



Province of Newfoundland and Labrador

FORTY-SEVENTH GENERAL ASSEMBLY
OF
NEWFOUNDLAND AND LABRADOR

Volume XLVII

FOURTH SESSION

Number 32

HANSARD

Speaker: Honourable Wade Verge, MHA

Tuesday

June 16, 2015

The House met at 1:30 p.m.

MR. SPEAKER (Verge): Order, please!

Admit strangers.

Statements by Members

MR. SPEAKER: Today we will hear members' statements from the members representing the Districts of Humber East, Exploits, Port de Grave, St. John's North, Baie Verte – Springdale, and The Straits – White Bay North.

The hon. the Member for the District of Humber East.

MR. FLYNN: Mr. Speaker, ALS is a rapidly progressive fatal neuromuscular disease that attacks a select group of nerve cells and pathways in the brain and spinal cord which leads to progressive paralysis of the muscles. In any one year, up to 3,000 Canadians live with ALS and two to three die each day.

The ALS Society of Newfoundland and Labrador, whose head office is situated in Corner Brook, was formally established in 2006. Prior to that, the Corner Brook chapter was associated with the ALS Society of Canada.

Each year in June, the ALS Society of Newfoundland and Labrador sponsors a walk as its major fundraiser. Every dollar raised goes to provide equipment, support services, education for the ALS community, and fund research to find a cure. Since 2010, the group in Corner Brook alone has raised nearly \$210,000 with the ALS Walk.

On the walk this past Sunday, more than \$31,000 was raised in Corner Brook. I want to congratulate the staff person, Cheryl Power, the Board of Directors, volunteers and participants for another successful ALS Walk.

Mr. Speaker, I ask that all hon. members join me in congratulating the ALS Society of Newfoundland and Labrador on their continued efforts to support those with this terrible disease.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. FORSEY: Mr. Speaker, on Thursday, May 21, Brian Tremblett was inducted as the first Lifetime Achievement recipient with the Bishop's Falls Minor Hockey.

Brian has served as President of the Bishop's Falls Minor Hockey for ten years and has coached at many different levels, all the way up through the minor hockey system and including the Grand Falls-Windsor Cataracts.

Brian was selected as Volunteer of the Year, a Minor Hockey Meritorious Award, the Joe Byrne Honour Award, and received Hockey Canada's Junior Hockey recognition Award. He ran Hockey Safety Clinics for trainers, facilitated Speak Out for Hockey Canada for the prevention of abuse and harassment.

Mr. Speaker, I ask all members of this House to join me in congratulating Brian Tremblett on being the first recipient of the Lifetime Achievement Award.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. LITTLEJOHN: Thank you, Mr. Speaker.

I rise today to recognize the municipality of Spaniard's Bay on the occasion of their fiftieth anniversary of incorporation. The town dates back to the 1700s and today has some 2690 residents. Incorporated in 1965, the original town ran east to west along the CB Highway. Through the years, the town expanded in various directions ending the expansion with the annexation of Tilton in 1991.

Mr. Joe Peddle, ninety-eight, was an original member of that first council led by Mayor Calvin Gosse. Mr. Peddle sang the blessing for

the nearly 200 in attendance and was given a standing ovation.

Present Mayor, Tony Menchions, spoke of the many changes which have taken place in the last fifty years. He highlighted some of the differences in cost. The town approved fifty street lights in 1965 at a cost of \$212 a month. Today, that cost exceeds \$100,000 annually. The first motion of council to approve road work to be completed by Transportation and Works was at a cost of \$7.20 per hour for a loader operator and the work was not to exceed \$300. A far cry from today's costs for repairs.

I ask all members to join me in congratulating the municipality of Spaniard's Bay on fifty years of incorporation.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. KIRBY: Mr. Speaker, I stand today to congratulate Mike and Annie Power who recently celebrated their fiftieth wedding anniversary on May 29.

Like many couples in the City of St. John's, Mr. and Mrs. Power first met while on a roller skating outing at Memorial Stadium. In fact, the Powers continued to roller skate at the stadium for years afterwards and actually took their children there to enjoy the time-honoured tradition.

Mike grew up in Corner Brook on the West Coast and spent his career working as an electrician. Annie, whose maiden name is Hart, was born and raised in St. John's and worked in the provincial public service.

In the years after the Powers were married at the Basilica Cathedral of St. John the Baptist, they lived and raised a family in Virginia Park. Their four daughters all still live in the City of St. John's. They have a very close family that includes their eight grandchildren and three great-grandchildren.

These days Mr. and Mrs. Power enjoy their retirement together, especially the time they have to spend with their grandkids.

I ask all hon. members to join me in wishing a very happy fiftieth wedding anniversary to Mike and Annie Power.

Congratulations.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Baie Verte – Springdale.

SOME HON. MEMBERS: Hear, hear!

MR. POLLARD: Thank you, Mr. Speaker.

Born at 12:39 a.m. on January 1, 2015 at Grand Falls-Windsor hospital, Richelle Sandra Marie Bonnie Shiner made her special debut. Mr. Speaker, four pounds and 8.5 ounces, Richelle was not just the first baby born in Newfoundland and Labrador in 2015, but also the first in Canada.

Her parents, Rick and Sandra, live in Springdale and were overwhelmed and extremely grateful to have their first girl join their family of four boys: R.J., Boyd, Brent, and Byron.

Richelle was due to arrive on February 26, but was delivered two months prematurely by emergency C-section. Her proud parents are hopeful that the birth is a sign that their daughter will do something big in life. Also special is that baby Richelle was born on her mom's birthday, giving her mom a double blessing.

In addition, at just five days old, Richelle had her first photo shot, as the cover girl with *Maclean's* magazine. With such a unique entrance, her mother hopes that Richelle has big plans to impact this world.

Honourable colleagues, please join me not only in congratulating Sandra and Rick, her parents, but also in welcoming baby Richelle as Canada's first 2015 baby who has already warmed all of our hearts.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. MITCHELMORE: Mr. Speaker, on Saturday I attended the thirty-third Annual Ceremonial Review for RCSCC 285 Leif Erickson Sea Cadets in St. Lunaire-Griquet. It was an honour to serve as reviewing officer for the sixteen members, inspecting uniforms, the commitment cadets took to honour their troop, and watch their drills performed with precision.

On June 3, members of 774 St. Anthony and area Air Cadet Squadron had their forty-seventh Annual Ceremonial Review; acting as reviewing officer for their twenty-member squadron was RCMP Corporal Mike Babstock. Beaumont Hamel is in their plan for Honour 100.

Knowledge, confidence, and self-esteem are fostered as a cadet. Each evening they learn drills, band and technical skills, but equally important is the strong part of the core trainings of leadership and citizenship. They learn to be leaders, mentors, and team players. Their dedication is immeasurable, as is the dedication of their leaders.

I ask all members to recognize Sea Cadets Commanding Officer Lieutenant (Navy) Debbie Humby, Lieutenant (Navy) Christopher Humby, Sub-Lieutenant Sabrina Humby; Acting Sub-Lieutenants Diane Snow and Ida Roberts, and Civilian Instructor Karen Bussey; Air Cadets Commanding Officer Captain Beverly Scott, DCO and Training Officer Captain Godfrey Mitchelmore, Assistant Training Officer Louise Reid, and Supply Officer Krista Diamond.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Statements by Ministers.

Statements by Ministers

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, I rise today in this hon. House to recognize and commend the outstanding leadership of Marie Woodford, a humanitarian and Grade 9 teacher at Crescent Collegiate. Under her direction, students at Crescent Collegiate, the community of Blaketown, as well as numerous schools throughout the Province helped to ensure that 105 orphans in Uganda have a new school.

In 2007, Ms Woodford travelled to Africa and spent a semester teaching in Mombasa, Kenya. This experience opened her eyes and left her wanting to do more for children in Third World countries.

While teaching at Holy Trinity High School in the 2013-2014 school year, Ms Woodford's class participated in a global initiative for children in an orphanage in Uganda. It was here she learned more about the orphanage and the need for them to have a school. Ms Woodford then moved to Blaketown to teach at Crescent Collegiate, and along with her class put out a call-to-action to schools across the Province.

Mr. Speaker, the call was answered. Students from Crescent Collegiate, Holy Trinity High School, Roncalli High, Amos Comenius Memorial High School, Holy Cross Elementary, Immaculate Conception, Goulds Elementary, and pre-school students from the Little People's Workshop made clothes, artwork, collected donations and school supplies, all in an effort to make this school a reality.

In March of this year, Ms Woodford travelled to Uganda to help build the school and hand-deliver the items made by students in our Province. The children in this small town in Uganda started a new semester in their new school just this past May.

Mr. Speaker, the students of this Province, under the leadership of Ms Woodford, have truly made a difference in the lives of these children in Uganda and have also experienced the impact of this outreach in their own lives. I ask all hon. members to join me in thanking Ms Woodford for her leadership and dedication. She represents the true Newfoundland and Labrador spirit of giving and we are all very proud.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. KIRBY: Thank you, Mr. Speaker.

Thanks to the minister for an advance copy of his statement. I gladly join with all the members of the House to commend the exceptional leadership and humanitarian spirit shown by Ms Marie Woodford. Her teaching approach certainly underscores that education does not always come in the form of text, and the most important teacher oftentimes a student can have is one that inspires them. Inspires them to reach higher, to go that extra step, to get to know oneself better, and to open themselves to doing good in the world.

Ms Woodford is a shining example of what a great teacher in action can be, and I cannot help but be impressed with her work, and I am very proud to say she is one of our own teachers here in Newfoundland and Labrador.

I would also like to congratulate the students at Crescent Collegiate, the community of Blaketown, as well as the numerous schools throughout the Province who have stepped up to make a difference in the world, Mr. Speaker. There can be no better education than that.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

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

I, too, thank the minister for the advance copy of his statement. I am very pleased to join him in honouring Marie Woodford for her achievements in making it possible for students here to contribute to the building of a school in Africa.

She is to be admired for following through on her earlier desire to do more for children in Africa who need our help. We are lucky to have teachers like Marie who can give children a

global experience outside of their own community, even outside of their own country, and the opportunity to discover that every small contribution combined with those of others helps to make things happen.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. CRUMMELL: Thank you, Mr. Speaker.

Mr. Speaker, I rise in this hon. House to note that the Town of Petty Harbour – Maddox Cove recently became the seventieth municipality to partner in BizPal. Introduced to the Province in 2009, BizPal is a federal-provincial-territorial online information service that helps local entrepreneurs save time and money by simplifying the process of obtaining permits and licences.

Mr. Speaker, the BizPal service begins by prompting clients with a list of questions about their business venture. Responses are then used to generate a customized list of all permits and other regulatory approvals that must be obtained in order to operate a specific type of business. The process is completely confidential – it is not necessary for users to provide identifying information to access the system, and no information is stored about the user. The goal is to provide business owners with accurate, accessible, complete and current information about the requirements they must satisfy at the municipal, provincial, and federal levels of government.

The fact that municipal participation in BizPal has grown so quickly speaks to the value of this initiative. Statistical tracking shows that the Newfoundland and Labrador BizPal website is accessed thousands of times each month by local businesses, as well as potential business operators from foreign countries, which demonstrates how this initiative supports business activity. Service NL has been actively encouraging municipalities to join, and to date, the department has added an average of ten

municipalities a year. I encourage municipal leaders to make contact with Service NL if they would like more information about how they can use BizPal to support new ventures in their community.

Mr. Speaker, Service NL has a mandate to make government services more readily available to the people of the Province, and our involvement with BizPal is one of many ways we are fulfilling that mandate. Our government has always been very supportive of the small and medium-sized firms that drive our economy. We will continue these efforts through BizPal, and through the comprehensive suite of programs delivered by the Department of Business, Tourism, Culture and Rural Development.

Mr. Speaker, I encourage business owners, prospective entrepreneurs, and my colleagues in this hon. House to experience this great service first-hand by visiting www.bizpal.gov.nl.ca, and then spread the word about this initiative. Fostering new business success is important, and BizPal is helping us do that in Newfoundland and Labrador.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. LANE: Thank you, Mr. Speaker.

I once again would like to thank the minister for a copy of his daily Ministerial Statement.

Mr. Speaker, we want to recognize the Town of Petty Harbour – Maddox Cove for getting involved with the BizPal program. Certainly, BizPal is a good program. It is actually one that was developed by the Northeast Avalon RED Board. At the time I can remember being on city council when they had actually brought this initiative forward to government, and I am certainly glad that government did adopt it. Anything we can do to encourage business growth, to have opportunities as it is with BizPal for businesses, or perspective businesses, or business wanting to expand and to have that ability to be able to go in a very orderly way and

find out the types of permits and so on they would need to operate a business. Anything we can do in that regard is a positive thing.

The only other comment I would make, Mr. Speaker, is given the fact that BizPal does use information technology, I am kind of surprised that the government did not have to hire a consultant to show them how to use it.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. MURPHY: Thank you, Mr. Speaker.

I would like to thank the minister for the advance copy of his statement here today. Yes, Mr. Speaker, this is one success I think that this side of the House can certainly back. Surprising though to learn that there are only seventy municipalities that have taken advantage of this so far out of 276 municipalities here in the Province. Being the spur to small and medium-sized business that this program is, I am surprised other municipalities have not taken advantage of it. So I would ask government, number one, to push this with municipalities and encourage them to sign up because this is an employment creator too, at the same time.

Mr. Speaker, the other thing we learned from this, of course – just playing with this – we also learned a little bit about how far the Red Tape Reduction Strategy has proceeded.

Thank you very much.

MR. SPEAKER: Order, please!

I remind the member his time has expired.

Oral Questions.

Oral Questions

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

MR. BALL: Thank you, Mr. Speaker.

Yesterday, when talking about the scathing report by the Auditor General, the Premier said we have to rely on the expertise of what is in the department, but in the next breath he said he was hiring external consultants to draft guidelines for hiring external consultants.

I ask the Premier: This department has been around for ten years, why are you now hiring an external consultant to now draft guidelines on how you should hire external consultants? Shouldn't that oversight already been available in this government?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Thank you.

Mr. Speaker, as I outlined yesterday, IT services throughout government, and government being such a large entity, and IT services are very complicated. I talk to business people who even talk about small businesses and the incredible investments they have to make to ensure their IT systems and operations are up to speed so that they can continue to be competitive and work at a vibrant pace and do their work effectively and efficiently.

Mr. Speaker, we want to make sure we are getting best value from our IT services, which is the Office of the Chief Information Officer, known as OCIO. I said yesterday, I am not an expert. The ministers here are not experts in IT and how they operate. We want to make sure it is operating properly, and we are going to get a consultant to do that for us.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

The Premier's RFP for guidelines for hiring consultants that he released yesterday is very basic. It calls for a review, number one, of what the department is already doing; number two, a jurisdictional review; and three, the recommendations on how they could improve. The Auditor General has already made several

recommendations. It is obvious that one of them this government should start by not paying consultants who do not submit bills.

I ask the Premier: Response to the AG's comments about OCIO was that you were going to hire a consultant, but what about the other departments, Transportation and Works as an example, that the AG flagged? Is that again hiring of more consultants?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Thank you, Mr. Speaker.

We value the work of the Auditor General. We have said that many times. It is very true that we do. The Auditor General plays a significant role in the operation of government. It brings an outside view, a very high-level view, a fresh set of eyes, if I can use that phrase, Mr. Speaker, on the operations in government and how we operate.

We have a lengthy history of responding to Auditor General's reports, which are done annually, and taking his recommendations and turning them into improved policies, guidelines, and delivery of programs and services of the Province. That is what we intend to do now, Mr. Speaker.

We are still going through; we are analyzing the information provided by the Auditor General. We want to fully understand all of his recommendations, Mr. Speaker. Once we understand, then we look at concepts and ways to make improvements as recommended by the Auditor General. It is a process that is ongoing in government.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

We all know this is a Premier who likes to do his own report cards. Yesterday – and he just made those comments again. He said we demonstrate year over year that we respond to the Auditor

General's recommendations. The truth is government repeatedly fails to fully implement the AG's recommendations in the required time frame, often only reaching the target for a full completion after six years.

I ask the Premier: People expect financial oversight, they expect accountability, why are you not strongly and decisively making the changes you need to make as recommended by the AG that you just said you value?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Mr. Speaker, we have to look at some of the recommendations that the Auditor General makes require ongoing changes and ongoing actions by government – not just one time or for one year, but year after year after year. If you look at 2009, the Auditor General had recommended a 90 per cent implementation – yes, we reached that, but not only that, we are at 97 per cent if you include implementing recommendations that are underway in our ongoing efforts by government – 2010, 92 per cent; 2011, 95 per cent.

So, Mr. Speaker, we continue, as I said – there is no argument to be made where we take the recommendations of the Auditor General very seriously, we continue to work on them and improve efficiencies within government, and to provide programs and services.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

Well, the Premier likes to throw around some numbers, so we will just throw around some of them ourselves. Government uses the phrase, like 90 per cent, and they attach that to 90 per cent completed or in progress when they boast about their success, as the Premier just did.

Progress does not mean done, I say, Mr. Speaker. Things like unsafe food, wasteful spending, not following the rules, I say. Seventy-one new recommendations, plus 176 we

do not know the completion status, yet another 131 still not done from previous AGs' reports.

So I ask the Premier: When should the people of Newfoundland and Labrador expect these 380 recommendations that would protect public money and public safety to be done?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Mr. Speaker, we are certainly down in the weeds in Question Period today, but I do not mind doing that; I do not mind answering the questions. If in recent years, if the member opposite wants to look at, prior to this report, 588 recommendations have been reviewed, 549 have been fully or partially implemented – 549 out of 588.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: The Leader of the Opposition, if you listen to my answer – I know he is talking over there again now, Mr. Speaker – it was 97 per cent I said that was fully or partially implemented, not 90 per cent.

Look, very clearly, we take these reports seriously. The Auditor General provides a valuable service to Newfoundland and Labrador, to our government, and to the people of the Province. He has a role to play, and he provides benefit to taxpayers of Newfoundland and Labrador, and we take his recommendations.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

This morning the Premier said that we can expect a term sheet on Statoil's Bay du Nord oil development in the coming weeks. He later backtracked saying that he could not say if it would be announced before the November

election. Media are reporting that the industry was caught off guard by the Premier's comment.

So I ask the Premier to clarify: Are you planning on announcing a term sheet with Statoil in the coming weeks or not?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Thank you, Mr. Speaker.

With due respect to the member opposite, I think he may have some of his facts just a little bit confused over on this matter as well, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DAVIS: Mr. Speaker, what I said this morning, and I can tell you, I speak for members on this side of the House, we are very optimistic about the future of oil and gas in Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: While members opposite like to take a very pessimistic view, they like to look at what has happened in the Province, they talk how bad the economy is, they talk how bad the circumstances are in the Province, well the over 800 people this morning at Noia do not agree, Mr. Speaker. They were at the Noia conference, the annual conference, because they believe in the future of oil in Newfoundland and Labrador, Mr. Speaker, as do we.

I can tell you, Statoil is going to be a big part of the future in Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The hon. the Leader of the Official Opposition.

MR. BALL: Thank you, Mr. Speaker.

Statoil is currently on an eighteen-month drilling program that will not finish until May of 2016, I

say to the Premier. Their vice-president said they need information from that program before a decision can be made on the development. However, the Premier is rushing this process and has mandated his minister to get a deal in 2015. That is months before the drilling program is finished.

We have seen this before. We have seen it with CETA. The Premier is again showing symptoms of deal fever, I say, Mr. Speaker.

I say to the Premier: Why are you rushing this process before the drilling program is finished, without even knowing how much oil is there?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Mr. Speaker, let me be clear for the member opposite, and let me calm his concerns over there, because I tell you, all of the people in the room at Noia this morning agree there is a great future in the oil business for Newfoundland and Labrador, much like we have enjoyed over the last decade where oil revenues have transformed our Province. They have transformed industry and business, Mr. Speaker, right here in Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Those royalties are being used to diversify our economy, grow an economy, and solidify our future as a Province, Mr. Speaker.

The member opposite wants to raise CETA and I will be clear on CETA with the member opposite as well, Mr. Speaker, because we are clear on CETA. The federal government came to us and asked us to give up our MPRs. They are our jurisdictional authority. As long as I am in this seat, we will not give up those MPRs until the federal government lives up to their obligation.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The hon. the Leader of the Official Opposition.

MR. BALL: Thank you, Mr. Speaker.

I remind the Premier, he does not have to negotiate. All he has to do is ask for them, they will just exempt him anyway, I say to the Premier.

Mr. Speaker, we all know how turbulent the oil industry is right now and the many unknowns around Bay du Nord discovery. Even the company says they will not know if there can be a development before May 2016. The Premier went ahead and mandated his minister to get a deal before 2015. This severely weakens the Province's negotiating position.

I ask the Premier: What other reason could you have to rush a deal other than wanting to announce it before a November election?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Thank you, Mr. Speaker.

Mr. Speaker, we hear the member opposite raising his voice, and we have to wonder why he is becoming nervous. I guess he just told us why he is becoming nervous because there is nothing he would hate to see more than us to achieve a good deal for the people of Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: I assured the people this morning, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DAVIS: I also told the media this morning when they asked a similar question, this is too important for Newfoundlanders and Labradorians. This is a valuable asset, Mr. Speaker, that is going to be produced –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DAVIS: It is going to produce revenues for our Province for the next fifty or sixty years, Mr. Speaker. I tell you the one thing I will not do, I will not sign a deal and we will not do a deal with Statoil unless it benefits Newfoundlanders and Labradorians.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The hon. the Member for Mount Pearl South.

MR. LANE: Mr. Speaker, yesterday the Minister of Finance challenged me to review Hansard because he claimed my question regarding the operation of the OCIO had been answered. I reviewed the record. In it the minister talks about an RFP seeking out IT expertise. He obviously did not understand the question. The AG's criticism had nothing to do with IT; it had to do with paying out \$1.3 million in unsupported travel claims to consultants.

I ask the minister: Are you sure that the expertise needed to do basic bookkeeping work is not readily available inside government today?

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Mr. Speaker, I am delighted the member opposite decided to check Hansard because he would have understood clearly the scope of the answers provided by both the Premier and myself in response to questions from the Opposition yesterday. He would have clearly understood. In fact, if he had taken the time to explore a little further – if he had explored a little further, in fact, about an hour or so after we had Question Period in the House, Justice officials had finished the review of the RFP and it was on the street I say, out for public view.

All he needs to do is look at the section of that RFP that talks about the scope of work, and there are eight or nine, or seven or eight bullets

there that lays out the scope of the work to be done. In fact, it is on the first three or four pages. I think it is section 1.6 to be exact. So I will give the member some clear direction which will clearly point him to what it is we are looking for as we go to the street looking for some advice.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

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

MR. LANE: Mr. Speaker, the minister is trying to deflect from the facts in the AG's report, hiring consultants to review consultants, talking about IT expertise, and trying to confuse the public with his non-answers. It does nothing to lessen the reality. The OCIO spent hundreds of thousands of taxpayers' dollars without proper oversight, all done on this government's watch.

I ask the minister: Why not do your job, implement the AG's recommendations in-house and stop wasting taxpayers' money on more consultants?

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Mr. Speaker, as I said yesterday, and let me repeat again. We respect the advice of the Auditor General. In fact, we have started the implementation of many of the recommendations in this year's report.

What I also said yesterday – when the member checked Hansard he would have seen this as well – the Auditor General reviewed a period of time from 2009 to 2011. Since that time, we have made significant changes in our internal processes. What we want to do now, Mr. Speaker, is to make sure that those changes not only reflect a satisfactory response to the Auditor General's report, we want to supplement what he did. We want to make sure that what we have actually instituted represents current day best practices.

SOME HON. MEMBERS: Hear, hear!

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

MR. OSBORNE: Thank you, Mr. Speaker.

The Premier was Minister of Transportation and Works for a full year during the AG review. He was also Minister of Health, which was one of the departments involved. He was also Premier for part of the time during which the AG conducted the review. Mr. Speaker, almost 70 per cent of the contracts looked at during the AG review received payments without approval.

I ask the Premier: While you were minister you allowed payments to be made to consultants without Treasury Board approval, why?

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

SOME HON. MEMBERS: Hear, hear!

MR. BRAZIL: Thank you, Mr. Speaker.

Again, as the Premier has outlined, we take the Auditor General's report very seriously, and we complement the work he has done.

In this case, there were two recommendations relevant to Transportation and Works. One was around the guidelines covering hiring of external consultants, and he is asking that we follow what we had outlined as our process. I have since written back through my officials to the Auditor General and said, yes, we will. We understand the process, we are complying there. The second was that we would continue to use the evaluation process around consultants to ensure when we hire consultants that we have the full gamut of their professional skills, and we are continuing to do that.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. OSBORNE: Mr. Speaker, the rules are in place. They do not need somebody to tell them

they should follow the rules. They should know that if they were honourable as government.

Mr. Speaker, the Premier –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. OSBORNE: The Premier, Mr. Speaker, was minister –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. OSBORNE: I asked the Premier, and I will ask him again: Did he allow payments to be made to consultants without Treasury Board approval, and why?

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

SOME HON. MEMBERS: Hear, hear!

MR. BRAZIL: Mr. Speaker, we had a number of contracts with proponents here, particularly those that are on our consultant's registry, that outline exactly needs that were outlined in specific areas in this community. We went to the market. We identified people who could provide those services. We paid exactly what we contracted for, no additional monies. All the money spent went exactly into a service that was provided by those individuals, a professional service that they were qualified to do. We continue to do that.

We are now reviewing the process that we use, and we want to adhere to the recommendations of the Auditor General. We are ensuring that the process and the policies we follow are in the best interest of the people of this Province.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. OSBORNE: Mr. Speaker, the Premier did not answer the question, but I will. He did make payments without Treasury Board approval.

Mr. Speaker, the AG has found that the request for expressions of interest and direct appointment process does not provide a competitive, open, fair, or transparent procurement process.

I will ask the Premier: Have you, during your time as Transportation Minister, directly appointed consultants?

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

SOME HON. MEMBERS: Hear, hear!

MR. BRAZIL: Thank you, Mr. Speaker.

We have been following a process, Mr. Speaker, around identifying consultants in particular areas for a number of decades here. The multitudes of different Administrations have done that. We have a registry in place. It is this Administration that put in a consultant's registry that ensured those individuals or those companies were qualified to do particular pieces of work that we would engage them in, and we do that consistently. What happens here is my staff will come to me; they will make recommendations based on their professional knowledge.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. BRAZIL: We will then assess exactly the scope of work and the company that is doing it. We will award that contract, Mr. Speaker, and the monies that are paid out are those relevant to that contract and the services provided.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. HILLIER: Mr. Speaker, in his review of select long-term facilities, the AG discovered some residents were accidentally being

underfed. One resident was fed half portions for seven full weeks before the AG discovered this resident should have been fed full portions all along. Combined with the failure to weigh residents regularly, this neglect was going unchecked.

I ask the minister: Were the families of these residents notified of this neglect?

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

SOME HON. MEMBERS: Hear, hear!

MR. KENT: Mr. Speaker, I have reviewed the Auditor General's report fully. We take all of the recommendations very seriously, and will follow up and act upon all of them.

What I do question, though, is the suggestion that residents in any of our long-term care facilities were neglected. We have highly trained professionals who work in nationally accredited facilities who deliver quality care to thousands of residents of Newfoundland and Labrador.

When it comes to food quality, the menus in our facilities are approved by a registered dietician. They adhere to Canada's Food Guide. There are high standards that are maintained. Are there quality issues and consistency issues from time to time? Absolutely, and we want to do everything we can to address those issues, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. HILLIER: Yesterday's speaking points, Mr. Speaker.

The AG employed a dietician in his review of long-term care facilities. That dietician identified choking hazards not being properly or consistently assessed or supervised. The minister said in this House yesterday that long-term care staff does provide supervision. Similarly, Eastern Health said it believes it provides a supervised dining experience.

I ask the minister: We are talking about a lack of oversight endangering the lives of residents of long-term facilities, are you saying you disagree with the AG's finding on inadequate assessment and supervision of choking hazards?

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

SOME HON. MEMBERS: Hear, hear!

MR. KENT: Mr. Speaker, it does not surprise me at all that members opposite would resort to attacking public servants who deliver high-quality care in our homes –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. KENT: – because that is who they are and that is what they do consistently, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. KENT: I find it offensive.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. KENT: That said, while the Auditor General raises some very real concerns that we need to look at and fully address –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The hon. the Minister of Health and Community Services, to continue.

MR. KENT: Thank you for your protection, Mr. Speaker.

The standards need to be followed. Any issues at all are too many and they need to be fully investigated and followed up on. In the period

that the Auditor General examined in our personal care homes – because I think the member is confused about which section of the Auditor General’s report he is referring to. In that period that was evaluated, there were millions of meals delivered during that time period. The incident rate was quite low, but any incidents at all are quite concerning, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. HILLIER: I remind the minister, Mr. Speaker, we are not talking here about personnel; we are talking about the lack of government oversight.

Mr. Speaker, again, we speak in terms of the number of meals involved. There were six – six – occurrences in the fifty-two assessed meal trays where food was not provided at the proper texture. This could cause choking and risk other injury. In addition, licensed practical nurses and personal care attendants who are responsible for feeding and supervising the residents were often not trained to respond to choking incidents. In the St. John’s facility, 79 per cent of the staff were not trained according to the Auditor General –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

I ask the member to quickly ask his question.

MR. HILLIER: I ask the minister: What process will be put in place for long-term care residents to ensure that eating is not a safety risk?

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

SOME HON. MEMBERS: Hear, hear!

MR. KENT: Mr. Speaker, now the Opposition is attacking licensed practical nurses and challenging their training and qualifications.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. KENT: It is rather unfortunate that they would resort to that. I have no problem acknowledging – thank you, Mr. Speaker.

MR. SPEAKER: Order, please!

The hon. the Minister of Health and Community Services.

MR. KENT: They are a rowdy bunch today, Mr. Speaker.

We have no problem acknowledging how important safe quality food is to all residents in our long-term care homes. If there are concerns raised by residents, by families, by the Auditor General, those concerns must be addressed. We do have processes in place to ensure that employees receive food safety training and they receive sanitation training when they enter the system. We also need to implement refresher training as well, and we intend to do that, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for St. John’s North.

MR. KIRBY: Mr. Speaker, since this government introduced its new math curriculum, we have been told time and time again that professional development to help teachers with the new curriculum is simply insufficient. Now the Auditor General has identified serious deficiencies with teacher professional development.

I ask the acting minister: You have ignored the pleas from math teachers, you have dismissed the advice of math education experts, are you finally willing to listen to the Auditor General?

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, we have not ignored the need for professional development

and training for teachers, particularly with our new math curriculum. In fact, there has been very extensive professional learning, but I will say professional learning is a very important part of a professional growth, a very important part of improving quality teaching, a very important part of student achievement.

As we continue with the consolidation of the four boards on an array of many, many issues within the education system, I can tell you that the recommendations made by the Auditor General will be very valuable moving forward as we implement more policies and more restrictions around professional learning. Rest assured, we will continue to do the professional learning in the best interests of students of this Province.

SOME HON. MEMBERS: Hear, hear!

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

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

Yesterday, the Minister of Health and Community Services said that professionally trained staff in long-term care facilities use their clinical judgement to decide what levels of supervision is required for each person at meal time.

I ask the Premier: When will his government admit that these staff are under stress because there are not enough of them to supervise and assist people who need help?

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

SOME HON. MEMBERS: Hear, hear!

MR. KENT: Mr. Speaker, I would point out to the hon. member that the number of care hours provided to residents in our long-term care facilities is among the highest in the country. We have well-trained, professional staff, we have LPNs, we have RNs, we have personal care attendants, all of whom work together to provide exceptional care to residents.

Any time there are issues, they need to be addressed. Is the system perfect? No, I have acknowledged many times the system is far from perfect. We are constantly trying to improve, but all of our long-term care homes are nationally accredited, they are held to a very high standard, our staff is well-trained, they are hardworking and they are professional. We will always try to improve, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MS MICHAEL: Mr. Speaker, I say to the minister: Is the system perfect? No. Do we have enough trained people to do the work? No.

Mr. Speaker, the Auditor General found that regular assessments of long-term care residents' dietary needs are not always being met.

Will the minister ensure that each facility has at least one qualified dietitian on site to oversee procedures and make sure that things are being done to help the patients?

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

SOME HON. MEMBERS: Hear, hear!

MR. KENT: Mr. Speaker, again, I remind the hon. member that our staffing levels, the standards we hold our staff and our system accountable for, are among the highest in the country. That said, to her specific question on meal changes being approved by a dietitian, we have nutrition services provided by a registered dietitian based on a nutritional assessment and resident preferences as well.

The operational standards do not state that dietary changes can only be approved by a dietitian. There are other people like physicians and nurses who are also involved in assessing residents' changing needs. We take the views of all those professionals very seriously and we want to ensure that our professionals are working together to provide the highest quality of care possible.

SOME HON. MEMBERS: Hear, hear!

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

MS ROGERS: Thank you, Mr. Speaker.

People desperate for housing cannot move into vacant Newfoundland and Labrador Housing units because growing numbers of the units need maintenance and repair.

I ask the minister: How many units are vacant and when will the work be done?

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

SOME HON. MEMBERS: Hear, hear!

MR. CRUMMELL: Mr. Speaker, we have over 5,000 units in inventory with Newfoundland and Labrador Housing. We have a regime that makes sure that maintenance is happening on a regular basis. The numbers which the member opposite is referring to I certainly do not have here in front of me, but we can make that available in the near future.

Mr. Speaker, the great work that Newfoundland and Labrador Housing is doing has been called out all over the country. They have received national awards and international awards. We are an example for the rest to follow. I am proud of the work that we are doing.

SOME HON. MEMBERS: Hear, hear!

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

MS ROGERS: Mr. Speaker, seniors with leaking roofs and windows are waiting to proceed with critical home repairs through the Provincial Home Repair Program, but cannot without assessments by Newfoundland and Labrador Housing inspectors. They are being told they have to wait at least eight weeks.

Now is the time to do these repairs. This program is useless if people cannot use it.

I ask the minister: What is the holdup and how long will people have to wait?

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The hon. the Minister of Service Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. CRUMMELL: Mr. Speaker, when you have 5,000 units in your inventory, there is always going to be rotation of units that are going to be out of service. When people have left for whatever reasons, we have to go in and do the work that needs to be done. If there is a unit that is vacant and is ready to go, we will certainly find whoever is next in the queue and move them into that unit.

Saying that, Mr. Speaker, we also have a policy where we reserve units across the Island for emergencies. If somebody's house burns down, we need to have a unit to move him into, if possible. If somebody is a victim of family violence or domestic violence, we need to have a unit to move people into.

Mr. Speaker, there are policies in place for units to be left out there that are vacant, but the ones that are vacant that you see are the ones that we are renovating.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The time for Question Period has expired.

Presenting Reports –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

Presenting Reports by Standing and Select Committees.

Tabling of Documents.

Notices of Motion.

Answers to Questions for which Notice has been Given.

Petitions.

Petitions

MR. SPEAKER: The hon. the Member for Burgeo – La Poile.

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

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

WHEREAS the Applied Behaviour Analysis – ABA program – for children with autism is funded by the Department of Health and Community Services; and

WHEREAS the program was introduced in 1999 and is in serious need of revision; and

WHEREAS with the advances made in early diagnosis of autism, the number of high-functioning children being diagnosed with autism has drastically increased; and

WHEREAS the current ABA program does not take into account that children on the autism spectrum are involved in many educational, recreational, and social activities outside of the home; and

WHEREAS the current ABA program requires that the therapist be accompanied at all times by another adult, which is not only inconvenient, but can be quite costly when a parent is unable to be that second adult due to work or other obligations; and

WHEREAS the current ABA program ends at Grade 3, but autism is a life-long social disorder;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House to urge the government to implement a review of the ABA program with considerations given to alternate programming options, and to extend programming beyond Grade 3.

As in duty bound, you petitioners will ever pray.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

I ask members for their co-operation.

MR. A. PARSONS: Mr. Speaker, I have entered this petition on a number of occasions, and obviously it is a very serious one that affects constituents in every district that is represented by members in this House.

The good news is that there has been a lot of attention paid to this. The bad news is that government, like many of the things that they do – and it has been outlined by the Auditor General – they measure success in the amount of dollars that they have invested, and not in the outcomes. This is a prime example right here. Any time you ask a question on autism you get back that yes, we have invested X number of dollars – but the problems are still there.

The problem that we seem to have now is there does not seem to be a recognition that this goes beyond children, and we have adults – again, this program goes to Grade 3. I would like to see that acknowledgement made by this government, first, that we do have an issue. ABA is a great program, but if you talk to parents out there, if you talk to educators, we need a review of the program. I think everybody here could agree to that. Beyond that and going right to the top there we need a strategy – and that is something that this government has not put in place, is a strategy to deal with this. It is a government that scrambles and reacts, throws money at the problem, and then wonders why the problem is not fixed, because they do not have a plan.

So let's get a plan in place. We need a plan, and the first thing we can do is start talking to the parents because they are out there desperately crying out for some attention, and we need to give it to them.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. MITCHELMORE: Thank you, Mr. Speaker.

We, the citizens serviced by Curtis Hospital, located in St. Anthony, Newfoundland and Labrador, petition the Government of Newfoundland and Labrador and Labrador-Grenfell Health to retain the midwives and allow them to continue to perform other duties at Curtis Hospital.

Our midwives offer services that cannot be duplicated and which cannot be replaced. The level of care they offer and the knowledge and training they have in the area of obstetrics is immense. It will be a great disservice to the people of this area if our midwives are no longer available to care for the people here. Privatizing midwifery or waiting five to seven years for regulation, as stated by government, is unacceptable. We have an operational model of midwifery here in St. Anthony that has been delivering outstanding care for over ninety years.

We urge the House of Assembly to implore the Government of Newfoundland and Labrador and Labrador-Grenfell Health to preserve our midwifery services at Curtis Hospital.

Mr. Speaker, this petition is signed by residents primarily in the Straits, Flower's Cove, Bear Cove, Shoal Cove, Sandy Cove, as well as Port Saunders. I had the opportunity to meet with Labrador-Grenfell Health executive and the leadership team and raise this particular issue. They have clearly stated that they want to see midwifery in a publicly funded system.

Yet, the former Minister of Health has pointed out in a news conference well over a year ago that this government is focused on privatizing midwifery, privatizing the health care services, and taking it from a publicly funded setting that was working extremely well. We have a number of residents – I have constituents who are actually working in other provinces as midwives who would be able to come back and work in St. Anthony at Curtis Hospital.

You talk about population growth. You talk about looking at trying to retain youth and skilled professionals. When we talk about the important role of a health care team, one would think that the government should be focused on looking at these options as other jurisdictions have.

We see where British Columbia and Ontario have embraced midwifery. It is providing some outstanding results. If we look at the historical context, it is something that has been working and working well for over ninety years.

Midwives have helped a number of people out. That Facebook group that we have when it comes to parents, families, and members – there are thousands of people who are asking for this request. They see the government is completely focused on privatization of those health care services.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. MURPHY: Thank you, Mr. Speaker.

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

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

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

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

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

As in duty bound, your petitioners will ever pray.

Mr. Speaker, on this occasion, I would like to thank the people of Grand Falls- Windsor, Springdale, and Bishop's Falls for signing this petition and sending it in and expressing their

concerns as regards to government's role in increasing the price of heating products that people are using in the house.

Mr. Speaker, on Wednesday, tomorrow, we will be going through a private member's motion talking about the government's Poverty Reduction Strategy. We know that several years ago government talked about this in their Poverty Reduction Strategy. They talked about putting disposable income back in – particularly back in seniors' pockets and helping out those people who were in trouble when it came to paying their heating and light costs. This was one of the initiatives that government thought would be a great initiative to put money back in their pockets so that people could actually feed themselves and at the same time make heat a little bit more affordable.

This is a primary health concern, particularly among seniors, that government needs to pay attention to. It is also a primary concern when it comes to keeping money in the economy and allowing people at the same time to pay for food rather than having to pay for it all on fuel. Mr. Speaker, the 8 per cent tax is not an easy burden for somebody on a low income to maintain and to be paying out all the time.

Mr. Speaker, I will leave this for the government's consideration again, to reconsider their position when it comes to the Residential Energy Rebate. Hopefully they will reinstate it. If they are open thinkers, like they are thinking about when it comes to the HST, having gone one way and thinking about putting on the HST and taking it off again, hopefully this is one area where government can respond and say that they will not – they will pick up the charge again and not decide to put provincial taxes back on heating and back on light again.

Thank you very much.

MR. SPEAKER: Order, please!

Before I recognize the next member to present a petition, I would ask members if they would take their private conversations outside. The Chamber is becoming really disruptive. I ask all members for their co-operation.

The hon. the Member for Carbonear – Harbour Grace.

MR. SLADE: Thank you, Mr. Speaker.

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

WHEREAS there is no traffic signage or traffic control devices present on the eastbound traffic from Whitbourne, or for oncoming westbound traffic from the east end of Tilton, or exiting from either Route 73 off Veteran's Memorial Highway from Harbour Grace; and

WHEREAS due to increased residential dwellings, residents with small children, and a resident living with hearing impairment, inadequate signage and no visible sidewalks increase the risk of residents being hit by oncoming traffic; and

WHEREAS the speed limit is fifty kilometres an hour; and

WHEREAS dangerous driving motorists drive excessive speeds beyond the speed limit; and

WHEREAS there is no traffic signage to advise motorists they are entering a residential zone, non-confirmative drivers do not have enough time to slow down;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge the Government of Newfoundland and Labrador to erect adequate traffic signage and traffic control devices and revisit and reduce the speed limit from the current fifty.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, I do not know if the issue is exactly the reduction of the speed limit, I think adequate signage would probably prevail a little bit better there. The residents in this area, many of them have small children. There is one lady there with a hearing impairment. They are very concerned. If you came across the New Harbour Barrens, the speed limit there is eighty

kilometres an hour and what is taking place, just outside as they are entering Tilton, they are not slowing down because there is simply no signage there or not enough signage there to allow people to drive the proper speed there.

Mr. Speaker, it is a simple matter of the Minister of Transportation taking the time to ask his employees to just check that area. There are very serious concerns. The minister also got a message from this lady there who is presenting me with those petitions. If there is anything that can be done there, the residents of this area would certainly like to have it done.

Thank you very much, Mr. Speaker.

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

MR. CROCKER: Thank you, Mr. Speaker.

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

WHEREAS the residents of Heart's Delight-Islington feel that the condition of Main Road, Route 80, throughout the Town of Heart's Delight-Islington is a major safety concern; and

WHEREAS shoulders of the road are washed out and unsafe for pedestrians; and

WHEREAS government continues to delay the ditching and maintenance required on Route 80 through the town;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge the Government of Newfoundland and Labrador to make the necessary repairs to Route 80 through the community of Heart's Delight-Islington;

As in duty bound, your petitioners will ever pray.

Thank you, Mr. Speaker, for the opportunity to enter this petition on behalf of the residents of Heart's Delight – Islington this afternoon, and I guess the residents of Trinity – Bay de Verde as a whole. Because one thing I hear day in and

day out is the lack of summer maintenance that has left our communities all along Route 80, 74 and 70 with very, very poor ditching and shoulder washouts, Mr. Speaker.

I can speak from personal experience when it comes to Heart's Delight – Islington because it is where I do a fair bit of walking. What you will find, Mr. Speaker, over time through heavy rainfalls, the shoulders of the road have actually created ditches and small gorges going off the road. A pedestrian totally has to walk on the pavement itself to navigate around the towns on Route 80.

Mr. Speaker, I understand the department has issues with summer maintenance, but one thing I look at with summer maintenance when it comes to highways and roads, it is a pay now or pay later. Because, Mr. Speaker, if we do not ensure we have the proper culverts and the proper ditching in our communities, when we have weather systems, and we have seen an increasing severity of weather systems over the years, we are going to have more and more problems.

A lot of these issues, I think, in the District of Trinity – Bay de Verde and Heart's Delight – Islington as a community, stem from the closure of the Heart's Content highways depot, which happened back in the mid-2000s under the current Administration. It was another one of those issues, Mr. Speaker, where it was cut off your nose to spite your face. Heart's Content is very strategically located in the district. With the closure of that depot, crews now have a much more difficult time getting out around the district to make the necessary repairs.

Mr. Speaker, I do call upon the department to ensure that the proper summer maintenance and the shoulders of the road throughout the community of Heart's Delight – Islington, and throughout the entire Trinity – Bay de Verde is something that the department take a serious look at in this coming summer maintenance season.

Thank you very much, Mr. Speaker.

MR. SPEAKER: Orders of the Day.

Orders of the Day

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

MR. KING: Thank you, Mr. Speaker.

At this time I would like to call from the Order Paper, Motion 1, and ask leave to introduce a bill, An Act To Amend The Teachers' Pensions Act. (Bill 15)

So moved by me, and seconded by the Minister of Health and Community Services, that the said bill be now read the first time.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

It is moved and seconded that the hon. Minister of Finance and President of Treasury Board shall have leave to introduce a bill entitled, An Act To Amend The Teachers' Pensions Act, Bill 15, and that the said bill be now read a first time.

Is it the pleasure of the House to adopt the motion that Bill 15 be now read a first time?

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 Finance and President of Treasury Board to introduce a bill, "An Act To Amend The Teachers' Pensions Act," carried. (Bill 15)

CLERK: A bill, An Act To Amend The Teachers' Pensions Act. (Bill 15)

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

When shall the bill be read a second time?

MR. KING: Tomorrow.

MR. SPEAKER: Tomorrow.

On motion, Bill 15 read a first time, ordered read a second time on tomorrow.

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

MR. KING: Thank you, Mr. Speaker.

At this time I would like to call Order 2, An Act To Amend The Health And Community Services Act, Bill 11.

So moved by me, seconded by the Minister of Health and Community Services, that the said bill be now read a third time.

MR. SPEAKER: It is moved and seconded that the said bill, Bill 11, be now read a third time.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

The motion is carried.

CLERK: A bill, An Act To Amend The Health And Community Services Act. (Bill 11)

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

On motion, a bill, "An Act To Amend The Health And Community Services Act," read a third time, ordered passed and its title be as on the Order Paper. (Bill 11)

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

MR. KING: Thank you, Mr. Speaker.

At this time I would like to call from the Order Paper, Bill 13, An Act To Amend The House Of Assembly Act.

MR. SPEAKER: Continuing debate in second reading on Bill 13.

I recognize the hon. the Member for St. Barbe.

SOME HON. MEMBERS: Hear, hear!

MR. J. BENNETT: Thank you, Mr. Speaker.

It is ironic that 800 years ago yesterday we signed the Magna Carta; 800 years ago yesterday we signed the Magna Carta to – I see that the peons on the other side who do not have the nerve enough to speak to this bill are speaking up already.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. J. BENNETT: In any event, Mr. Speaker, the Magna Carta was signed 800 years ago yesterday. By this piece of legislation, the Premier who swore to uphold the law less than a year ago is going to use his force, his majority to undo the law to legitimize him, something that the barons did to delegitimize King John 800 years ago.

The Premier has not even spoken to the bill. Mr. Speaker, when does it ever happen that this government brings in legislation and all of the ministers run and hide because they are ashamed to speak to it? They are so ashamed that they will not speak to the bill that they say is good for everybody else. It is unbelievable. It is absolutely disgraceful. It is absolutely pathetic that these members will not speak to this bill that they say is good for all of us.

If you look at the speaking chart and go across the front row, with the exception of the Minister of Child, Youth and Family Services, who is about to lose his seat, and who got up and ranted in his irrelevant and puerile way, typically, yesterday for a few minutes and used up less than his time. It is only the Minister of Justice in the front row who even spoke to this bill. The Minister of Justice had to speak to it because he brought it in. He had to speak to it. Someone had to speak to it. Then, virtually all the other ministers ran and hid.

The Premier has not spoken to it. The Deputy Premier has not spoken to it. The Minister of Natural Resources has not spoken to it. The Attorney General has not spoken to it. The Minister of Service Newfoundland and Labrador has not spoken to it. The Minister of Finance had not spoken to it.

We will give the Minister of AES a pass for a reason we will not discuss here, because I will be shouted down if I do. The Minister of Fisheries has not spoken to it. So across the front row we have two ministers who have spoken to it. One who was bound to speak to it, and one who did not make any sense or advance the argument when he did speak to it, and who is losing his seat anyway – unbelievable.

Mr. Speaker, how did we find ourselves in this predicament 800 years into democracy, when someone is sworn to uphold democracy, needs to introduce a law to legitimize himself to hang onto power for longer than the law currently allows him? He is going to use his power to change the law to make him a legitimate Premier of this Province after September. It is absolutely outrageous. You talk about democracy watch – good grief. You should watch democracy die in this Province under this person.

Anyway, Mr. Speaker, where did all of this start? Well, this started really in January 2014 when the only elected female Premier of the Province threw in the towel, ran out of energy after twenty-seven months. She did not even serve a full term; elected, and did not even serve four years. She did not serve three years. She served twenty-seven months and then the lights went out. The party that campaigned on new energy, lost all the energy they had.

MR. SPEAKER: Order, please!

I say to the hon. member, you have to make your comments relevant to the bill.

The hon. the Member for St. Barbe.

MR. J. BENNETT: Thank you, Mr. Speaker.

I understand this bill is necessitated in part because this Premier needs a mandate. I was talking about the last Premier who quit –

MR. SPEAKER: Order, please!

I am not asking the Member for St. Barbe to explain why his comments are relevant. I am telling him his comments are irrelevant and he needs to speak to the bill.

The hon. the Member for St. Barbe.

MR. J. BENNETT: Thank you, Mr. Speaker.

Mr. Speaker, this particular bill has been necessitated because of a leadership convention, and I think that we can all agree that a leadership convention was relevant. The leadership convention that resulted in this Premier becoming the Premier of the Province has a provision that says if you become Premier by virtue of a leadership convention, you must go to the people within twelve months of being sworn in. So hopefully, that will be relevant.

Mr. Speaker, contained in the bill – section 3.1 of the existing act is going to be set aside for this Premier in this bill by this act. Section 3.1 is going to be set aside; 3.1 is the Roger Grimes bill. The Roger Grimes law which says you cannot hang on forever; you cannot hang on for more than twelve months. Well, you can if you change the law. This Premier is about to demonstrate that you can hang on longer because Bill 13, which is the one that we are debating, says for this time and this time only the Roger Grimes law is set aside, this Premier can cling to power until November 30. That is another clause, in another section, and I will try to remain relevant.

I will go clause by clause and try to explain to the people who are watching why this Province which in 2007 said every four years you will have an election starting on Tuesday, October 2007, October 2011, October 2015 and so on; however, this bill says notwithstanding anything in this bill – it means no matter what else we said, this is what matters. All that matters is that section 3.1, the Roger Grimes section, does not apply to this Premier. That will apply to the next Premier because it is not taken out. It is left in the legislation. It is left in the House of Assembly Act, Mr. Speaker. The House of Assembly Act remains unchanged in that respect right after this Premier has his shot at clinging to power, which will be more than twelve months after he became Premier.

Now, there are other sections in this bill that the people of the Province may find interesting. What they may find interesting is that there is a section which says – and it is useful section. This is the type of a bill where when you study it and you study it in detail you say well, how much harm does it do – how much good does it

do? Does the good that it does outweigh the harm that it does? I would say, barely. The good that it does outweighs the harm that it does by barely enough. You would be worse off if you did not pass it then if you did pass it, but not by very much.

So, Mr. Speaker, the section that I am referring to, in order to continue to be relevant in this case, is section 54. Section 54 says that a by-election must be called within sixty days after there is a vacancy. This bill says that if you are within six months of an election, then you do not have a by-election.

This is not a bad bill. This section is not bad. In fact, this section is in play in virtually every jurisdiction in Canada. In fact, we are finally catching up with every jurisdiction in Canada in respect of the by-election section. However, why is it done? Why is it being done on this occasion?

Mr. Speaker, when I read the comments on VOCM online when people were talking about the bill, they kept referring to rats leaving the sinking ship. This is the rats leaving the sinking ship section. When I look down through and I see the number of hon. members, I said well these are not rats; they have put in their time. They have put in their time and now they want to move on.

When I look down I see at least eight members who clearly will not run again, who clearly will resign, who clearly – Mr. Speaker, with all due respect, including yourself, you have indicated an indication to retire.

MR. SPEAKER: Order, please!

It is totally unparliamentary for any member in debate to make any reference to the Speaker in the Chair. I ask the member to be careful.

The hon. the Member for St. Barbe.

MR. J. BENNETT: Thank you, Mr. Speaker.

Mr. Speaker, the Member for Gander has indicated that – and Gander is a changed seat. It is a larger seat now. He has indicated he wants to run for another party, and that is fine. Why wouldn't he? You cannot really say that this is a

rat leaving a sinking ship. That is really unfair; he wants to run for another party.

He served his party well. He is a long-term member of the party. He is a long-term member of the government. Quite frankly, in dealing with him, I thought that he was a pretty good minister. No question, you get an answer out of him, not always yes, but you are going to get an answer pretty quick. It will be a fair answer regardless of party stripe. So you cannot really say it in his case.

Then, Mr. Speaker, when we look at the Attorney General, I mean the Attorney General was literally dragged back in order to be Attorney General because of the lack of depth on the bench on the other side. So they did not really have many people to go with. We saw that they had to go outside of the government to find a Minister of Justice and found a Minister of Justice, but the Attorney General needs to be a lawyer.

He is a hon. gentleman. I dealt with him personally. He has done his time. If he decides to resign between now and, I suppose ninety days less than November – so if he decides any time between now and the summer to resign, we have to have a by-election, unless we have this bill.

Mr. Speaker, numerous other members have indicated that they have really had enough. They have really had enough. They do not want to be here anymore. The Premier himself has indicated yes, there may well be other resignations long before the election comes. This is a section of this bill that is completely self-serving, is introduced into this legislation by this Premier, who by the current law that we have – and the current law is the House of Assembly Act – is that he will no longer be able to sit. He will no longer be able to sit as Premier after September 26 if he has not called an election.

The only cure is that he can use the force of his majority to introduce legislation and ram it through this House, and then it makes him legal, and I suppose in a strictly legal term, it makes him legitimate, I guess. I do not think in the eyes of the public, if you have to use your force, if you have to use your will, if you have to use

your numbers and your mob to rewrite the law, and you rewrite the law so that it favours you, you can hang on longer than what the law was when you put up your hand and you took the oath, you took the oath to be Premier and to follow the law. Well, it is not kind of convenient any more to follow the law.

So, Mr. Speaker, it is not convenient to follow the law because the polls are not very good. It has nothing to do with the price of oil. The polls are not very good, so this Premier needs to hang on for as long as he can. Things have changed, he is not doing so well, and now he needs to extend his time. Mr. Speaker, there was an opening. There was an out. He did not need to do this, even with this committee.

The committee was struck, and if you look at the committee that proposed this change in the boundaries, what was the composition of the committee? Well, we would assume that a committee is going to have the legitimacy, it is going to be able to impose the size of our districts in this Province, would be something that people would say well, clearly, this is an impartial, neutral committee, this would have some gender equity – well, I guess would have some women on the committee, would we not? Well, we do not.

Mr. Speaker, this is a committee of political hacks, four political hacks, and if there was an opportunity, if there is any chance whatsoever to have some gender balance by having at least one female member, then that could have been the Chair. We have enough judges in this Province who are smart enough to be able to chair a committee such as this, and then we could have a female judge who could have chaired – and all parties are guilty in this respect.

My own party, we appointed a man. The Third Party, they appointed a man. The government appointed two men. Is it fair to the voters who do not follow any particular party that the three parties in the House of Assembly should basically share up the power? What about all of the people who do not necessarily follow any party? Why shouldn't this committee have been representative of gender? Why shouldn't it have been representative of geography?

When five guys sit down in St. John's and decide how to divide up the Province for electoral purposes, it almost puts you in the mind of the Amulree Commission. It takes you right back to the Amulree Commission and say, well, they are not fit to govern themselves. That is what they said about our people. That is what they said about us.

For fifteen years we were under a committee. This committee then decided, well, we are going to rush this thing through. They had no choice but to rush it through. They were given a timeline, and they complied with the timeline, but it was a rush job. I think everybody would admit it was a pretty shoddy job. It was a very poor job, and you can see the outcry.

When first you act and then you consult, you do not tend to get a good result. In any event, the committee put together a package, sent it out, and said what do you think of this? Not many people thought very much of it. They did not consult first, and they ought to have.

The one ray of hope, the one good thing that could have come from this committee responding so quickly is there was time for a September election. One person in this Province is bound by the law, which they call the Grimes law, and that is the Premier. This committee did a slapped up job, threw it all together, full of political action, and a judge who has admitted to donating to the PC Party. A financial donor to the PC Party and four political hacks decided, well, we are going to divide up the boundaries now and this is going to be fair to everybody – and no women on the committee, nobody in Labrador, nobody in Western Newfoundland, and nobody in Central.

Anyway, the one thing they did bring in – by bringing this in, it is that this Premier could have been legitimized by a September election based on this committee's report. But, did he do it? Absolutely, he did not do it. We could have all been here today pushing this through without the Roger Grimes clause being put in abeyance for this election because the Premier figures it is good business for anybody who becomes a Premier by virtue of a leadership convention to be forced to have an election within a year. Oh, but not him. He is the only one; he never wants this to apply.

If somebody else takes over the government and that person takes off in six years, then that person is bound by the Grimes law. So if the Premier figures he should not be bound by the Grimes, why wouldn't he strip it out entirely? Why is he going to leave it there like a rake left out in the fall of the year to come up and smack the next Premier in the face if he wins an election by virtue of a leadership? It is absolutely hypocrisy. It is complete hypocrisy to set aside for one time only that this law should not apply to me, but for everybody else it is going to apply to them.

Mr. Speaker, I do not wonder why the Premier has not spoken to the bill. He must be embarrassed to speak to it. How can he justify to people that he is trying to ram this through? Not trying to ram it through, he is going to ram it through. When you look at the very limited number of members on the government side who have even had nerve enough to get up and speak to the bill, Mr. Speaker, it is really unfortunate.

I have no issue with the forty members. Forty members should be able to govern this Province, if it is done properly. As a matter of fact, the idea came from the Leader of the Opposition. The Leader of the Opposition had the idea of forty members. At least he floated the idea in 2013.

This Premier came back and said, well, we need something new, or we need something strong or something. I am going to go with thirty-eight. Well, the Opposition Party and the government worked together with an amendment which made this palatable, if barely palatable, but that did not include six-month by-elections. That did not include relieving this Premier of the responsibility that he took on himself when he took the job.

When he took the job, the reason that the date is late September is because he was not sworn in as early as he ought to have been sworn in. Mr. Speaker, the one area that I think most people of the Province find really demeaning is the one that says we cannot conflict with a federal election.

All over North America, states, provinces, countries run elections where they elect whole slates of individuals. They elect school boards,

municipal councils, they elect judges, and they elect commissioners all in one election. What this government is saying to the people of this Province is, well, you are not really smart enough to figure out the difference between Justin Trudeau, Tom Mulcair, and Stephen Harper compared to Paul Davis and Earle McCurdy and – I am sorry, I withdraw the names, Mr. Speaker.

MR. SPEAKER: Order, please!

I remind the member that referring to members in the House of Assembly by name is unparliamentary, and I ask the member to withdraw.

MR. J. BENNETT: Thank you, Mr. Speaker, withdrawn.

Mr. Speaker, what this government is saying with this bill which says we cannot overlap with the federal election because the people of the Province are not discerning enough to know the difference between a federal election and a provincial election. What does that say? What does that mean that this government is saying about our people? They are saying: You are not smart enough to be able to figure out whether you voted for a federal candidate or a provincial candidate.

Mr. Speaker, this is completely unnecessary. It is absolutely unnecessary, but it provides a mechanism to avoid the four-year fixed election date. It means the section of the bill that overrides 3.1, the Roger Grimes bill, does not quite do enough. It only carries us into October. So that only buys the Premier another few weeks. He needs the one which says the people of the Province are not smart enough to figure out whether it is a federal election or a provincial election. Then he puts it right to the end of November.

I do not think the people will be fooled. I do not think the outcome will be any different, but it is a real travesty to democracy what this bill is doing. In spite of that, I find myself compelled to support it.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The hon. the Minister of Health and Community Services.

SOME HON. MEMBERS: Hear, hear!

MR. KENT: Thank you, Mr. Speaker.

I can assure the Member for St. Barbe and others that there are many, many members on this side of the House who are quite passionate about this bill, quite passionate about the changes we are proposing, and quite excited to stand and share their views on this important piece of legislation that affects this very House that we find ourselves in today.

I take some exception to the comments made by the Member for St. Barbe, as I am sure many others do as well. I will get to that, but I would like to share my own thoughts, just for a few minutes, on this particular bill and why I am going to stand and support it.

The Premier, when he commenced his term, made it very clear that House of Assembly reform was a priority for him and for his government. It is something that lots have talked about for a long, long time. As long as I have been in this House, there has been discussion happening, informally, about whether we should reform the institution. There seems to be lots of agreement around the fact that this is an institution in need of reform.

Everybody seemed enthusiastic until the time came where we were actually going to do something about it. So rather than simply continue to talk about it, our Premier and this government has done something about it. That is why we are here debating this bill again this afternoon.

He has not stopped with simply reforming the House of Assembly. He has made it clear that we will also look at the structure of MHA pensions. We will also look at how this House functions in terms of committees and the opportunities that may exist to get parliamentarians more involved in the democratic process. These are commitments that our Premier has made and we will follow

through on. This bill is evidence of that, Mr. Speaker.

It is interesting that members opposite, at least one of the parties opposite, seemed to be in favour of reforming the House until it came time to actually follow through and do something about it.

We have been very consistent in our view. We have been very consistent all along in saying that House reform is needed and it should happen. We do not need to wait another five years to do it. Forty seats is an acceptable number, and this can also be achieved in a reasonable time frame. The amount of time we have until November 30 is quite reasonable in allowing the Chief Electoral Officer to do his work with his team, but also allowing the federal election to take place without having an overlapping writ period, which I think makes a lot of good sense.

The Member for St. Barbe disagrees. Some of the other members opposite seem to agree for one reason or another, depending on the day, but we have been very consistent in our view. The federal election is taking place in mid-October. That is well known and it just makes good, practical, common sense to avoid that election, to avoid that writ period. As well, the Chief Electoral Officer has made it clear in writing that he needs time to be ready if the boundaries are, in fact, changing. For all those reasons, a slight shift in election date makes really good sense.

Other members have taken an opportunity to talk a little bit about their own district and I will not go on for longer than is necessary, but I would like to talk about my great and historic district of Mount Pearl North.

SOME HON. MEMBERS: Hear, hear!

MR. KENT: We heard about another Mount Pearl district last night, I believe, in the wee hours, so now I would like to share a few thoughts on –

AN HON. MEMBER: That is because of the great work you did now it is a great town to live in. Isn't it?

MR. KENT: Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. KENT: I am getting some encouragement on one side, some heckles on the other and that is just –

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

MR. SPEAKER: A point of order, the hon. the Member for Mount Pearl South.

MR. LANE: I say to the Minister of Finance it is not a town; it is a city.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: There is no point of order.

The hon. the Minister of Health and Community Services.

MR. KENT: It reminds me of a great Meatloaf song: “You Took the Words Right Out of My Mouth.” We still agree on a few things, not as many as we used to.

Back to my district, formerly known as Waterford Valley, I was pleased to see the resurrection of the Waterford Valley name in the Commission's initial report, but my district will continue to be Mount Pearl North. I have mixed feelings about the boundary changes, to be honest, like most members I suspect in this House. I am not as impacted to the extent that some members are impacted, and I acknowledge that. I am disappointed to be losing the section of the Town of Paradise that I am proud to represent. I currently represent the bulk of Elizabeth Park.

Interestingly enough, I spent the first couple of years of my life living in Elizabeth Park, in that section of the district that I now represent, and had built a really strong connection to that community over the last eight years. It has been a real honour to represent the Town of Paradise, and particularly the constituents of Elizabeth Park. We have built a couple of new schools in Paradise during that time. The town hall has been renovated, we built a new community centre, new arena. Great progress has been made because people have been working

together. So I am disappointed to be relinquishing that portion of my district.

Interestingly enough, as the Member for Mount Pearl South highlighted in his remarks last night, I am also losing a little section of Mount Pearl, that happens to be the neighbourhood I grew up in. There is an area around Sunrise Avenue, First Street, Second Street, Roosevelt Avenue, St. David's Avenue, Edinburgh Drive, that will now – St. Andrew's Avenue, did I say that already?

AN HON. MEMBER: No.

MR. KENT: Thank you.

Those streets will now find themselves in Mount Pearl South, where there were once upon a time. Not a big change, of course, and I got to say, regardless of political stripe, my experience has been both municipally and provincially that politicians in Mount Pearl, regardless of political stripe, have worked well together and have been able to, at times, put politics aside in the best interests of the community. I hope regardless of what happens this fall and beyond that, that kind of spirit of co-operation in the best interests of the citizens we represent will continue.

I am disappointed to be losing that section of a neighbourhood that I have spent most of my life in, but I am gaining another little section of Mount Pearl that I represented municipally for ten years. A little section of Mount Pearl South will be coming over to Mount Pearl North.

I recognize that the Commission must have had a really difficult job in trying to balance all the numbers and to make an adjustment here which will result in impacts over here. It could not have been an easy task. I take exception to the comments made by the Member for St. Barbe that they did a shoddy job. I find that offensive.

They were all very credible people who clearly worked really hard, worked efficiently, and produced a very comprehensive report. Not only did they do a good job producing an initial report in a timely fashion, they then listened to what people had to say, and they responded and came back with revisions that affected a lot of districts, including my own. While I may agree or disagree with certain pieces of what was

decided in terms of how it impacts my district and others around me, I definitely have great respect for the work that was done. I am excited about the opportunity to represent some new constituents as well, if I am successful in the election this fall.

So I am gaining the neighbourhood that is closest to O'Donel High School in Mount Pearl – my old high school – Lindbergh Crescent and Scammell Crescent and the streets that are off both of those streets. So I am looking forward to representing those neighbourhoods here in the House of Assembly, if I am given the opportunity to do so.

I will also be becoming a St. John's MHA, if I am successful this fall. There is a neighbourhood that should be part of Mount Pearl – and I fought hard to make it part of Mount Pearl – called Brookfield Plains. I know the Member for – I am forgetting his district name at the very moment. The Member for Trinity – Bay de Verde likes to shout out about greenhouses now and then in his hon. House.

Brookfield Plains, I can assure, you that is where there were once greenhouses located. In fact, having grown up in that old neighbourhood I referenced a few minutes ago, I grew up in the orange glow, Mr. Speaker. I do not know what impact that has had on me. It certainly has not made me a New Democrat, thank God. I did grow up for a number of years in that glow.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Littlejohn): Order, please!

The hon. the Minister of Health and Community Services.

MR. KENT: Thank you, Mr. Speaker.

Brookfield Plains, in all seriousness, that land has always had a connection to the City of Mount Pearl and the former Town of Mount Pearl. I know that there are a lot of residents in that neighbourhood who are currently well represented in the House of Assembly by the hon. Member for Kilbride.

They have a connection to our community. Many of them come from Mount Pearl. Their

children go to school in Mount Pearl. They attend worship in Mount Pearl. Many of them will buy their groceries in Mount Pearl. To get out of their neighbourhood, they have to drive through Mount Pearl. So it should be part of Mount Pearl. I have always been on record as saying so. I know the member opposite would agree with me. I look forward to representing that neighbourhood as part of the new District of Mount Pearl North.

Anyway I know all these changes present challenges for all of us. I do feel badly for some of my colleagues on both sides of the House who have tough decisions to make about what district they are going to run, if they are going to run at all. I am fortunate personally that much of my district remains intact. I feel good that Mount Pearl will still have two strong districts, as it always has.

We have had a third MHA for the last eight years and I think we have been well served through that structure as well. I do think that the proposal that the Commission has made is a reasonable one. The Town of Paradise will once again have two MHAs, as well, who will have considerable focus on the town's interests and needs. I think that is an acceptable approach.

The suggestions that the Member for St. Barbe makes about this process being rushed and the job being shoddy I think really shows disrespect and contempt for this hon. House, for the people who were involved in the process including a judge, and for members who have backgrounds in various parties who are not just St. John's people as the member suggests. Bill Matthews, for instance, was a rural MHA and a rural MP for a good part of his career, who would certainly have a really good understanding of the issues in rural Newfoundland and Labrador. I think all members of the Commission have given it a good effort. They have backgrounds that should be respected. I believe that the people in Newfoundland and Labrador, more importantly than all of that, will be well represented with these proposed changes.

When you look at the number of members in the various Legislatures around the country and you compare to Newfoundland and Labrador, when you do that comparison, I would argue that we will continue to be well represented in this

House. The people of Newfoundland and Labrador will be well represented in this House.

The Member for St. Barbe talks about September 26. Well, the Chief Electoral Officer in this Province, who the member has also disrespected today, has outlined why that date is impractical. I was pleased that the new Leader of the New Democratic Party acknowledged as well that it does not make sense to have overlapping writ periods. It is unnecessary, it is confusing, it is just not sensible – it is nonsensical.

For that reason, I think the Chief Electoral Officer has weighed in and provided some commentary that I do not think members in this House should ignore. By shifting the election date by several weeks, we avoid that conflict. Some will say well, you could have shifted it earlier. Yes, we could have, but the Chief Electoral Officer made it clear that that was not practical, that it would not give him time to do the preparation necessary in light of the boundary changes that are being brought forth through the Commission's report and through this legislation.

Anyway, Mr. Speaker, by bringing in this legislation, we are a government that has shown leadership.

SOME HON. MEMBERS: Hear, hear!

MR. KENT: We are prepared to make the tough decisions and we are prepared to act on something that all political parties have been talking about for a long, long time. I will go as far as saying that there are more changes needed in terms of how this House of Assembly runs, and we are committed to looking at those issues as well.

I think that most people in Newfoundland and Labrador actually agree that fewer MHAs make sense, that reforming this institution makes sense, and I believe we are small enough and we are agile enough that if we work together, we could have the best model of parliamentary democracy anywhere in the country. We do not have it today, but I believe it is possible if we are serious about working together, and I hope that day will come.

For members to get up, like the Member for St. Barbe did before I spoke, and show total disregard and disrespect for the committee, for the Chief Electoral Officer, for fellow hon. members, it is disappointing and it is disingenuous and it is disheartening –

AN HON. MEMBER: (Inaudible).

MR. KENT: Here we go again, Mr. Speaker –

MR. SPEAKER: The hon. the Member for St. Barbe, on a point of order?

MR. J. BENNETT: Mr. Speaker, I do not mind a personal attack (inaudible); however, I would prefer if he do it in a money bill when he does not have to relevant to what he speaking to.

MR. SPEAKER: There is no point of order.

The hon. the Minister of Health and Community Services, to continue.

MR. KENT: Thank you, Mr. Speaker.

The fresh prince of relevance. I am surprised he did not use his twenty minutes to educate us about the boundaries in Ontario.

In all seriousness, Mr. Speaker, his own leader acknowledged the conflict with the September election date because of the federal election happening in mid-October. His own leader acknowledged that. It is unfortunate that there has been a change in position time and time again by the party opposite.

I feel we are doing the right thing. I think this is a good piece of legislation. I think thorough research has been done. I commend the boundary commission for doing a really good job, despite the fact that not everybody is going to be happy with the proposed boundary changes. When you are dealing with something like this that is so politically charged, that is inevitable. I think we have landed in a good place and I think we are doing what is in the best interest of our own constituents that we represent and the taxpayers of Newfoundland and Labrador.

For that reason, Mr. Speaker, and I hope I will have other opportunities, I am pleased to rise

here in second reading to lend my support to this bill.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. KIRBY: Thank you, Mr. Speaker.

It is an honour for me to stand here and represent my constituents in St. John's North and speak to second reading of Bill 13. I just want to start out by saying thanks to the members of the Commission for their work. I know that it is not satisfactory to some Members of the House of Assembly. I am not sure that we had enough time and I am not sure if we were given a longer period of time if everything would have worked out to everyone's satisfaction, but I really understand where people are coming from.

I want to talk about some of the changes in here as they relate to the district that I represent, and then some of the political implications coming out of this. I also want to rebut some of the nonsensical comments that were made here last evening by Members of the House of Assembly with respect to this bill and positions of the political parties here in the House of Assembly.

Mr. Speaker, I really enjoyed representing the District of St. John's North the past, almost four years. People who know my work here in the House know that I do – there is probably not a week or a couple of weeks that go by that I am not out knocking on doors, bugging my constituents, chatting with them about whether it is this bill or legislation before the House of Assembly, or cold calling people to ask them how everything is going and getting to know people at bit. So it saddens me to be losing – I guess I should say my intention is to seek the Liberal nomination in the District of Mount Scio. By doing that, I will be losing a number of constituencies and neighbourhoods, should I be successful in getting the nomination and then being successful in getting a seat here in the House of Assembly after the general election on November 30.

I have done a lot of door knocking. I have probably knocked on almost all of the doors all over again since the last election. It is just something I enjoy doing. If you understand St. John's North – I always say the great and historic District of St. John's North. I am not really kidding because if you look at Mount Scio there on one side of the Avalon Mall and you look at Mount Ken on the other side, because that is where Kenmount Road gets its name, all that area up through the middle is called Waterford Valley. Over 100 years ago, there were thirty-odd family farms. Scottish and Irish settlers who came here and they farmed up that lush valley there.

Over the years, most recently the Kelseys – that is where Kelsey Drive gets its name – they had a milk farm up there, but there were lots of farms up through that valley. On O'Briens Hill there is still O'Brien's farm, which is a provincial historic site, which is there to help us all remember our Irish and farming cultural heritage in the Province.

That is a bit of the history there. It is something I have learned just through wanting to represent that district because I first ran in that district in 1999. I have been studying the area since and getting to know the people who have lived there for a long time.

One of the areas that is not going to be in the District of Mount Scio is the area, which I would say west, that is St. John's West, not proper west, but west of the Avalon Mall, so all of the neighbourhoods that go up over the side of Mount Ken and over towards Blackmarsh Road. I especially have developed a good relationship with the people at the west heights neighbourhood association there on New Pennywell Road and the surrounding streets. So I will miss all of those people: Lisa, Daphne, and Gail, and a lot of people who I have worked with over the past four or so years.

The new District of Mount Scio is probably about 65 per cent St. John's North. Another area that is not in it that I currently represent is a portion of Portugal Cove-St. Phillips. That will be going into the new district that is Portugal Cove – Bell Island, I believe is the name. So I will not represent those folks anymore should I be successful in what I am planning to do.

The new District of Mount Scio adds that portion of the District of St. John's East, bounded by Newtown Road, Empire Avenue, Bonaventure Avenue, and Elizabeth Avenue, and also the area of Paradise called Elizabeth Park that the Member for Mount Pearl North currently represents. I think the Boundaries Commission had some decent thinking when they added Elizabeth Park to that area.

If you think about Kenmount Terrace, which is sort of in the middle of the District of Mount Scio, a lot of those people shop at the same places. Their kids will inevitably be going to some of the same schools over time, participating in a lot of the same community activities. For me, it will be similar to my current work in that I will be representing two urban municipalities or citizens of two urban municipalities.

Those are the changes as I see it. I did provide a written submission to the Commission. I did not present in person. I did not have a whole lot of issues with the work that they have done. I had two emails from people about the bill. I know that is not the experience, Mr. Speaker, of other Members of the House of Assembly, and some over here and some on the other side. I got two emails, one demanding I vote for the bill and one demanding I vote against the bill. So I will have to keep you guessing.

I want to talk about some of the stuff, the frou-frou that went on here last night. One thing that surprised me last week, the Minister of Transportation and Works got up and said something to the effect – now he can stand up and correct me if he wants. He said something to the effect of we are all upset over here, the Liberals are upset because you foiled our master plan. We are taking over the world or something.

That is the job of Opposition is to try to get over on the other side of the House. That is the way all of this works. That should not come as any surprise to anybody over there, because some of the members were over there one time. That should not come as any surprise. I thought about it. I said, my God I lived in residence back in the day and I thought it is like Potsie and the Sweathogs are running the show here. That mentality, I just cannot relate to whatsoever.

This bill, the Premier said, was about saving taxpayers money. That is the reason why. We can go back through the whole history. I will not go back through the electoral history, Dunderdale resigning, Frank Coleman resigning, the new Premier coming in, all of that. Before the bill that enabled all of this came before the Legislature, the PCs had two nominations done, and one of them was the Premier's.

They had no plan to do this going into the Christmas holidays, or at least there was no obvious plan for this. We came back after the Christmas holidays and they wanted to bring in the pension bill, and then this came in alongside of it. The explanation was that this was about saving money. So that is in stark contradiction to what the Minister of Transportation and Works was getting on with.

Another thing, the Member for Lab West got up and he decried this whole idea that the Liberals are having a free vote. It is like some sort of foreign object. What is wrong with having a free vote every now and then? I say to the Member for Labrador West, Mr. Speaker, that he might forget the history, but I certainly do not forget it.

When the FPI Act came before this Legislature several years ago, there was a free vote that Premier Danny Williams, who sat over there, held in here, and basically your party voted for it and he voted against it. He did not vote for it, in any case. So the Premier did not even vote for the legislation that the rest of his Cabinet and members voted for. That was the free vote. There were no complaints then. It is not unusual to have a free vote. Political parties often run on that platform, that there will be more free votes. That is a good thing. We are often chastised for not having enough freedom to vote your conscience in this Legislature. So that is a bit ridiculous.

Now, another thing that has been said here in the House is that the NDP has been saying this was all done under the cover of darkness, and everybody was ignorant of what was going on. It all just emerged in the middle of the night. Well, as a number of members have already stated, the first thing happened after this proposal came in is the Leader of the Liberal Party held a press conference and talked about

the three conditions that we were willing to accept this reduction in seats under. One of them was preserving the four seats for Labrador. Then there was a whole process of negotiation whereby the Official Opposition spoke to the government about how all of this could work, and there was a process of negotiation that went over several days.

Now, the NDP never contacted anyone to find out what was going on. It was obvious that there were negotiations taking place, because that is the way it is supposed to work in here. You cannot just complain all the time and not look for solutions. This is about negotiation. They talk about collaboration and they never collaborate. If you want collaboration then we have to have collaboration. You cannot say you want collaboration and then not collaborate ever.

This whole suggestion from the NDP is that we are disunited because we are having a free vote, we are not being whipped. Well, I say, Mr. Speaker, if you govern your caucus with an iron whip, then you are going to have fewer members over time, I tell you that. That is what is going to happen.

SOME HON. MEMBERS: Hear, hear!

MR. KIRBY: The other thing I wanted to say about all of that too, and I am glad the Premier pointed this out because he reminded me that the Liberal Party and the NDP supported a reduction in seats. This story, I had to go dig it up because he said, this was March 1, 2013, and the title is: Liberals, NDP call for fewer seats in the House of Assembly. The Leader of the NDP at the time said, "I look at places like Nova Scotia, Ontario or other provinces, and the MLAs have many more people in their ridings than we have in our districts." The current Leader of the NDP is out talking about how somehow we are too incompetent to do our jobs in representing more people and then just a couple of years ago, that was no problem.

Now, I do not know, I was on this show *On Point*, that unfortunately CBC is not carrying anymore, and the good member, the hon. Member for St. John's East was on representing the NDP. I raised this point, and I said your leader sat right there in that chair and said your

party was in favour of seat reduction. He said she did not put a number on it.

Well, let me extrapolate from this statement, that Ontario and the MLAs there have more people in their ridings than we have in our districts. In Ontario, the range of population that is represented by members of the provincial Parliament – because they call them MPPs in Ontario; MPPs in Ontario represent anywhere from 71,000 to 170,000 in Brampton West people.

So basically under that model proposed by the NDP in that interview, this Legislature would consist of seven to three seats, three to seven seats. You could have a comfortable minority government perhaps with just three seats. Look, they have just three seats. How ironic that it works out that way.

SOME HON. MEMBERS: Hear, hear!

MR. KIRBY: I just want to put that to rest once and for all.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. KIRBY: With respect to some of the technical aspects of the bill, Mr. Speaker, this bill proposes to reduce the number of seats in the House of Assembly to forty. I believe that we can get the work done with forty. I believe all the good Members of this House of Assembly are competent enough to do that. You have certainly shown that over the past almost four years and some of you have been here, well, since it opened in some cases. Maybe it just seems to me that is the case.

I was not talking about the Member for Bay of Islands, Mr. Speaker. I do not know why he is looking at me.

I believe we can get the work done with that.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. KIRBY: When the original bill came before the Legislature the Premier said thirty-

eight. Then there was a process of negotiation whereby the Labrador seats were protected and they arrived at this number of forty.

It also sets out the new boundaries which we have discussed right down to the end. There will be a little more said before we get to the end of second reading. I am satisfied with the boundaries myself, to a large extent. There are some problems with them. I am not sure we can resolve the problems within the proper timeline because we know that people in this Province want an election this year.

The Chief Electoral Officer – there was correspondence that went back and forth from the Liberal Party to the chief electoral office. I am not sure if any of the other parties engaged in this, but it was a process of negotiation and finding information. We asked the Chief Electoral Officer for some clarification on all the timelines.

There was a window whereby we could have had a September election this year. The government does not want to do that. The government has a majority. We recognize that. We have had two lengthy filibusters in here on Bill 29 and Muskrat Falls. We know the government can put through legislation because it has a majority so we accept that.

The Leader of the Liberal Party said originally that he would accept pushing the election into November. That was the first day all this was proposed. He did say that and he stuck by his words the entire time. He did not back down from it at any point in time, and so I am satisfied with that.

I do not understand one part of this – and I apologize to Legislative Counsel and I apologize to those who are responsible for drafting this bill because I do not think it was the members who sit over there. I have some serious concerns about this one section here. I do not have an amendment, but I just want to put this on the record.

It is clause 1 which amends section 3 of the House of Assembly Act. It is section 3(4) in Clause 1 in this Bill. It says – let's see if I can get this out now – “Notwithstanding subsection (2), if, on April 1 in the year that a general

election is to be held under that subsection, the Premier is of the opinion that the day that would be an ordinary polling day under that subsection is not suitable for that purpose because it overlaps with a federal election, the Premier shall choose an alternative day in accordance with subsection (5) and shall provide advice to the Lieutenant-Governor that a general election be held on that alternative day.”

There has to be a simpler way to write that. Mr. Speaker, I am sort of ashamed to say that I spent thirteen years in university – God love my mother and father; they have a lot of patience – but I have some difficulty understanding what is intended by this. I think what it means is that if by April 1 in a given year that the Premier thinks there is going to be a conflict with a federal election of some overlap, that they will change the date to the last Monday in November in the fourth calendar year following the ordinary polling day for the most recently held general election is the alternative day referred to in subsection (4).

This is really cumbersome language and I think if we want legislation to be accessible to the general public, whereby people can go online, read this stuff and understand what the laws of the Province are – because people are interested in this Province about when the election date is and so on and so forth. People are engaged. We are lucky here – somebody said the other night it is sort of like this is the end of democracy here in the Province and that we should be ashamed of ourselves. I do not believe that at all. Do you know what? This process has been a good one for this Province. People have been engaged, people have been enraged, people have been upset by this, and people have shown passion about politics over this. That is a good thing for us in this Province. We should feel good about that.

SOME HON. MEMBERS: Hear, hear!

MR. KIRBY: People are paying attention to what is going on in here, and that is really important because too often in too many provinces, in too many places, in this country people do not care, they are disengaged, they are complacent. By and large, this has created good conversation. Whatever side of the issue you are on, this is good for our democracy; but for the

love of God, Mr. Speaker, people have to be able to read it and understand it.

Anyway, I will leave it there. I thank all members for their contribution to the debate and I appreciate everyone putting up with my contribution. I know that it always does not please everybody but you are who you are and again I thank all hon. members for their hard work. I think we are all here for a reason that we think is right in the least.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. GRANTER: Mr. Speaker, it is a pleasure to stand here in the House, just to stand for a few moments to address the House on Bill 13, An Act to Amend the House of Assembly Act. It was interesting, the Member for St. Barbe must have had some wisdom and wanted to talk about which members over here – he has inspired which members over here would or not speak to Bill 13. I was sat here while he was speaking and I was thinking to myself, I was right ready to get on my feet to share with the Province and the people of the good District of Humber West my experience over the last number of years as their representative here in the House of Assembly, and it is all about change.

When we look back on life, life is all about change and every one of us have gone through change experiences. What this is about with regard to Bill 13, Mr. Speaker, is all about change. We are going from forty-eight seats to forty seats. We went through a process, an initial process of going out and seeking collaboration. My District of Humber West that I have represented going on five years has changed. It is changing now to what is a District of Corner Brook, which encompasses most of the City of Corner Brook and takes in from the initial changes much of a section of Townsite on up to parts of Humber Heights with regard to the split coming down the known parkway.

It is always important that we represent the people. When we come into this House, we dedicate ourselves to working for the people of the Province and working for the people of the district. When you get elected and put into Cabinet, you park your district at the door, Mr. Speaker, and you work for the entire Province. I have enjoyed nearly five years representing the good people of Humber West and really representing the entire district of what currently would be Corner Brook.

It is interesting, Mr. Speaker, historically when you look at the District of Humber West since its inception back in 1949 since the Province became a part of Canada, the members who represented the people of Humber West in the House of Assembly have always sat on the government side. The representative who was elected to Humber West from the time of Confederation has always sat on the government side, with the exception of the former Premier Danny Williams for that short period of time when he sat in Opposition. So that is a historical piece that is important to remember.

Mr. Speaker, life, as I said at the beginning, is all about change. We need to embrace change. This is what we are doing here with Bill 13, reducing the number of seats in the Province from forty-eight down to forty. If we start to battle change – change is always good. Change is difficult, but change is always good.

I know there are colleagues of mine on this side of the House who have to sit back and reflect on what district they are going to run in. I know there are colleagues on the other side of the House as well who will have to reflect on what districts they are going to run in. At the end of the day, Mr. Speaker, when they step forward and put their names forward, in no matter what district it is, in the forty seats that we will have come election day on November 30, they will stand up and they will put their name forward for the hard job, for the difficult job, and the difficult task of representing the people of the district that they represent.

I know the good Member for Carbonear – Harbour Grace says it so eloquently; he got elected to represent the people of the district. That is what we all do. We spend day in and day out, 365 days a year. Some people

sometimes in the public do not realize how hard the Members of the House of Assembly work; meetings, meetings, and meetings, travelling all throughout the district.

Some of us have districts that are small in geography. Others have districts that are large in geography. We are going to find out in this change that some of the districts are going to grow. Most of the districts will grow in size. The district that I now represent, Humber West – which is two seats in Corner Brook, Humber West and Humber East – will now be encompassed in one seat, and that will be Corner Brook, Mr. Speaker.

Change is always inevitable, Mr. Speaker. I look forward to the change. I look forward to the challenges that are ahead. People in this House will put their names forward in the district they want to represent. They will do a good job representing the people once they get elected in November.

Mr. Speaker, I always like to use a few quotes. I thought the opportunity today would be to just use two or three quotes to put this in perspective about change in life and the idea of a butterfly. The beautiful butterfly would never exist without change. We all know how that transpires. The beautiful butterfly would never exist without change.

Mr. Speaker, “The secret of change is to focus all of your energy, not on fighting the old, but on building the new.” We have had experience. We have all sat representing forty-eight districts in this House, and come November there will be forty seats. That will be a new phase in the history of Newfoundland and Labrador.

I know others in this House in the last few days talked about the number of seats that have changed from the time that Newfoundland was a colony and from the time Newfoundland came down through Confederation since 1949. Many members in this House have talked about the change down through the years. Again, we are going to experience change this year, Mr. Speaker. Ten years from now, after going through this process, if change is required again with the population and that population changes, then I am sure the Legislature of the day will enact another process by which they will travel

the Province and look at change of the number of seats in the House of Assembly.

Another one, Mr. Speaker, “Progress is impossible without change, and those who cannot change their minds cannot change anything.” That is absolutely important, because each and every day we look at change. We look at how we see our world and how we see our Province. It is important that we accept the realities. Change exists in our life, and change exists in the Province.

So, Mr. Speaker, I look forward to making my decision on what district I will represent. Currently, it is the District of Humber West. Again, as I said earlier, that will encompass the entire, for the most part, most of the City of Corner Brook. Although a section of the City of Corner Brook will be represented by another district.

There were presentations made. I know the Member for Bay of Islands made a presentation. The Member for Mount Pearl made a presentation to the Commission. The Commission went back and reviewed the presentations that were made, and they accepted aspects of the presentations that were made. I know there were a number of letters that were written, even from people in Corner Brook, even from people in the Bay of Islands, that had other suggestions. At the end of the day, the Commission looked at and tried to make a balance of what it is, the geographical boundaries that they would represent, and at the end of the day they issued a report.

I commend the work of the commissioners on that particular committee for the hard work they did in the period of time they had, Mr. Speaker. Now it is our opportunity to stand in this House, all of us, each and every one of us, to stand on our feet and either support Bill 13, An Act To Amend The House Of Assembly Act, or stand on our feet and reject that.

We all have a choice in what we do, and likewise we all have a choice. Either we put our name forward in the Legislature that we will be elected on November 30 of this year – but I can guarantee the people of the Province, and I can guarantee the people of my current District of Humber West, and the future District of Corner

Brook, and whatever that district might be, that when you get a representative who stands in the House of Assembly –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. GRANTER: When you get a representative who stands in the House of Assembly, Mr. Speaker, they – he or she – will represent the people of the district to the best of their ability. That is all that the people of the Province ask, that when you come to St. John’s and you put your name forward and you get elected by the good people of the district that you represent, is to come here and represent their needs on the floor of this House to enact change, to enact new legislation.

So that the day you leave this House, the day that you walk away from this, whether it is four years or five years, or those of us who have careers in politics, the day you walk away is the day that you can say: well done, you did well, you made some changes, you enacted good legislation, and you represented the people of your district to the best possible way that you can.

So, Mr. Speaker, I am going to support Bill 13 when we get a chance to vote on this here in this House of Assembly, and everyone else in the House will have their opportunity to either support Bill 13 or not support Bill 13. I want to take this opportunity to wish each and every one of us, those of us who put our names forward in the upcoming election on November 30, and those of us who might say, well, I am finished with politics, I want to wish all of them the very best, Mr. Speaker.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

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

MR. OSBORNE: Thank you, Mr. Speaker.

I have a few comments on this bill. I want to first of all thank the members of the committee because I know their job was not an easy one.

Trying to determine how to change boundaries and reduce the number of electoral districts in this Province was not an easy task, knowing that some areas of the Province, some districts were going to be disappointed, communities disappointed.

They took on that task, Mr. Speaker, and I think that despite the fact that some members are adversely affected, they did have a difficult job to do. They carried it out professionally, whether or not everybody is happy is to be debated in this House, obviously, but I think they carried out their job with a great deal of professionalism.

Mr. Speaker, you look at the number of districts – and I remember a former member of this House, something he said quite often, and I will repeat that today, that we are amongst forty-eight in this House. We have the privilege as a group of forty-eight individuals in this House to represent the people who elected us to speak on their behalf.

Mr. Speaker, that is a huge privilege. It is an honour to be amongst forty-eight individuals to speak on behalf of the people of the Province. I take that as an honour, Mr. Speaker, and I do say that I am truly privileged to be a member of this Assembly.

Mr. Speaker, to reduce that number from forty-eight to forty, obviously, it is having an impact on some of our colleague here. I want to talk a little bit about the British Parliamentary system and how that operates, because a lot of the viewers at home see us, we come in, we vote, and why did you toe the party line.

Under the British Parliamentary system, as we all know, you bring your debates and your issues to caucus. They are debated around the caucus table and oftentimes there is vigorous debate at a caucus table. Once you reach a consensus, the majority of people in caucus speak a certain way on any particular issue. You bring that issue then to the Assembly or to the people of the Province, and you support it as a party, but there is a great deal of debate that generally takes place within caucus on issues. There are people who are very happy with that and some people who are not, but as part of the British

Parliamentary system you go out as a united party and you support that issue.

Not often in an Assembly, Mr. Speaker, do you have truly an open and free vote. That is what is happening with the Liberal Party in this particular case, and we are doing that because of the fact that there are individuals in our caucus that, because we are a group of forty-eight and we are elected to represent our people, we looked at this particular issue – and there are individuals within our caucus that while they supported the reduction in the number of electoral districts, from forty-eight to forty, as our leader proposed well over a year ago, those individuals heard from their constituents who spoke out loudly and said they are not happy with the way the boundaries have been changed. So we do have a couple of individuals in our caucus, Mr. Speaker, that because of the feedback they have received in their own districts are going to vote against this. Even though they were in favour of voting, and voted for a reduction in the number of electoral districts.

It reminds me of education reform. A number of years ago when this Province went through the education reform debate and there was a referendum, I lobbied very loudly and opening, publicly lobbied, against education reform at the time.

Mr. Speaker, through the referendum I know my district voted 52 per cent in favour of education reform and 48 per cent against education reform. As a result, when I came to this Assembly – and that was a free vote as well – I stood and I spoke as I felt and said that I was personally against education reform, but I am elected to represent the people who brought me to this House of Assembly. As a result, they spoke, through the referendum, 52 per cent in favour of education reform. As a result, I voted in favour of education reform, even though my personal belief was that I was not favour, because I am elected to represent the people who brought me to this Assembly to represent their views.

So in the case of a referendum it is easy. It is easy to know how your district wants you to vote. In a lot of cases, you have to consult with your constituents through various methods and determine how your constituents want you to

vote. That is the debate you then bring to your caucus table on a particular issue.

So to those individuals who have had to make the tough decision in our caucus, you voted in favour of a reduction in the number of electoral districts, but because your constituents have told you they are not happy with the boundary alignment, to those individuals I applaud your courage to stand and vote against the bill that you voted in favour of initially.

Mr. Speaker, we are now going to have forty individuals in this Assembly. So when we come back, those of us who are lucky to come back here after the next election, there will be forty of us. That is an even greater privilege to be chosen by your peers, to be chosen by the people you represent, to reflect their views and their ideas and to fight on their behalf in this Assembly.

I have seen three boundary changes so far, Mr. Speaker. I hope I am here long enough to see a fourth, but I have seen three boundary changes so far in my time in this Assembly. I can tell you that it is not always easy for individuals. The previous two boundary changes that I have seen saw my district get bigger, and I have taken on more area. Well, again this time if we are seeing a reduction from forty-eight to forty seats, obviously those forty districts will be larger.

I am seeing a lot of new areas added to my district, and I certainly look forward to working on behalf of those communities and those residents as well. I promise to give them the service that I have always promised, to act on their behalf, and to do so in a very diligent and open and fair manner, Mr. Speaker.

I wanted to talk a little bit about the six month change where now we see six months prior to an election if a member decides that he or she is going to retire, for whatever reason leaves the seat that they represent, that there will not be a by-election. Mr. Speaker, I am in favour of that, but I am very suspect of the timing.

I think that is a good rule because six months prior to an election, if you are three months or four months, five months prior to the election to have a by-election is a cost to the Province and it

is seeing a number of individuals run for a district and then three or four months later they are running again. So I am in favour of that six month change in the legislation, but like I said I am very suspect of the timing because we do know that there are a number of members opposite who are looking to leave. The Premier even indicated, when he announced the change, the Member for Gander has indicated publicly and openly that he is looking to leave provincial politics to make a run for federal politics, but he also indicated that there are others. He would not be surprised to see other individuals leave prior to the next election. I am suspect of that rule at this particular time.

While I agree with the rule, Mr. Speaker, I am suspect of the change at this particular time because there have been a number of by-elections and government has lost all of those by-elections. So this is a way of protecting themselves and allowing individuals to leave without triggering a by-election.

Mr. Speaker, we look at the November date – and I am also suspect of that date change. We are now on three-and-a-half Premiers since the last provincial general election.

MR. JOYCE: How many?

MR. OSBORNE: Three-and-a-half Premiers we have had since the last provincial general election. The intent of the legislation is that there would be a year, Mr. Speaker, from the time a Premier leaves office, if it is during a term as opposed to at the end of a term. If he or she were to leave office, within a year that party is supposed to have their leadership process organized, arranged, have a new leader in place, and then call an election. That was supposed to be the intent of the legislation.

I know. I sat around the table while the legislation was debated at our caucus table, and then sat in the House when the legislation was brought forward to the House of Assembly and voted on here. So I know the intent of the legislation, what was intended. Now, Mr. Speaker, we see three-and-a-half Premiers since the last provincial general election.

If the first leadership process had gone – if the party opposite were able to organize that and

carry it out the way it was supposed to be carried out, we would have been into an election in June of this year. So that did not go as they planned. The individual who was to be acclaimed leader of the party decided to not accept that position, to leave, and they had to go through another leadership process.

With that leadership process, Mr. Speaker, instead of it being June, which is what it should have been, it was put out to September. When this process was laid out before the people of the Province just after Christmas, early January I believe it was, and the current Premier indicated his plans to reduce the number of electoral seats in the Province from forty-eight to forty, he indicated at that particular time that we could potentially be looking to push the election out to 2016. That was his intent. That is what he was thinking at the time.

As part of this legislation and part of the process here, he initially announced thirty-eight seats would be the number that the – from forty-eight to thirty-eight seats. Our party put forward a number of amendments that were accepted in this House. One was to protect the four seats in Labrador because Labrador is a big, big geographic area. While the population of each of the districts in Labrador is less than what it is on the Island, geographically it is a very large area about two-and-a-half, three times the size of the Island of Newfoundland. We set out to protect those four seats in Labrador which was not in place under the current legislation or the current amendments that government had intended. That was one of the amendments.

The second amendment, Mr. Speaker, was based on the fact that the current Premier said he was looking at pushing the election out to sometime in 2016. We perhaps should have been more specific, but we said that we wanted an amendment to ensure that the election took place in 2015. That it would not go beyond this calendar year. So, we now see that it is November 30, which is absolutely the latest possible time government could have pushed the election out until. Otherwise, you would have been into Christmas.

Mr. Speaker, it is obvious that government had pushed this out as long as they possibly could. Their polling numbers are showing that

government are not in great shape in the polls and they continue to slide. So they have pushed it out as long as they possibly could. In that particular instance, I do not think anybody on this side was delighted with the fact that it was November 30, because it pushed it out as far they could possibly push it out.

Mr. Speaker, other than that I think everybody in this Legislature voted unanimously to see the change in electoral boundaries and the reduction to having forty of us return after the next provincial general election. Overall, you cannot pick bits and piece of legislation and say I do not like that so I am not going to support – overall, I support the legislation. There are parts of it obviously that I am suspect of, there are parts of it that I am not pleased with, but overall I support the legislation and I will be voting in favour of the legislation.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Government House Leader, to close debate?

MR. KING: Yes.

MR. SPEAKER: The hon. the Government House Leader and Minister of Justice and Public Safety.

MR. KING: Thank you, Mr. Speaker.

I am standing now to close debate in second reading on Bill 13, An Act to Amend the House of Assembly Act. For those watching and following this, we are actually in second reading so when I stand today now to speak as the minister responsible for the bill, this closes debate in second reading, allows us to move the bill through the next stage in the process, which would be Committee. We plan to go into Committee sometime later this evening. Then, of course, the final step would be third reading.

I want to thank all members who have contributed to this debate. It is always interesting to hear the perspectives on the legislation and the points of view expressed. I must say upfront that while we may disagree philosophically, I have the greatest respect for

all members' positions in this House and how they see particular pieces of legislation.

I do get a little bothered sometimes when debate gets a little personal and away from the issue at hand. I try not to do that myself, although I am probably guilty of it as much as anybody sometimes. I think it is important to try and keep the debate at a level that is about what is in the bill and what the intentions of the bill would be. So what we are talking about here obviously is the report of the electoral boundaries commission and a number of recommendations; the most significant certainly would be the reduction in seats in the House of Assembly from forty-eight down to forty. Of course, within those forty there was a preservation made with the House of Assembly when we gave direction to the Commission that the four Labrador seats would be maintained.

So, in essence, we maintained four seats in Labrador, and then we reduced the eight seats from the forty-four remaining on the Island. Of course, with that, as a result of that reduction in the legislation itself we will require a renaming of districts, which is provided here, the new names for the districts, and there will be new descriptors that would describe in very specific terms the latitude and longitude and all that sort of stuff on the map of the Province as to the exact boundaries. In some cases, Mr. Speaker, as people would certainly know, if you look at the map at least, some our boundaries go in very odd directions, and not necessarily along straightforward community names.

So all of that is provided, and of course, given the time frame with the federal election call, we have had to include a provision here to change the date of the next provincial election to November 30. An additional amendment to that will provide that for future instances where it appears that now at least there will be future conflicts between the federal election date and the provincial election date, that the Premier of the day, on April 1 of the given year will make the determination that the election date has to be moved, and if that is the determination, then this legislation provides when that alternate election date will be.

So it really removes any element of surprise for future dates, and it really squarely puts the

decision on the shoulders of the Premier of the day to do it on April 1 of that particular year. If there is no intention to move the date signified at that time, then it means the date stays November 30.

As well, of course, I mentioned this in my opening statement that there are a number of consequential changes required through the members' compensation and benefits rules and regulations that will be handled by the House of Assembly Management Commission. That work has already started; pending this House confirms this particular piece of legislation and the description of the electoral districts that are contained there within.

Knowing that I am on the Management Commission, I suspect that work will be concluded in very short order, once this legislation is passed, so that the new budget allocations for the various districts can be implemented immediately upon the passing of the legislation.

Many members have talked about their own personal circumstance. I have not done that, but I will take a few moments. I have tried to stick to the higher level of the legislation as the minister responsible. My district, like everyone's, is affected. In my particular case, the District of Grand Bank is actually preserved. We did not lose anything. We picked up communities. We are picking up communities in the Bay L'Argent area of the Burin Peninsula and of course a portion of the old Burin Placentia West. The area that I would call Salt Pond, Burin, Black Duck Cove area is coming in to the new Burin – Grand Bank district.

It is a good fit in many respects. The traditional areas of employment, the fishery in particular, has been dominant in all of those communities. I see a lot of natural fit, a lot of synergies. So I certainly, as the Member for the current Grand Bank district, I welcome all of those new communities into the new Burin – Grand Bank district. I think it is going to be a good fit.

I, too, would want to take a moment, like many of the members, and simply acknowledge that some of my colleagues here are obviously in a very bad situation. Some districts have disappeared completely; others are kind of being

engulfed with a mishmash of boundaries moving. In some cases, I think on both sides of the House, we have conflicts where members in both parties have to make decisions to either run against each other for nominations or chose to do something else.

That is unfortunate. I certainly want to acknowledge that to all members in the House. It is unfortunate when we face that situation, but the reality is we all knew going into this that there would be outcomes that none of us could anticipate or predict.

I suspect if you were to ask anybody in this House the day the legislation was passed, we all had a scenario of how this would play out. I suspect, I do not know for certain, but I suspect everybody had their thoughts on what this would look like. I suspect after the first report came out, many people had thoughts on what would be changed and what would not be changed. Some of us were dead on in our guesses on some of it, and some of us were way off in our guesses of other aspects of it.

My point being, Mr. Speaker, when we went into this we all acknowledged that it could be me, it could be you, or it could be someone else who would get affected here. We accept that. For all the members affected here, our job today is to deal with the legislation that is before us and make the best decisions we can. Hopefully, everyone will support this legislation so that we can move forward and put it behind us. As I said, to the members who are more impacted than me in a negative way, I certainly wish them the best of luck as they make some decisions about whether they are going to run against a colleague, or decide to do something else.

With that, Mr. Speaker, I think most of my colleagues are in the House now who are going to be here for the vote. I am going to conclude my remarks and I think that will take us into the vote for second reading. I look forward to moving this bill a little later in the evening into Committee stage and furthering our debate, and answering some questions. I understand that perhaps some members opposite will have questions for me on some of the more specific aspects of the bill. I certainly look forward to taking those questions and doing what we can.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

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

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

SOME HON. MEMBERS: Nay.

AN HON. MEMBER: Division.

MR. SPEAKER: Division has been called.

Summon the members, please.

Division

MR. SPEAKER: Are the Whips ready?

AN HON. MEMBER: No.

MR. SPEAKER: Are the Whips ready?

AN HON. MEMBER: Yes.

MR. SPEAKER: Call for the vote.

All those in favour, please rise.

CLERK: Mr. Davis, Mr. King, Mr. Hutchings, Mr. Kent, Mr. Dalley, Mr. Crummell, Mr. Sandy Collins, Mr. Felix Collins, Mr. Wiseman, Mr. Granter, Mr. Cross, Ms Perry, Mr. Brazil, Mr. Russell, Mr. Forsey, Mr. Hunter, Mr. Dinn, Mr. Cornect, Mr. Hedderson, Mr. Kevin Parsons, Mr. Little, Mr. Pollard, Mr. McGrath, Mr. Ball, Mr. Andrew Parsons, Mr. Osborne, Mr. Joyce, Ms Cathy Bennett, Mr. Jim Bennett, Mr. Mitchelmore, Ms Dempster, Mr. Edmunds, Mr. Kirby, Mr. Lane, Mr. Hillier.

MR. SPEAKER: Those against?

CLERK: Mr. Slade, Mr. Reid, Mr. Flynn, Mr. Crocker, Ms Michael, Mr. Murphy, Ms Rogers.

Mr. Speaker, the ayes: thirty five; the nays: seven.

MR. SPEAKER: The ayes have it.

CLERK: A bill, An Act To Amend The House Of Assembly Act. (Bill 13).

MR. SPEAKER: This bill has now been read the second time. When shall the bill be referred to the Committee?

MR. KING: Later today.

MR. SPEAKER: Later.

On motion, a bill, “An Act To Amend The House Of Assembly Act,” read a second time, ordered referred to a Committee of the Whole House. (Bill 13)

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

MR. KING: Thank you, Mr. Speaker.

Right now, I would like to go to the Order Paper and call Bill 12, An Act To Amend The Income Tax Act, 2000 No. 2, so moved by me, seconded by my colleague the Minister of Finance and President of Treasury Board that the said bill be now read the second time.

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

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

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

Carried.

Motion, second reading of a bill, “An Act To Amend The Income Tax Act, 2000 No. 2.” (Bill 12)

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

MR. WISEMAN: Thank you, Mr. Speaker.

It is my pleasure today to stand and introduce Bill 12. As a part of the annual Budget process, there are generally pieces of legislation that grow from the Budget. The Budget was passed

in this House a little while ago and we obviously endorsed the expenditures as laid out in the Estimates. We endorsed the general fiscal policies of government through that process. Now that we have the Budget passed, there are number of pieces of legislation – in fact I think there is about four pieces of legislation that we now need to debate in the House and when passed in the House, they will give effect to some of the initiatives announced in the Budget. This bill is one of those.

Bill 12 is an amendment to the Income Tax Act, but it is a very precise set of adjustments, a very precise set of amendments. In the House, we tend to talk about bills at Budget time as being either very specific to a very specific amendment, to a particular piece of legislation, or we get commonly referred to as money bills. Money bills are one of those areas where members will get up and they are able to talk about a wide range of things, sometimes they talk about their district, sometimes they talk about the Budget itself, but it is pretty wide ranging. This is not one of those circumstances, I say, Mr. Speaker. This is one of those pieces of legislation where we are going into an existing piece of legislation itself, we are going into an act – this bill amends an existing act, the Income Tax Act No 2.

What we are trying to do here is two-fold. This bill has two purposes, two things to be dealt with.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. WISEMAN: One is the Harmonized Sales Tax Credit, and the other deals with a credit that we are providing in this year’s Budget, an Interactive Digital Media Tax Credit. That is the two provisions that are covered off in this Budget. I will provide some introductory comments to each of those issues and other speakers will speak to this in second reading and then, when we get into Committee, there may be some very specific questions around this bill that I will be only too glad to answer.

Let me provide, by way of a general overview – this is not, as I said, a detailed piece of legislation so let me just provide some basic

comments. Number one, this bill is intended to implement a series of tax measures, tax credits. In particular though, Mr. Speaker, there will be an increase in the Harmonized Sales Tax Credit – that is the sales tax credit – and providing for a new tax credit with respect to the digital interactive media products.

The Harmonized Sales Tax Credit first; so what we are doing here, Mr. Speaker, is bringing in a new process or a new amendment to allow for a greater tax deduction, a greater credit to a larger number of people for the HST that they paid on goods and services that they purchased. The coming into effect of this I want to speak to in the front end. One of the things that is happening, in January 2016 this Budget proposes to implement a change in the HST that is being charged moving from a 13 per cent to a 15 per cent.

This tax credit that we are talking about here will apply to the 2016 tax year. When individuals who live in the Province file their tax returns for the tax year 2016, this credit that has been introduced in this bill will apply and be used in that tax filing. So that is the first thing, Mr. Speaker.

Now, as a part of this process in terms of the credit and looking at what we would do to – and why we would want to increase this tax credit, it takes us back a little bit to what we have done in the Budget. We have made a change in the HST going from 13 per cent to 15 per cent. When it was at 13 per cent, we had a process in place, Mr. Speaker, that provided for a tax credit.

To become eligible for that tax credit under the old system at 13 per cent, individuals who made \$15,000 a year were able to get a full tax credit. That tax credit would be based on their income. The amounts at that time were \$40 for each individual adult, another \$40 for their spouse, and for any child under the age of nineteen there was a \$60 credit. What is important here, Mr. Speaker, is \$15,000 was the income threshold.

What we are doing now is we are taking – what this bill does it takes that threshold and increases it. That is the first part of the credit. It takes the threshold from \$15,000 and increases it to \$30,000. So what that means is that individuals who file a tax return in this Province, starting in

tax year 2016, will be eligible for a tax credit based on HST that they have made. There is no proof of those purchases required. The assumption is if you live in this Province and you buy goods and services, that you will in fact pay HST.

Now, not all products, not all things that you buy you pay HST on. For example, basic groceries you do not pay HST; prescription drugs you do not pay HST. Any medical devices you may have to provide for yourself or your family, you do not pay HST on. There are certain things you do not pay HST on, but the assumption is if you live in this Province you are buying goods and services that will be subject to an HST.

The assumption is that if you live here you will pay it. So you do not have to have receipts when you file your tax return. You do not have to have receipts to get this credit. What it triggers the eligibility for is purely an income, and that income is \$30,000 up from the current \$15,000.

The other aspects of this, Mr. Speaker, that improves it is, as I said a moment ago, when it gets to be \$15,000 the amount of credit you were going to get was only going to be \$40. So what we have taken is, we have taken the income of \$15,000 and doubled it to \$30,000, but we more than doubled the \$40. We have taken it from \$40 to \$300. For an adult, there is a \$300 credit.

Now for the spouse or partner it is a \$60 credit, and for each child under the age of nineteen it is \$60 as well. So what we have done, Mr. Speaker, is inasmuch as – and there has been lots of discussion around the HST increase. That is not the subject of the bill. I will not necessarily go into a lot of detail about the increase; however, what we have done is we recognize that any time you increase a tax like we have done here on consumption, then we want to make sure we minimize the impact on low-income people, and that is what we have done here, Mr. Speaker.

We have fundamentally taken a position that says anybody making \$30,000 or less will get the full credit, but then it gets graduated. Someone making \$32,000 gets a credit, but it is something less. So it diminishes as your income

goes up, and it reaches a point where it disappears all together.

Basically, what we are trying to do here, Mr. Speaker, is we are trying to on one hand increase revenue to the Province. In this year's Budget, we are spending a little over \$8 billion on providing programs and services, much needed programs and services to Newfoundlanders and Labradorians. As such, one of the areas of revenue we have looked at is HST. One of the other bills I made a comment about, there were four altogether – one of the other ones we are going to talk about later on is the increase in income tax, another source of revenue.

I say, Mr. Speaker, this becomes a part of our overall tax structure in the Province. What we are trying to do here is to create some change, but at the same time, minimizing the impact on low-income individuals. That is what this does.

This change going from the \$15,000 to the \$30,000, the change going from the \$40 to the \$300, and the \$40 to the \$60 has been the first time there has been a change since 1997. So obviously this would be a welcome change for individuals who live in Newfoundland and Labrador.

This, Mr. Speaker, is stacked. This is on top of what the federal government will provide as a credit as well. It will be paid out by the federal government in the fall. We have an arrangement with CRA where they administer our tax structure. Rebates and your income tax returns are filed with them. They remit the Newfoundland portion to the Province.

We have an arrangement with the federal government where they administer our tax program for us. Individuals who live in the Province, when they file their return, they will automatically get their cheque associated with this credit directly from CRA as a part of their administering our tax structure for us.

Mr. Speaker, one of the other interesting things that this has done is we have taken an old system of a \$15,000 limit and taken care of about 58,000 people. There are about 58,000 people who are benefitting from this credit – that is 58,000 tax filers I should say. So it is 58,000 tax filers benefitting from this program.

With the increase in the threshold going from \$15,000 to \$30,000, this will represent a significant increase, more than double, Mr. Speaker. We will have about 127,000 tax filers who will be eligible for this credit as a result of our moving the threshold from the \$15,000 to the \$30,000. That is a significant benefit for Newfoundlanders and Labradorians who find themselves at an income threshold of \$30,000 or under for the full rebate, and obviously \$30,000-plus for the partial.

That is a significant change I say, Mr. Speaker. The cheque they will receive associated with this, commonly referred to as the HST cheque, that comes out in the fall of the year, generally October I believe. Families will get that cheque in the fall of the year as they have always done, only the amounts will be greater and the credit will be greater.

So, one of the other things that this bill is intended to do, this bill is intended to also provide another provision that I made a comment on earlier, and that is about the Interactive Digital Media Tax Credit.

Mr. Speaker, we are very pleased in the Province that we would have a strong industry, one that has emerged in recent years and quite successfully. We have, in the last number of years, evolved in this Province a digital media industry. There are about forty firms in the Province currently doing business and doing quite well, Mr. Speaker. They employ over sixty-odd people, and experiencing great growth.

We have had some obviously who have been new into the business in recent years, some more established, but all of them enjoying a level of success. This industry is a very competitive industry – extremely competitive. If we look at what is happening in Newfoundland and Labrador compared to what is happening in other jurisdictions, we found ourselves in a position where we have an industry that has evolved, well-paying jobs, and talented Newfoundlanders and Labradorians. Our ability to attract and retain the kind of talent that we need to expand that business is depending on that industry's ability to compete with other jurisdictions, who are also companies in those jurisdictions competing for the same talent.

These are well sought after individuals with a lot of skill and a lot of talent. Clearly, if they do not stay competitive, if they are not able to provide a competitive salary, if they are not able to provide competitive benefits, then they lose out. The talent will be hired away and so they will not be able to continue to grow and expand.

The second thing obviously, with forty firms, that is a significant base, lots of opportunity for growth. So then we look at how do we grow that industry? How do we expand that forty to a bigger number? How do we attract other companies to come here, and how do we convince those individuals who are already here to grow and expand while at the same time other jurisdictions around the country are putting in place programs, incentive programs, tax structures, financial incentives to try to attract them to their jurisdiction?

So we are in a circumstance, Mr. Speaker, with two things. We have an industry where many jurisdictions in the country are competing for those companies. The companies that exist are competing in the same talent pool to recruit the kind of skill and talent that we need to fill those positions and to grow that industry and to make these companies successful.

How do we actually make ourselves more competitive in the marketplace? We have done an analysis, Mr. Speaker, of: What is current best practice? What happens in other jurisdictions? How does this industry expand in other parts of Canada? How does that industry create success in those other jurisdictions? Because keep in mind, these are young talented individuals, well trained, very skilled, who contributed, in a big way, to the economies of their respective jurisdictions.

So we have looked at Western Canada. We looked at Eastern Canada. We looked at Central Canada. Now, not every single province in the entire country does this. Not every single province in this country has had success in building this industry, but there are a few and those that have – one of the key things that is consistent with those provinces that have been able to build this industry, one thing has been consistent: They have put in place incentives. So we will be joining five other provinces that have had success in building this industry and

attracting and keeping the companies they have by doing the same thing that we are proposing in this bill.

What we are talking about is putting in place a tax credit that provides for a 40 per cent refundable provincial tax credit on eligible wage expenditures starting in fiscal January 2015, I say, Mr. Speaker. This credit is designed to help companies with their competitive cost for labour. What we are prepared to do is a maximum credit value of \$40,000 per person, to a maximum of \$2 million per company per year.

Mr. Speaker, one of the things we are trying to do here is we want to try to attract these companies to Newfoundland and Labrador and we want to keep them here while we are doing it. So what we are trying to do, as we put this in place, we anticipate that, as any program, we would want to make sure that it is successful, obviously. We would want to make sure that it is time specific. We want to make sure that we introduce it, measure its success, determine if it is working for us, and what might be that time period.

So what we are talking about here is putting in place a program that will have a five-year sunset clause so we are able understand what this program looks like. So any renewal of it at the end of a five-year period will be subject to an evaluation.

We have heard some comments in the House, and some questions in the House in recent days, around the comments made by the Auditor General and the need for program evaluation. This is a shining example where we have put in place a mechanism; (a) we established when the sunset clause would be. We then put in place a mechanism for a renewal conditional upon a successful program evaluation, making sure that it still satisfies the objectives which would set up, which is what we are talking about here today.

Mr. Speaker, this is one of those things that we want to make sure that we get value for. We believe that with the success of the industry thus far, the forty companies that are here, and with the number of employees that they currently have, the opportunity that exists for growth and expansion – we believe that this tax credit will

have a cost to it of about \$1 million on an annual basis.

However, Mr. Speaker, if you think about that for a moment – and that is why this is important for us to understand – that tax credit obviously will only materialize if the companies are successful and they attract the talent. There is a criterion for them getting this money. Obviously it is a result of having paid money out.

So think about it for a moment. These companies will have talent that they will attract and they will pay them. There is tax revenue that comes from the personal income tax paid by those individuals. There is revenue that comes to the Province as a result of their spending their disposable income in Newfoundland and Labrador. It comes about as the company itself growing its operation, becoming profitable, paying taxes to the people as corporate citizens, paying taxes to the people of the Province – to the coffers of the Province rather, but also what they are doing in their spending.

They are stimulating economic activity in their respective communities. They are buying goods and services. They are potentially leasing space, buying buildings, owning real estate, or renting real estate. They are pumping additional money into the provincial coffers, I say, Mr. Speaker. This \$1 million that we anticipate would be the outside that we would spend as a tax credit will be more than recovered as a part of our stimulating economic activity in the Province.

Mr. Speaker, I know there is lots of time left that I could take advantage of and speak to the bill, but clearly, the bill is very specific, as I said. It centres around two very specific things. It is not a lengthy bill that will stimulate a lot of discussion as would a money bill might, but it is very precise and very focused. It takes a particular piece of legislation called the Income Tax Act, one section of it, and makes two amendments, or amendments to reflect two changes, providing two credits. One is the Harmonized Sales Tax Credit for individuals who make \$30,000 or less. It is a significant enhancement to the current program. The second thing it does is provide a tax credit, the Interactive Digital Media Tax Credit, another classic example, Mr. Speaker, of where as a

government, we have made strategic investments in trying to grow additional economic activity in the Province, grow it in a non-traditional sector.

This industry is not an industry that has been around for thirty years. This is a relatively new industry. Members frequently talk about and ask questions around what do we do as a government to stimulate economic activity? What do we do as a government to diversify our economy? What are we doing in the knowledge-based industries?

This, Mr. Speaker, just speaks to answering those three questions as just one example. That is not the subject of this bill, so I will not get into it. I could go on for hours talking about many other examples of where we have done similar kinds of things to diversify an economy, stimulate economic activity, and make strategic investments.

So I say, Mr. Speaker, the bill is precise, and I invite members' other comments to the bill and look forward to the debate. When we get into Committee, no doubt, there will be very some very specific questions, and I will only be too glad to answer them.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

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

MR. MITCHELMORE: Thank you, Mr. Speaker, for the opportunity to follow the Minister of Finance on Bill 12, An Act to Amend the Income Tax Act.

This particular piece of legislation amending the Income Tax Act, as the minister stated, is putting forward two specific amendments; one around the HST Credit and about changing it to \$300 for an adult, a maximum amount, and \$60 for a spouse. The income eligibility will be phased from \$15,000 to \$30,000. If I look at the budgetary documents in this year's Budget – this is the reason why this bill is before the floor – and we look at the personal income tax and benefits under Appendix I, HST Credit, we see that in 2014-2015, which would have been last

year's Budget, that the amount in millions of dollars for the credit would have been \$3.7 million.

In this year's Budget which takes us right up to 2015-2016, that HST Credit has not changed, it is \$3.7 million. I want to point that out, because even though the threshold is changing and this value has been increasing, the commencement date for this particular change to the act will not happen until January 1, 2016 and a credit will not be paid until October 2016.

So there is quite a bit of time between now and then before the 127,000 filers, as the Minister of Finance noted, will collect an enhanced HST cheque. During that time, because of the passage of Budget this year – the Premier's Budget which increases HST – they will be paying an increased HST on virtually every item. You look at housing; you look at the big ticket items. You look at those who are of low to moderate income of \$15,000 to \$30,000, you have to work really hard to save, to come up with that ability to be able to make a big purchase like a car, like a washing machine, or a new sofa, and things like that.

The delay in being able to collect such an enhanced credit does have an impact on the overall economy, and how in signs of a weakening economy increasing HST, coupled with adding back the HST on home heating, which is in the Budget as well – you have to look at what \$300 means. If you had to pay \$3,000 annually or \$250 a month to heat your home that is the equivalent, then, of that 10 per cent HST hike added on the power bills, not mentioning everything else. So having an enhanced credit is certainly necessary based on the decisions of the Budget.

This in my view is not really giving anything back. It is a way to try and stabilize the cost of the increases and fees, and the increase to tax that is in Budget 2015-2016. I just wanted to point that out very clearly. I will have some questions on this particular matter for the Minister of Finance to clarify in the Committee stage. I like the aspect of Committee because you can ask very direct questions and seek information rather than myself standing and speaking, coming to assumptions and making guesses. I would not want to do that.

I do want to talk a little bit more about the amendment for the new Interactive Digital Media Tax Credit and the regulations that are surrounding it. It was announced in Budget 2015 and I see in the appendix as well. When you look at the corporate income tax and what credits are available, the Interactive Digital Media Tax Credit is \$1 million. There is nothing in 2014 as it is a new credit. The minister stated that it would come into effect in January of this year.

When we look at what was announced in Budget 2015, it will be applied to positions. It is attached basically to salaries that are directly related to the development of interactive digital media products, such as game designers, programmers, artists, and composers.

We have to look forward in seeing what the particular criteria is around this when the regulations come out, and how the industry and those who are in the knowledge-based economy can benefit from such a tax credit. The minister mentioned that companies would be eligible for up to \$2 million per year, yet the budgeted amount in rebate is \$1 million.

Looking at other jurisdictions in other places, certainly there is mix between where things are in British Columbia in terms of salaries, wages, and how they are put forward. Sometimes it is only 17.5 per cent there. In Ontario, you have 40 per cent, but there are restrictions put in between 35 per cent, depending on if it's a specific project. So really we need to make sure that when you are looking at giving a credit and trying to grow an economy, an incentive in that way, that programs are administered very effectively and thoroughly.

We see in the Auditor General's report that was put forward that the Department of Finance is basically one of the ones that were highlighted out as not managing the effectiveness of the deliveries of their programs and how they administer money. So a credit like the Interactive Digital Media Tax Credit would fall under that and fall under that effectiveness.

We need to make sure when offering a credit that the taxpayers of the Province are getting that benefit, that the jobs are being created, and that there is stimulated activity around that so

that there is an opportunity to grow the knowledge-based economy, which does represent a \$1.6 billion industry and 3,900 jobs already in Newfoundland and Labrador. This is not something new. This is not a new industry. It is a new tax credit indeed, but it is not a new industry to Newfoundland and Labrador.

Newfoundland and Labrador has produced some high-quality products when it comes to gaming and when it comes to being interactive. I think having a tax credit there that allows us to be more competitive, or as competitive, or can keep a company, or attract a company is important given that Nova Scotia, Ontario, British Columbia, and other areas have such tax credits.

There is no reason why I would not support having this particular tax credit, but I will be looking forward to the regulations and the administration of programming. We have had hearings, committees, the Auditor General's report, and Public Accounts where when it comes to looking at how government programs are being delivered, we are just not getting best value. It is not giving the deliverables that it should be.

When I go back – and just bringing this all back into perspective. When you look at someone's income for the HST Credit, once they start earning above \$30,000 family income, then their income is being diminished, so the tax credit will be less. In Budget 2015-2016 there is an HST tax hike that will take \$176 million to bring to the Provincial Treasury. That is what is estimated.

When you look at what is there now in an HST Credit of \$3.7 million, there is really going to be a greater impact on those who are low to moderate income. Certainly this credit is absolutely necessary to at least mitigate some of the negative consequences that will happen in the economy because of Budget 2015-2016 with the HST tax hike. Then whenever you are issuing a credit, you are looking at additional layers, additional oversight.

There are costs to implementing such a program and making sure that delivery and being in receipt – so all those things need to be factored in when you look at it, as well as the delay and the timing of those people who are in that

income and eligibility level, those 127,000 Newfoundlander and Labradorian tax filers who will be not collecting an HST credit until October 2016, despite an HST increase happening in January 2016. That is ten months of paying additional tax without having that ability. There are a lot of people who are living day by day when it comes to cheque to cheque, and any increase has an impact. As well, the HST increase on power bills is happening in July of this year. So that is more than a year where some people will be paying additional tax beyond the other 261 fees that are in Budget 2015-2016.

I think I have made my points. I could say a lot more, Mr. Speaker, about this, about the HST, about the tax credits, and about the impacts and how Budget 2015-2016 has led to Bill 12. I think I will leave it at that and ask my specific questions to Committee. That will allow me and the people of Newfoundland and Labrador to get specific answers to this particular bill.

I will support seeing an increase to an HST Credit and an Interactive Digital Media Credit which can look at, if administered effectively, seeing some additional economic activity stimulated in a \$1.6 billion industry.

With that, I will take my seat.

Thank you, Mr. Speaker.

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

SOME HON. MEMBERS: Hear, hear!

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

I am glad to be able to stand and speak to Bill 12, An Act to Amend the Income Tax Act, 2000 No. 2. As we know and as the minister said and the MHA for – I was going to say Cartwright – L'Anse au Clair – The Straits – White Bay North – excuse me – has pointed out this is a bill that is necessitated by changes to tax credits, changes that happened in the Budget here, in the 2015-2016 Budget.

There are two parts to it, related in one way but not in another, and they are both credits. One is

the Harmonized Sales Tax Credit which, as the Finance Minister pointed out, is available for people with incomes under \$30,000; and the second is a tax credit, but it is a corporate tax credit. So it is two different aspects of a tax credit.

Tax credits are important; they are incentives in many ways. On the personal level when we look at the HST, the provincial tax, and we look at the fact that people who earn under \$30,000 can get a credit for taxes that they have paid, that is a good thing. It is something that benefits the individuals and it is something that benefits the overall economy as well. With this one, this year, in this year's Budget, it is a bit strange what the government has done; it is almost like giving with one hand and taking back with the other. I have to question how they rolled things out.

While this bill does not specifically deal with the HST, the rate of the HST, I think it is important to point out a couple of things that have happened. We have not been paying HST on home heating, which has been something that is very beneficial for people earning under \$30,000; but, in July of this year, in a short month's time, that break is going to be ended and we are going to go back into paying the provincial HST on home heating.

So the rebate that we were all getting is going to end and beginning in July everybody, including low-income people, those under \$30,000, are going to be paying the provincial sales tax, provincial HST on home heating. So all of a sudden in July the people are going to be paying more money, more money going out, and I am sure that they are all praying for a very warm summer so that they do not have to worry about paying too much for heat beginning in July. Maybe that is the government's thinking, but we have had summers where it can be extremely cold in July. We have even had temperatures down to fifteen and twelve degrees in July. We have had them; we all remember them. A few years ago, we had a terrible summer like that.

Beginning in July, people are going to lose the rebate that we were all getting on our bills. It would show up what the provincial tax was, the rebate would be there, and we did not pay the provincial part. We are all going to start paying

that in July. Now, what we have here with regard to the Harmonized Sales Tax Credit, we already have a credit, the credit is going to be improved which is good, but this credit is not going to happen until October of 2016. We are talking sixteen months away; sixteen months after people start now paying their HST, the provincial portion of HST on home heating, the credit that they will get that will be beneficial to them does not happen until October. The enhanced credit will not happen until October 2016.

What else happens in between there, Mr. Speaker? This is the thing that the government just seems to be ignoring, but in January of 2016 the whole of the provincial sales tax is going to be increased by 25 per cent. Low-income people are going to have extra tax being paid on their home heating beginning in July and then next January a complete increase in the provincial tax, the provincial HST, by 25 per cent. This is going to be such a hit on people earning under \$30,000, a tremendous hit, yet this slightly enhanced tax credit that is in the Budget is not going to come in until October 2016.

It is fine that we have the tax credit, and I am glad that it is an enhanced tax credit. We are very happy about that, but certainly it is nowhere going to make up for the increase of 25 per cent in the tax and the fact that people are going to have to pay tax on their home heating now.

This hit is just not acceptable. It really cries out for the government to explain, how do they see that as fair?

Then we go over to the corporate side of this bill. I think it is good that we have what is here, a digital media tax. It is a relatively new industry. By that I do not mean it has only been here a year or two, but it is still relatively new in the light of media. It is good. We need to help industry, there is no doubt about that. I am very, very happy we are doing that, especially with an industry that is relatively new, so that it can grow.

With the changes in technology, the rate at which technology changes these days, I think governments do have to stay on top of that change in technology. If there are ways in which we can help industry to grow here in this

Province, industry that will employ more people, and industry that will create more production here in our Province and higher productivity in our Province, then that is really good.

Now, I know the film industry and other creative industries in the Province have worked with the government on this, and I am delighted. Because we do know that the film industry and other creative industries in the Province are growing. We still have films being made here, and digital media is an essential part of that industry. So this is good, and we want this to happen.

I have not, obviously, been able to do an analysis. We really have to get somebody who is very experienced in it, but it would be really great to do an analysis of what is the overall benefit to people with incomes under \$30,000 of the tax credit they are going to get, as compared to the benefit to the digital media industry of the corporate tax break that they are going to get? I call it tax credit that they are going to get.

I have a guess. Maybe it is bias on my part, but I bet the industry. Overall, the analysis would show the industry is probably going to benefit more as an industry than the individuals are going to benefit. That would be my guess. Now this would take an expert to do the analysis and figure that out. That might be a project we might want to take on because it would be interesting to see who really has benefitted here the most.

With this government, the way in which they have behaved over the past years, we know that in other tax issues they have dealt with – for example, starting in 2010 when we started seeing changes to the income tax, it was the higher earning people who benefitted from the changes to the income tax, not the lower end of people paying income tax. Then, when the government decided to give a break to people with regard to income tax, as they did this year, we find that again it was the corporate sector that benefited more, and higher-end income individuals who benefited more.

So, based on that, is why I say I am being brave enough to guess that it is quite possible that the digital media industry is getting a better break with what is being done for them than the

individual earner under \$30,000 is getting with what is being done for them. I am basing that – to use a term that was used in the House today, I am extrapolating from the experience that we have of this government and the way in which they have been cutting income tax and raising income tax, both for individuals and corporations.

It is the individuals on the lower end who are the ones who are not benefiting. They get a little benefit, but it is literally very, very little, especially with the HST Credit that we have here in this bill. Government really is giving and taking at the same time. Time is going to tell what the negative effects of that are going to be. How many more people are going to be going to food banks, for example? Just at a point when things seem to be maybe not too bad, I think we are going to see a rise in food bank use again.

Yes, we definitely want the HST Credit. Low-income people will not know until after the fall of 2016 how much they are going to benefit from it, and yes, we want corporations, especially burgeoning corporations, new corporations to be supported by government. Definitely, we want that as well.

So, we will be voting for the bill, Mr. Speaker. I point out to the government that what they have done in their Budget with regard to the HST has actually been quite despicable.

They talk about poverty reduction, and that is all. They know how to say the words. They do not know what it means in practical terms. They do not know what the impact of this is going to be on seniors. Seniors who already – and this has been going on for years – going to malls in the winter to stay warm so they do not have to put their heat on. This is going to really affect those seniors.

Low-income families, families on Income Support, families on minimum wage – something the government will not increase, will not even allow the minimum wage to increase with the cost of living. So I challenge the government, it is fine to do what they have done on one level, but with regard to the HST Credit, it will be of no benefit to people until well into

2016. It is going to be questionable then whether or not it actually is a benefit for them.

Having said that – as I said, I am challenging the government on this one – maybe the 2016 Budget will be something different but right now we could have a major problem on our hands with regard to what people are going to go through. If the government were as smart as to put in this tax credit and to enhance the tax credit, then why didn't they bring it in in the fall of 2015, not the fall of 2016?

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. LANE: Thank you, Mr. Speaker.

It is certainly a pleasure to take the opportunity to speak for a couple of minutes on Bill 12, An Act to Amend the Income Tax Act.

Mr. Speaker, I am not going to take a lot of time here, but I do want to make a couple of comments. First of all, I want to talk about the increase in the threshold from \$15,000 to \$30,000 for the HST Tax Credit, and the increase up from \$40 to \$300 credit.

Mr. Speaker, it is not often – although sometimes, maybe more than we give credit for – I agree with the House Leader for the Third Party, but I do have to say that she does raise some valid points. I do not think anybody is going to argue – we all have people who live in our respective districts that would make incomes of \$15,000 to \$30,000, or even some less than \$15,000.

If we are going to increase the threshold to give those people a break in terms of the HST Tax Credit, perhaps put a few more dollars into their pockets – although, let's face it, we are not talking a big lot of money on an individual basis, but if we can do something to put a few more dollars into their pockets, I think that is a positive thing. Whether that be the senior who is on a fixed income, whether that be perhaps the single parent or whatever the case might be. Perhaps it is somebody in our community who

are unable to work. Perhaps someone with a disability or whatever the case might be. There are all kinds of reasons why people – we have people on workers' compensation and so on as well. We know the struggles that some of those people are going through.

There are many reasons why people are at the lower end of the income scale, people in all walks of life. If we can do something here through the HST to help them out a little bit, I do not think anybody has a big issue with that. I think we would all support that in principle.

That being said though, and as the House Leader for the NDP just said, when we look at this: How did we get here? Where is this money coming from, first of all, the extra money? We all know that a lot of the extra money coming in to the government coffers is related to the increase in this year's Budget, that 2 per cent on the HST.

Everybody in the Province, whether that be people of lower incomes or people of middle incomes or people of higher incomes, we are all going to be hit – I think it is July. No, January sorry. The power bill is in July, I will get to that. In January, we are all going to be hit with a 2 per cent increase in the HST.

We have said, and many people have said, that really what that is going to do is it is going to put a financial burden on – certainly a bigger financial burden, depending on your income level – but a financial burden on all people. We know that it is a job killer and all that kind of stuff as well. We have heard that said and we know that to be true, but government is going to do that anyway, against the advice of, I think most people in this Province. I do not think anybody truly supports it. Not many people do for sure. The majority of the people do not.

What we are going to do is we are going to increase taxes by 2 per cent, but then what we are saying is we are trying to make this a little bit of feel-good legislation, if you will. We are doing something for low income people. We are doing something for low income seniors and so on. This is almost like a little bit of a feel good thing, that we are doing something positive, but the bottom line is whatever we are giving to those people, that targeted group, on the one

hand we are taking that away from them in terms of having to pay extra money every time they make a purchase in terms of the HST, certainly on the larger purchases at least.

As, I think, my colleague from The Straits – White Bay North said someone had saved up to buy an automobile, or they needed a washer or dryer or a couch or whatever the case might be, they are going to have to pay 2 per cent more HST. So whatever they save in this credit is going to be taken away on the other hand. Certainly, for the rest of us who are above that range, above that threshold – which is many people in Newfoundland and Labrador – they are not getting any rebate at all. They are getting zero rebate. They are just going to pay an extra 2 per cent.

Of course, we also know that the HST now is going to be applied to the power bill. That is going to be 8 per cent in July, and then the additional 2 per cent in January. So come January, we are going to be paying 10 per cent more on your power bill. That is going to more than wipe out any kind of benefit that a person on a low income receives, big time, and certainly for the rest of us who do not receive any kind of a credit at all, we are just simply going to be hit by a 10 per cent bill on your light bill.

In an average home, perhaps, if your light bill was say, \$400 a month, now it is going to be \$440 a month. That is an additional \$40 a month. That is about \$500 a year that everyone is going to be hit with as a result of the tax increases.

So, while I applaud the initiatives, and I do, and support the initiative here to give a rebate, to increase that tax credit for the people here, to increase that range, I would suggest that it does very little. Although, it does something, I suppose, for some people, but it is really kind of smoke and mirrors. It is really smoke and mirrors. It is trying to turn a very negative thing about a 2 per cent increase, a 2 per cent job killer, and 10 per cent on everyone's light bill, and trying to somehow downplay all that negativity with throwing a bone to a few people here with a few crumbs here with this amendment. That is how I see it, Mr. Speaker.

Now, the other piece here talks about the digital media companies and so on and giving them a tax credit. I would say I totally understand where the minister is coming from. We have to try to diversify our economy. There could be certainly some opportunity in this particular area when it comes to digital media and so on. I understand we have to be competitive and so on. I do understand that piece as well. I suppose you could argue there is a little bit of a slippery slope. When you start with this type of company now, next year do you get into some other type of industry and so on that are looking for the same thing, and before you know it, nobody wants to pay taxes.

That being said, from the perspective of attracting business, retaining business, and attracting professional people who will purchase goods and services and all that stuff, I do understand that point.

I am very pleased to see that there is a sunset clause, and that it will be reviewed and evaluated after five years. That is a welcomed change. Because, as the minister said himself, the AG was certainly critical of the fact that we have a number of programs and so on where there is no evaluation. We do not look at outcomes. If we are going to have a process here to at least measure the value of what we are doing, to measure those outcomes to ensure that we are getting good bang for our buck, then I would view that as a positive thing.

Mr. Speaker, from an overall perspective, I will be supporting Bill 12, but I want to point out that really it is a piece of feel-good legislation and smoke and mirrors in the face of the 2 per cent HST that everyone is going to have to pay and the 10 per cent on everybody's light bill.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. MURPHY: Thank you, Mr. Speaker.

I just wanted to get up for a couple of minutes and express my views on this. When I first saw this bill, I was thinking to myself I can

appreciate the Finance Minister stepping up on this one, and I can appreciate whoever writes the legislation putting both pieces into the act. Both seem so radically different that I would have expected these two pieces, to tell you the truth, Mr. Speaker, to be put in under two separate bills, even though both of them are making changes to the Income Tax Act, 2000 No. 2.

Like I said, as regards to the Film and Video Industry Tax Credit, I certainly understand, we are in a very competitive industry now. We have a burgeoning industry in this Province. One can only think of – God only knows how many companies out there that are doing work out there in the film industry, for example, and in digital media as well.

Best Boy Productions is one that immediately runs into mind. It is an award-winning company. I cannot remember exactly how many employees who are out there, but I can remember when they were only a little small operation in there on Park Avenue. They are after growing into a huge operation.

We know the recording artists that we have here. We know how much this tax credit can go to promoting Newfoundland and Labrador. We know the effect of the entertainment industry, for example, on Newfoundland and Labrador, particularly on tourism. We have seen that effect, for example, with Doyle when it was out there. Now we are seeing government invest in another production. So that part of it there I can understand.

Mr. Speaker, it is the other part that I would have questions about. Some of the other members here in the House today have already commented on the simple fact of the HST. From day to day I stand up in this House and I talk about government reinstating the Residential Energy Rebate. One of the big questions that people have in the Province here as regards to their own energy costs and the money that they have to pay out is the 8 per cent HST. We already know that amount is going to be going up another 2 per cent on top of it. We already know that it is going to be going up in July, and again we are going to see that increase happening in January.

The whole idea of taking people's money from a form of taxation and then giving it back to somebody on \$30,000 income or less – I have this image. It is simple that somebody is taking money out of their pocket only to be receiving it in the other hand. We know that government is going to be coming out with a form of credit and we totally approve of a credit. We know that there are a lot of people out there, and the Finance Minister has already said it as regards to the number of people out there on a \$30,000 income right now. Mr. Speaker, 127,000 people in Newfoundland and Labrador are on \$30,000 or less.

We have to ask ourselves questions about the wage levels. The population of the Province is about 520,000. The workforce is probably a little bit less than that. We know that there are a lot of stay-at-home people too. Mr. Speaker, 127,000 people in this Province keeping this Province going on \$30,000 or less; we are going to give them back some of their money when we are taking a lot out of it when it comes to heat and light.

Mr. Speaker, just to sum up, I believe there are some things that we could be doing with the HST altogether. Government should reconsider the Residential Energy Rebate and leave the money where it is at. We are talking about the Poverty Reduction Strategy as well. This is going to affect them. We know that obviously it is a good thing to be giving them money, but I think they need to reconsider some of the things that they are also considering.

Again, like I said, it is a good thing. We do approve of this piece of legislation, but we still have some questions for government, probably, when it gets to the Committee stage.

Thank you very much.

MR. SPEAKER: If the hon. the Minister of Finance and President Board speaks now he will close the debate.

The hon. the Minister of Finance.

MR. WISEMAN: Thank you, Mr. Speaker.

I just want to make a couple of closing comments. My closing comments will tie to

comments made by members opposite rather than introduce some new information at this time.

There are just a couple of things; the issue about whether this is a feel-good piece of legislation, as described by one of the members opposite. Fundamentally, Mr. Speaker, just think about what is happening here. There has always been an offset. Ever since we have had HST we have always had a provision to provide protection to low-income families. The federal government does it. Other jurisdictions across the country do it. We have been doing it for years; the difference is we have only had a \$15,000 threshold. It has been in place since 1997. So since 1997 we have never increased. As a Province, we have never increased that threshold from the \$15,000.

What we are doing here now, Mr. Speaker, is not just making feel good; we are staying to the principle of having an offset provision. That is what this is. This is not a new concept. It is a concept that is well entrenched across the country, at federal levels, provincial levels. There is an offset to protect low-income individuals. That is what this does. It just takes the threshold from \$15,000 up to \$30,000. That is an entrenched principle. It is not just smoke and mirrors, as has been described. It is very real, it is very practical, it is very reasonable, it is measured, it is fair, and it is equitable.

The second part one of the members raised is this whole issue – put it into context of other values and other benefits that are available to low-income people in the Province, and the fact that we did not have anything in this Province other than this potential credit here. I wanted to just remind members of two things; one is we have this Low Income Tax Reduction where fundamentally in 2015, with the enhancements we have made in our tax structure, today, any individual – starting in the 2015 taxation year, any individual in this Province who makes \$18,955 or less pays zero provincial income tax. That is an enhancement. It is indexed, Mr. Speaker.

The second thing, a family tied to that, a family whose income is \$32,052 or less pays zero provincial income tax in this Province. If you happen to be a senior on top of that, the Low

Income Seniors' Benefit, Mr. Speaker, is now up to \$1,059 annually and that is indexed. If you are a senior today and your income is \$28,654 or less, you are going to get the full \$1,059 paid.

If you think about it for a moment, if you stack those values, the HST credit, now the \$30,000 – if you are a senior you are in that same bracket. You are going to get \$1,059 in the fall. Because your income is now within that threshold, you now pay zero provincial income tax. If you think about it for a moment that same person pays zero provincial income tax and they get the \$300 credit for HST. In addition to that, if you are a senior in that category, you get an additional \$1,059 as a part of a rebate.

So I just wanted to respond to those two critical points that were made as a part of the debate. Mr. Speaker, that concludes my comments at second reading, and I now adjourn debate at this stage of the debate.

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

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

The motion is carried.

CLERK: A bill, An Act To Amend The Income Tax Act, 2000 No. 2. (Bill 12)

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

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

MR. KING: Later.

MR. SPEAKER: Later.

On motion, a bill, "An Act To Amend The Income Tax Act, 2000 No. 2," read a second time, ordered referred to a Committee of the Whole House presently, by leave. (Bill 12)

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

MR. KING: Thank you, Mr. Speaker.

At this time I would like to call from the Order Paper, Bill 14. I ask leave to introduce the bill, An Act To Amend The Regional Service Boards Act, 2012.

So moved by me, seconded by the Minister of Municipal and Intergovernmental Affairs, that the said bill be now read the second time.

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

Motion, second reading of a bill, "An Act To Amend The Regional Service Boards Act, 2012." (Bill 14)

MR. SPEAKER: The hon. the Minister of Municipal and Intergovernmental Affairs.

SOME HON. MEMBERS: Hear, hear!

MR. HUTCHINGS: Thank you, Mr. Speaker.

Mr. Speaker, I am certainly pleased to rise today in the hon. House to propose amendments to the Regional Service Boards Act, 2012, Bill 14.

Regional service boards oversee the implementation of the waste management strategy and are authorized under the Regional Service Boards Act, 2012 to design, finance, and operate regional waste management systems. The Northern Peninsula Regional Service Board also provides fire protection services to residents of Anchor Point and to Eddies Cove East.

SOME HON. MEMBERS: Hear, hear!

MR. HUTCHINGS: To date, six boards have been established, and it is expected that other boards will be created so as to expand coverage to the entire Province.

The regional service boards are corporations operated by boards of directors who represent municipalities, local service districts, and unincorporated communities within their waste management regions.

Mr. Speaker, in 2002 the government of the day introduced a Provincial Solid Waste Management Strategy designed to result in long-

term solutions for modern waste management in the Province. In 2007, this government provided an implementation plan, and certainly with the funds to go with it to move the strategy forward. This strategy demonstrates we are ensuring waste disposal is disposed of in an environmentally sustainable way, and we are protecting the environment for future generations.

There are two important amendments to the bill. First, through these proposed amendments, regional service boards will have an independent election process similar to the Province's local governments that is more reflective of their independence and increased operational maturity. These amendments eliminate the need for government involvement in the appointment process, thereby streamlining the process of replacing members and chairpersons.

The regional service board accountability requirements are maintained. While the appointment process may change, a number of other provisions that currently exist will continue to ensure appropriate accountabilities are in place for regional service board operations.

For example, section 26(3) of the act requires that a copy of the board's budget is sent to the Minister of Municipal and Intergovernmental Affairs. Section 30 of the act states that the board shall not, without the prior approval of the minister, incur an expenditure of debt exceeding the total of the estimated expenditure of indebtedness approved in the budget. Section 40(5) requires the board to seek prior approval of the minister to borrow money for current account purposes that is greater than 20 per cent of its estimated revenue.

The requirements are similar to those contained in the Municipalities Act 1999 to ensure accountability for municipalities. Boards will still be required to produce an annual report and audited financial statements to be available to the public.

These amendments will come into effect August 1 to align with the proclamation of the public bodies' component of the recently amended ATIPP legislation. This will ensure there is no gap in the coverage of the regional service

boards under ATIPPA and that the accountability of the boards in this regard is maintained.

A second important area of the bill is with respect to amending the Regional Service Boards Act 2012 to allow members of the federal Indian reserves to be elected nominated to regional service boards. While there are currently six regional service boards, the Department of Municipal and Intergovernmental Affairs has been working with the Coast of Bays Waste Management Committee to establish regional boundaries and a regional board for the Coast of Bays region.

The Coast of Bays region is located in the southern area of the Province, as we know, and includes the Miawpukek First Nation of Conne River which is a federal Indian Act reserve. While the Miawpukek First Nation have been active members of the waste management committee, the department wants to amend the Regional Service Boards Act 2012 to allow members of the federal Indian Act reserve the option to formally participate on the regional services board when established.

The proposed amendments support the provincial Solid Waste Management Strategy, Blue Book 2011, and the vision of the Department of Municipal and Intergovernmental Affairs by strengthening regional sharing of services. Regional sharing of services avoids duplication of effort and allows for economies of scale as we know. The regional service boards are an important part of this service delivery model. These proposed amendments are steps to help ensure the continued successful implementation of the Provincial Waste Management Strategy.

Mr. Speaker, I certainly look forward to comments, inquiries, and questions on this legislation as we move through debate with the hon. members of the House.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

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

MR. LANE: Thank you, Mr. Speaker.

It certainly is a pleasure to rise once again, this time to speak on Bill 14, An Act To Amend The Regional Service Boards Act.

Mr. Speaker, this bill primarily deals with regional service boards which have been set up for the purposes of waste management. That is primarily what it is, at least right now. My understanding is that we have six boards right now that are operational. There are actually eight, six are operational. There are two established, one in Green Bay and one in the Coast of Bays region, which are not active at this time, but the other six are.

Certainly, Mr. Speaker, I am very familiar with the board here in the St. John's area, the Avalon, as I can recall when it was established. I was a member of the Mount Pearl city council. They were trying to set up a regional waste site. We can recall at the time it was supposed to Dog Hill. I do not know if members from the St. John's area and so on can recall they were going to actually put the landfill site in Dog Hill. Then there was a bit of a fuss with then Mayor Wells of St. John's. It ended up being moved or maintaining I suppose in Robin Hood Bay.

Of course, then we had a situation following that over the whole idea of governance, who will govern it, how much representation there would be, who would be on the board, and how it would be divvied out by region, by population. We know that the landfill in St. John's and the board that governs it, I believe it goes out as far as Clarendville for waste management. It comes into St. John's.

At one point they were going to include the Bonavista Peninsula, as well as the Burin Peninsula. Now I am not sure if that actually is happening right now or not, those two peninsulas. If they are not, they are supposed to be, I believe, as part of the plan that they would utilize that facility as well at the Robin Hood Bay landfill site. The garbage would be trucked in from all those communities, and of course then there are issues around transfer stations and so on.

It is a big deal. It certainly has come with it a lot of hard work by a lot of people, a lot of councils,

Municipal and Intergovernmental Affairs, and Municipalities Newfoundland and Labrador to have these established for the purposes, as I said, primarily of waste management. We know that municipalities in Newfoundland and Labrador certainly are strong proponents of this regional approach. I actually served as Avalon director on the Board of Directors with Municipalities Newfoundland and Labrador for a period of time and attended the MNL conventions. I still do. As an MHA, I still go to them, to be informed of what the municipal issues are because they impact us all.

I know that MNL and its members are strong proponents of regional governance, regional services, and so on. Not everybody is necessarily on board but I think it is fair to say that MNL, as an organization, and its members are in favour of this approach. While this approach is currently being used for waste management, certainly this approach could be expanded to these boards for other things as well.

We know that when you look at things like economic development – and there are all kinds of things that can apply. Certainly when you look at the larger municipalities like the City of St. John's, the City of Mount Pearl, Corner Brook, Gander, Grand Falls, and so on, a lot of these larger municipalities do have their own professional staff. They have town engineers, planners, financial directors and so on; but a lot of the small towns, by virtue of their size, do not necessarily have that in-house expertise and they do not necessarily have all of the services that they would like to have because they simply do not have the critical mass to make it happen in terms of population and tax base.

We know that there has been a move and continues to be a move from Municipalities Newfoundland and Labrador and its membership to continue the move down this road and having these regional models that will not just be in place to deal with things such as waste management, but also to be able to deal with things like economic development as an example. A small town perhaps does not have the wherewithal to have an individual, an economic developmental director, but perhaps a regional authority that represented a whole region, representing all of those towns in the

area that if they pool their resources together and pool the tax base together, there could be a person on a regional basis to look at things like planning.

The same thing could happen when it comes to things like municipal enforcement. Again, a number of the large towns have their own municipal enforcement divisions, or their own municipal enforcement officer that deals with a whole host of things, whether that be things around municipal bylaws – and they could be very wide ranging. A lot of the larger towns have that, but again, the smaller towns do not have the resources and the ability to do that.

So there is the concept that would make sense on a regional basis to expand services like that to that board as well, where they could have a municipal enforcement officer, division, or whatever, reporting to this board that could do municipal enforcement for the entire region, as opposed to a particular town. We can see where that could apply to a number of other things as well, whether that be having an engineer, for example – that is another thing. Having an engineer who would be employed by the regional authority to deal with a lot of the engineering issues and submission of plans and looking at things like clean drinking water and water and sewer, and all those things, to work on behalf of the region, as opposed to on behalf of a town because the town does not have the financial ability to do it.

When we talk about these regional boards in this piece of legislation, the point is right now we are primarily talking about it from the perspective of waste management, but we certainly know that it can be expanded to other municipal services and it does make a lot of sense particularly in areas where the smaller towns do not have the resources to do it on their own. As I said, this is something that Municipalities Newfoundland and Labrador have been pushing for. So we are very supportive of that, and it is important that they be consulted on these things.

Now, specifically one of the main points that are being addressed here is the fact that currently, as it stands, with these boards that the government, and I guess the minister, as representing the government, would appoint the Chairperson and the members of these regional boards, as it

currently stands. So, the proposal here in Bill 14 – and this is really the main thrust of it, and there are some other details as well, but the main thrust of this legislation is to now have the ability to take that ability away from the government to simply appoint people, and to put a democratic process in place whereby municipalities themselves would elect a regional board.

So, if you have a number of municipalities within a region, then I guess they would put forward names and so on of councillors or mayors or deputy mayors from their towns who are interested in serving on the regional board. Then there would be an election, if you will, and from that, you would have that regional board that would be representative of the whole area. Now, obviously, there is going to have to be a lot of details around I would suspect that if you have a large region, you would not want everybody elected from the one town. I guess there will be some mechanism whereby different parts of the region – there would be a regional director, if you will, for the board, for different parts of the region and so on.

Then my understanding is that then the board itself, once the board is elected, then amongst themselves they would elect a Chair of the board and this Chair of the board could be one of themselves or they could actually elect another Chair from outside that particular board. That outside person I do not even think has to be a councillor. I think it says here someone from the community, if they all agreed.

I am assuming that there are a lot of reasons whether it be the time factor or whether it be the expertise – there may be someone in that region who has expertise that everyone would agree would be a good choice to have to Chair the board.

Mr. Speaker, given the time, I would like to adjourn the debate temporarily and then I continue on when we come back after the break, if that is okay.

MR. SPEAKER: Make the motion –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The hon. the Member for Mount Pearl South, you can move the motion to adjourn debate.

MR. LANE: Oh, I am sorry, Mr. Speaker. I will make the motion, seconded by the Member for St. George's – Stephenville, is it? Stephenville – St. George's –

AN HON. MEMBER: (Inaudible).

MR. LANE: Okay, I will tell you what: St. John's North, how is that? I cannot remember the names.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

It has been moved and seconded by, whom we are not sure, that the debate be now adjourned.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

The motion is carried.

Government House Leader, we are going to take supper break?

MR. KING: Yes we will take a break, with leave of the House, until 7:00 p.m.

MR. SPEAKER: The House will resume at 7:00 p.m.