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Social Services**

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Department of Environment, Climate Change and Municipalities

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Honourable Scott Reid, MHA

SOCIAL SERVICES COMMITTEE

Department of Environment, Climate Change and Municipalities

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Appearing:

Department of Environment, Climate Change and Municipalities

Hon. Derek Bennett, MHA, Minister
Sean Dutton, Deputy Minister
Bren Hanlon, Assistant Deputy Minister, Municipalities
Dan Michielsen, Assistant Deputy Minister, Environment
Tansy Mundon, Director of Communications
Randy Simms, Executive Assistant
Susan Squires, Assistant Deputy Minister, Climate Change
Bonnie Steele, Departmental Controller

Also Present

Hon. Derrick Bragg, MHA, Minister of Transportation and Infrastructure
Jordan Brown, MHA
Hon. Lisa Dempster, MHA, Minister Responsible for Indigenous Affairs and Reconciliation
Hon. John Haggie, MHA, Minister of Health and Community Services
Paul Lane, MHA
Jim Lester, MHA
Hon. Brian Warr, MHA, Minister of Children, Seniors and Social Development
Laurie Bonia, Research Analyst, Official Opposition Office
Scott Fleming, Researcher, Third Party Office

Pursuant to Standing Order 68, Derrick Bragg, MHA for Fogo Island - Cape Freels, substitutes for Carol Anne Haley, MHA for Burin - Grand Bank.

Pursuant to Standing Order 68, Lisa Dempster, MHA for Cartwright - L'Anse au Clair, substitutes for Christopher Mitchelmore, MHA for St. Barbe - L'Anse aux Meadows.

Pursuant to Standing Order 68, John Haggie, MHA for Gander, substitutes for Pam Parsons, MHA for Harbour Grace - Port de Grave.

Pursuant to Standing Order 68, Jim Lester, MHA for Mount Pearl North, substitutes for Helen Conway Ottenheimer, MHA for Harbour Main.

Pursuant to Standing Order 68, Brian Warr, MHA for Baie Verte - Green Bay, substitutes for Sherry Gambin-Walsh, MHA for Placentia - St. Mary's.

The Committee met at 5:44 p.m. in the Assembly Chamber.

CHAIR (Trimper): Okay, thank you very much.

I welcome everybody to these Estimates for the Department of Environment, Climate Change and Municipalities. As we're through several Estimates, I think this is my sixth in the last few days so I might sound like a recording, but they are very interesting. I'm looking forward to learning much more about the department. I'll ask the minister to make some opening remarks and introduce his team.

Just a couple reminders about the broadcast for those who haven't been participating in the Estimates. Because some of you maybe are not familiar to the folks that are downstairs, I'll ask you to just maybe wave or gesture and say your name and they will find you. You will see that your light in front of you will light up and then I'll ask you to speak at that time. Normally when there's an engagement or a conversation between, say, one on my right and one on my left, you don't need to say your name. They will understand that there's a conversation back and forth of question and answer. But if we suddenly pick you up, we will just start by an intro.

We're scheduled for three hours. We will start with 15 minutes from the minister's side, then I'll turn to 15 minutes from the Opposition's critic and then we will get into the back and forth. I'll have the Clerk introduce the sections of the Estimates that we will discuss, and we will focus our questions and answers on that section and try to work through it in a logical fashion.

With that, Minister, the clock can start and you have 15 minutes, if you would like, to just make some opening remarks.

MR. BENNETT: Yes, I'm going to keep my remarks short, at first.

CHAIR: And introduce your team, please.

MR. BENNETT: Yes.

First of all, I just want to thank Committee Members, staff members, House of Assembly Members, the Broadcast staff and also my team behind me here tonight. For upwards of the last five years I've had the opportunity to participate in a number of Estimates. The majority of them I've been sitting in the back on the opposite side, but also I've had the honour to have the same role as you do, Mr. Chair, sitting in that chair. For four years, I've also been involved as parliamentary secretary with the Department of Children, Seniors and Social Development and Newfoundland and Labrador Housing, but this is my first opportunity, I guess, to be in the hot seat myself as the minister for this great Department of Environment, Climate Change and Municipalities.

With me I have my staff here tonight and, actually, if you don't mind, I will ask them to introduce themselves before I actually do my remarks. If that's okay with you.

CHAIR: The Deputy Minister.

MR. DUTTON: Sean Dutton, Deputy Minister.

MR. MICHELSEN: Dan Michielsen, Assistant Deputy Minister of Environment Branch.

MS. SQUIRES: Susan Squires, Assistant Deputy Minister of Climate Change.

MS. STEELE: Bonnie Steele, Departmental Controller.

MR. HANLON: Bren Hanlon, Assistant Deputy Minister of Municipalities.

MR. SIMMS: Randy Simms, EA to Minister Bennett.

MS. MUNDON: Tansy Mundon, Director of Communications.

CHAIR: Okay, thank you.

Minister.

MR. BENNETT: Okay. Although we're supported by a small team here tonight, we have a much larger team throughout Newfoundland and Labrador with approximately 200 staff members in every region.

Good evening and thank you for being here to participate in the Estimates for the Department of Environment, Climate Change and Municipalities.

As a department we focus on advancing the economic, social and environmental success and sustainability of municipalities, communities, regions and the province through the delivery of effective programs, services and supports. As you know, as I just mentioned, I was recently appointed as Minister for the Department of Environment, Climate Change and Municipalities just short of two months right now. So far it's been a wonderful learning opportunity to see how the department engages with residents, governments and stakeholder organizations to support safe and sustainable communities. Their work is resulting in better services and outcomes for residents. Since I've been minister I've already seen first-hand how knowledgeable and dedicated the staff of the department are in improving the lives of Newfoundlanders and Labradorians and their families.

Following my appointment as minister, our department underwent a name change and with that came changes realigning some divisions and branches. Our government has a positive working relationship with municipalities within Newfoundland and Labrador. Municipalities will

have the same access to programs today that they did before the department restructuring. It is important to note that we are maintaining the municipal operating grants for municipalities. Municipal issues will continue to be a priority. This new structure will foster a positive working relationship between municipalities and the three ministers. My department will work collaboratively with the Department of Transportation and Infrastructure as we move forward with decisions related to municipal infrastructure. In our close work with communities, we continue to provide community funding programs such as the Gas Tax and the Community Enhancement Employment Program. We will also support and encourage strong local governance and high-quality services.

The staff of Fire and Emergency Services operates through the Department of Justice and Public Safety and it aligns with the department's mandate, as it is responsible for both policing services and the fire services. Natural Areas was a part of the department before and it aligns with our department's mandate of protecting the environment. It is a natural fit and we look forward to working with groups and organizations.

Protecting the environment for future generations is a priority of our government and particularly our department. During COVID-19, work has continued towards the goal outlined in the five-year Climate Change Action Plan. The action plan will reduce greenhouse gas emissions, stimulate clean innovation and growth and build resilience to climate change impacts.

In March, our government wrote the federal government to commit to net-zero greenhouse gas emissions by 2050. We share the Government of Canada's goal of environmental protection and reducing carbon emissions. This year we announced six programs for energy efficiency and fuel switching. By 2030, these programs are anticipated to deliver 830,000 tons of accumulative greenhouse gas reductions and approximately 650 direct person years of employment.

In addition, the province continues to implement the *Management of Greenhouse Gas Act* to

reduce industrial emissions and set a reduction target. Electrification of our economy is a key energy priority, as 98 per cent of our buildings' electricity will come from renewable energy by 2021. We are supporting the development of a clean economy and climate resilient infrastructure and we are working on initiatives to support an environmentally and economically sustainable future for our province for generations to come.

Last week we became the second province in Canada to enact the provincial ban on the distribution of retail plastic bags and it's good to see today that our federal colleagues are following our suit. In April 2019, the provincial government amended the *Environmental Protection Act* and began drafting regulations to ban the distribution of retail plastic bags. Over the last year, residents, businesses, governments and organizations have been actively decreasing the amount of plastic waste created by single-use plastic bags and working to put alternatives in place. Banning retail plastic bags begins on the province's ongoing work with the council on the Zero Plastic Waste Strategy as a part of the *Ocean Plastics Charter*. As we navigate through the pandemic, consumers using their own reusable bags are encouraged to wash them frequently.

These are just some of the many initiatives that I'm proud to highlight for the Department of Environment, Climate Change and Municipalities.

Before I conclude, I would just like to acknowledge the hard work and to thank the officials and staff of our department. As a government, we will remain committed to working closely with our community partners so we can continue to deliver better services and achieve better outcomes for Newfoundlanders and Labradorians.

Thank you.

CHAIR: Okay, thank you, Minister.

I'll now turn to the Member representing the Opposition Party to introduce himself and all those others that are sitting here. Then I'll have a little – I'll seek some leave from the team.

MR. LESTER: Thank you, Mr. Chair.

Jim Lester, Mount Pearl North. (Inaudible) thank you for Chairing (inaudible).

CHAIR: Just introduce yourself. We'll go around then I'll come back to you; starting here to my far right.

MS. BONIA: Laurie Bonia, Official Opposition Office.

CHAIR: Thank you.

Mr. Lane.

MR. LANE: Paul Lane, MHA, District of Mount Pearl - Southlands.

MR. FLEMING: Scott Fleming, Researcher, Third Party caucus office.

MR. BROWN: Jordan Brown, MHA for Labrador West, critic for municipal affairs.

MR. J. DINN: Jim Dinn, MHA for St. John's Centre.

MR. WARR: Brian Warr, MHA, Baie Verte - Green Bay.

MR. HAGGIE: John Haggie, MHA for the beautiful district of almost perfectly centred Gander.

MS. DEMPSTER: He stole that from me.

Lisa Dempster, MHA for the beautiful District of Cartwright - L'Anse au Clair.

MR. BRAGG: Derrick Bragg, MHA for the historic District of Fogo Island - Cape Freels.

CHAIR: Right on, thank you all for your adjectives.

We have one little item of business. Mr. Lane and Mr. Brown are not Members of this Committee; I suspect that they're here interested in also asking some questions. So if I can seek leave, or seek the consent of the other Committee Members, we will allow them to participate. Is that all right with everyone here?

SOME HON. MEMBERS: Leave.

CHAIR: Leave?

Okay, fine, thanks.

Mr. Lester, please. Oh, Mr. Dinn has a (inaudible).

MR. J. DINN: (Inaudible) Jordan, MHA Brown, I think he was notified that he would be on the Committee as well. I apologize if that didn't get to you.

CHAIR: It didn't seem to. I just had a little note passed to me that that needed to be done. Regardless, we have him in.

MR. J. DINN: Okay, thank you.

CHAIR: So, Mr. Lester, I'll turn to you for some opening remarks, or if you're ready we can dive into the sections; however you would like.

MR. LESTER: I'll go right into it, please.

CHAIR: Okay, let's go right into it. So I'll ask the Clerk to introduce us to the first section.

CLERK (Hawley George): For the Estimates of Environment, Climate Change and Municipalities, 1.1.01 to 1.2.03 inclusive.

CHAIR: Thank you.

Mr. Lester.

MR. LESTER: Thank you.

Can we be provided with a copy of the minister's briefing note or briefing binder?

MR. BENNETT: Binders, yeah, no problem.

MR. LESTER: Thank you.

In August, your department was realigned, can you explain what changes occurred?

MR. BENNETT: Within our department structure?

MR. LESTER: Yes.

MR. BENNETT: Within the department structure, since the realignment, the Department of Justice and Public Safety – Fire and Emergency Services have moved to that department. Also, under the Municipal Operating Grants, such as the – I'm just trying to remember the grant now – the Operating Grants for infrastructure have moved under the Department of Transportation and Infrastructure. That would include things such as regular Municipal Operating Grants and also other grants that would do infrastructure work within our department, previously.

MR. LESTER: Thank you.

Is the attrition plan still being followed or has there been amendments made to the attrition plan for your department?

MR. BENNETT: Yes, there have been some changes with our – we have been following the attrition plan. There were three positions that have been taken into consideration from 2018 to 2020. This year now, from 2020 to 2022, actually, there's only one additional position that will be eliminated.

MR. LESTER: Okay.

How many people are currently employed within the department?

MR. BENNETT: Within the department, as of today, there are approximately 196 employees within our department.

MR. LESTER: Of that 196, how many would be permanent, seasonal, temporary and contractual?

MR. BENNETT: We currently have 126 that are permanent positions, 46 are temporary and five are contractual.

MR. LESTER: Okay, thank you.

How many retirements have occurred in the department this past year? Were these positions refilled?

MR. BENNETT: We've had eight retirements, seven resignations, one end of employment and we've had three new hires.

MR. LESTER: Has there been any positions eliminated within your department?

MR. BENNETT: No, other than the restructuring process where some staff members have left for the Infrastructure Department. We've also gained some employees with regard to Natural Areas.

MR. LESTER: Has COVID had any impact on your department and its delivery of service?

MR. BENNETT: Overall, I guess, COVID had an impact on pretty well every department with regard to staff being able to come in and work at the office and that. Our department adapted quite well with that. Our staff both worked at home and also some were able to come into the building, but, overall, I think we were able to continue with services at a very acceptable level.

MR. LESTER: Did your department receive any money from the COVID fund? If so, what for?

MR. DUTTON: Just for clarity, do you mean the contingency fund?

MR. LESTER: Yes.

MR. DUTTON: There was none.

MR. LESTER: Okay.

Do you anticipate having to avail of any of that fund?

MR. DUTTON: As of right now, no.

MR. LESTER: I did notice in your preamble that you did mention the Gas Tax and the transition from gas-powered vehicles to electric vehicles. Has there been any consideration given as to how we're going to compensate the reduction in the Gas Tax when we all drive electric vehicles?

MR. BENNETT: Right now, we're still with a Gas Tax that has been going out to municipalities. We still maintain the same level of funding that has been allotted over the last number of years.

MR. LESTER: So despite having people convert to electric vehicles, we're still consuming the same amount of fuel?

MR. BENNETT: Obviously, as the natural trend goes from gas vehicles to electric vehicles, yeah, there will be some change in it but that will obviously take a number of years for that transition to happen.

MR. LESTER: Community relocation: Can you provide an update on the community relocation program?

MR. BENNETT: Sorry, could you repeat that?

MR. LESTER: Community relocation program: Can you provide an update if there are any relocation requests being considered at this point?

MR. BENNETT: To my knowledge there are no new requests.

MR. LESTER: Is there any consultation or discussion ongoing about amending the relocation program?

MR. BENNETT: The amendments were made, I think, back in late 2018, early 2019. Right now, there has been no consideration to re-amend that.

MR. LESTER: In reference to regional governance, or sharing of services, has there been any development within the plan to encourage regionalization and sharing of services?

MR. BENNETT: Yes, we have a working committee right now with Professional Municipal Administrators and also Municipalities Newfoundland and Labrador working committee to look at different options with regard to regional government and also shared services. There are terms of reference that have been developed and now we're just working on finalizing those terms of reference with the two groups.

We obviously, as a department, have put a priority – and also of government – in promoting regional governments and regional services. We certainly encourage that as much as possible. If

there are towns, municipalities or local service districts that would like to work with our department in order to enhance regional services or amalgamation, we would certainly entertain that.

CHAIR: Just a reminder to the Member and everyone else that we're going to try to keep the questions relevant to the section. There's a lot of leeway and as structured as it is, there's still a fair bit of informality.

I just found myself looking at some of the regional governance questions. It may be better later but I just put it out there for some suggestion.

MR. LESTER: Okay, well, under advisement, those are all the questions I have for that section.

CHAIR: Thank you.

Mr. Dinn.

MR. J. DINN: I'll turn it over to Mr. Brown, if possible.

CHAIR: Okay.

MR. BROWN: Thank you, Mr. Chair.

Section 1.2.01, under Salaries: I know that a lot of it is with the extra pay week and that, but this is a \$350,000 difference. What is the reasoning for such a large drop in Salaries here?

MR. BENNETT: You say ...?

MR. BROWN: 1.2.01.

MR. BENNETT: The drop of \$11,300?

MR. BROWN: Yeah, that's for section 1.2.01. Under Salaries there's a \$350,000 drop in Salaries budgeted. I'm just wondering the reason for that.

MR. BENNETT: That's a result of higher salary steps for ministerial staff and also for, as you probably hear of quite commonly, the 27 –

MR. BROWN: No, it's dropped.

MR. BENNETT: Oh, sorry.

MR. BROWN: It's significantly dropped.

CHAIR: 1.2.01.

MR. BENNETT: Oh, sorry.

MR. BROWN: That's fine.

MR. BENNETT: The decrease of \$53,000 is what you're referring to?

MR. BROWN: The decrease of \$350,000 under 1.2.01, Executive Support, Salaries.

MR. BENNETT: Okay.

The Salaries line item for budget '20-'21 reflects the funding of the positions that were in the former department at the time the budget submission was prepared. The Waste Management Strategy review was conducted so two related positions were not included in the Estimates.

MR. BROWN: Okay, so there are people no longer in that division?

MR. BENNETT: Correct.

MR. BROWN: Okay, perfect. Thank you.

Professional Services: It budgeted \$50,000, \$22,518 was spent, but they're not budgeting for any Professional Services this year.

MR. BENNETT: Again, that reflects the cost of the consultants with regard to the Waste Management Strategy. That strategy has been completed now.

MR. BROWN: Okay, that money went with those individuals.

MR. BENNETT: Correct.

MR. BROWN: Okay.

Provincial revenue: Can you explain why budgeted revenue was lower in actuals compared to what was budgeted?

MR. BENNETT: There's a decrease of \$34,151 in 2019 actuals from, as you referenced, the budgeted. This is related to revenue from

MMSB for the CEO salary. That's an invoice that we pay but then we invoice back to MMSB.

MR. BROWN: Okay, so you budgeted a little higher revenue and this is all that was actually given to them at the end of the day.

MR. BENNETT: Yes.

MR. BROWN: Okay, perfect.

Section 1.2.02, under Salaries: It's being budgeted as double compared to last year.

MR. BENNETT: The increase of \$127,000 reflects an adjustment for summer students, which we had an increase. It also reflects the 27-week pay period that will be in this year's budget, as well as \$110,000 for the 27-week period for municipal infrastructure.

Municipal infrastructure funding was keyed into the line item late into the budget process, after the infrastructure strategy decision had been made. So partly because it was already put into our budget before the decision was made with regard to infrastructure –

MR. BROWN: So there will be a correction in the next budget.

MR. BENNETT: Correct.

MR. BROWN: Okay.

For Transportation and Communications, a significant drop in this division there. What's the reason for budgeting lower than last year?

MR. BENNETT: The reason there is before we were into contracts and that with our cellphones and communication, whereas now we purchase our phones so the price came in a little lower.

MR. BROWN: Okay, savings.

MR. BENNETT: There's cost savings there and you'll notice that in other –

MR. BROWN: Okay, so instead of going with plan phones, you purchased the phones outright –

MR. BENNETT: Correct.

MR. BROWN: – and recovered some savings that way.

MR. BENNETT: Exactly.

MR. BROWN: Okay.

Under Purchased Services it was budgeted for \$35,000, but it came in at \$28,000 in actuals. What was the reason for that?

MR. BENNETT: It was budgeted at \$35,000 and it came in at \$48,000?

MR. BROWN: Yes, in the actuals for last year.

MR. BENNETT: The increase of \$12,612 in 2019-2020 actuals is a result of moving the Fire and Emergency Services building. They were under a tender or lease agreement from the move from the Hallett building to Major's Path. Most of our leased buildings, the tenders expire after so long. When we retender then there's an associated cost to move the office space.

MR. BROWN: Okay, so this is a new office space.

Grants and Subsidies under this division: What is the grant that is given out?

MR. BENNETT: Are you referring to the \$128,000?

MR. BROWN: The \$16,000 –

MR. BENNETT: Oh, sorry, the Grants. Okay.

You get that one, Sean.

MR. DUTTON: This is the department's membership in the Canadian Council of Ministers of the Environment.

MR. BROWN: Okay.

MR. DUTTON: They're all slotted in Grants and Subsidies but, obviously, it's not technically a grant.

MR. BROWN: Okay.

MR. DUTTON: It's a membership in the association.

MR. BROWN: This is a membership fee for the department.

MR. DUTTON: Yes.

MR. BROWN: Okay.

Provincial revenue under this one: It's quite significantly higher than actually budgeted for. What was this revenue?

MR. BENNETT: The \$128,853 reflects higher miscellaneous revenue from payments from the prior year's relocation grant funding for William's Harbour, which was \$66,300, and a repayment from prior year's Community Enhancement program grant from other departments and other (inaudible).

MR. BROWN: Oh, this is leftover money that came back in?

MR. BENNETT: Correct, yeah.

MR. BROWN: Okay.

1.2.03, Strategic Financial Management: There's a significant salary jump here. What was the reason for that?

MR. BENNETT: The increase of \$114,300 is for two positions which was in the '20-'21 salary budget, which was increased from the 2019-2020 budgets. They were basically to fill vacant positions. Also, it reflects the 27-week pay period again.

MR. BROWN: Perfect. Thank you.

Okay, so this is the end of this section, correct, Mr. Chair?

CHAIR: 1.2.03.

MR. BROWN: Yeah, perfect. I'll end my questioning there.

Thank you.

CHAIR: Okay, thank you.

Mr. Lane, do you have any questions on this?

MR. LANE: Under 1.2.03, the Salaries that we just talked about, what were the two positions? Are they new positions or are they just unfilled positions that got filled?

MS. STEELE: The positions here are not new positions; they're currently vacant. One is due to an illness, somebody on leave. The other person is on maternity leave and due to come back this year. Both positions will be filled. Last year they were not budgeted for because we planned to leave them just vacant and the other staff covered most of the work that was done. But in evaluating that requirement we decided that when these people come back the positions need to be refilled.

MR. LANE: Okay, thank you.

I'm just wondering – I've asked this at every Estimates, so why stop now – through COVID-19 there were obviously savings that would have been realized through the use of Zoom and so on, instead of meetings, travel and so on, and other opportunities through technology. I know that we've seen changes in some departments where service is offered to the public online, things being done over the telephone, there are people working from home and all that kind of stuff.

Are there any learnings from that in the Department of Environment, Climate Change and Municipalities of ways we can make this a permanent thing so we can continue to save money after COVID is done?

MR. BENNETT: I think it's safe to say, yes, there are definitely opportunities for us to save money into the future using virtual means of meetings and that. Now, that doesn't dismiss the fact that a lot of our travel and that is because of site visits and things like that there. From a ministerial and department officials, there are times that municipalities and other stakeholders and that do want to meet in person and visit their communities and things like that. So, yes, there are definitely opportunities to save money and we will avail of it as much as possible, but, like I say, we also feel that the face to face is also important from time to time.

MR. LANE: Are there any significant costs associated with changing the departments

around? I mean, we see this in government all the time where people are moving from this building to that building, this department to that department and then there's a new letterhead and there are new business cards and everything else associated to it. This particular move, was there any significant costs to this one?

MR. BENNETT: You may want to correct me, but I think it has been pretty seamless, actually. The department of Fire and Emergency Services, they were kind of their own little division working from a different location. Our infrastructure team that will be moving with Transportation and Infrastructure, they were their own department working in conjunction with us. So we still will avail of services where needed and work in partnership with each other, but I don't think there were any major expenses, by no means, as a result of the realignment of departments.

MR. LANE: Okay, thank you.

I'm finished on this section.

CHAIR: Any further questions from anyone on this section? No.

Seeing none, I'll ask the Clerk and we'll vote on this section of the Estimates.

CLERK: 1.1.01 to 1.2.03 inclusive.

CHAIR: Shall sections 1.1.01 through to 1.2.03 inclusive carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

This section is carried forward.

On motion, subheads 1.1.01 through 1.2.03 carried.

CHAIR: The next section, Madam Clerk.

CLERK: 2.1.01 to 2.2.01 inclusive.

CHAIR: Mr. Lester.

MR. LESTER: Thank you, Mr. Chair.

In reference to 2.1.01, Transportation and Communications: Why would we have double the budget this year versus what we actually spent last year?

MR. DUTTON: In 2019-20, there was less spent than anticipated due to lower staff travel and communication costs. There were some vacancies in the department and there was lower board-related travel than anticipated. For the new fiscal year it's roughly what the historic amount was and, as you will also note, they're some of the positions we would anticipate to be filled that had been vacant during the previous year and that's reflected in the increased salary amount in the first line.

MR. LESTER: Given the restrictions on travel and anticipated, I guess, safety measures, do you feel it's fair that we will be projecting this much travel this year as we did last year?

MR. DUTTON: The projections would have been based on the budget submitted last fall. I guess at that point it wouldn't have been apparent what was going to happen both with the coronavirus and with the other vacancies. Certainly, from the standpoint of having the money in the budget, that's an area that we continue to report on through our monthly budget monitoring and identify any savings throughout the year as the year goes on, so those savings would be captured as the year progressed.

MR. LESTER: Okay.

Would those savings be captured for repurposing or returned to the general fund?

MR. DUTTON: If there was some other cost pressure in another line item, then the requirement would be to go to Treasury Board to seek an approval to be able to reprofile it into another area where there were cost pressures. That would be the normal controls that we would have throughout the fiscal year. Otherwise, then it would reduce in less expenditure than anticipated and that would help the government's overall bottom line on the deficit at the end of the year.

MR. LESTER: Thank you.

The Salaries are more or less reflective of just changes within the department and filling of the vacancies that were there last year. Is that correct? Why we're spending –

MR. BENNETT: Yes, that's correct.

MR. LESTER: Okay.

MR. BENNETT: There were vacant positions and we went through a recruitment period.

MR. LESTER: Okay.

Grants and Subsidies, I understand this is generally for feasibility studies. Is that all that's included here? Would it be also memberships under this category as well?

MR. BENNETT: The Grants and Subsidies, that was partially because of the – why we didn't use the money, we didn't have the Long Service Awards and we had money put in place for amalgamation studies that we didn't use. It's back in there this year and also if we need money for regional governments and pilot projects, we did put a budget item in for that.

MR. LESTER: Okay, all right.

The Revenue line: Is it correct that these are fees from regional appeal boards? What explains the reduced revenue last year? Is it because of reduced hearings?

MR. BENNETT: The revenues, a lot these are from land use planning amendments and, like I say, they do fluctuate annually.

MR. LESTER: Okay.

While on the topic of appeal boards: Can you give me an update on the status of the boards and appeals in the regions across the province? Given the circumstances that we are in, is there a backlog or are appeals being processed in a timely fashion?

MR. BENNETT: With regard to the appeal boards, right now in the Eastern region we have 36 appeals outstanding, three in the Central region, 15 in Western and two in Labrador.

Right now the oldest appeal for the Eastern region, the oldest appeal that we have outstanding right now, is back from August of 2019 and we do have one that's a little older in Central which goes back to February of 2018, but that's basically waiting on a Supreme Court decision before that one gets adhered to.

We've been actively trying to catch up on all of our appeals and right now we're holding appeal board hearings every month. They rotate from region to region, but we are trying to hold them every month right now.

MR. LESTER: Okay.

The standard of service and process, would you feel confident in saying that it has not changed despite the pandemic situation we find ourselves in?

MR. BENNETT: You may want to correct me, but as a result of the pandemic it did slow down because we – during the height of the pandemic, but we've been trying to do as many by virtual now as possible to catch up.

MR. LESTER: Okay.

I think that shall be all from me for now.

Thank you.

CHAIR: Okay, thank you.

Mr. Brown is it, or Mr. Dinn?

Mr. Brown.

MR. BROWN: Thank you, Mr. Chair.

Are there any communities actively pursuing the community relocation funding and are there any groups that have expressed interest in this?

MR. BENNETT: As of today, no, there are no other groups right now that are actively looking to relocate.

MR. BROWN: Okay.

MR. BENNETT: However, we're always open and willing to work with any community if they're willing to relocate.

MR. BROWN: Okay, perfect. Thank you.

Civic addressing has been a problem in rural Newfoundland and Labrador for a long time, and I know Municipalities NL in the past have been pushing for this. Can we get an update on getting all the properties in rural communities numbered for fire and emergency services?

MR. BENNETT: I guess a lot of that would fall now under the department of Fire and Emergency Services. But as a department, I know from a municipal background, it's been strongly encouraged that each municipality should work with the residents within their communities, whether it be to do the street naming and numbering as seen appropriate.

Dan, I don't know if you want to add (inaudible).

CHAIR: Dan Michielsen.

MR. MICHELSEN: Yes, it is primarily the responsibility of municipalities for civic addresses. My understanding is that in unincorporated areas there's been significant work done by regional services boards, especially in Eastern, to identify properties and owners and civic addresses as well. But the role is the municipalities to provide those civic addresses.

MR. BROWN: Okay.

The regionalization plan, where are we with that currently?

MR. BENNETT: Regionalization is definitely something that – it's an ongoing plan that we're working on. We have a partnership with Municipalities Newfoundland and Labrador and also PMA to move forward on regionalization and shared services.

As a department, we're always open to any municipality, local service district or group of municipalities that would like to either amalgamate, join under regional or local services and we'll continue to work with anybody that is there.

It has been very challenging, and coming from a municipal background, like the previous

minister, it's an area that we take of great importance and we see the great benefits. There are a lot of great successes of shared services. In my district alone, one fire department in New World Island, they currently provide fire protection for 15 different communities.

These are the things that we're trying to promote. I don't think there's an immediate need to have a fire department in every little community, although the services are there and they're very important. With our aging population and sometimes some of the challenges to get volunteers either involved in fire departments or even local service districts or municipal councils now, we feel that there is definitely a need to combine services and not necessarily amalgamate communities, if that's not their interest, but they can definitely be sharing more services and have a better source of regional governance.

MR. BROWN: Perfect.

Are there any communities now that have expressed interest in amalgamation or anything like that prior to this program or prior to this report?

MR. BENNETT: Prior to the report? Not that I'm aware of, no, Sir.

MR. HANLON: We haven't had any regionalization requests, per se. We've had interest in doing regional water studies. There are some regionalization concepts out there, but as joining together in full amalgamation, not at this time.

As the minister said, we do have a regionalization working group established with Municipalities Newfoundland and Labrador and Professional Municipal Administrators. So that working group will be active over the next little while to come up with some regionalization (inaudible).

MR. BROWN: Yeah, I'm just curious if anyone wanted to jump the gun and just say, well, we're going to do this, right.

All right, perfect, thank you. That's all my questions for this section right now.

Thank you.

CHAIR: Okay, thank you.

Mr. Lane.

MR. LANE: Thank you, Mr. Chair.

I guess sticking to the topic of regional government and so on, and, Minister, I appreciate you trying to give the best answers you can there, and I do appreciate that, but I will just say, as a commentary, and you know this to be true, you've been involved in the municipal world, as my colleague behind me and behind you. I've been MHA now for almost 10 years, so it's at least 10 years ago or longer that I can remember being at a Municipalities Newfoundland and Labrador convention/conference. Back then we were passing resolutions and so on for regional governance and so on. That was a hot topic back then and we still haven't seen, I'll say, any substantive movement.

Now albeit, there may be some municipalities who are sharing services, and that's all good. I'm just wondering, from the department's perspective, are you moving towards a model of county governance – I'm going to call it county governance, as you'd see in other places – or are we just simply talking about, as you say, encourage it so if a couple of towns decide to get together and share a fire department or some other town says, yeah, let's all get together and build a skating rink between the four communities, that's all wonderful, we share it.

That's good, but is that the extent of it or is it more about a regional government, if you will, that would include, by the way, unincorporated areas who will arguably have no intention ever of being part of this unless they're forced to be part of it, it's not going to happen. I'm just wondering where the department is on that, philosophically if you will.

MR. BENNETT: I'm going to ask Bren to add to it, but I think that's a lot of this working group that we're putting together now with PMA and MNL is to look at various options that we can explore with regard to this. It's very difficult and it will be challenging.

We did have public consultations back in 2018 and there were two in my district, I think, to be quite honest with you. The feedback and the response from the consultations, at the two that I attended, were on two different total ends of a county or regional governance.

It definitely has challenges but I guess that's the idea now of putting this working committee in place to define terms of reference and to set priorities on where we want to go with it.

Bren, I don't know if you'd like to add to that.

MR. HANLON: The minister is correct, we're looking at all options, best practices across the country is what we're going to be looking at with our group and coming up with recommendations for government on moving forward. We're going to look at all options.

MR. LANE: Okay, thank you.

CHAIR: Minister.

MR. BENNETT: As a province, we're so vast in geography so a small population does create more challenges than some of the smaller provinces like Nova Scotia that has been moved into a county system. Our communities are very proud of their name and where they come from. I know it doesn't mean, by moving into a system that you're referring to, that you'd have to lose your identity, but that was one of the common things that was talked about during these consultations.

MR. LANE: Yeah. Thank you, Minister, for that.

I agree, it doesn't have to because even right now we have the Eastern Regional waste management board, so all the communities are a part of that, they're involved in that. They have their own town councils. They're doing their own business. It's just that Eastern waste management takes care of their garbage. I know that Eastern waste management have stepped outside of that, as you say someone mentioned, and they've done other things with civic numbering and other things.

That model, in itself, in speaking to the former chair of Eastern waste management, who was a

friend of mine and former colleague, and we had that discussion. He said there's no reason why all the towns on the Southern Shore, as an example, couldn't say we need a planner, we need a dog catcher or we need whatever. He said they can all pay their share, pay it to us and we'll hire their planner, we'll hire their dog catcher and take care of the whole shore. They're still their own communities, so there's no reason why these things cannot be expanded, I guess, is the point.

MR. BENNETT: No, and I fully agree. I think, like you say, there are various options and I'm sure that's what the community will be looking at to explore some options, whether it's a system that you just described. No doubt there are benefits by shared services and there can be efficiencies found by that and cost savings and also give the communities, especially the smaller ones that are not able to sustain their communities quite as well, the ability to enhance their services to the residents of their community.

MR. LANE: Absolutely, I agree.

I guess now speaking of working groups or committees, I'm just going to dig one up from my past. The NEAR Plan, the Northeast Avalon Regional Plan, that was another working committee that didn't work so well. From what I can gather, it just got scraped. I could be wrong, but I think it got scraped. I haven't heard anything about it in years now, but there was supposed to be a Northeast Avalon Regional Plan.

Is there any plan to revive that or is that sort of still in on the back shelf somewhere?

CHAIR: Bren.

MR. HANLON: Thank you.

The Northeast Avalon Regional Plan, it's still alive. We just have to look at a new – like, it hasn't been very active in the last, say, two years. But we need to look at a different approach to try to reactivate it and to see if there's a better way to develop the plan. It hasn't been totally shelved, but we just need to find a new way to reactivate it and bring it along. It has

been inactive, but a new plan needs to be developed.

MR. LANE: Okay.

I guess to make a little analogy, it's kind of on life support and somebody needs to get out the paddles and revive it a little bit.

Okay. Thank you.

Back to the regional waste management, of course, we know the issue that we had with the cabin owners and the garbage fees and so on. I'm wondering is that now kind of gone away. Anyone who has a cabin, certainly in the Northeast Avalon, if they have a cabin, nobody is paying that fee anymore?

If that is the case, I'm just wondering the math around this. If the cost was being shared in an area and now all of the sudden you take all of this revenue out that you were getting from the cabins, then that means the only way that this can be maintained is that small communities and unincorporated areas and so on that would be still on the system, they're all going to have to pay more money to keep it going, or is the government subsidizing it? Who's subsidizing that or are they paying more?

MR. MICHIELSEN: Yes, a very good question.

The Eastern Regional Service Board as part of their plan – there was a significant amount of opposition from cabin owners to mandatory fees for waste management services that they felt they weren't using because they were taking their waste back home to their primary residence. We worked over a period of time with Eastern Regional Service Board and we did come up with a plan that we all felt was a fair compromise. It seemed to, for the most part, have satisfied the issue at large.

Basically, services that were provided to folks who had a property on service roads – those are roads that are serviced by a level of government, be it municipal, Transportation and Infrastructure or a local service district – maintained mandatory service. So if you had a property, whether it was your primary or your

secondary, and you were on a service road, you maintained that service and it was mandatory.

For unincorporated areas where roads were maintained, not by a level of government but privately, i.e., by a group that maybe collected money to maintain those roads or whatnot, those were the primary areas of concern. The policy that was developed was that the Eastern Regional Service Board would offer those services. If they received a 70 per cent vote on the road, requiring services, then they would offer the services and make it mandatory for everybody the road. It was sort of an opt-in type service.

There were several areas that ended up opting in but the majority of the areas were left out or never opted to be in. It was a small amount of – I can't recall the numbers but of the 25,000, 30,000 customers, I think it reduced it by a couple of thousand in the region. The board was able to absorb those costs without increasing fees for the rest of the users.

MR. LANE: Absorb it through what?

MR. MICHELSEN: Through, I guess, the fees in terms of there was a reduced cost because they had less contractors. The contracts came down and then the \$180 that all the other residents were paying, it was enough to cover the cost after the reduced costs. There was no –

MR. LANE: So it all worked out.

MR. MICHELSEN: It all worked out.

CHAIR: Mr. Lane, your time has expired.

I'm sensing that there may not be any other questions, I'm just checking to see on this section. Any further questions from the other Committee Members on this?

Mr. Lane, you still have –

MR. LANE: Yes just a follow-up to the same question, I guess.

CHAIR: Please.

MR. LANE: That applied to cabins and so on that are here on the Northeast Avalon. Correct

me if I'm wrong, but I thought I heard from a couple of people that let's say if you're down on the Burin Peninsula somewhere that you still do have to pay the mandatory fee. Is that correct? That even though they're a cabin the same as someone up in Horse Chops or Salmonier Line but they didn't fall under that, they're still having to pay.

MR. MICHELSEN: According to the Burin Peninsula policy, they're still in line. They don't charge mandatory fees for those who are on unserviced roads. They only charge their fees to those who are on serviced roads. Their fee, actually they offer a 50 per cent reduction to those folks that have a secondary property, if they can demonstrate that they're paying primary tax in a municipality elsewhere that covers their waste management fees.

MR. LANE: Okay.

Thank you.

CHAIR: That's it for everyone. Thank you.

The Clerk will read in this section of the Estimates.

CLERK: 2.1.01 to 2.2.01 inclusive.

CHAIR: Shall 2.1.01 through to 2.2.01 carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

This section of the Estimates is carried forward.

On motion, subheads 2.1.01 through 2.2.01 carried.

CHAIR: The next section, please.

CLERK: 3.1.01 to 3.4.01 inclusive.

CHAIR: Thank you.

Mr. Lester.

MR. LESTER: Thank you, Mr. Chair.

3.1.01, in reference to the Transportation and Communications, there is a slight increase over what we consumed in the previous year. What would be the reason for that?

MR. BENNETT: That increase of \$20,200 for '20-'21 from what was in 2019-2020 reflects zero-based budgeting.

MR. LESTER: Okay, thank you.

Salaries: Would they, again, be filling vacant positions? Sorry, that's 3.1.02.

MR. BENNETT: The increase in Salaries?

MR. LESTER: Yes.

MR. BENNETT: Again, that reflects the 27th-week pay period and there is one planned saving position also with that there.

MR. LESTER: Okay.

The Revenue on 3.1.01 under Regional Support, is that entirely for engineering services to the Nunatsiavut Government?

MR. BENNETT: Yeah, that's received from the Nunatsiavut Government. It's billing that we do for service fees that we do out there.

MR. LESTER: Okay, all right.

On to the second section, 3.2.01, Industrial Water Services, Professional Services. What kind of professional services would you be engaging?

MR. BENNETT: Sorry, I never heard you. Could you repeat that?

MR. LESTER: 3.2.01.

MR. BENNETT: 3.2?

MR. LESTER: Yes. Professional Services: Can you give an explanation of that, please?

MR. BENNETT: That represents the operation and maintenance of two industrial water systems, both in Ramea and New Harbour.

MR. LESTER: And the Purchased Services?

MR. BENNETT: Purchased Services, are you referring to the increase or the decrease?

MR. LESTER: The increase.

MR. BENNETT: Again, the increase in Purchased Services reflects the zero-based budgeting.

MR. LESTER: Zero-based budgeting, but we actually only spent \$158,000, so why would we increase it by \$50,000?

MS. STEELE: When the budget was determined in the fall we did an analysis on the costs for last year and did an evaluation as to what we would project for this year. At the time we were not aware of the actuals to the end of the year, so we did a best guess, best estimate for the amount that was required based on historical spend from previous years.

MR. LESTER: Okay.

Do you forecast what we actually spent last year or do we expect that we will have that extra \$50,000 in expenses?

MS. STEELE: When we look at the actuals for this year and prepare our future budget for the next fiscal, we will do another evaluation on what the costs were over the last few years and do another determination. The cost for this line item will be a little bit fluent from year to year and we do our best to evaluate based on historical spend.

MR. LESTER: Okay, thank you.

The Revenue: If municipalities are paying for the individual water service, why is there such a variance in the Revenue line? There was over \$85,000 less revenue last year, yet an increase of almost \$40,000 is expected this year. Why is there a variance?

MS. STEELE: Each year the water supplies are invoiced out, but the actual revenue here is reflective of what's collected. There's an amount in accounts receivable that is owing back to the government for the services that we provide.

MR. LESTER: Okay.

MS. STEELE: The amount, again, for the actual revenue will fluctuate depending on what is billed per year. Again, we do an estimate of how much the revenue should be and put that amount into the budget, and collections and that will reflect the same items.

MR. LESTER: In reference to the revenue: How current are all of your accounts receivable? Are they all current or do we have some aged accounts?

MS. STEELE: Currently we do have some aged accounts. I don't have the actual number of days or months outstanding, but we do have four amounts that are owing back to government that we are collecting and that are in process.

MR. LESTER: What is the probability of us being able to collect those amounts?

MS. STEELE: We anticipate collecting the funding that's owed back to government and we will do every effort to do the collections. We are confident that some of the processes that we have in place will be fruitful for the collections and will increase the revenue streams.

MR. LESTER: Okay.

Do we have any recourse for collections, as such?

MS. STEELE: Currently the department works on the collections themselves and then at any point that it is identified that there may be an item that might be taking a little bit longer to collect, we will consult with the main collections division in the Department of Finance and/or Justice, if necessary, to investigate any avenues that we have to collect the revenue.

MR. LESTER: Does an outstanding arrears with a municipality or a community preclude them from any other government funding until that is paid?

MS. STEELE: There are currently some avenues that we have in place at the department where if a municipality or another entity owes us back funding, we will put some collection efforts in place. If there is funding owed from another department back to that entity, then we

will put some regulations in place that we will collect that funding before it goes back to them.

Also, there are other avenues, Municipal Operating Grants and SA grants and that, that we can have some recourse. Depending on which municipality it is and the determination of the necessary actions and, again, in consultation with the main collections division in Finance and Justice, we will put a plan in place to attempt to collect this funding and do so with every effort possible.

MR. LESTER: Okay, thank you.

On to section 3.3.01, Financial Assistance, Municipal Debt Servicing.

Grants and Subsidies, there is quite a deviation in the amount there. Would that be as a result of the change of departments? Is that what's happening there?

MR. BENNETT: The decrease of \$252,000 –

CHAIR: Wait a second. Your light, Minister.

MR. BENNETT: Yes, the decrease is a reflection of the forecasted budget due to lower debt servicing expenses, due to the declining debt balance and that. We've basically did a better projection on the debt reduction on that particular line item there. The increase is reflective of additional interest amounts that go onto that budget from the loan.

MR. LESTER: All right.

Municipal Debt Servicing, section 3.3.02, Grants and Subsidies: Can you provide some explanation to the variance of last year versus this year, please?

MR. BENNETT: Again, the difference, the \$3,337,000 in budget 2020 and 2021 from the 2019-20 reflects lower forecasted budget due to the lower debt servicing expenses, due largely to the declining debt balance. As they pay them off, obviously, the amount goes down, which brings the debt servicing amount also down.

MR. LESTER: Is there any anticipated time that we'll actually not need to budget for that? How does that work?

MR. BENNETT: (Inaudible) hopefully paid off right now by 2026.

MR. LESTER: 2026.

On to Financial Assistance, 3.3.04, Special Assistance. Versus what we actually spent and what we project, what is the reason on Grants and Subsidies?

MR. BENNETT: 3.3 ...?

MR. LESTER: 3.3.04, Special Assistance. 3.3.04, I apologize.

MR. BENNETT: The Special Assistance grant: Basically, the amount of \$11 million versus the previously budgeted \$2 million and change was largely because of relocation costs for Little Bay Islands. From that, there was a payout of \$8.47 million for residential payout, \$293,000 for commercial payout, \$225,000 for a settlement and \$49,000 for a bank loan payout. Then an additional \$31,000 for legal fees.

CHAIR: Thank you very much.

Mr. Brown, you're next, Sir.

MR. BROWN: Thank you, Mr. Chair.

Back to 3.3.04. What was budgeted? Was it originally budgeted for Little Bay Islands or did the Little Bay Islands thing kind of creep into that already done budget that we did last year?

MS. STEELE: The relocation fee was not budgeted until the agreement was signed and it was the determination that the relocation would go ahead. At this time for Special Assistance, we only budget for the regular amount that we provide out to municipalities and other groups. If the relocation comes to fruition, then the money will be placed in that account to be paid out. That's easily identified.

MR. BROWN: We weren't anticipating it happening.

MS. STEELE: No.

MR. BROWN: We were waiting on the agreements, the votes and all that stuff. Then, when it came to fruition it just gets –

MS. STEELE: Yes.

MR. BROWN: Then the budget gets realigned then. Okay.

3.3.05, Community Enhancement: We budgeted \$4.9 million, but why was only \$3.9 million spent in that? Was it less uptake in the program?

MR. BENNETT: Annually we budgeted – as we budgeted \$4.9 million, then as we do the allocations throughout the province sometimes it does happen that some projects do not have such great take-up; therefore, there are funds that don't get utilized.

MR. BROWN: Okay.

Are you expecting – well, we're halfway through. Is the uptake better this year than last year for this program?

MR. BENNETT: Well, it's difficult to say right now because, actually, the letters are just going out now to municipalities and that –

MR. BROWN: Oh, okay.

MR. BENNETT: – or to the districts which programs will be starting within the next few weeks to a month. So we'll get a better indication. It's a difficult year to predict with COVID –

MR. BROWN: Oh, I understand.

MR. BENNETT: – and all the different programs the federal government has implemented. We have made some changes with the program this year. Typically, in order to qualify, a recipient would have to have a minimum of 20 hours to qualify, but because of the federal government changes in their program for EI – which basically they credited everybody with 300 employable hours – therefore now people will need less hours. We're going to consider their 300 hours as a part of the income to qualify for the program.

MR. BROWN: Okay.

Just a curiosity. Before I say anything else, I did go and visit my wife's hometown – speaking of the Member for Cartwright - L'Anse au Clair.

I have a question: Why is brush cutting not a part of these programs anymore?

MR. BENNETT: I can only speak as being a sponsor of the program years ago when I was with a municipality, but I think it came largely down to health and safety, plus sanitary. A lot of these brush-cutting projects were in remote areas, roadsides and things like that, so there weren't proper washroom facilities, for example. Plus, there was always the concern of safety with regard to proper signage being out, fires and things like that.

MR. BROWN: Okay, it's just a curiosity. I noticed that it just seems to have gotten a little out of control in some smaller remote communities and out of sheer curiosity I was just wondering why we didn't do that anymore. Anyway, good point. Thank you.

3.3.06, Provincial Gas Tax Revenue Sharing: That's a pretty stable thing that's year after year, same thing. Is this between the federal government and us?

MR. BENNETT: No, this is the provincial one.

MR. BROWN: Okay.

MR. BENNETT: Obviously, we are able to sustain the same level of funding this year. That was very well received by MNL, particularly. As you heard in the recent budget, there were concerns that there may be some changes within our gas tax and our MOGs and that, but we were able to maintain the same level of funding for that.

MR. BROWN: Perfect. Thank you.

3.4.01, Canada/Newfoundland and Labrador Gas Tax Program: I notice under Professional Services there was a large uptick in the actuals. What was the reasoning behind that?

MR. BENNETT: For the Professional Services, the \$61,000?

MR. BROWN: That's correct, Sir.

MR. BENNETT: There was an increase of \$41,390, which reflects required consultant costs

for the development of a municipal assessment management framework.

MR. BROWN: Okay.

I notice under Grants and Subsidies \$87 million was budgeted, but we only sent out \$37 million. What was the reasoning behind that?

MR. BENNETT: The revenue decrease of \$32,851,000 from budget reflects the forecasted removal of one-time funding from the federal government. This year, because of COVID, they did actually give double the amount of gas tax funding to the province.

MR. BROWN: Okay, so we were suspecting a cut, it never happened and now –

MR. BENNETT: Bonnie will take this.

MS. STEELE: In reference to the federal gas tax program, the \$87 million that was budgeted in '19-'20 included a one-time top-up of the amount. Normally the amount per fiscal is approximately \$31 million or \$32 million, but through Infrastructure Canada last year we did receive a top-up of a one-time amount of \$32 million. That is included in the budget.

As for the spending, the funding covers a span of five years for the agreement that is allotted for the municipalities. The municipalities, to avail of the program, have to submit a capital investment program application, which is approved. The funding is accumulated for them. If they don't draw down on the funding this year, they can certainly draw down on it next year, as long as the funding is used by the end of the agreement. They can carry forward any requirements that they have.

The money that came in is still there for the municipalities but it's just (inaudible).

MR. BROWN: Okay so if they drawn down on it, it is reflected on next year's actuals.

MS. STEELE: Yes.

MR. BROWN: Okay, so far we've only drawn \$37 million out of that set account.

MS. STEELE: That is correct.

MR. BROWN: And then if they draw down more next year it will be reflected in next year's actuals?

MS. STEELE: You are correct.

MR. BROWN: Okay, thank you.

Does that explain why we are budgeting less in the program next year? We're only budgeting for \$79 million.

MS. STEELE: Yes because there would have been some draw down on the funding at the time that we knew what applications were approved so we wouldn't need that funding.

MR. BROWN: Okay.

That would explain why we lost revenue from the federal government in next year's budget. It's because the one-time top up is gone.

MS. STEELE: Yes, that's right and we're back to the regular amount. You'll notice that the revenue for the federal government is back down to the normal amount for \$31 million.

MR. BROWN: All right. Thank you so much.

That's all my questions for this section there. Thank you.

CHAIR: Do you have any more Mr. Lester?

Go ahead.

MR. LESTER: With reference 3.3.04 to 3.3.06 (inaudible).

MS. STEELE: That is the Provincial Gas Tax sharing and the Municipal Operating Grants?

MR. LESTER: Yes. I'm sorry, 3.3.04 inclusive to 3.3.06 and also 05 as well.

MS. STEELE: Yes, we will provide that.

MR. LESTER: Thank you.

That's all for now, thank you.

CHAIR: Okay.

Mr. Brown, anything further?

MR. BROWN: I'm good. Thank you, Sir.

CHAIR: Mr. Lane.

MR. LANE: Thank you.

First of all, in terms of the binder, any lists whatever, times three okay, please.

Just on the gas tax, just for my memory, just to make sure I got it right. Obviously, if you're a large municipality and so on you're entitled to a certain share of the gas tax. For the most part, they take it; they spend it, as would be the case in Mount Pearl, St. John's and so on.

For the smaller municipalities, they may only get a small amount of gas tax and it's not enough to do anything substantial with, so they say: I want to save it for two or three years or whatever the case might so I have enough money to do something substantial with it. That's how it works?

It is? You're nodding yes. Okay.

MS. STEELE: Yes, you are correct.

They have a number of years that they can use it. They're not required to use it in any particular year. As long as they meet the requirement to use it within the span of years that their agreement covers, they can keep their funding year over year until they have enough to complete a project that they would have in their budget, yes.

MR. LANE: Okay.

Did I hear a change, as well, that was made maybe a couple of years – it might not be a change anymore, but they can use that money as their 10 per cent under the other program. So if there was a 90-10 for a small community and they don't have the 10 per cent, they could use the gas tax as their 10 per cent. Is that allowed to happen?

MR. BENNETT: I guess it would be dependent on the type of project it is. As a cost-share ratio, within the federal government regulations, they can't stack; so if a program is funded over 50

per cent by the federal government, they would not be able to use the gas tax. For other projects they can go up to a maximum of 50 per cent of their allotment to use gas tax money.

MR. LANE: Okay.

All right, that's just more of a curiosity than anything else.

MR. BENNETT: Over the last few years, the federal government have expanded what the gas tax can be used in. Recently – the last two years, I think – they've included recreation facilities and that to give more communities better options to be able to use their gas tax funding for it.

MR. LANE: Sure.

Whatever flexibility that can be built in to allow them to avail of it, I think that's what we need to do, obviously. That's good.

Looking for an update on the cities act and I guess also wondering is the cities act now going to be – right now, the *City of St. John's Act* and then I guess Mount Pearl and Corner Brook fall under the cities act. It's very prescriptive. What, certainly, those municipalities have been calling for, for many years now, is to make it more enabling in legislation so they have more flexibility to run their own affairs. They certainly have the infrastructure, the staff and professional people to do it. A lot of times there are a lot of time wasted on waiting on approval on Municipalities for a lot of things that are unnecessary.

When are we going to see the cities act and is it going to be one act for St. John's, Mount Pearl and Corner Brook, or will there be one for St. John's on its own and then Corner Brook and Mount Pearl under a different act?

MR. BENNETT: Actually, like I said, I've only been in the position now for about eight weeks, but we've had a couple of meetings now already on the different acts and we're working through the process. We're hoping to be able to move forward legislation in the next sitting in the spring.

MR. LANE: Okay.

MR. BENNETT: I don't know if you want to give an update, Bren, in regard to the cities act.

MR. HANLON: We're doing a line-by-line review on all the municipal legislation right now. We're reviewing everything, we have all the stakeholder input and we're reviewing it now with the minister and other executives. I guess decisions still have to be made by government on how it's all going to be structured in the end. But we're looking at all of the feedback that came in and we're looking at best practices. We are, as the minister said, looking to have something rolled out next year, but the final decisions are still to be made on the structure and whatnot.

MR. LANE: Sure. But next year, okay.

MR. HANLON: Yeah.

MR. LANE: Well, we've been calling for that for an awful long time and it's been next year for an awful long time, so I'm going to hold you to it. I hope it happens.

MR. HANLON: It's really next year now.

MR. BENNETT: (Inaudible.)

CHAIR: Minister.

MR. BENNETT: Like I said, it has been a priority of mine and it's also in my mandate letter to move this forward and we are going to do everything possible to have it completed for the spring sitting.

MR. LANE: Okay.

Will we also be looking at an updated or revised Municipalities Act as well or is it just the three cities?

MR. BENNETT: No, we are looking at both. We are working on the Municipalities Act (inaudible) –

MR. LANE: So that would be hopefully in the spring as well?

MR. BENNETT: Again, we are working closely with our partners at MNL and PMA to move that forward. We are consulting with them

as we look at changes within the act; we're consulting with those partners, too.

MR. LANE: Okay, good stuff, good stuff. We live in hope.

Waste-water regulations, I'm just looking for some sort of an update as to where that stands. I know there are an awful lot of municipalities that have major concerns over the federal waste-water regulations and their ability to be able to meet those requirements and the money that it's going to cost to do it. I've heard from a number of smaller towns and so on that have talked to me and they said: We don't even have clean water to drink but we're going to put a priority on waste water and we don't have money for drinking water. I know it's a big concern in the municipal world for the smaller towns for sure.

I'm just wondering: Do you have any kind of an update as to where those regulations stand? Are the feds going to give any kind of an extension? What is the province doing to help municipalities if there is no extension to get them there? Anyway, you get the idea.

MR. BENNETT: No doubt that is a concern among many municipalities throughout Newfoundland and Labrador, meeting up with the federal regulations and that. We have been working closely with Municipalities Newfoundland and Labrador, who have been working in conjunction with their federal counterparts with municipalities. They have written the federal minister requesting that they revisit it and look at the time frames which were enacted before. To my knowledge, the federal government has responded back saying that they are willing to revisit it and to look at the time frames and things.

MR. LANE: Okay.

MR. BENNETT: It's definitely an issue of importance, coming from a small community myself. I know in order to meet the standards, the Town of Lewisporte, my home community, is looking at an investment of \$35 million to \$40 million for a population of 3,000 people. So it does have challenges, but it's good to see that a lot of our municipalities are moving in the direction of dealing with their waste water. My colleague with Transportation and Infrastructure,

they have also made it a priority to deal with this, with regard to funding, both for waste water and for clean drinking water.

MR. LANE: Yeah. I'm glad to hear that the feds seem to be receptive on loosening up the timelines a little bit.

The other reality is that this is not really a surprise. I mean, I know it was positioned at the time when there was a bit of a protest and so on by a number of municipalities that this is coming and we're not able – and I understand that. There's also a reality that they did know that it was coming, but now we're here and a lot of them, for whatever reason, whether they chose not to or didn't have the ability to move forward with it, they weren't ready. So the time has to be lengthened. But if they say: We'll give you another couple of years, another three years, another five years. Unless someone is going to take the bull by the horns and make sure that this gets done we will be in the same boat then.

What role, if any, do you see your department having through conditions on some of the funding or whatever the case might be, or additional funding or whatever, to help these municipalities get where they need to be so that we don't run into this again?

MR. BENNETT: Yes, in some areas it's because the municipalities are probably not doing the work they need to be doing or don't have the expertise that they need. But I think for a lot of other municipalities it has come down to a funding issue, both from a municipal ability to offset the cost, plus, I guess, at a provincial level, how much funding we're willing and able to put into it. We'll certainly work with municipalities now to help advance any concerns or issues they have, but as for the funding portion of it now, that will fall under the Department of Transportation and Infrastructure.

MR. LANE: Okay.

MR. BENNETT: We'll work with them and lobby on their behalf and work closely with our minister in that department to advance some of those concerns they have.

MR. LANE: Thank you, Minister.

I'm done with that section.

CHAIR: Thank you.

Mr. Lester, any further questions here?

Mr. Brown, you're done with this section.
Perfect, okay.

I'll ask the Clerk then and we'll enter this into the record.

CLERK: 3.1.01 to 3.4.01 inclusive.

CHAIR: Shall 3.1.01 through to 3.4.01 carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, subheads 3.1.01 through 3.4.01 carried.

CHAIR: I would propose, why don't we take a break here right now for 10 minutes at this time. So be back here at 1917 hours.

Recess

CHAIR: Stand by, everyone.

In the interest of this being live television here now, we're going to recall this section of the Estimates.

CLERK: 4.1.01 to 4.3.01 inclusive.

CHAIR: Thank you.

Mr. Lester had a question about –

MR. LESTER: I can restate the question.

CHAIR: Yes, thank you.

MR. LESTER: In reference to 4.1.01, Pollution Prevention, Professional Services, could you provide an explanation of these anticipated Professional Services?

CHAIR: Dan Michielsen.

MR. MICHELSEN: Yes, Professional Services here are associated with hiring of consultants to evaluate and do site assessments on impacted sites, contaminated properties.

MR. LESTER: Okay.

In reference to the Purchased Services, what would the expenditures of last year entail?

MR. MICHELSEN: The biggest expenditure under the Purchased Services was the cleanup of the Marystown Shipyard property. It's a property with an indemnity agreement that is owned by the now Department of Industry, Energy and Technology, but our department carried out the remediation on their behalf.

MR. LESTER: Okay. Is this remediation complete at this point?

MR. MICHELSEN: Yes, the remediation is complete. It came in on budget. The only outstanding part of the project now is receiving the formal reports from the consultants and the formal closure documents.

MR. LESTER: From the department's perspective, this is now complete when it comes to cost. We don't anticipate having to put any more money into this site?

MR. MICHELSEN: Not at this time. The only potential concerns that could arise, like on any site that's a former industrial site, are things that weren't discovered during the assessment stage down the road. Those unknowns are always there, or the potential is there, but that's why you do a thorough environmental site assessment upfront, to make sure that you have these things covered.

MR. LESTER: The department will be responsible for any unforeseen liability in the future, or do we get a clearance at this point?

MR. MICHELSEN: Yes, the department would be, by virtue – this really goes back to the 1960s, when government owned the property and operated the property right up until 1997. All the liabilities that were existing on the site prior to 1997 are the responsibility of

government. If something arises and it's been identified and demonstrated that it was in existence prior to 1997, it would be government's responsibility.

MR. LESTER: All right. Thank you.

In reference to Pollution Prevention, I know my colleague from Mount Pearl - Southlands raised the issue of the garbage collection in the Eastern and, say, Burin Peninsula areas. What's the status of the garbage collection from cabin owners on the West Coast?

MR. MICHIELSEN: The Western Regional Waste Management board is further behind in the progression because they were later established themselves. Right now, they operate transfer stations and a construction demolition landfill. The transfer stations transfer waste to the Central region.

The actual pickup, they don't provide that service. Municipalities are left to provide their own collection service to bring it to the transfer stations. They do not go into unincorporated areas to pick up waste.

MR. LESTER: Thank you.

In light of the federal government's announcement regarding single-use plastics, is this government also exploring a similar implementation?

MR. BENNETT: (Inaudible.)

MR. LESTER: Yes.

CHAIR: Minister.

MR. BENNETT: Sorry.

Obviously, we did implement the ban on the plastic retail bags this week and we are exploring other options for the future. With regard to the announcement from the federal government today, the initiatives that they're looking into, obviously we would fall in line with those announcements should they come forward.

MR. LESTER: Okay.

Also, further to the Pollution Prevention, has there been any reduction in demand for our collected recyclable materials such as glass, plastic, cardboard and car tires?

MR. BENNETT: There has been no reduction, actually, in the recycling program through MMSB. They have been seeing increases in the return rate, particularly with beverages and also our tire program.

MR. LESTER: Okay.

Has there been any exploration for use of those products here on our Island or in the Labrador portion, versus having to ship them out?

MR. BENNETT: With regard to the tire program through MMSB, they're currently in Norris Arm on the Central Newfoundland Waste Management site there. They are shredding the tires as we speak now. Part of the process is with the chipping that they're doing, we're looking at various pilot programs to use some of that material.

The actual rim, the sides of the tires right now, they're being separated. They're going to be actually shipped to parts of Nova Scotia for agriculture purposes. We are looking at different pilot programs for the actual chips that come from the tires. That may look at some of the options that are being considered, whether it be for road aggregates or the possibility of trail use. Right now we're just pursuing different options.

MR. LESTER: Would the consumption of that tire aggregate be considered for fuel?

MR. BENNETT: Right now we are not looking for it in that option.

Dan, you might want to add to it.

MR. MICHIELSEN: There was a point in time where we were considering – or Corner Brook Pulp and Paper were considering using tire-derived aggregate to offset the use of bunker C. They didn't proceed in that direction.

From our perspective, we'd be open to proposals to industry if they wanted to use it as fuel but, of course, they would have to go through the process of effectively demonstrating that it could

meet our air pollution control regulations, and that there wouldn't be any additional environmental concerns from those operations.

MR. LESTER: Has our own agricultural community been approached for the use of the tires as well?

MR. MICHELSEN: I don't think there have been any specific discussions. Again, the tires are really a program run by the MMSB. They're responsible for the tires and the recycling program, collecting the fees and finding the final solution. I know that they've been focusing on tire-derived aggregate and even using some of the material as structural fill in the landfill expansion itself in Central, but I'm not aware of any current discussions they may have had with the agriculture.

MR. LESTER: All right.

How does the department come up with the funds for an extraneous cost? Like last year in reference to the Purchased Services, where do those funds come from? We went from a budget of \$34,000 to spending \$1.1 million, and I do realize that it had to be done, but where do those funds come from?

MS. STEELE: Anytime one of the divisions identifies the need for additional funding, normally the first recourse for the department would be to look within itself to identify any potential savings that could be utilized to fund the initiative or the expenditure that is identified. We'd then go to Treasury Board to get approval to use that funding and repurpose the money for the expenditures that we need. Some of the savings, depending on – I don't have it at hand, but most likely we would look down through any other savings for initiatives that were not done. We could look at savings – and that could be from any line item from Supplies to travel that's saved due to travel that wasn't happening or any meetings that were cancelled.

We would first do that before we would approach the Department of Finance to look for additional funding. Any department, their first recourse is to look within their own budget lines to identify if they can fund their own initiatives.

MR. LESTER: Thank you for that answer.

In reference to Revenue, could you provide a breakdown of the provincial revenue stream, please?

MS. STEELE: Under Pollution Prevention?

MR. LESTER: Yes.

MS. STEELE: Currently, this revenue stream is – I don't have an actual breakdown of the numbers but the general line item covers any approvals, permits, licenses, file searches and audit fees that are recouped from those with the applicants. It's very much a demand-driven line item and fluctuates throughout year to year.

CHAIR: Okay, thank you.

Mr. Dinn.

MR. J. DINN: Thank you, Chair.

Just wondering, 4.1.01, just a general questions first. As I understand it, the protected areas are now under your department, would that be correct? Where would that be? I'm thinking of WERAC. Would that be accounted for anywhere in these sections?

MR. DUTTON: The Salaries and operating funds for the Natural Areas group are reflected in the budget of Fisheries, Forestry and Agriculture. They are reporting through this minister, but they are a part of a larger division. It was a little complicated to separate that during the process of completing the budget, so it was left there for the time being. We have to work through the budget for next year and our intent would be for April 1 that next year's budget will reflect where they will fit within this organizational structure.

MR. J. DINN: Thank you. That's excellent to hear.

The budget for Salaries we noticed it was underspent over 2019 in the actuals and you can sort of see there it dropped. It was \$2 million, down by \$196,000. Are these vacancies and, if so, what services were to be provided by these roles? What vacancies were they?

MR. BENNETT: The decrease of \$196,000 was as a result of positions that were filled; they're going through recruitment process.

Can you identify which positions they were?

MR. STEELE: I don't have the exact positions, but there are four other positions within the division that were vacant for a number of months and therefore did not require all of the budget expenditure.

MR. J. DINN: Okay.

I take it then, Minister – sorry, through the Chair – that they have since been filled for this year.

MR. BENNETT: (Inaudible.)

MR. J. DINN: Okay, thank you.

Just with regard to the cleanup, the Purchased Services and the cleanup of Marystown, I'm just wondering, you cleaned it up and it's been remediated. If there is future need for a cleanup, let's say as a result of going forward, who is responsible for that here on in?

MR. BENNETT: Do you mean if a spill happens post or pre –

MR. J. DINN: Right now.

MR. BENNETT: – or identified?

MR. J. DINN: Actually, I'll give you the context I'm asking you this in.

In the Estimates meeting last night, the cleanup for the fish kill was borne by the government; they contributed a significant amount of money for that fish kill last year. I'm just wondering: Is it the intention from here on in that we would be responsible for any cleanup or remediation going forward, or would it be the operator?

MR. MICHELSEN: We are – and when I say we, it's government – responsible for any impacts that happen pre-1997. The impacts from 1997 to the time when Marbase purchased the property from Kiewit are the responsibility of Kiewit. Moving forward, impacts would be the responsibility of the current owner, which is Marbase.

Within the indemnity agreement, there is a process and dispute clause within that agreement that outlines the process of how do we identify and determine where the impacts are from and what era they're from. That involves hiring consultants and going through that process.

No, government would still only be responsible for pre-1997 impacts on the site.

MR. J. DINN: Okay.

Would that just apply in this case to the Marystown shipyard or would that apply to other sites as well? Would it be on a case-by-case basis?

MR. MICHELSEN: It would be on a case by case, but environmental indemnity agreements by nature are really designed to cover off existing contamination when a new owner takes over the property. Usually an environmental site assessment is carried out to show what the baseline is, then the new owner would take over. If there are any future concerns or if somebody dug and found some contamination or whatever, the actual location, the type of contaminant would be compared to the baseline study to determine whether or not it's a historic contamination or a new contamination since the agreement and baseline study was done.

MR. J. DINN: Okay. Thank you very much.

With regard to Purchased Services – sorry, I might have jumped ahead. No, on to Revenue - Provincial. In the actuals there was a rise or an increase in the actual revenue under this section. Where did this revenue come from? I'm not sure if Mr. Lester had asked that or not.

MR. BENNETT: I think it was answered. The increase of \$70,926 is basically a reflection on higher revenues for approvals, permits, licenses and audit fees, things like that. That's a number that basically fluctuates annually based on the demand.

MR. J. DINN: Thank you.

Do we have any update on site assessments? What cleanup plans does your government have for the coming year?

MR. MICHELSEN: From our department perspective, there is nothing currently in the process. We are working with the federal government on a long-term agreement for the remediation of the Mid-Canada Line sites in Labrador. We're in the process; they are going through federally Treasury Board. That would be a cost-shared arrangement but until we formally sign the agreement, we won't be ready to move forward on those projects.

MR. J. DINN: Just a question, too, related to what Mr. Lester brought up here in relation to this. I'm just looking at the use of tires. Last year, when I was at this, I think tires were being shipped up to Quebec for fuel. One of the ideas that were brought up was use, actually, in aggregate.

Is there a pilot project anywhere? Are they currently being used in road aggregate or in making pavement even, for that matter, in the province? Are there any pilot projects or anything like that?

MR. BENNETT: No, there are no pilot projects right now.

MR. MICHELSEN: Just as the minister noted earlier, the Multi-Materials Stewardship Board is responsible for the tire recycling program. That's one of the areas they would be looking at.

MR. J. DINN: Would that also apply then to the use of glass? A lot of glass bottles and that can't be returned but they could be used in aggregate as well. I was trying to get further information where they're used in the construction of sidewalks and that. Has there been any talk of the use of glass as well, or would that be still under the Multi-Materials Stewardship Board?

MR. BENNETT: That would be under the Multi-Materials Stewardship Board.

MR. J. DINN: Okay.

One final question there. I put it under – I want Pollution Prevention in some way, but the whole notion of porous pavement to prevent runoff. I know in a lot of areas we have large catchment basins, but I'm just wondering: Has there been any look at using porous pavement in certain conditions so that the water would seep down

through the pavement as opposed to running off, creating the flash floods and so on and so forth?

I know it has been used in other jurisdictions but there was some talk about whether the climate here would be an issue with it.

MR. BENNETT: It's nothing that I'm aware of.

MR. J. DINN: Okay.

CHAIR: Dan Michielsen.

MR. MICHELSEN: We're not aware of it but if you do, we're always looking for suggestions, especially when it comes to flood risks. We do a lot of work around flood-risk mapping, flood prevention. If there's any further information that you can provide, we'd be happy to receive it.

MR. J. DINN: Thank you very much.

I'll dig that out for you for sure. I have a few people that can get that information.

On 4.2.01, Chair, number five, the budget for Salaries had increased by \$100,000. That was in the actuals. I'm assuming that had to do with the pay periods and maybe benefits. Would that be correct?

MR. BENNETT: Yes, the increase of the \$75,000 is a result of the increase in pay periods to the 27th week.

MR. J. DINN: It's increased and that would be the budgeted for this year, as well, then? I noticed it's jumped by about \$100,000 for this year as well.

MR. BENNETT: Yes, that's correct. The increase of \$25,000 reflects some of the co-op students that we hired this year, too.

MR. J. DINN: Okay. Thank you very much.

CHAIR: Thank you.

Mr. Lester.

MR. LESTER: I have some questions in reference to the Marystown site cleanup: What was the actual cost of the cleanup?

CHAIR: Dan Michielsens.

MR. MICHELSEN: The total cost – just bear with me; I do have the number here. We had budgeted \$1.5 million and I believe the total cost was around \$1.4 million. Notwithstanding that, that was the residual cleanup. Since, really, 2002, government has spent an additional \$7.5 million on the site. \$9 million is the total. The estimated liability, again, is at a zero now because, based on our assessments, we have all of the concerns addressed.

MR. LESTER: Okay.

Was that a tendered process to clean that up or was that supplier specific? Was there a tender called for the cleanup of that property?

MR. MICHELSEN: There was, yes. It was called through our consultant. We engaged a consultant through an RFP process; they engaged a contractor through Tendering and Contracts. The tenders were awarded for two projects: one was hazardous waste abatement; another one was soil remediation. Two separate contracts.

MR. LESTER: Okay.

They were the primary focus, those two activities: hazardous material abatement and soil remediation?

MR. MICHELSEN: Yes.

MR. LESTER: Okay. Thank you.

Water Resources Management, section 4.2.01, Supplies: A considerable variation between what's budgeted and what was spent. What would be included in that?

MR. MICHELSEN: These are supplies. We operate numerous water-quality stations around the province and these are supplies for instruments and things of that nature.

MR. LESTER: Okay.

The Purchased Services under the same category, what would they entail?

MR. MICHELSEN: Purchased Services are primarily, in this category, flood-risk mapping. We had a significant project that is coming to an end for the Mud Lake flood-risk mapping and flood forecasting system. That work has been completed and has now been rolled out, so that won't carry forward to next year.

We do have a new program which is federally funded through revenue. Basically, it's a new program that will visualize this flood forecasting, so that folks and emergency services people will be able to go on an Internet base and actually see what the flooding may look like at any given time during a flood period.

MR. LESTER: Okay.

In reference to the flood-risk mapping, you mentioned that is now completed. So that is a functional program now, or report?

MR. MICHELSEN: Yes, the flood-risk mapping is complete for the Mud Lake area, as well as the flood-forecast model that we have done. It's a state-of-the-art recognized program now where we are able to – in real time – predict floods based on satellite imagery, ice movement and precipitation. All these variables go into a modelling program which can tell us and allow early warning for the residents of the area in case there's another significant flood to allow people to evacuate and take precautions and things of that nature.

MR. LESTER: Has there been a flood-risk level associated with the new Core Science Facility? Has that been determined yet?

MR. MICHELSEN: There is flood-risk mapping associated with that area. My understanding is that Transportation and Infrastructure are working with those flood-risk maps to design their mitigation to protect the existing infrastructure in that area, as well as the proposed expansion of that infrastructure.

MR. LESTER: In reference to the revenue lines, what would be included in both federal and provincial lines?

MS. STEELE: The revenue line for Water Resource Management includes a number of – there are a number of industry partners, and

most of it is permits and fees for drilling licences, water investigations, rights programs, community water and waste water program permits, non-municipal registration fees, a drinking water program and a number of items combined here.

MR. LESTER: Thank you.

In reference to boil-water advisories, how many do we have currently in place throughout the province?

MR. MICHIELSEN: We currently have 189 – what we call – long-term boil-water advisories in the province. That’s down from 194 last year. It currently affects 146 communities, 52,000 people. Sorry, that’s 189 current; of those, 125 are long term.

MR. LESTER: Okay.

Of those on the long-term boil-water advisories, is there a plan to reduce that number? Will some of them be perpetual boil water?

MR. MICHIELSEN: We do have a boil-water advisory action plan. We’ve developed standing operating procedures that we provide to municipalities. We’ve been working with individual towns across the province to help overcome their boil-water advisories. We’ve hired regional water quality operators in three regions that support the municipalities to get them off a boil-water advisory. I guess Transportation and Infrastructure now has had a specific call for applications for any town that’s on a boil-water advisory for funding to specifically get themselves off a boil-water advisory. We also employ new types of technology, such as portable water drinking units and whatnot.

We are ready, willing and able to work with any town that’s on a boil-water advisory to get them off. We suspect that there will be more progress made. A lot of the towns are off boil-water advisories, but there are towns that are on boil-water advisories not necessarily because they don’t have the resources to get off, but they chose to be on boil-water advisories. We’re working from an educational proponent to incentivize them to get off boil-water advisories through working with TI with infrastructure

programs and things like that. So there are a number of different initiatives ongoing. I know the minister can speak to it, but it’s a high priority on his list.

MR. BENNETT: We’ll continue, like I say, working closely with the Department of Transportation and Infrastructure, with municipalities and Municipalities Newfoundland and Labrador to work with communities and try to get them off these water boil orders. We’ve offered a number of training programs to help the communities to be able to better assess their water systems themselves and to put the appropriate measures in to help get them off water boil orders.

MR. LESTER: Forgive me if I’m wrong, but is it the case that there are communities in our province that are on boil-water advisories by their own choice, not by the lack of infrastructure?

MR. BENNETT: There are cases where a lack of training and a lack of staffing and resources have resulted in long-term water boil orders, yes.

MR. LESTER: Okay, thank you.

MR. BENNETT: But, again, we encourage them, and as the previous minister with Infrastructure, that when they look for funding programs now, we definitely push them towards to make sure they have their water qualities up to standard before we put funding into other non-essentials.

MR. LESTER: Yes. Okay.

My colleague from St. John’s Centre was speaking of waste water management and the federal requirements by 2020. I remember being at a municipalities meeting and they said there’s over a billion dollars worth of infrastructure deficit in our province, largely in rural communities.

I wonder: Has there ever been a study done to evaluate, I guess, the investment of infrastructure versus the viability of the community? Have we ever looked at, is the infrastructure going to outlive the community?

CHAIR: Mr. Michielsen.

MR. MICHIELSEN: I think if I circle back to the gas tax and one of the items that you asked about earlier in gas tax. It was an asset management toolkit for the municipalities. That toolkit, it was basically a task that we undertook to develop this asset management toolkit. We provided it free of charge to the municipalities. There is also support from the Canadian Federation of Municipalities in grants and whatnot to populate that. That allows towns to basically categorize and inventory all of their assets, the age of their assets, the condition of their assets so that they can make sound decisions moving forward in terms of what infrastructure needs to be replaced, what the life expectancy is and they can make more strategic investments in infrastructure. Those studies, we've supported several of these and they're done on a municipality-by-municipality basis.

As for a broader study of all municipalities, it would probably be something best addressed to the new Transportation and Infrastructure department around infrastructure and sustainability on a long term.

CHAIR: Okay, thank you.

Mr. Dinn.

MR. J. DINN: Thank you, Chair.

With regard to 4.2.01, the actual spending in Supplies dropped by two-thirds, but the budget for this item has barely changed. Why is that? In the actuals there in Supplies. It dropped from \$96,000 down to about a little over \$33,000, but it's still back up to around \$95,000 for this year.

MR. BENNETT: The decrease of \$62,526 reflects lower office and fuel supplies. That's basically for the drinking water program and equipment and supplies for that, and the hydrometer and climate program equipment.

MR. J. DINN: Would that be, then, to do with the drinking – go back to the question about boil-water orders. That wouldn't be related to that, to the fact that there were more people who were availing of it, or couldn't or whatever else? It wouldn't be related to that then, would it? That aspect of the boil-water orders.

MR. MICHIELSEN: No, that would be more related to the overall COVID situation, less travel, less supplies for maintenance on equipment and things of that nature. I would suspect that once we return to the new normal, we're going to have to spend a bit more time in terms of calibrating our equipment and updating things. That's why we kept the original \$95,000.

MR. J. DINN: Okay.

With that in mind, then, would it have been more appropriate maybe to add more to that? You used the word catching up. So I'm thinking if COVID-19 impacted or reduced the need, I'm sure that those needs still exist, only now you're going to have those needs plus other needs. Would it probably have been better to put more money into it for that reason?

MR. DUTTON: If I may, I think we have to keep in mind with these variances that the actuals are for last fiscal year, and the COVID would have only affected the last few weeks of March.

MR. J. DINN: Right.

MR. DUTTON: Again, the budget submission would have been completed in November and so they wouldn't have known about the impacts of COVID on the level of activity that would be anticipated this year. So there would be a lot of line items that maintain about the same level of funding as the year before, assuming a normal year, and we've run into a very abnormal year.

MR. J. DINN: Okay. I'm just wondering if it would be more prudent to carry it over, that's where I was looking at it from that point of view.

Okay, on to Professional Services: Spending on Professional Services in 2019-20 is over budget, as you can see there, yet the money slated over '20-'21 has dropped. So it went over budget in actuals but it's dropped significantly in the Estimates for this year.

I'm just wondering: What accounts for this fluctuation? Why such a steep drop this year?

MR. MICHELSEN: That refers to the flood-risk mapping that was completed and that we talked about earlier.

MR. J. DINN: Okay, that's it. Thank you.

Again, the steep decline in federal revenue, what's the reason for that? Is that just the flood-risk mapping as well?

MR. BENNETT: The decrease?

MR. J. DINN: Yeah.

MR. BENNETT: Well, \$490,000 is the result of flood-risk mapping, yes, in Mud Lake.

MR. J. DINN: Okay, Mud Lake, perfect.

Thank you.

MS. STEELE: Just to add to that, during the revenue stream there was \$292,000 in federal revenue that was received to the province, federal revenue, and that was actually keyed into the system through the Department of Finance as provincial revenue. So it's no impact to the bottom line of government, just that it is reflected as provincial revenue instead of federal revenue.

MR. J. DINN: Okay, thank you very much.

In his mandate letter, the minister was tasked with implementing a Regional Water and Wastewater Operations Pilot Program and developing a drinking water quality action program.

Is this a part of the budget that accounts for spending on these initiatives? If so, the total investment under waste water management has dropped by some \$375,000. Can the minister explain how these will be delivered effectively given that decrease in investment?

MR. MICHELSEN: The regional waste water pilot program was originally funded back in 2019 and we paid two years in advance. Basically, the way that works is that we provide a grant to the regional services board, the regional services board hires a regional operator and then that operator services a number of communities around. Those things were paid in

advance for last year and this year which is really next year.

If that is to continue, then there would be a change in next year's budget to reflect that program.

MR. J. DINN: Thank you very much.

Any further work regarding flood-risk mapping and actions being done or planned with the federal government? Are there any future flood-risk mapping projects with that or ...? What about the Waterford River area as well?

CHAIR: Dan Michielsen.

MR. MICHELSEN: Yes. There are still a number of initiatives ongoing. As I described, there's the next stage of the Mud Lake or the – that flood-risk mapping up that way where that visualization piece, working with Defence Canada on a contract. That's 100 per cent federal funded. That will be completed this year.

We do have a priority list that we will be moving to over the next several years to look to secure funding to complete flood-risk mapping. There is a priority list. I believe Placentia was the next one on the priority list. The priority list is developed based on flood frequency and age of existing flood-risk mapping and things of that nature.

MR. J. DINN: Okay, thank you.

I guess that's where the whole notion I was bringing up in terms of porous pavement or asphalt would be in metro or large urban areas as well.

What's the role of the department in monitoring aquaculture sites, water use, waste water handling and so on and so forth? How often do these sites get monitored or do they by your department?

MR. MICHELSEN: Our primary role from an aquaculture perspective is pesticides application. We do the pesticides inspection and the storage of the applicators and the training of the applicators associated with these projects.

When we get to the next section under Environmental Assessment there is a discussion – I don't know if you want to jump to there – on there is money in this budget to hire a new monitor specific for the Grieg aquaculture project. That is 100 per cent funded by the company. It was a requirement under the environmental assessment release that the company fund this position for 10 years. That position will be recruited this year and will be involved in monitoring all aspects and all commitments within the environmental assessment.

MR. J. DINN: When I come there I wouldn't mind asking you a question on that.

MR. MICHELSEN: Okay, yeah, sure.

MR. J. DINN: No, no, at that time, but I do have one quick question before the time runs out.

Waste water treatment plants, and I'm thinking of the one in Gander. I think they're up just past – in Glenwood. It's sort up (inaudible) or past it. I believe there was another one that was being piloted elsewhere. Are there any thoughts about expanding those? They seem to be pretty effective. I know in the mouth in Salmon Brook that drains into the Gander River, it's remarkable the downstream from the Gander River, the change that's occurred as a result of that water treatment plant itself.

MR. MICHELSEN: Most definitely. There are several of those systems around now. The latest one is probably built in Stephenville, and that's probably the largest municipality that has one. These type of natural wetland or designed, engineered wetland systems require a significant amount of real estate. So they tend to become non-feasible for larger municipalities. But certainly for the smaller municipalities they are an option that is available to the municipality.

MR. J. DINN: Very effective.

Thank you, Mr. Chair.

CHAIR: Okay, thank you.

Mr. Lane, would you like to jump in, Sir?

MR. LANE: Thank you, I would indeed. I don't have any lines questions. Leave that to the b'ys.

Minister, this is something I mentioned to you before, I guess, off to the side one day in the House, but I do want to just ask you about it just to put it on the record. I have a concern about people that are dumping in the woods and up on pole lines and dirt roads and so on. Quite despicable, actually. But anyway, it's happening. I've contacted your department on a couple of those sites, spoke to an environmental officer or whatever the position is called, who went up and identified it. By the way, nothing against that person, did a good job and so on. Went up, visited the site, said: Yeah, Mr. Lane, garbage is definitely there. Ridiculous. I stuck up a sign that said no dumping and we walk away.

I understand that if somebody dumped a few drums of oil or something there and it was at risk of causing more harm to the environment in terms of leaking and getting into the water tables, in those cases the department would take action. In terms of an absolute eyesore and plight on the environment: Too bad. We will stick up a sign and walk away.

I'm wondering if that's something that could be looked at. I understand there are costs associated with all this stuff and I'm not saying that we're going to have crews scouring the woods looking for stuff. Maybe there could be some sort of a program where periodically we do an inventory of areas where we have this. Then, periodically, the department would initiate something, possibly with volunteers. There are volunteer groups out there.

Actually, the site that I talked to you about, just up by Thomas Pond, a volunteer group went up. We didn't need the department because it was only a pickup load full. They did it themselves just to be good citizens, which was wonderful. I know there's another one up by Southern Harbour where there's an old trailer or something that was caught on fire in this pit. It's just left there. You guys are aware of it but it will stay there now forever, I suppose.

I'm just wondering: Is that something that can be looked at, to see about a periodic cleanup of these sites?

MR. BENNETT: Obviously, first of all, illegal dumping is something that we don't take too lightly. Unfortunately, we do see too much of it happen, both on our roadsides and throughout our country in different areas.

As we had our conversation, we basically, as a department, put the regulations in place and we rely on Service NL to go and do the inspections on it. There are programs that could fall within the parameters right now – depending on the location but through the Community Enhancement Employment Program or JCP programs – that you can utilize to do community cleanups or cleanups of protected areas and things.

We did have a conversation within our department after you and I spoke. I do agree. To go out and try and enjoy the outdoors, whether it be fishing or hiking, and promoting our province as a tourist destination, we definitely don't need these dump sites and eyesores within our communities. It's something we will definitely take a closer look at.

I do agree. If there are opportunities to either work with the community or volunteer organizations, that could definitely be an option, but as a department and as a province I think we just can't leave the mess and the eyesores there within our communities.

MR. LANE: Thank you, Minister.

I would certainly encourage you, if there is some sort of, as you say, program that can be developed, and working with the community, whatever, there are people out there – good people out there – that are willing to roll up their sleeves and get involved. We've seen that even along the Outer Ring Road from the airport, say, to Paradise.

There was a big community cleanup a couple of years ago. That was coordinated with Transportation and works blocking off the roads and so on. They did it on a Saturday or Sunday. I'm not talking about cans on the side of the road, I'm talking about somebody going in with a truck or something and dumping off refrigerators, washers, chesterfields, construction material and everything else.

MR. BENNETT: There have been programs. The Green Team and the Conservation Corps have done similar types of cleanups and things like that but, yeah, I do agree fully that, like I say, we can't be having dump sites on the side of our roads.

MR. LANE: Thank you for that.

Speaking of the Community Enhancement because you had raised it – and I was going to ask this in the last section; I forgot. Just with your indulgence, Mr. Chair, one question on that. When we do the Community Enhancement programs – and when we're talking Community Enhancement, we're talking about these programs that people generally use. They do a project in a community to get their hours to qualify for EI, right?

MR. BENNETT: Correct.

MR. LANE: That's what we're talking about. I'm just wondering, when those projects are approved – this is something that I've noticed a lot over the years. You'll see projects get approved and seemingly there is no plan for those projects – that's how it would appear – for the ongoing maintenance of them.

There's been a number of places where a Community Enhancement project – I know, for example, if you take St. Vincent's, where people go to see the whales, there's a beautiful gazebo and everything there that was done there. Eventually, they just tore it down because it was an eyesore. It was built under one of those projects but there was never anything to say, okay, now that it's built, and if we're going to do more community enhancement, part of that money is we have to maintain what's been done, not forget that it exists and let's do something new.

I've seen that in other parts of the province where you see a sign that says to go to some little lookout area. You go there and there were a couple of picnic tables, they were all rotted and on the ground and a swing set that was tipped over and rotten and so on. Again, I asked somebody around there and they said: Oh, yeah, that was the project that was done a few years back and that was it; you build it. How many baseball fields do you see in certain places that

the grass now is up to your knees? It was built and, I don't know, it might have been used a year or two and then it's gone.

If we're going to be handing out this money for these projects, I understand the purpose of them, I get that, but there should be something there to say, especially if it's a repeat, that before we go looking for something new, do we have – keeping track of the inventory we have.

MR. BENNETT: Yeah, I guess those programs are geared directly towards municipalities and local service districts. Typically, when they apply there's not much of a follow-up after to make sure they're maintaining it. But from my personal experience of administering the programs over the past, a lot of the sponsors that put projects in place, whether it be trail upgrades or community enhancement and that, it is an ongoing process.

To be honest with you, I don't know of a lot of projects that are put there through Community Enhancement programs that are becoming dilapidated, causing safety issues or are eyesores. Typically, unless the community is – whether it be a local service district or community, it's not functioning properly anymore. But, for the most part, under these programs I think good continuance maintenance is done.

Obviously, we don't have the resources as a department to go out and monitor the projects to make sure they're being maintained after that. That's the responsibility of the sponsor and they are ultimately responsible for the projects after. Whether it be a gazebo or trail, they're responsible for the upkeep and maintenance of these facilities and the liabilities that go with it.

MR. LANE: No, I appreciate that, Minister and I understand they're responsible. The point I'm trying to make is that somebody applies for it; they put in a project. It gets approved. They get public money, albeit it serves a good purpose. They build something nice and then it's forgotten about and it just deteriorates. I don't know how you would do it, to be honest with you, but I'm just saying that if I put in for it and I have money this year and I applied next year for something else, the first thing I would be asking is: Well, the thing that you did last year,

is there any maintenance to be done on that before we forget and move on to something else? I don't know how you do it; I'm just telling you it's an issue. I've seen it in a lot of places where there is stuff falling apart because it doesn't get maintained.

MR. BENNETT: That's something we can discuss within the department to see (inaudible)

–

MR. LANE: Okay.

I guess my time is done. All right.

CHAIR: Thank you.

Mr. Lester.

MR. LESTER: Yes, (inaudible) continue on, please.

Just a couple of more questions to section 4.1.01, no specific line questions, but Pollution Prevention.

I've been contacted by several constituents – my constituents and others throughout the province – who have expressed a disappointment with the amount of illegal campers being set up along our T' Railway and in cabin areas, woods roads, gravel pits. I do know that in the past there was a specific force to regulate and to control this type of activity. Is that funded within this department or would that be elsewhere?

MR. BENNETT: No, that's not in our department. Most of that is regulated under Crown Lands, depending on where the location is, from my knowledge of Crown Lands. I have a particular area in my district that the same thing has happened over this year. The camping, gravel pit campers and that, they're permitted to go in to use the site for, like, one day or two days, or, for example, if they're going up one of the woods roads to go moose hunting. As long as they are at the camper, utilizing it, not putting any permanent structures in place, then they can stay there for a minimum stay. But any longer than that then obviously they would be illegally occupying and that would fall under Crown Lands jurisdiction.

MR. LESTER: Okay.

Another individual from Central has pointed out that there is still some of the Abitibi property, logging camps on remote woods roads and such like that, that have fallen into quite a disrepair and a bit of an environmental issue, I'm sure. Are there any funds available for the remediation and removal of that kind of trash in the woods? I guess it is our responsibility as government, is it not? It's our property.

MR. BENNETT: Not that I'm aware of. I don't know if Dan has anything to enlighten us with.

CHAIR: Dan Michielsen.

MR. MICHELSEN: There is no specific pot of funding to deal with – what we call – abandoned and orphaned sites. Our department does maintain a list and each department reports to the Comptroller General, in terms of sites that they would be responsible for in the department. I believe those would be the responsibility of Forestry, which would be under the Fisheries, Forestry and Agriculture department. But there is no specific pot of money within government to draw upon for remediation, other than what you would normally use for contingencies within government.

MR. LESTER: Okay.

Would the department be responsible for, I guess, highlighting the deviation of regulations and then pass it on to Forestry to fix it up, to clean it up?

MR. MICHELSEN: We would be responsible for maintaining an inventory of all known impacted sites that are owned by core government. We maintain that list and we send that out to departments each year to report to the Comptroller. Then they're responsible for determining what or if actions are necessary.

It's a little different if a government department, for example, operated a site and had a spill and is required to clean it up versus a site that may have been inherited by government by the mere fact that the company has gone bankrupt or if it defaults to government. Those sites are vested in various departments and they have an inventory of these sites and determine, I guess, at what point they need to do remediation or what's a priority for their department.

MR. LESTER: Would you be able to provide me with a list of those sites?

MR. MICHELSEN: Yes, certainly.

MR. LESTER: Thank you.

Section 4.3.01, Environmental Assessment and Sustainable Development.

The big issue, I guess, that jumps off the page is the increase of almost 50 per cent in Salaries. What would that be associated with, please?

MR. BENNETT: Can you repeat what line item it was?

MR. LESTER: Sorry, section 4.3.01, Salaries, 01. There's an increase of over 50 per cent in Salaries.

MR. BENNETT: The increase of \$161,900 reflects the pay period for the 27th-week pay period, plus funding for two environmental scientists for the EA program. One of those, as has been referenced earlier, is being funded through Grieg NL.

MR. LESTER: Okay.

In reference to the Supplies line, I know my accountant absolutely hates that line because it's almost as bad as miscellaneous. What do you project to use there for \$5,800 versus \$478 the year before?

MR. BENNETT: An increase of \$5,200 in the budget reflects new funding for the environmental assessment program, and also from zero-based budgeting. Again, that's for the Grieg project.

MR. LESTER: The Revenue, there's a substantial increase in the Revenue over what we actually received last year. What would that be associated with?

MR. BENNETT: Again, that goes back to the Grieg project, an increase for the environmental assessment program.

MR. LESTER: Okay, all right.

MR. BENNETT: As Dan mentioned, that part of that environmental assessment agreement, they're responsible to pay one assessment for the program for a 10-year period.

MR. LESTER: Thank you.

In reference to the methylmercury concerns, can you provide an update on that file?

MR. BENNETT: The monitoring of methylmercury has been continuing. Throughout COVID-19 we continued to do our methylmercury monitoring. As of right now, there has been approximately 1,800 site samples taken to date. Right now, the levels have not presented any risk to public health.

MR. LESTER: Okay, thank you.

The environmental process review, can we have an update on the environmental assessment process review?

MR. BENNETT: We're basically working through the process of our environmental assessment, the review. We are hoping to have the updates to the legislation prepared for the spring of this year.

MR. LESTER: The environmental permitting process was reviewed as well. Can you provide some more detail on that?

MR. BENNETT: Sorry, could you repeat that?

MR. LESTER: The environmental permitting process was to be reviewed as well. Can you provide some detail on that?

MS. SQUIRES: That was a general category across the Environment Branch. Permitting processes were reviewed, for example, in the Water Resources Management Division, and permitting standards were realigned and now we have permit responses out in a more timely fashion, as well as things were streamlined in the permitting process. That's one example. The various permits across the Environment Branch were reviewed in that manner. Some things, for example, have also gone to a more digital base, both in application and response.

MR. LESTER: Okay.

How has that been received by the public?

MS. SQUIRES: Positive. Certainty, folks are happier with getting a more consistent time frame on response, for example, for our water resources permits.

MR. LESTER: Thank you. That will be all.

CHAIR: Okay, thank you.

Mr. Dinn.

MR. J. DINN: Thank you, Chair.

Under 4.2.01, Salaries are up from last year, both in budgeted amounts and funds actually spent. Were there vacancies last year?

Under 4.2.02, sorry. I don't know if I said that.

MR. BENNETT: Point two?

MR. J. DINN: Yeah, 4.2.02. My apologies if I didn't state that.

MR. BENNETT: The decrease of \$126,000 –

MR. J. DINN: And then the increase up to \$1 million-plus.

MR. BENNETT: Yeah, so the decrease was due to the recruitment process for vacant positions. The increase is a result of the 27-week pay period and a new position for the Water Quality Monitoring Agreement program. That position is funded through Industry.

MR. J. DINN: Okay.

Thank you very much.

Spending for Supplies last year was \$75,000 over budget. What new equipment was purchased? Was that related to the position you just mentioned?

MR. BENNETT: The increase of \$74,000 was for equipment supplies such as sensors, consumables and replacement parts of instrumentation.

MR. J. DINN: Okay, thank you.

Also, under Purchased Services, it was significantly lower than anticipated, yet the amount budgeted for this item has increased. Why is that?

MR. BENNETT: The decrease of \$24,088 reflects the lower lab analysis cost. The increase of \$14,000 reflects new funding for the Water Quality Monitoring Agreement program.

MR. J. DINN: Okay. That's in line with that new position you mentioned up there?

MR. BENNETT: Correct.

MR. J. DINN: Okay.

With regard to the federal and provincial revenue: What accounts for the dramatic fluctuations in federal and provincial revenue here and what are the usual sources of revenue under these items?

MS. STEELE: Currently, there was a federal revenue amount that was received to the province for \$64,000. Again, that was in error. It was recorded as provincial revenue, so the funding did come into the province, but was recorded as provincial instead of federal.

Revenue streams for this division include various commercial sources for costs for annual operation and maintenance of 35 real-time water quality stations for the industry in Newfoundland and Labrador. Contributors are Voisey's Bay, Long Harbour, Duck Pond operations, Lower Churchill, Nalcor, Newfoundland and Labrador Hydro, Wabush mines, Canada Fluorspar, Deer Lake Power. Quite a number of industry partners there that are participating in special projects under the Water Quality Monitoring Agreement.

MR. J. DINN: Okay, thank you very much.

MS. STEELE: You're welcome.

MR. J. DINN: Under 4.3.01, so I have my answer here, this is where the two scientists or the two environmental scientists are hired – one of those paid for by Grieg. That probably accounts for a significant amount of the salary increase, correct?

MS. STEELE: You are correct.

MR. J. DINN: The other environmental scientist: Is that filling a vacancy or is that being sponsored through industry as well?

MS. STEELE: That is filling a vacant position.

MR. J. DINN: Okay.

Also, I'm just curious –

CHAIR: Dan Michielsen.

MR. MICHELSEN: I'll just add to that. That other position was filling a vacant position within the department. It's kind of a new position that we created to do – or move funding from one position to another for follow-up work on EA. So there was a need to – all the environmental assessments that have, in the past, to follow up on all the conditions and requirements to make sure that companies are doing what they were intended to do.

MR. J. DINN: Excellent.

Out of curiosity, then, with regards to the Grieg, and I didn't get this, I know you were talking about it in answering the question to Mr. Lester: Where else would they – I guess, Supplies, anything along those lines, where else would that be reflected, the increased amounts?

Obviously, if a person is coming into the job they're not just coming into the job, you've got to look at outfitting them with furniture and maybe the necessary tools and equipment. So I'm just wondering where else would that be reflected in the lines here.

MR. MICHELSEN: You can see there's a dramatic increase in Supplies and that would be solely for those positions. We understand it's a new position; it's going to require a new office in the Marystown area. We don't have a current office in Marystown so there will be significant need for those supplies. That is directly reflected in the revenue that we'll be receiving from Grieg because they're required to pay for all of those supplies and operational costs as well.

MR. J. DINN: That was going to be my next question. Whatever supplies, not only the salary but all the costs associated with that position.

MR. MICHELSEN: It's full cost recovery.

MR. J. DINN: That would include travel if the person has to drive to the site and so on and so forth.

MR. MICHELSEN: Yes.

MR. J. DINN: Okay, excellent.

Provincial revenue here is slated to be far higher than last year. I'm assuming that's the revenue coming from Grieg.

MR. MICHELSEN: Yes.

MR. J. DINN: Okay, excellent.

Thank you very much.

That is really, Chair, all the questions I have on 4.3.01. I'll leave it there.

Thank you.

CHAIR: Thank you.

Mr. Lester do you have any further questions?

MR. LESTER: One further question: Can you provide us with an update of where you are the Waste Management Strategy review?

MR. BENNETT: Waste Management Strategy review?

MR. LESTER: Yes.

MR. BENNETT: That's also ongoing.

One second now, if I can find my notes here.

CHAIR: Sean Dutton.

MR. DUTTON: The Waste Management Strategy review was completed and I believe the report was released to the public at the end of January. It's online. People were invited to provide feedback and I believe some of the

waste management boards and other stakeholders have provided some commentary.

Of course, we've had the pandemic in between. There were between 46 and 50 recommendations, depending on how you count them. We've been working through that along with the Multi-Materials Stewardship Board, as a number are directed at the board. Several of the recommendations would require legislative or regulatory amendments so we're in the process of developing an action plan on how to deal with the recommendations contained in the report.

MR. LESTER: Thank you. That will be all.

CHAIR: Thank you.

Mr. Dinn, you had nothing further.

Mr. Lane.

MR. LANE: Yes, just a quick question or comment about the boil-water advisories. I understand there are a number of them that, as I think you've said, it's not necessarily about not having the infrastructure in place; it's about not having a person who's trained and qualified, able to do the testing and make any adjustments that are supposed to be made and so on. I've heard that a number of times, actually, in different conversations I've had with people in the municipal world.

When we talk about regional services, that's really where that needs to be. Quite often, in some towns the person who's looking after all this stuff is actually a mayor or a councillor or whatever; they may not even have a staff person. Mostly it's a person who's just a volunteer. People move on. Someone was doing it and then they stopped doing it. Now we have to try to train somebody else and so on. That's really somewhere that if we had a regional approach, then obviously you could hire one person who could test everybody's water in the entire area. Then they wouldn't have to worry about it anymore.

I know you're having these discussions on the bigger picture, but even to deal with the boil-water advisories. I wonder: Is there any opportunity to bring this up with the

municipalities as an idea to deal with this issue, beyond the bigger picture of regional governance, which may take years and years to happen?

MR. BENNETT: Obviously, we do fund regional water operators' courses and programs for municipalities and local service districts to take part in. But, yes, we would definitely be willing to work with a group of municipalities to share services, whether it be a water operator or whatever type of service, whether it be engineering: these types of services.

It is something we're definitely open to. It doesn't have to be on the large scale; it could be on the smaller scale. Shared services is an important issue. It's something that we'll continue to promote and continue to work with municipalities and local service districts to further enhance the services.

MR. LANE: Thank you, Minister.

I'm just wondering about this whole idea now of the electrification of buildings. I guess it is Transportation and Infrastructure that would actually do the work I suppose, but you guys are obviously involved in these initiatives.

CHAIR: It might be in the next section, I think, Mr. Lane.

MR. BENNETT: It is.

MR. LANE: Mr. Chair, with your indulgence, I had two questions. I won't be here for the next section. That's why I was asking, if that's okay.

CHAIR: Sure.

MR. BENNETT: We all have to stay.

CHAIR: That's where my head was. I watched him put up a white flag last night, so I –

MR. LANE: I have somebody who holds a lot more authority than anybody in this room that will be waiting I tell you that. I won't be upsetting her. As my colleague over there used to say: She who must be obeyed.

In terms of the electrification of buildings, I know this is an ongoing initiative, but we did

hear last night under the Forestry – they talked about, I believe, in Central Newfoundland they're going to be using wood chips. So that's not electricity, it's a different form. What they're doing with the wood chips, is that supposed to be going beyond – the four College of the North Atlantic and everything else is going to be electrification? Or do you know what the plan is there in terms of a mix or a breakdown?

MR. BENNETT: Yeah, well, that doesn't fall within our department, but I did sit in on the Estimates last night and the business that minister referenced is actually in my district. There was a tender put out by FLR to convert five colleges in Central Newfoundland over to wood chips from the fuel burning. That's basically a pilot project to see how it is.

It was also put in place to help with the sustainability of companies in the logging industry, where a majority of their product is reliant on either small wood or the chips and everything else that would go to Corner Brook Pulp and Paper. Obviously, there is the concern, if Corner Brook Pulp and Paper doesn't take these products, what's going to happen to it.

As for our department, we are moving very actively towards electrifying our buildings, particularly colleges, the university and things. By 2021, as we're moving forward, we'll have 98 per cent of our provincial buildings under electricity.

MR. LANE: By 2021? I was going to ask you about time frames.

MR. BENNETT: Yeah.

MR. LANE: That seems rather quick. That's good.

What about the –?

MR. BENNETT: Just one second. I don't know if Susan wants to ...

MS. SQUIRES: I can certainly add just a little bit to that, Minister. As part of the Low Carbon Economy Leadership Fund – that's the joint federal-provincial program – we do have a public buildings energy efficiency program. Some of the money is spent by Transportation

and Infrastructure and some is spent by Health, for example. We have about 50 building projects currently underway; some you referenced with the College of the North Atlantic. They span everything from an Arts and Culture Centre to schools and other types of public buildings.

Some are for electrification; some are for switching from a higher GHG fuel to something like a biomass fuel. That is a rarity, the ones you've mentioned, and others are energy efficiency programs. It's not all the same but certainly all with the focus of having a greenhouse gas reduction.

MR. LANE: Okay, thank you.

My final question relates to the whole idea that we're all going to be like the Chair here, going around in our electric cars. Good for him but there are not a lot like him, at this point in time at least. I see that as, obviously, the future but I don't see that happening next year that we'll all be driving around in electric cars.

I'm just wondering: What is being done or what initiatives are being taken in terms of these charging stations? I don't know a whole lot about it but I would suspect, at least from my perspective, there's not a chance I would ever switch over to an electric vehicle until I knew that when I got to where I was going, or along the way, there's somewhere that I could hook up and charge up my car and not have to wait two hours or three hours, or wait in line behind 20 cars to have my turn. I want to get to where I'm going when I want to get there.

That requires, I would think, a fair amount of infrastructure. Is that something that the government would put all these in? Or is it looking to private industry to get rid of their gas pumps and start having charging stations and then you pay for that the same as I pay for gas?

MR. BENNETT: I think it's going to be a combination of both government and industry. Right now, we're in the process of working with Newfoundland Hydro to install 14 stations right across the Island, including one –

MR. LANE: How many?

MR. BENNETT: Fourteen.

MR. LANE: Fourteen?

MR. BENNETT: Fourteen different locations across the –

MR. LANE: Only one car at a time at these fourteen or how many –?

MR. BENNETT: No, no. For example, I just drove through Terra Nova Park and I do believe they have four different stations. Some are fast charging Level 3 and some are Level 2.

MR. LANE: Okay.

MR. BENNETT: There are also companies like Tesla that are looking at putting their own in different areas. Obviously, I think as we switch over to electricity, you will see more gas stations that are also taking the initiative and putting them in themselves.

MR. LANE: Okay.

Right now, if the government put them in, they're free of charge to use, or do you have to pay to use it?

MR. BENNETT: There is a charge per use.

MR. LANE: Okay.

MR. BENNETT: I don't know, Susan, if you have ...?

MS. SQUIRES: Yes, there is a charge for use for the 14 stations that the minister referenced. There's certainly more than that in the province. Lots of buildings have their own ones; for example, Avalon Mall, the Janeway facility, Health Sciences facility – they have charging stations.

Some of those might be free for use, depending on if they're geared to employees linked to the building or the public. There's a range there of cost, but the fast-charging stations will have a fee associated with it.

MR. LANE: Thank you for that, Minister. I thank everyone for their time. I thank my colleagues for giving me leave.

Thank you guys for being here tonight and all your hard work. I really appreciate it, I truly do, but I have to leave.

Thank you.

CHAIR: Let's read into the record then.

Any further questions on the sections that we were dealing with? I'm not seeing any further indications, so Madam Clerk.

CLERK: 4.1.01 to 4.3.01 inclusive.

CHAIR: Shall 4.1.01 through to 4.3.01 carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

This section is carried.

On motion, subheads 4.1.01 through 4.3.01 carried.

CHAIR: Now, Madam Clerk, our final section.

CLERK: 5.1.01 to 5.1.02 inclusive.

CHAIR: Thank you.

Mr. Lester.

MR. LESTER: Thank you, Mr. Chair.

In reference to 5.1.01, Climate Change, can someone provide an explanation of the Grants and Subsidies?

MR. BENNETT: Are you referring to the decrease?

MR. LESTER: Yes.

MR. BENNETT: The decrease of approximately \$1.4 million was a result of two programs that we had in place that were scheduled to expire March of this year. They were the Energy Efficiency Loan Program and also the Heat Pump Rebate Program.

MR. LESTER: Okay.

In reference to 5.1.02, Low Carbon Economy Fund, Purchased Services: What would these Purchased Services be?

MR. BENNETT: Purchased Services provides printing, rental and maintenance of equipment, meeting room rentals and other purchased services required in the administration and delivery of programs.

MR. LESTER: Okay.

We'll pop back up there to Transportation and Communications of the previous section, of 5.1.01. What do we propose that is again? I know it's based on a five-year –

MR. BENNETT: Sorry, can I back up. The last question you asked, was that regarding 5.1.02 or 5.1.01?

MR. BRAZIL: Yes, it was.

MR. BENNETT: I'm sorry; I didn't know you switched over to 5.1.02. Your question was in regard to the purchase of services at that?

MR. LESTER: Yes.

MR. BENNETT: Again, it's very similar. That provides for printing, rental and maintenance of equipment, meeting room rentals and other purchased services in the administration and delivery of the programs.

MR. LESTER: Just back up to the previous section, Transportation and Communications. I do understand that it is based on historical consumption of funds. Basically, what's entailed in that under this section, \$21,000?

MR. BENNETT: Transportation and Communications provides for divisional travel, communications costs, courier costs and freight.

MR. LESTER: Under the Grants and Subsidies of this same section, is the Energy Efficiency Loan Program here or the heat pump replacement program included within these Grants and Subsidies?

MR. BENNETT: They were in the previous one. In the budget of 2019-20 it indicates \$1.5 million, whereas this year we're only budgeting

\$100,000. That was those two programs. That is, like I said, scheduled to conclude as of March.

The \$100,000, that's a new program that we're putting in funding towards Memorial University's Harris Centre on climate. That's to help formulate some new ideas and initiatives to help with climate change actions.

MR. LESTER: Will these two programs be placed elsewhere within a department? Will they be renewed elsewhere or ...?

MR. BENNETT: No, they were scheduled to conclude as of March. No, they are not being renewed at this time.

MR. LESTER: Okay.

Grants and Subsidies of section 5.1.02: Can you provide some explanation for these numbers, what's included and why only \$1.29 million was spent last year out of the almost \$18 million budgeted?

MR. BENNETT: The decrease of \$3.9 million reflects the funding requirements for the Low Carbon Economy Fund. That also fluctuates from year to year, based on the number of applications that we receive versus when projects are actually given and when the work can actually be completed.

MR. LESTER: Thank you for that but my purpose in asking was: Why was there only about a \$1.25 million spent out of the almost \$18-million budget last year?

MR. BENNETT: Again, that's largely because of projects. Taking COVID into consideration, some projects may not have either – they weren't prepared to start the projects and also they may not been able to implement the program to avail of the funds. It's very similar to either ICIP or MCW programs which now go under Infrastructure. Sometimes groups apply for the funding but they're not ready to implement them, therefore, the money is not actually transferred over.

MR. LESTER: Would we be allowed to have a list of applicants versus subsidies actually passed out?

MS. SQUIRES: This is part of the \$89.4 million, the multi-year initiative that's cost shared with the federal government under the Low Carbon Economy Fund. This program started in '18-'19. It originally was set to end in '22, but because of COVID and the delays – because these are big capital infrastructure projects in some regards – we got an extension from the federal government to go to '24. We have an extra two years to spend this money, so anything that we didn't spend this year you'll see carry over.

MR. LESTER: Okay.

MS. SQUIRES: That's certainly what the minister was referencing there.

There are also six programs under that pot of money. Some, like our Climate Change Challenge Fund, have applicants and they might be industrial, they might be commercial, they might be municipalities. We assess those based on the eligibility criteria and allot them. Some are happening and some have been delayed because of COVID and are happening this year, so we're still looking at that.

There are other programs under that pot of money. Those include things like our transportation program, our Energy Efficiency program for oil-heated homes – it's much like the takeCHARGE for electric homes – the Home Energy Savings Program. There are a few programs tied up in that. Some have a short list of applicants; others are grants given to residential home owners.

We might be able to share with you, for example, total number of applications, but not necessarily who applied because some are residential.

MR. LESTER: Okay. Thank you.

Under this section, Climate Change, I'd like to ask some questions about the carbon tax. While I understand that it may be more Finance, I would still think, seeing as it falls under your department, you would have a knowledge of the numbers that we're going to ask.

How much has been collected under the carbon tax program to date?

MR. DUTTON: That funding does not flow through this department so it wouldn't be reflected in our Estimates.

MR. LESTER: Okay.

So those funds are still going to general revenue?

MR. DUTTON: The Department of Finance would track the revenues from all taxation.

MR. LESTER: Okay.

Those funds, would they not be earmarked for environmental projects of such?

MR. DUTTON: I've been here for a month and I don't know the answer.

MS. SQUIRES: It is general revenue. There's not a particular program related to our climate change program that's directly linked to carbon tax revenue. That being said, we currently have a cost-share program and provincial revenue streams are contributing \$44 million to that envelope of \$89 million with the federal government. There is certainly a significant program currently under way, but my understanding is they are not based on the revenue we receive from the carbon tax program.

MR. LESTER: Okay.

While I recognize that both federal and provincial governments are participating in different environmental initiatives, the carbon tax itself, those funds just go into general revenue and are more or less just a tax collection mechanism, and whether or not that equals to what we're getting, dedicated to environmental initiatives, remains to be seen. Would I be correct in saying that?

MS. SQUIRES: Yeah, that's fair. But the default, if we didn't implement our made-in-Newfoundland carbon tax program, the federal program, and under the federal program, the taxes are received by the federal government and passed out individually to residents based on income. So that's also not earmarked necessarily for environmental initiatives, it's actually given back in other tax reimbursement programs. It's

similar in that nature, both programs, and that would have been the default if we didn't develop a Newfoundland and Labrador program.

CHAIR: Okay, thank you.

Mr. Dinn.

MR. J. DINN: Thank you, Chair.

Just in 5.1.01, the actuals for the Salaries are about \$55,000 lower than originally budgeted. It's only gone up by about \$9,000 or a little less than \$9,000. Why is that? You said that it had to do with courier and freight. Is that just mostly courier, mostly freight? I'm just wondering what the exact breakdown might have been.

MS. SQUIRES: In regard to Salaries, your first question there, the decrease in actuals from the budget in 2019-20 was related to a vacant position. We had someone leave and we had a delay in the recruitment process. The increase in 2020-21 Estimates is due to the 27th pay period.

MR. J. DINN: Okay, thank you very much.

In Transportation and Communications, when you talk about courier and freight, was it mostly courier or freight? As a result of COVID, correct?

MR. BENNETT: The decrease of \$12,000 reflects the lower travel costs.

MR. J. DINN: Okay, thank you.

We also noticed in Grants and Subsidies – again, this has been talked about a little bit here – that Grants and Subsidies has been cut dramatically. I think it has to do with the phase-out of the Home Energy Savings plan, correct?

MR. BENNETT: Yeah, so it does reflect, but it reflects because of the program. These programs were scheduled – this was announced in the previous year that these programs would expire on March of this year.

MR. J. DINN: Okay.

MR. BENNETT: There was no plan at that time to extend them.

MR. J. DINN: I was just wondering, because in your mandate letter just six weeks ago you were tasked with delivering the HESP, the Home Energy Savings Program.

MR. BENNETT: Yeah, so there are other programs.

MR. DUTTON: If I may, that program is delivered through Newfoundland and Labrador Housing Corporation, and the funding was announced in the budget package.

MR. J. DINN: Okay, so that funding here would've been in that department then. Okay, perfect.

MR. DUTTON: Yeah, I think the mandate letter specified working with the minister responsible on the program.

MR. J. DINN: Okay, perfect, thank you very much.

Do we have any results of that program, the effectiveness of how it's working, proceeding, yet?

MR. BENNETT: The Energy Efficiency Loan Program and the heat pump program that we –

MR. J. DINN: Yes.

MR. BENNETT: – (inaudible) that expired?

MR. J. DINN: Yeah.

MR. BENNETT: Yeah, so for the Energy Efficiency Loan Program, there were 482 approved applications, valued at \$730,000. For the Heat Pump Rebate Program, there were 484 approved applications, valued at approximately \$990,000.

MR. J. DINN: Thank you very much.

I'm just going through line-by-line here. In 5.1.02, we noticed that this section, the Low Carbon Economy Fund, has been split with Transportation and Infrastructure. Why was this done and which spending was transferred to the new entry in Transportation and Infrastructure?

MR. BENNETT: I'm sorry, I missed your question there, but there was a – I did give out an incorrect number there on the Heat Pump Rebate Program.

MR. J. DINN: Yeah.

MR. BENNETT: The actual is 848 approved applications.

MR. J. DINN: Oh, okay, thank you.

In 5.1.02, we notice that this section, the Low Carbon Economy Fund, has been split with Transportation and Infrastructure. Why was this done and which spending was transferred to the new entry in T and I?

MS. SQUIRES: So the money that's with Transportation and Infrastructure relates to the public buildings program we referenced earlier. So, for example, in this current year, there's about \$30 million being spent. Some of that's with us for low-carbon economy, but some of that's with Transportation and Infrastructure for the Public Building Electrification Program.

MR. J. DINN: Okay, thank you.

MS. SQUIRES: So we have a contract with them. We supply the money to them and their engineers and management review and prioritize the buildings and deal with the contract process part of it.

MR. J. DINN: Okay, thank you very much.

MS. SQUIRES: We have a similar relationship with Health and Community Services for their public buildings.

MR. J. DINN: When we add up the total budget for the Low Carbon Economy Fund here and in – I'm just looking at – I'll come back to that question.

The fluctuation in Salaries – well, that's actually significant – from actuals from last year to actuals to this year. Any explanation for that? That may have been touched on with Mr. Lester.

MS. SQUIRES: For the decline in the actuals in 2019-20, that was due to delays in finalizing the Low Carbon Economy Fund and therefore

required delaying recruiting for the two positions that administer that fund. The increase this year reflects the fact that the two staff are in place for the entire year for this year.

MR. J. DINN: Okay.

Grants and Subsidies: Was this, I guess, a lack of uptake and few people applied? Is it about promotion? Should we be doing more to promote it?

MS. SQUIRES: Not entirely. I mentioned that there are six programs. Some have a very significant uptake and we've actually, since the beginning of the program, redirected some funding to them. For example, the building energy efficiency and electrification program. Others, in fact, we are having a harder time. For example, our transportation program, it was initially envisioned to help large transport trucks put on aerodynamic additions to the vehicles, for example, to lower drag and lower fuel use. We're having a harder time with that program, for example, so there was less subscription to that.

A significant amount of this money is for the Climate Change Challenge Fund, and that involves projects that are very small scale to very, very large-scale, multi-million dollar projects. There were some of those that, as you can imagine, the engineering and the design and planning around those has taken a little longer in some cases. They also have to go through an eligibility criteria program with the federal government to determine what can be funded under their proposal. We're still anticipating that we will spend that money, it's just some of those large pieces will likely be spent this year and into next year. As well, some of them started last year, but they just didn't bill us necessarily last year and we will pick up those bills this year.

MR. J. DINN: Perfect.

Only 2 per cent of the anticipated federal revenue was received in 2019-2020 in the actuals. What was the reason for this?

MS. SQUIRES: Again, that was due to the program start date. If we didn't get the bills from applicants until close to the end-of-the-year deadline, it was challenging to bill the federal

government to receive that reimbursement. We will obviously recoup that money, but it will be in this year as opposed to last year.

MR. J. DINN: Okay.

I want to go back to Grants and Subsidies in 5.1.01. You talked about the significant drop, but I also want to look at – I think the \$100,000 that's there is for MUN for the Harris Centre, I think you had, with regard to Climate Change. I want to bring this in in my last minute on this, in terms of the types of studies or projects that are being put forward.

I think in Death Valley we had a record-setting temperature of something like 130 degrees Fahrenheit, or 54.4 degrees Celsius, recorded in August. We know here within the city, due to climate change, the presence of a tar spot on Norway maples and red maples. I'm just wondering, the types of projects that are being funded, because the climate change is very clearly coming our way. You just look at California now: The forest fire has actually burnt one million acres, I think. It's now into the gigafire. So it's a significant event that we're facing.

I'm taking a look at heat mitigation in cities, everything from whether providing more shade – St. John's is not on the level of Toronto, but still we can look at that. Also, carbon capture technologies: Are we looking at the kinds of projects that we would be looking at to look at carbon capture to look at reducing the effects of heat as the planet gets a little bit hotter? Maybe a lot.

MS. SQUIRES: The current Climate Change Action Plan that was released in 2019 focuses on mitigation and adaptation. Mitigation is really about lowering GHG emissions. A lot of our funding right now is dedicated to working with large industry right down to municipalities and residents to lower their greenhouse gas emissions.

We do certainly have programs that are looking at adaptation. That's where we get into our flood-risk maps, hurricane alerts. We're doing risk assessments right now with forestry, fisheries, agriculture, mining and tourism to look at how those sectors might be challenged by

climate change going forward. Coastal erosion monitoring is another project we've just done this year and we have a guide now for municipalities on how to consider coastal erosion in their planning.

What you're speaking about when we talk about the carbon sequestration, that's really – we're certainly touching on it. We're talking about forestry in the Climate Change Action Plan because as we go forward, and certainly as we think about net zero, no doubt, we have to think about that in more detail. That's certainly some of the next steps.

MR. J. DINN: Thank you.

CHAIR: Okay, thank you.

Speaking to my colleagues on the Committee and realizing that we've gone past our allotted three hours. I sense we're in the closing stages of this Estimates, so with your indulgence we'll complete and stay? Yeah. Thank you.

Mr. Lester.

MR. LESTER: Thank you, Mr. Chair.

Ms. Squires, as you referenced to the made-in-Newfoundland carbon tax, are we paying the same per ton as the other Atlantic provinces?

MS. SQUIRES: Are we emitting, sorry (inaudible)?

MR. LESTER: No. Are we being charged the same tax per ton?

MS. SQUIRES: Yes, so the federal requirement to have a program that was made in Newfoundland and not use the federal program, there were some basic rules. Certainly one of those was meeting the same tonnage as they would have implied. That would have been \$20 a ton in 2019, \$30 a ton this year and that ramps up to \$50 a ton in 2022. Obviously the gas you pay at the pump in each jurisdiction depends on your current gas tax and then those additional costs. So it really is unique to each jurisdiction on how they tax their gasoline.

MR. LESTER: Okay, so I don't quite get it. So people in Nova Scotia, PEI and New Brunswick,

they wouldn't be paying the same tax per ton because our plan is an individual plan for our province?

MS. SQUIRES: No, the requirement for the gas tax would be the same tonnage, but the actual cost you pay at the pump may be different due to other reasons and what other taxes they have on their gasoline, for example. But the carbon tax piece, that tax in particular, would be the same.

MR. LESTER: I see, okay. Thank you.

The energy retrofits, and I apologize if this is repetitive from Mr. Dinn's, because I got distracted there for a moment, so I wasn't listening 100 per cent. I do understand that we're looking at subsidized housing as energy retrofits. Are we going to do energy audits on subsidized housing in order to identify the needs first?

MS. SQUIRES: For some of our programs that is a requirement. So for the Home Energy Savings Program, one of the eligibility requirements was that they do an energy audit. We have a program in the Nunatsiavut area as well and that has a home energy audit requirement. That's for energy programs that may be varied. You could apply for funding for everything from insulation maybe, to windows, to a furnace.

For other types of programs we rolled out, like the heat pump program, that was just for heat pumps. There wasn't an energy audit requirement because it was just to fund that one type of infrastructure. The same with some of the programs that are offered by the utilities, such as takeCHARGE. There is not an energy audit requirement for that insulation program. It varies depending on the infrastructure you're applying and if the program is just for one type of infrastructure or varied across infrastructure.

MR. LESTER: In reference to public infrastructure, do we do energy audits before we carry out any investments?

MS. SQUIRES: Some folks have. Other times it's clear that the biggest concern might be – for example, common is replacement of a boiler. That's a very large piece of infrastructure and would certainly heavily relate to GHGs in the sense of fuel use. They might not need an energy

audit to understand that's a very large benefit to have that boiler either exchanged for a higher energy-efficient boiler or exchanged from an oil furnace to electricity.

MR. LESTER: Okay.

Has there been a capacity study done on whether we will be able to meet peak demand of electricity if we convert our buildings to electricity versus their current source?

MS. SQUIRES: I think we're in early days of transferring things from oil to electricity so I'm not known of a study that has looked at that yet. That may be something we need to consider as electricity becomes more prevalently used in the public buildings. At this point, there are more public buildings on the list than we could possibly do, so we're in early days of that.

MR. LESTER: That's all for me.

Thank you.

CHAIR: Thank you, Sir.

Mr. Dinn.

MR. J. DINN: Just a last comment or two, Chair. I won't need anywhere near the limit.

I wanted to drive home one point, I think, with regard to 5.1.01, Grants and Subsidies. I mentioned some of the things such as the heat mitigation measures. I'd like to see Newfoundland and Labrador and our university become leaders in promoting technology that we can sell, so that we can become the innovators ourselves.

That's where I'm going with that. We do it in other areas, but I think in a changing economy, a changing world, why not be the leaders as opposed to just looking at trying to find answers to our own problems here, but sell the technology.

I will pass on one piece of information – I checked it out and this goes back to a previous section – apparently, Corner Brook did have a pilot project where they used glass in creating sidewalks. It's just something to keep in mind. Instead of it going to the landfill, maybe there's

an option here. I understand Corner Brook did have a pilot project on that. It's something to consider.

The only question I have is for the minister. Minister, I'll let you figure out which one of your colleagues came up with this. He was wondering what the results were on the raptor nests survey.

MR. BENNETT: (Inaudible.)

MR. J. DINN: The raptor nests survey. I'll let you figure out which one of your colleagues put me up to that one.

With that, Chair, I have nothing more to say except thank you very much to the people on the other side for the hard work they've done.

AN HON. MEMBER: (Inaudible.)

CHAIR: I was waiting for an opportunity, having spent 30 years doing raptor surveys, so I know all about you.

Well, I thank you very much.

Madam Clerk, let's vote this final section.

CLERK: 5.1.01 to 5.1.02 inclusive.

CHAIR: Shall 5.1.01 through to 5.1.02 carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Thank you very much.

On motion, subheads 5.1.01 through 5.1.02 carried.

CLERK: The total.

CHAIR: Shall the total carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

On motion, Department of Environment, Climate Change and Municipalities, total heads, carried.

CHAIR: Shall I report the Estimates of the Department of Environment, Climate Change and Municipalities carried without amendment?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

It is carried.

On motion, Estimates of the Department of Environment, Climate Change and Municipalities carried without amendment.

CHAIR: We have passed out to you folks a copy of the minutes of our last meeting. I need someone to move that they be adopted.

I think I saw, I'll say, the Member for Cartwright - L'Anse au Clair. Thank you very much.

All those in favour of those minutes, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: Nobody against?

Thank you very much.

On motion, minutes adopted as circulated.

CHAIR: I'm going to seek a motion to adjourn after I inform you that the next meeting of the Social Services sector will occur on Monday, October 19 at 0900 hours. We will be reviewing the Estimates of the Department of Children, Seniors and Social Development.

I see the minister is here and he's ready to go. That's great. I'm going to turn to the minister for an opportunity for a couple of comments, then to my colleague and then I will seek a motion to adjourn, so three more items, please.

MR. BENNETT: First of all, I would just like to thank everyone tonight for their questions, and also for some suggestions that they put

forward that we can definitely look into within our department.

I want to thank my department here for the great job they've been doing, not only tonight but every day. They work very diligently and take their roles very serious. They have done some great work for Newfoundland and Labrador.

Thank you, Chair, the Committee Members and also the Table Officers for being here tonight. For those not making us stay until 11 o'clock, we greatly appreciate it. I do need beauty sleep. I do appreciate it – and those in the Broadcast Centre and all that for their time, too.

With that, Sir, I just say, thank you.

CHAIR: Thank you, Minister, and congratulations on your first Estimates.

I'll turn to Mr. Lester for a couple of comments.

MR. LESTER: Thank you, Mr. Chair.

I would like to thank everybody for their attendance and their work. I'd also like to thank my assistant, Ms. Laurie Bonia, for attending and helping me out with this.

I also want to restate how important the department is in our future. That's something that we cannot overlook in this time of unprecedented focus on everything else that's going around us. Thank you so much for keeping up the work you do. Let's keep up the good fight.

Thank you.

CHAIR: Thank you.

Any comments from my colleagues, the NDP?

MR. J. DINN: Certainly –

CHAIR: Yes, Sir. Either.

MR. J. DINN: Thank you very much. Thank you all for your time.

I'm also thankful to the fine Members who sat in the back here not asking any questions and

having to put up with it, pulling yeoman's service.

Thank you to the department people here and your staff. I think you're going to be finding yourselves fulfilling a much more important function as we go forward. A lot of hard work. I thank the new minister, too, because I know it can't be easy to just walk into this and take it all on. I have a lot of empathy for that.

Thank you very much.

I don't know if Jordan wanted to say anything.

MR. BROWN: Thanks for being here and answering our questions. We appreciate it.

I also congratulate the minister on his first Estimates. In my opinion he's doing a wonderful job right now. Hats off to him and hats off to the Members behind us here who sat through this as well.

Thank you, Mr. Chair.

MR. J. DINN: Thanks to Scott, the one who really does a lot of the work for us and helps us look good.

CHAIR: Right on. Thank you all.

I need a motion to adjourn.

AN HON. MEMBER: So moved.

CHAIR: Mr. Brown, thank you very – oh, I'll have to seek it from the Member for Baie Verte - Green Bay.

Thank you very much and we will see you on Monday, most of you.

On motion, the Committee adjourned.