this mean that you are looking at regular auditing?

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

**MR. OSBORNE:** I think there are a couple of aspects to this. The Auditor General has the ability to do a regular audit on any of our agencies, boards and commissions at any time. When it comes to regular reporting, that is absolutely our intent. Once the reporting becomes standardized, regular and consistent, it will be less burdensome on the staff at HRS.

If we're opening the flood gates now all of a sudden – and that's, in part, what I have alluded to earlier. I'm not handcuffing my staff in HRS to say they're going to perform magic, because all of a sudden they're going to get a bountiful access to information and reporting. But once that becomes consistent and regular, it's going to be easier to deal with.

I absolutely intend and absolutely hope that the reporting will be as regular as it is with government departments, which is quarterly.

Does that answer your question? Okay.

**CHAIR:** Shall the motion carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, clause 1 carried.

**CLERK:** Clauses 2 through 12 inclusive.

**CHAIR:** Clauses 2 through 12 inclusive.

Shall the motion carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, clauses 2 through 12 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:** A bill, An Act Respecting The Reporting Requirements Of Public Bodies.

**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 the bill without amendment?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, 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 38.

**CHAIR:** The motion is that the Committee rise and report Bill 38.

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 and 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 38 without amendment.

**MR. SPEAKER:** The Chair of the Committee of Whole reports that the Committee have considered the matters to them referred and have directed him to report Bill 38 without amendment.

When shall the report be received?

**MR. A. PARSONS:** Now.

**MR. SPEAKER:** Now.

When shall the bill be read a third time?

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

**MR. SPEAKER:** Tomorrow.

On motion, reported received and adopted. Bill ordered read a third time on tomorrow.

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

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

I call from the Order Paper, Order 4, second reading of Bill 33.

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

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

I move second reading of Bill 33, seconded by the hon. Government House Leader.

**MR. SPEAKER:** It is moved and seconded that Bill 33 entitled, An Act To Amend The Public Sector Compensation Transparency Act, Bill 33, be now read a second time.

Motion, second reading of a bill, "An Act To Amend The Public Sector Compensation Transparency Act." (Bill 33)

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

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

As you pointed out, the title of the bill is An Act to Amend the Public Sector Compensation Transparency Act. I'm pleased, Mr. Speaker, to be able to discuss those amendments today in the House of Assembly. In 2016, the *Public Sector Compensation Transparency Act* and regulations were passed in the House of Assembly, Mr. Speaker, requiring the annual compensation disclosure of all employees in departments and a number of agencies, boards and commissions who received total compensation of more than \$100,000 per year.

While a level of voluntary disclosure occurs within the House of Assembly staff and statutory offices, there remains some issues as to the applicability of this act for those groups within government, including the House of Assembly services, statutory offices and political support staff is in line with the original intent of the legislation. We believe it's important to update the act to ensure that we reflect this.

Government respects the right of citizens to access information on how public funds are used. We're committed to practicing strong fiscal management on behalf of the people of the province. With that in mind, it's important to provide access to information about government spending in an open and transparent way.

In making these amendments, Newfoundland and Labrador now joins other provinces, such as Alberta and Ontario, in a proactive approach to compensation and transparency that specifically includes the legislative branch of government.

In the Department of Finance we have Public Accounts, which are audited financial statements for the province. For every government department we also have Estimates, where members' opposite can ask questions regarding the spending in these departments. We believe that spending on salaries should be open and transparent, within reason.

The provincial government spends approximately \$3.3 billion annually on employee salaries and benefits; 40 per cent of the entire expenses of government, at \$8.5 billion, is on salaries and benefits. So it stands to reason that this information should be made available.

The public sector compensation and transparency regulations have been updated to include information regarding the House of Assembly, political support staff, statutory officers, as well as employees of statutory offices. As with previous compensation disclosure lists, they will include the name of the employee, the employee official job title, the name of the department or public body in which they are employed, their total compensation and a breakdown of the total compensation into base salary, overtime, shift premiums, retroactive pay, bonuses, as well as severance where applicable.

Mr. Speaker, the act still requires the provincial government and public bodies to have their lists published annually by June 30. And, as in previous years, they will be posted to the Human Resource Secretariat website as well. With these changes, the 2019 list will now include the House of Assembly service and the staff, as I previously mentioned.

Mr. Speaker, I would like to reassure the staff in instances where disclosure could reasonably be expected to threaten the safety or mental or physical health of an employee, those individuals can apply for an exemption. I also assure staff that this amendment is not about knowing an individual's salary, it's about being

open and accountable on how public money is spent. Disclosing compensation information of public sector employees promotes transparency and accountability and provides taxpayers with information about how government spends public funds.

So, Mr. Speaker, I'm pleased to be able to put the legislation forward. I look forward to discussion on both sides of the House, and any questions that Members have we'll certainly endeavour to provide responses to those questions.

Thank you, Mr. Speaker.

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

**MR. SPEAKER:** Thank you.

The hon. the Opposition House Leader.

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

I'm pleased to rise to Bill 33, An Act To Amend The Public Sector Compensation Transparency Act.

I look at the Explanatory Notes of the bill, the main intent of the bill is to: "expand the application of the Act to include House of Assembly employees, statutory officers and political staff; authorize the Clerk of the House of Assembly to exempt information from being disclosed regarding House of Assembly employees, statutory officers and political staff; and authorize the Speaker of the House of Assembly to hear an appeal of a decision of the Clerk of the House of Assembly regarding the exemption of House of Assembly employees, statutory officers and political staff."

So the purpose of the bill is to look at – as the Explanatory Notes I just referenced – the House of Assembly and the statutory bodies of this House. Some changes to the entities would fall under the act and will also be made.

The legislation in and of itself is often referred to, as we know, and we brought it through the Legislature, the sunshine list legislation. And the intent of that was to provide disclosure of names, titles, departments and total compensation of employees who earn over

\$100,000 each year. I think it was in June of this year that there was release of that information.

I understand in the briefing and some of the information with the Human Resource Secretariat – that’s why we’re doing this amendment here, or doing this actual bill. The current act as written, does not include the House of Assembly, including House staff, statutory offices and political staff. So this bill today that we’re referring to, Bill 33, is intended, I understand, to address that.

In 2017 and 2018, when the disclosure lists were created and released there was an error made – is my understanding – and employees who fall into that category were included on the list. This was treated as an error and notification given on it as such. At that time, officials did note that the House of Assembly proactively discloses some employees salaries but I guess this will define in the bill and in the legislation, with amendments to the act, specifically what will be disclosed if there are areas for exemptions, if there are areas to appeals, and that’s outlined in the bill.

The legislation, the bill if it passes will make it mandatory to include employees of the House of Assembly, all the statutory offices of the House and political staff who make over \$100,000 in a compensation disclosure list. And that would be consistent then with the legislation as it was originally written, and I guess envisioned, and would bring in line, as I said, the House of Assembly and the statutory offices.

The bill itself references the executive branch and the legislative branch. It goes through the various statutory offices, meaning: the Information and Privacy Commissioner, the Auditor General, the Child and Youth Advocate, the Chief Electoral Officer, the Citizens’ Representative, the Commissioner for Legislative Standards, and the Seniors’ Advocate. So that lists out the relevance to this bill in regard to the intent and who it’s going to affect.

As well, there’s provision in the bill – and the intent of the bill is to look at not only identifying who would be included, but looking at an exemption and what that would look like in regard to the legislation. That gets into, specifically related to who would allow that,

how the process would work and that type of description.

Then it goes on and talks about the disclosure for the exemption and what’s required under the act, notification for that exemption, who’s made aware. The minister is made aware on how it actually transpires. So that’s all outlined in Bill 33 to bring it in consistently in terms of those employees part of this House and the statutory offices that I’ve outlined and how they are done.

So it’s straightforward in that respect, in regard to bringing these particular offices in line with the current intent of the legislation. That’s the overall direction of the bill and what the intent is. I’m sure as we go through in Committee we’ll have some questions in regard to the application of the particular bill and how it connects to the current legislation that exists today.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you.

Any further speakers to the bill at second reading?

The hon. the Member for Mount Pearl - Southlands.

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

It’s a pleasure to speak to this bill. I won’t be speaking too long to this. I understand what’s being done here. We’re just including a group of employees, political staff, statutory officers with the House, adding them to what currently exists. So it’s pretty simple in that regard.

I will say, though, just for the record, that – and that’s not what’s being necessarily done here in this bill because, like I said, it’s just an amendment to what was already done. But for the purposes of this bill and the broader bill, I would say that, for the record, I have concerns. It’s not going to change anything here, it is what it is, and I will vote for the bill because it’s just adding the other people there, but I really don’t believe we should be putting people’s names with this. I really don’t. I see no reason why we can’t achieve the same thing.



Taxpayers absolutely have the right to know where their money is being spent, and to have full disclosure. Certainly, as elected officials, we sign up for a job that's a public office. The salaries are out there and so on. Fair enough, I got no issue with that. But if somebody wanted to know, for example, how much is being spent at a certain department or how much is being spent at a school on administrators and teachers and whatever the case might be, fair enough. You can certainly list the positions and you can list the salaries and all that, but for the life of me I still can't understand and I still will never agree in principle – that's just my opinion, and I know it's shared by a lot of people. There are some people who disagree, too.

Actually, if you put that out there on social media you'll have quite the debate, pro and con. It's probably split down the middle, but I would say that I really don't think there's any need of putting people's names. You can put the position, you can put the salaries, you can put if it's overtime or whatever it is, fair enough. But putting someone's name there just so that someone can go through the list one night or on their computer just to see: How much is the neighbour making? How much is Joe down the street making? I wonder how much, now – such-and-such who works with the wife, her husband works with the government, how much is he making I wonder? And then start scrolling down and looking at those personal details.

I don't see any purpose whatsoever. I don't see how it is in any way doing anything to enhance what we do here with government to attach someone's personal name to it. Position, yes; salary, yes. But the person's identity, their name, I just don't – that's just my opinion. I don't think we should be doing it.

The other thing I say is that \$100,000 a year is an arbitrary number. So if it's all about disclosure, public disclosure, why is it \$100,000? Why isn't it \$90,000, \$80,000, \$50,000, \$60,000? It's all coming out of the public purse. Everyone who works for the government is the same thing. It's coming out of the public purse; it's public money. So why is it that we're going to just arbitrarily choose someone who makes \$100,000 a year and say those are the names we're going to put out there?

Of course, there's been a lot of people who made it to the sunshine list who don't make \$100,000, but they might have had a one-time, lump-sum payment or something like that. I've had people contact me about that. Maybe it was overtime. Maybe there was like this one-time severance payment. There are going to be people who have never made \$100,000 and probably will never make \$100,000, but this one-time, lump-sum severance payment and so on could drive them over the \$100,000 and now their name is there and the salary.

I just think the whole thing is messed up, to be honest with you. If you're going to do it in the interest of disclosure, do it for every employee not just certain employees, and don't go attaching people's names. Positions, salaries, overtime, all fair game, but putting people's names there I just think is wrong.

With that said, this is a minor amendment to what we're already doing. I'm not going to vote against that, but on principle, I just want to stand and say that I disagree with the way we're doing that.

Thank you, Mr. Speaker.

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

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

I won't take long, but I do want to speak in second reading of course, to Bill 33.

As the minister pointed out, and my colleagues, what we are doing is making an amendment to the *Public Sector Compensation Transparency Act* to now add to the group of people whose income will be known publicly. Employees of the House of Assembly, political support staff and employees of the associated statutory offices or bodies. For example, Office of the Citizens' Representative, the Child Advocate, et cetera, to the act through amendment.

So, again, sort of as the Member for Mount Pearl - Southlands has said, in principle, because the act exists, then I do agree that if we had this act then everybody should be included in the act. That would include the groups that I just

mentioned, but I think there are ways of us being more public with regard to what exactly the salaries are without getting into individuals.

There was a time, one of the budget documents was a book that outlined for each department, for example, how many people were in certain categories, what the amount of money was for the deputy minister, what the amount of money was for the associate deputy minister, et cetera. And that was a public document that was part of the budget documents.

That information would be there for everybody to see, spelled out, not just a lump sum for salaries in a department or a lump sum for salaries in a statutory office, but it would spell out how many people in a certain classification. So if it was \$150,000 in a certain classification and there were three people in that, you could divide it by three and you'd know what the individual salary was; or, there is one DM and the salary for the DM was spelled out. I think that document is something that should be recreated.

I know what happens when here in the House of the Assembly we're sitting in Estimates and we ask questions, we can specifically ask for that information and we can get that information, but the general public is out there and they should be able to go online and in the budget documents have that kind of a document. Then it would meet the needs of what my colleague was just speaking about. The information of how much money is going out for each position would be there, and people know this individual is that deputy minister, therefore, they know what that deputy minister is making.

I think I had a problem from that perspective with this act in the beginning, and it's still there. As we know, there are groups out there who are not happy with the identification of individuals, and I think that concern still needs to be brought here into the House. There are groups who do not agree with the fact of the individual being identified, that all you need identified is the role of the individual. As I said, I think that's a serious consideration. It is out there, we know that it's out there, and I think that needs to be brought into the House to make that point again.

I do ask the government to think about the fact that there are ways to make the information very public, about what people are making, without getting at the point of naming individuals. It's one thing for us as MHAs, as people, to put ourselves out there publicly to be elected to have our salaries known, ours is in legislation, but it's another thing for people who are working for government to be identified as individuals.

So it is a point that needs to be considered, and if we did have a budget document that outlined the kind of information that I'm saying, then that information would be there for everybody to know. It would be very, very simple. So I just want to make that point.

Transparency doesn't have to mean the identification of individuals. Transparency is accountability for how the money is being spent and how we value various positions in government, and that should be the information that people are getting. That should be what they should be interested in, and the information that we should want them to have.

So those are the main points I want to make, Mr. Speaker, and I thank you for the opportunity.

**MR. SPEAKER:** Thank you.

If the hon. the Minister Responsible for the Human Resources Secretariat speaks now, he will close debate.

The hon. the Minister Responsible for the Human Resources Secretariat.

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

I wanted to thank the Members opposite for speaking to this piece of legislation and putting their thoughts forward. We are listening.

I don't know if you'd call it a housekeeping piece of legislation, but it's not a complicated piece of legislation. The intent and purpose of the legislation is very clearly outlined. I look forward to questions when we get in the Committee stage.

Thank you.

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

The motion is that Bill 33 be now read a second time.

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

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

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

The motion is carried.

**CLERK:** A bill, An Act To Amend The Public Sector Compensation Transparency Act. (Bill 33)

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

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

**MR. A. PARSONS:** Now.

**MR. SPEAKER:** Now.

On motion, a bill, "An Act to Amend The Public Sector Compensation Transparency Act," read a second time, ordered referred to a Committee of the Whole House presently, by leave. (Bill 33)

**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 33.

**MR. SPEAKER:** It is 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 bill.

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.'

The motion is 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 33, An Act To Amend The Public Sector Compensation Transparency Act.

A bill, "An Act To Amend The Public Sector Compensation Transparency Act." (Bill 33)

**CLERK:** Clause 1.

**CHAIR:** Shall clause 1 carry?

The Chair recognizes the Member for Ferryland.

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

I understand in the briefing there was reference to the act to have the Electoral Boundaries Commission and Mental Health Review Board removed from it. Does this change the information or is it included in the bill to do that, or is it something that will be done later?

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

**MR. OSBORNE:** No, it's my understanding neither of those are any longer active. So that's the reason they're being removed.

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

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

There was also reference to the fact that the Schedule of the act will change Government Purchasing Agency, the Public Procurement Agency reflect the new and official name of the new entity.

This change doesn't really affect the information that's being disclosed, but is there a need to change that name in the bill – because I don't see a reference to it – or is it just a regulatory change?

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

**MR. OSBORNE:** Yes, that part of it is simply housekeeping. We probably wouldn't have brought in a bill in and of itself simply to do that, but now that we're amending this piece of legislation, the name of that agency had changed, so it was just as well to clean it up and make that change while we were doing it.

**CHAIR:** Shall the motion carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, clause 1 carried.

**CLERK:** Clauses 2 through 7 inclusive.

**CHAIR:** Clauses 2 through 7 inclusive.

Shall the motion carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, clauses 2 through 7 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 Public Sector Compensation Transparency Act.

**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 the bill 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.

**CLERK:** The hon. the Government House Leader.

**MR. A. PARSONS:** Yes, I move, Mr. Chair, that the Committee rise and report Bill 33.

**CHAIR:** The motion is that the Committee rise and report Bill 33.

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 and 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 33 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 33 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, reported received and adopted. Bill ordered read a third time on tomorrow.

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

**MR. A. PARSONS:** Yes, Mr. Speaker, I move, seconded by the Member for Stephenville - Port au Port, that the House do now adjourn.

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

**MR. SPEAKER:** It is moved and seconded that this House do now adjourn.

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.'

This House stands adjourned until tomorrow at 1:30 o'clock.

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