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Speaker: Honourable Ross Wiseman, MHA

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The House met at 2:00 p.m.

MR. SPEAKER (Wiseman): Order, please!

Admit strangers.

Statements by Members

MR. SPEAKER: Today we will have members' statements from the Member for the District of Bay of Islands; the Member for the District of St. John's North; the Member for the District of Burgeo – La Poile; the Member for the District of Bonavista South; the Member for the District of Exploits; and the Member for the District of Signal Hill – Quidi Vidi.

The hon. the Member for the District of St. John's North.

MR. KIRBY: Mr. Speaker, I stand today to recognize the dedicated volunteers who deliver the Leary's Brook Junior High Breakfast Club.

In collaboration with the Kids Eat Smart Foundation of Newfoundland and Labrador, the Breakfast Club is up and running early Tuesday and Thursday mornings during the school year. On an average day, the program provides breakfast to as many as 300 students. On the menu, you will find a wide array of nutritious choices including freshly baked muffins, yogurt and fruit smoothies, and egg and cheese breakfast wraps.

In addition to ensuring a healthy start to the day, the breakfast program at Leary's Brook provides an opportunity for students to socialize with friends, teachers, and school staff. The breakfast program is the very essence of building a vibrant and healthy school community.

For the past two years, I have pitched in a couple of times each month to help, along with teachers and students. However, the core group of volunteers is made up of program co-ordinator Wayne Rogers, Janet Martin, Barbra Pratt, Frances Boland, school council chair Derek Layman, Nyab Alaghehbandan, retired principal Byron Head, and Gerard White who joined us this year.

I ask all members to join me in congratulating this dedicated group of community-minded volunteers.

SOME HON. MEMBERS: Hear, hear!

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

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

I rise today to recognize and congratulate residents from my district who took part in Shave for the Brave to raise money for Young Adult Cancer Canada. This is a foundation that specializes in helping cancer patients in their teens, twenties, and thirties.

On April 9, Chris O'Brien and Craig Skeard of Port aux Basques shaved their heads for this worthy event. They have been doing this for the past three years, in conjunction with the staff of the local Newfoundland Liquor Corporation and together they raised approximately \$1,300 this year.

On May 16, fourteen students from Grandy's River Collegiate in Burnt Islands also participated in this fundraiser, along with their principal Justin Blackler. Twelve of the students were young men who shaved their heads completely; while the other two young ladies had their hair cropped very short and donated what they cut off to make wigs for chemotherapy patients. The students were given a goal to raise \$1,000, altogether they raised \$2,710.

Mr. Speaker, I ask all members of this House to join with me in extending congratulations to the students of Grandy's River Collegiate, Justin Blackler, Craig Skeard, and Chris O'Brien, who all bravely participated in this event for such an important cause and raised much-needed funds to continue the fight against cancer.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for the District of Bay of Islands.

MR. JOYCE: Mr. Speaker, the greatest honour is being recognized by your peers.

I rise in this hon. House today to recognize Mr. Graham Letto, who recently received a Federation of Canadian Municipalities Roll of Honour Award. This award pays tribute to an individual who has made outstanding contributions to the Federation of Municipal Councils and to municipal government in Canada.

Graham served with the council in Labrador City for over twenty years as mayor and councillor. He has been a tireless leader in engaging stakeholders toward developing transportation infrastructure, including Route 500, the Trans-Labrador Highway, as well as Route 389 in Quebec. He was instrumental in bringing 911 emergency services to Labrador West.

Graham served as a long-standing board member of the Combined Councils of Labrador, and Municipalities Newfoundland and Labrador. He was an active member of the Federation of Canadian Municipalities Board of Directors from 2002 to 2009, and he served on a number of committees including the Rural and Northern and Remote Forums. He was also an active participant in the Atlantic Mayors Congress.

Mr. Speaker, I ask all members to join me in congratulating Graham on receiving this award and for his tremendous contribution to municipal governments in Newfoundland and Labrador.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. LITTLE: Thank you, Mr. Speaker.

I rise today to recognize Rexford Lodge for the countless hours of dedication he has given to the Municipality of Trinity Bay North. He has contributed numerous hours to committees and organizations over the years.

Rex has worked with Fishery Products International, and as manager of the Irving Oil service station in Trinity Bay North. He completed an auto mechanic and millwright program. Rex has been a volunteer with various groups and organizations for over thirty years.

He was president of the Port Union Lions Club for ten years, and a member for thirty years. He received the Lions International Melvin Jones Fellowship Award and Lion of the Year Award.

Mr. Lodge was a member of the Canadian Rangers for nineteen years and participated in several ground search and rescue exercises. He has served on many regional fundraising committees. Rex assisted to fundraise for a new bus and garage for senior citizens at the Bonavista Peninsula Health Care Centre.

Rex is Chairperson of the Bonavista Peninsula Branch Line Association Incorporated, a committee that is working to create a multi-purpose recreational T'Railway for local residents and tourists.

Mr. Speaker, hon. colleagues, please join me in honouring Rex Lodge for his dedication and contributions to his community and Province.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. FORSEY: Mr. Speaker, the Frank and Flossie Antle Memorial Scholarship in the amount of \$500 is an award that recognizes the graduate of the year and is the most prestigious honour that is bestowed at Botwood Collegiate.

The nominees for 2014: Chantel Boone, Lily Earle, Rachel Mills, Braidy Peckford, Kennedy Samson, and Keela Stuckless distinguished themselves in various ways throughout their senior high school years.

The recipient for 2014, Ms Rachel Mills, has been a consistently high achieving academic student who ranked in the top of her class,

earned a MUN entrance scholarship, and received the first place Merit Scholarship in Grade 11 with a 95 per cent average.

Rachel has been involved in the district Math League competitions, tutoring for tuition, and a member of the Botwood Seaport Skaters. She participated in divisional, provincial, and Atlantic figure skating competitions.

Mr. Speaker, I ask all member of this House to join me in congratulating Rachel Mills on receiving this prestigious award.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

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

On May 27, Memorial University recognized a remarkable record of public service and leadership, and awarded an honorary doctor of laws degree to an extraordinary resident of Signal Hill – Quidi Vidi, the City of St. John's, and this Province: Suzanne Duff – known, of course, as Shannie.

Shannie trained as a nurse in Montreal and earned a BA from Memorial. She helped found Avalon Cable, and was its president from 1975 to 1982; but, she is best known as a community volunteer and social activist. Her passion has shone brightly for decades. Shannie's voice informed and enlightened debates on heritage conservation, housing, the arts, and urban planning.

Shannie chose the route of elected politics to make her voice heard. While her life in politics included a stint in this very House, she spent much more time as a municipal politician. She successfully contested eight municipal elections, including being elected as Mayor of St. John's in 1990 and as Deputy Mayor in 2009.

She is a member of the Order of Canada and an honorary life member of the Newfoundland Historic Trust, among many other awards and honours, and now she is a doctor.

I ask all members to join me in congratulating Dr. Shannie Duff.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Statements by Ministers.

Statements by Ministers

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, I rise in this hon. House today to celebrate the 150th anniversary of the Geological Survey of Newfoundland and Labrador.

The Geological Survey, a division of the Department of Natural Resources, has made a mark on history by mapping the Province's diverse geology, explaining its geological evolution, and interpreting the origin and nature of its mineral resources.

Under the leadership of Alexander Murray, the Geological Survey was inaugurated in 1864. Murray and his assistant, James Howley, were truly remarkable pioneering geologists and their impressive collection of work formed the basis for the first geological map of this Province published in 1907.

After Howley's death in 1909, the Geological Survey was temporarily disbanded, but was revived in 1926 under Herbert Baker. In the early 1930s, led by geologist Alfred Snelgrove, the work of the Geological Survey was incorporated within the government.

In the 1970s, increased funding for mineral development activities resulted in the growth of a modern Geological Survey. With a current research and support staff of fifty-five individuals, the Geological Survey provides a sophisticated geoscience database that the Province needs to drive resource industries for the next decade and beyond.

Work conducted by the Geological Survey has a long record of encouraging resource exploration and discovery. The Geological Survey delivers a variety of Web-based research tools, provides

a wealth of information on its Web site, including the recently updated online Geoscience Atlas, conducts research in the field through programs such as the annual geological mapping program, and also assists in land use planning and hazards assessment.

Mr. Speaker, our government recognizes the importance of furthering Newfoundland and Labrador's resource potential. The team at the Geological Survey is to be commended for its tremendous efforts to support our resource industries.

The provincial government significantly added to the budget of the Geological Survey through a permanent increase of \$1 million in 2007, and maintained funding of \$5.4 million in 2014. We will continue to support long-term responsible resource development for the benefit of all Newfoundlanders and Labradorians.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

I want to thank the minister for the advance copy of his statement today.

Certainly, when you think about technology, it has advanced over the last 150 years, and geologists today have much more sophisticated and advanced tools than did Alexander Murray back in 1864. Of course, just in the recent debate in the last days in the House of Assembly we can actually see that mining is such a valuable part of our economy and it is very important to the Province. The geoscientific data to stimulate and manage the mining industry is critical to continue to advance that.

Mining last year was \$3.7 billion in 2013. We have new mines, of course, on the horizon. It is a part of our economy that will continue to contribute as it has in the past. It is very important that prospectors and developers have the best possible database that is available to them and have that at their fingertips, and this

particular initiative will go a long way in doing that.

So we encourage the Province to continue to invest. It is important as we diversify the economy, especially in some of the smaller and rural areas of the Province. We have seen this in the past in other successful countries, like in Norway, Australia, Sweden, and others – have well-established geosciences services for their clients.

We thank the staff for the great work they are doing and we are encouraged to see this investment. This resource is an important part to continue to grow the Province.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

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

I too thank the minister for the advance copy of his statement.

I am delighted to join in congratulating the geological survey on their 150th Anniversary. The survey has provided vital work for generations in this Province. Today's staff do outstanding work, providing a knowledge platform that supports, among other things, a burgeoning mining industry – very important work.

It is also important that we understand our lands and the resources they may contain. I note that the two stalled land use plans have been stalled for a number of years, but the minister responsible has assured us they are back on track. I am really looking forward to when they reach the station, Mr. Speaker, because when that process is completed, I am looking forward to government having a much-needed provincial land use plan that we need desperately in this Province.

Thank you very much.

MR. SPEAKER: The hon. the Minister of Justice.

SOME HON. MEMBERS: Hear, hear!

MR. FRENCH: Mr. Speaker, I am pleased to rise today to advise this hon. House that the provincial government has permanently appointed four new assistant superintendents at provincial correctional facilities over the past several months.

These are as follows: James Hickman at the Labrador Correctional Centre in Happy Valley-Goose Bay; Blair Fradsham at the West Coast Correctional Centre in Stephenville; Shelley Rae-Michelin at the Newfoundland and Labrador Correctional Centre for Women in Clarenville; and Kelly Rowsell at the Bishop's Falls Correctional Centre. All four bring significant experience to the positions and retain the greatest respect of their peers.

In accepting the role of assistant superintendent, these individuals will be responsible for the overall administration and operation of their respective facilities. They will ensure the effective use of human resources, the safe and secure custody of prisoners, the continual reassessment of offender risks and needs, the delivery of programming to reduce risk of reoffending, and the development of community partnerships to promote successful reintegration.

Mr. Speaker, with a combined ninety-four years of experience working in the field of adult corrections, these four assistant superintendents bring an in-depth understanding of the operational challenges unique to each facility and its surrounding region. These facilities have become an important part of the communities in which they are located and I am confident that each new leader will continue to ensure that established relationships with community stakeholders will be valued and strengthened.

These assistant superintendents have all worked their way through the ranks to these senior positions and they are positive role models for employees and recruits. Ms Rowsell and Ms Michelin are currently the highest ranking female correctional officers in adult corrections and with these appointments, 40 per cent of assistant superintendents are now women,

demonstrating the important role that women hold in Newfoundland and Labrador's corrections system.

Mr. Speaker, on behalf of the provincial government and the residents of Newfoundland and Labrador, I welcome assistant superintendents Fradsham, Hickman, Michelin, and Rowsell as they continue to work to maintain safe and secure correctional institutions for officers, staff, inmates, and the community.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for the District of St. Barbe.

MR. J. BENNETT: Mr. Speaker, I thank the minister for providing an advance copy of his statement. I join him in congratulating the four new assistant superintendents. They are clearly skilled, committed, and the right people in the right places. However, to perform a demanding job for the people of our Province, they require the best tools, contemporary training, modern user-friendly facilities, and clear objectives with realistic timelines for their accomplishments.

Corrections staff are public employees, our employees. We owe them a safe and agreeable workplace while they oversee people who have committed serious crime that warrant them being sentenced to prison.

Hopefully the minister will move quickly to begin construction of a new penitentiary, but not so quickly as to miss engaging in extensive consultations with necessary stakeholders. That means consulting corrections staff including the four assistant superintendents, mental health, medical, and even dental professionals, lawyers, community stakeholders such as the John Howard Society, and leaders of our growing multicultural community.

Inmates are also citizens and all of them will be rejoining us sooner or later. The better job we do in addictions treatment, basic education and employment skills, the greater the likelihood that inmates will be productive, law-abiding citizens when they rejoin our communities.

I am encouraged with the calibre and commitment of the four assistant superintendents and other correctional officers that I have met, and I am certain that with proper government support they will greatly contribute to the positive outcomes that we expect to see in corrections.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MS ROGERS: Thank you, Mr. Speaker.

I also thank the minister for the advance copy of his statement. Congratulations to Jim Hickman, Blair Fradsham, Shelly Rae-Michelin, and Kelly Rowsell. I thank them for their years of dedicated service. Corrections work is hard work and each of these people have seen many changes over the span of their careers, and each now deals with some very real challenges facing their respective institutions.

Incarceration of citizens is not to be warehousing but, rather, rehabilitation and accountability so that they may rejoin our community. Our legal obligations are to ensure the safety of inmates and correction staff, while also offering programming that helps to reduce recidivism. Without this, we are failing.

I encourage them to trust their experience and expertise and advocate on behalf of their staff and inmates for the resources and supports needed to ensure the system does not fail its obligations and its goals.

Again, I thank them for their dedication, their commitment, their passion and compassion, and bravo on their new appointments.

Thank you, Mr. Speaker.

MR. SPEAKER: Oral Questions.

Oral Questions

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

MR. BALL: Thank you, Mr. Speaker.

The Impact Benefits Agreement that was signed with Kami Mine Limited says that prior to the construction phase the parties need to conclude an agreement satisfactory to the Minister of Finance with respect to the project revenue for the Province, so the revenue agreement will become part of the IBA.

I ask the Premier: Why are we waiting until the construction phase of the project to sign this agreement on revenue? Shouldn't the Province already know that before signing the IBA last week?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, obviously, the IBA, there is quite a bit of detail. It has been worked on for some time. It is certainly one that we are proud of, with tremendous strides and accomplishments for the people of Newfoundland and Labrador and, as we would all agree, I think tremendous benefits, particularly for the people of the Labrador region.

Built within that, Mr. Speaker, obviously there are some moving targets, as the member opposite has referenced as well, particularly around iron ore prices. That is one key element of this, but, as well, in terms of production when it enters the commercial stage. All of these factors have to be included in how we reach those targets and numbers. So, Mr. Speaker, I think that is an issue; but, without a doubt, there is a firm commitment from the company and a firm expectation from the Province that they will meet those obligations.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

It is really a little early to tell when you look at the detail.

Another example is that the IBA that was signed on May 27 says that the company will provide government with a human resources plan by May 31. The plan would include more details on apprentices, funding opportunities, and accommodations for the construction operations workforce. We know that the government is not expecting this to be completed now or to receive this plan before – not May 31 but June 30 now.

I ask the Premier: Why wasn't the human resources plan part of the IBA that was signed last week?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, I thank the member opposite for the question. It is a fair question. Obviously when we do a benefits agreement, there are multiple factors that go into this around what we can achieve for benefits for the Province, whether it is in apprenticeship, whether it is an educational training fund, whether it is child care spaces. All of that is important in terms of how we progress with these benefits agreements.

Built into this as well is an expectation that the company will provide us with an HR plan. Through the discussions with the company, and particularly the unfortunate idling of the Scully Mine in Wabush, that became a factor both for the company and obviously a keen interest for the government and all members that we do all we can to support Wabush and that region. The company asked for an extension to be able to work through to ensure that we can benefit the Wabush area as well, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

It has been a few months since obviously we heard the news with Wabush. We have been looking forward to that, so I guess that agreement in June of this year now. In the mid-1980s, thirty years ago, the price of iron ore was

\$11 a ton. Thirty years later, it is averaging around \$100 a ton.

I ask the Premier: Have you made provisions in this agreement so that there will be potential for the people of Newfoundland and Labrador to have increased benefits if we continue to see a rise in iron ore pricing?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, I think everybody involved would recognize the mining industry – would acknowledge the cyclical nature of the industry, the ups and downs, the commodity prices and so on. What we have been able to establish here is a strong benefits agreement for the people of Newfoundland and Labrador for the benefits, particularly in the Labrador region as well.

Tied into that, Mr. Speaker, we have an aggressive tax regime here, royalties that are dependent on the companies in terms of production, sales and so on. We have also agreed within this year a very significant tax program, Mr. Speaker, where 90 per cent of the corporate taxes will be paid right here in Newfoundland and Labrador, and that is a significant increase in any other agreements that we have had.

It is a strong plan, Mr. Speaker, and as well, as the member alluded to, as the mine ramps up and we go to Phase 2 there will be even more benefits for the people of the Province.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The hon. the Leader of the Opposition.

MR. BALL: Thank you, Mr. Speaker.

Well, the benefits that the minister talked about are really benefits that a mining company would enter into an agreement with. We have already heard the company is on record as saying there is a five year return on investment for a thirty

year mine. That is a short period to get such a significant return.

I ask the minister, just to clarify: There is no escalated provision here for the people of Newfoundland and Labrador to get increased benefits along the way on the upside?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, our increased production and increased sales are tied to royalties and tied to corporate income tax. That is the increased benefits and the opportunities that will accrue to the Province, Mr. Speaker.

As well, built into all of this, Mr. Speaker, the benefit here is new opportunities. Some 800 jobs are in construction, 400 jobs are in operation, with the potential, if commodity prices change and there is more demand and prices increase, we will see Phase 2 develop, Mr. Speaker. As a result of that, there will be even more opportunities, particularly for the Labrador region.

So, Mr. Speaker, built into this, as the project becomes more and more successful there will be more and more benefits for the people of Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

What the minister is talking about is volume. Once you take the volume out you cannot mine it the second time. We know that. We have learned lessons from the past of not putting Newfoundlanders and Labradorians in a position to create more wealth for the people of Newfoundland and Labrador when we have not put those escalator clauses in place.

I ask the minister again: Why did you exclude an escalator clause in this agreement so that the people of Newfoundland and Labrador would

get increased financial benefit if indeed prices of iron ore continue to go up?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, recognizing that there is a tremendous opportunity here again to develop a new mine in Labrador. Mr. Speaker, we have not seen a mine of this significance in over twenty years. We enter into an agreement where we can advance the progress we have made in other benefits agreements.

What we have been able to do in this agreement, the benefits for apprentices in the Province, a significant accomplishment. It is being applauded around the Province, Mr. Speaker. That is significant; significant advancements for gender issues, and particularly the opportunity for women in this project. Built into that as well is a firm commitment around corporate tax, which is extremely significant in that it is so much more than what we have seen in other mining developments. Strong royalty agreements, Mr. Speaker, it is certainly going to be a great project for the Province.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

They are significant investments, and when a company gets a five-year rate of return – when you get your five year investment back over a thirty-year period, that is a significant return as well. All we are asking for is an escalator clause on the way up so that everyone will share the benefit on the way up, if indeed we see over the next thirty years a tenfold increase in the price of iron ore.

Why was that left out of this agreement?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, tied into this is the long-term benefits for the Province; a thirty year mine, opportunity to build capacity and education. The benefits are very broad, Mr. Speaker, but I guess fundamentally in terms of an actual dollar resource to the Province, we are creating jobs. We are providing families an opportunity to live in Labrador. We are building capacity in the industry, but added to that, Mr. Speaker, we have an aggressive royalty regime in this Province that will allow us to benefit financially from the development of the mines as well.

Mr. Speaker, you talk about escalator and where this may go; this may go the other way as well. I think we need to be cognizant of that. As the member alluded to, not only are prices \$100 today, they have been as low as \$11. We have worked with the companies to make sure we are –

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

We understand about the floor, that is the entry level of this agreement. We already know that. I was at the press conference and we understand that. So indeed there is risk. We do not mind sharing that risk but what we are missing in this particular agreement is the opportunity to share the benefits on the way up like we have seen over the last thirty years.

I say to the minister: Why was this left out? Why is it different language today than we were hearing from this government in 2003?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: It is no different language, Mr. Speaker. When this government took over the mess in 2003 we committed on principle that we would do all we can to develop the resources for the benefit of Newfoundlanders and

Labradorians. Mr. Speaker, that message has not changed in 2014.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. DALLEY: I can go down through the list, Mr. Speaker, of accomplishments of this government where we built on that principle. The language has not changed.

The reality is, Mr. Speaker, we are developing resources. We are getting benefits for the people of the Province. Everything we do, Mr. Speaker, we build on it. We progress, whether it is for apprentices, whether it is for women, whether it is for people in rural Newfoundland and Labrador. We are making the commitments we need to make. As the projects advance, as the projects improve, as prices improve, as these companies do better, Mr. Speaker, Newfoundland and Labrador will do better as well.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Cartwright – L'Anse au Clair.

MS DEMPSTER: Mr. Speaker, government finally released its poverty reduction progress report, two and a half years late. They illustrated their progress with Elizabeth, a woman on Income Support who found employment in 2009. They speculated, based on today's programs and services, she would be doing quite well, though admitted they have not spoken to her in the past five years.

I ask the minister: How do you know where Elizabeth is today, or how Elizabeth is doing? Why are you not case managing and following up with people who transition from Income Support?

MR. SPEAKER: The hon. the Minister of Advanced Education and Skills.

SOME HON. MEMBERS: Hear, hear!

MR. O'BRIEN: Mr. Speaker, I certainly was very proud today to table our progress report in regard to poverty reduction.

SOME HON. MEMBERS: Hear, hear!

MR. O'BRIEN: All the national measures indicate that we are doing quite well in regard to reducing poverty in this Province. We used – yes, absolutely – people in the report in regard to how they have benefited from the Poverty Reduction Strategy.

As well, Mr. Speaker, I want to impress on all the people who were in that room – most of them partners to our government in regard to reducing poverty – that it is important that we keep moving forward. We have not addressed poverty totally in this Province, but I tell you right now this is the foundation of this government and we will continue to work towards that.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for the District of Cartwright – L'Anse au Clair.

MS DEMPSTER: Mr. Speaker, we were shown charts and graphs and statistics about this government's success in poverty reduction. Then Heather spoke, a single mother on Income Support for ten years who said she cannot get out of poverty.

I ask the minister: How can you claim that your Poverty Reduction Strategy is a rousing success when your own success story today cannot escape poverty?

MR. SPEAKER: The hon. the Minister of Advanced Education and Skills.

SOME HON. MEMBERS: Hear, hear!

MR. O'BRIEN: Mr. Speaker, I am very reluctant to get into individual cases in this House, but Heather was a success.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. O'BRIEN: You listen up here now.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. O'BRIEN: Heather was a success. As a matter of fact –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. O'BRIEN: – she availed of our system and she came off Income Support. She became a welder and she was quite successful. As a matter of fact, she raised two kids and they have gone on to post-secondary education. I was not afraid to bring Heather to the mike today, because I wanted to impress on the people in that room that there is more work to be done.

I say to the hon. member, she would not have the fortitude, she would not have the foresight, and she would not have the guts to do so, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Cartwright – L'Anse au Clair.

MS DEMPSTER: Mr. Speaker, it is their success story. I hear, as the provincial critic, from people like Heather every single day. Christmas Eve, people from Burin; a few days ago, people from on the West Coast – every day.

Not only is the progress report, Mr. Speaker, two-and-a-half years late, the second action plan is now two years late. This government committed to implementing a new plan in 2012 and we have yet to see a thing.

I ask the minister, today is a good time to ask: When will you release the second poverty reduction action plan?

MR. SPEAKER: The hon. the Minister of Advanced Education and Skills.

SOME HON. MEMBERS: Hear, hear!

MR. O'BRIEN: Mr. Speaker, the Poverty Reduction Strategy was released in 2006. Since then, we have made considerable progress in this Province in regard to reducing poverty. As a matter of fact, if you were to participate in the event today and ask the partners that were there, they were so proud of that progress report today

because they had participated in it. They have shared in that.

The Opposition likes to go into individual cases. Yes, absolutely, you can find individual cases across this Province any day, anywhere, Mr. Speaker. We have made considerable progress. I pointed out that there is more work to be done and this government is going to do it.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Torngat Mountains.

MR. EDMUNDS: Mr. Speaker, food supplies are running out in Northern Labrador stores. Given the ice conditions, shipping will not begin any time soon.

I ask the minister: Will he intervene in this impending crisis and provide increased air freight service to the people of Nunatsiavut and Natuashish?

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

SOME HON. MEMBERS: Hear, hear!

MR. MCGRATH: Thank you, Mr. Speaker.

Mr. Speaker, there are two programs in place: one is called the Nutrition North food program; the other is called the Air Foodlift Subsidy, which is a provincial Air Foodlift Subsidy program that retailers can avail of when they cannot get their freight to the North Coast by either shipping or other means.

What both of those programs do – the Nutrition North Canada program offers 100 per cent rebate on freight charges. Then anything that would not be covered through that, you can tap into the Air Foodlift Subsidy and that will make the difference that your air freight gets up – the one thing we do not have control of, as government, is to make sure that the retailer passes it on the consumer.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Torngat Mountains.

MR. EDMUNDS: Mr. Speaker, the price of food in Northern Labrador continues to soar, even with the subsidies the minister just mentioned. It is ironic that this government permits beer to be the same price in Northern Labrador as it is in St. John's, yet milk is double the price when compared to Happy Valley-Goose Bay.

I ask the minister: Will you investigate the Nutrition North and Air Foodlift Subsidy that are designed to provide fair and affordable prices to residents of the North Coast and to put an end to price gouging?

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

SOME HON. MEMBERS: Hear, hear!

MR. MCGRATH: Thank you, Mr. Speaker.

I acknowledge to the member across the way that I had a conversation with him yesterday and told him that I would certainly investigate into both the Nutrition North Canada as well as the Air Foodlift subsidy.

I have to say that we have very little uptake on the programs. We have no control over private enterprise, so we do not control the price of beer in the North Coast; nor do we control the price of milk or any other dairy product. Once a private enterprise decides they are going to make their investments to put the service in the North Coast, whether it is in St. John's or on the North Coast, they have the control as to what they are going to charge for it. That is private enterprise.

What we do provide is the subsidy to help with the freight charges that go up there.

SOME HON. MEMBERS: Hear, hear!

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

MR. MITCHELMORE: Mr. Speaker, the Provincial Sustainable Forestry Management Strategy, which was released in 2003, is another example of words waiting to be put into action. The plan says there will be opportunities to develop the economy of rural areas of the Province, and there will be public participation

in forest management planning; however, it is no surprise that the last consultation happened over two years ago.

I ask the minister: When will he get serious with the forest industry?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, I guess as Minister Responsible for Natural Resources in the Province, but I think it is incumbent on all members that we have to be serious about the opportunities that exist in Newfoundland and Labrador. I can tell the member opposite I have been serious about forestry and serious about my department ever since I have been there. If he wants to challenge that, go right ahead, Mr. Speaker.

The reality is there are 5,500 people working in the forest industry, Mr. Speaker, and we all know – certainly anybody attached to the forest industry would know there have been significant challenges in the forest industry. We continue to work with them to find some resolutions and there are some good things on the horizon, Mr. Speaker, I believe, where we could create more opportunities.

As for the sustainability plan, we committed in 2014 to provide a new plan and the draft is on my desk, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. MITCHELMORE: I look forward to seeing a copy of that, Mr. Speaker.

Mr. Speaker, the failure of government to address fibre resources in Central Newfoundland and the Great Northern Peninsula is a frustration to many residents who would be benefiting from jobs in the forestry sector.

I ask the minister: When is he going to address the timber resources in Central Newfoundland and on the Great Northern Peninsula?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, I certainly acknowledge the challenges around that, and I will say what is driving us is the concern for many families throughout Central Newfoundland and Labrador and certainly on the Northern Peninsula who depend on this very valuable resource. Mr. Speaker, as a government and certainly I, as the minister, we are not about to give it away. I cannot assure you of that.

Mr. Speaker, we are going to work with the industry to find new ways to develop that fibre so that we can strengthen the existing industry, so that we can ensure long-term sustainability for industry, for people who want to make investments, for people who want to build harvesting capacity and, mostly, for Newfoundlanders and Labradorians who want to work in that industry. I hope to have some resolution to that real soon.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for the District of St. Barbe.

MR. J. BENNETT: Mr. Speaker, another violent incident at Her Majesty's Penitentiary – the third in a year – highlights the need for a new prison for the safety and well-being of staff and inmates alike. Modern prisons often include a mental health wing and an infirmary for sick inmates, and are planned to permit direct supervision of inmates.

I ask the minister: When can we expect to receive proposals in response to the government's announced RFP for a new prison; and will proposals include a modern design that can accommodate a mental health wing, an infirmary, and direct supervision of inmates?

MR. SPEAKER: The hon. the Minister of Justice.

SOME HON. MEMBERS: Hear, hear!

MR. FRENCH: Thank you, Mr. Speaker.

First of all, let me say, yes, unfortunately we did have an incident last night at HMP. Before I get into the hon. member's question, I certainly want to acknowledge the work of our correctional officers, in particular the emergency response team who took it upon themselves last night – it is certainly always a difficult situation to be placed in as a correctional officer, but the professionalism last night that saw no injuries to inmates or correctional officers is certainly noteworthy.

SOME HON. MEMBERS: Hear, hear!

MR. FRENCH: I also want to acknowledge the RNC as well who supported our correctional officers last night.

Mr. Speaker, as the hon. member knows, there is an RFP out for a new prison facility. It is something that we took on ourselves and insisted be done, even though we did not have the support of the federal government. I just want to let the members know I am expecting a presentation in the next couple of weeks, and I am looking forward to it at that time, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for the District of St. Barbe.

MR. J. BENNETT: Mr. Speaker, the minister says they are taking on the prison; but, in fact, the federal government pays us quite handsomely for federal prisoners that we accommodate.

Mr. Speaker, a new prison is many years into the future for us, so I ask the minister: Given that there has been three violent incidents at Her Majesty's Penitentiary in the past year, what specifically is this government doing to reduce violence at her Majesty's Penitentiary until a new prison is built?

MR. SPEAKER: The hon. the Minister of Justice.

SOME HON. MEMBERS: Hear, hear!

MR. FRENCH: Thank you, Mr. Speaker.

To continue with my answer, yes, we are certainly processing – in the next couple of weeks, I hope to see a proposal. I also plan on visiting some of the latest facilities in the country that have been built, to get a good idea around the services that we can offer.

The hon. member opposite continues to refer sometimes in this House to a report that was done in 2008, but I want to assure the hon. member that the correctional facilities of today and the people who work in them and the training that is provided and the services that are provided are a lot different than in 2008.

Right now, Mr. Speaker, for example, we do offer psychology services at our prison system. We also have another system in place whereas when people receive support for mental illness in our prison system, they are followed up after and they go on out into the world. They follow up with other –

MR. SPEAKER: Order, please!

The hon. the Leader of the Third Party.

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

In June 2012, the Minister Responsible for Labour Relations told us the introduction of card-based certification reflects a more democratic approach to certification. Government arrived at this conclusion after four long years of consultation with all stakeholders. Two years later, they propose removing the same provision based on the same reasoning.

I ask the Premier: Who has pushed government to take a step back from a more democratic approach to how employees join a union?

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

SOME HON. MEMBERS: Hear, hear!

MR. CRUMMELL: Mr. Speaker, at the time when we brought in the amendments in 2012, we thought we were bringing in fair and balanced legislation. Shortly afterwards, we did hear from the people of the Province, we did

hear from employers, and we heard from workers as well.

When we looked into it we decided to have a review of the decision that we made at that time. We did a bit of research around that, Mr. Speaker. We did actually quite an amount of research around that. What we found in that research is overwhelmingly it shows that workers want to have that secret ballot vote when they are making important decisions in their workplace.

Mr. Speaker, that reflects democracy throughout every western nation and within every emerging nation. We have listened to what the workers had to say, and we listened to what we think is best to do from the people we have been talking to.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

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

MS MICHAEL: Thank you, Mr. Speaker.

In the media the minister said he did not consult with unions about changes to the Labour Relations Act as he already knew their stance. He has acknowledged he met with employers when clearly he already knew their stance as well.

I ask the Premier: What bias is at work that pushes government to meet only with the employers?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER MARSHALL: Thank you, Mr. Speaker.

Mr. Speaker, in issues like this, the government's role is that of regulating. We are not representing the employees, we are not representing the employer, we have to represent the public interest and we have to ensure the public interest is paramount here.

When we choose our representatives, Mr. Speaker, in this country, whether it is in the House of Commons, whether it is in this House, whether it is in a municipality, whether it is in a school board, people expect to have in this country an election where people can vote in an election, and a secret ballot where they can vote without coercion, where they can vote in accordance with their conscience, and they can vote without reprisals. Democracy – this is the way we do things in this Province. This is the way we have always done things in this Province, in a democratic manner with a secret ballot and without fear of coercion and without reprisal.

SOME HON. MEMBERS: Hear, hear!

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

MS MICHAEL: Thank you, Mr. Speaker.

There is a lot of research showing that many employers intimidate their employees when they are trying to unionize during the period before the so-called secret ballot.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS MICHAEL: I ask the Premier: Why is government abolishing card-based certification which actually protects employees from unfair practices?

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

SOME HON. MEMBERS: Hear, hear!

MR. CRUMMELL: Mr. Speaker, the Labour Relations Act protects workers from employers and unions in terms of intimidation and coercion. It goes both ways. The legislation is in place for unfair labour practices. Mr. Speaker, there is teeth to that legislation.

The Labour Relations Board can get involved. They can issue orders to make sure that this kind of activity ceases and desists. Mr. Speaker, there are mechanisms in place within our legislation to deal with that both ways.

SOME HON. MEMBERS: Hear, hear!

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

MS ROGERS: Thank you, Mr. Speaker.

A number of seniors in my district live in apartment buildings where heat is included in their rent. Government policy dictates that they are not eligible for the Home Heating Rebate. This makes no sense. They pay for their heat like everyone else and most of them are on very low incomes. This is not fair.

I ask the Minister of Finance: Will she fix this unfair policy so people like the seniors in my district get the rebate that they are entitled to?

MR. SPEAKER: The hon. the Minister of Advanced Education and Skills.

SOME HON. MEMBERS: Hear, hear!

MR. O'BRIEN: Thank you, Mr. Speaker.

Mr. Speaker, there is no government in the past that has supported seniors like this government. We have brought in many programs across many departments, including my own, Mr. Speaker, in Advanced Education and Skills, and Newfoundland and Labrador Housing. One of those programs is the heat rebate system, and we evaluate that each and every year as we go forward. We try to make it as fair as we possibly can but in some cases – and we want to stretch it out to as many seniors as we possibly can who require it.

When your heat is included in your rent – and possibly they are getting a rent supplement as well, Mr. Speaker. Well, I would like to touch seniors who certainly cannot afford it and find themselves in a worse place than other seniors in the Province. Overall, this government has supported seniors like no other.

SOME HON. MEMBERS: Hear, hear!

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

MS ROGERS: Well, Mr. Speaker, I have a solution for the minister. In some provinces

with similar heating rebate programs, renters simply require a letter from their landlord indicating the payment for heat is included in the rent, making the renter eligible for the rebate.

I ask the minister: Will she change her unfair eligibility policy so people who really need this rebate can get it?

MR. SPEAKER: The hon. the Minister of Advanced Education and Skills.

SOME HON. MEMBERS: Hear, hear!

MR. O'BRIEN: Mr. Speaker, what the hon. member has not pointed out is that all the programs in this Province, as compared to the provinces she has referenced, support seniors here. They do not have the programs. We are the envy of the country when it comes down to our programs in Newfoundland and Labrador Housing, our programs across all government departments, Mr. Speaker.

You cannot pick and choose. You have to be truthful in regard to when you frame up your question and give the right facts to the people of the Province. She is not comparing apples to apples, Mr. Speaker, because this Province surpasses all others when it comes to our investment in seniors.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for St. John's Centre for a quick question, please.

MS ROGERS: Mr. Speaker, I ask the minister: Does she have any idea how many people struggling on low incomes are being unfairly denied their rightful rebate? This is comparing heat to heat.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Minister of Advanced Education and Skills for a quick response.

MR. O'BRIEN: Mr. Speaker, again, she is not comparing apples to apples because she already said in her first question that the person's heat is included. Certainly, we try to support our

seniors' right across all government departments and we will continue to do so, Mr. Speaker.

We will be looking at the heat rebate system going forward, as we do in every budget process, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

Presenting Reports by Standing and Select Committees.

Presenting Reports by Standing and Select Committees

MR. SPEAKER: The hon. the Member for the District of St. Barbe, and Chair of Public Accounts, I think.

MR. J. BENNETT: Yes, Mr. Speaker, that is correct.

I rise today to table the second report of the Standing Committee of Public Accounts of the forty-seventh General Assembly. I would like to particularly note, even though I am tabling the report, I would like to note the members of the Public Accounts Committee who have contributed throughout the year.

My Vice-Chair is the Member for Cape St. Francis. The current members are – we have had some turnover but we are very fortunate to have a very cohesive group – the Member for Bonavista North, the Member for St. John's East, the Member for St. John's South, the Member for Bellevue, and the Member for Lake Melville.

Mr. Speaker, the absolute stellar person, who I must admit does most of the work for Public Accounts by volume, for sure, and by insight and experience is the Clerk of the House, who is also the Clerk of the Public Accounts Committee, Ms Murphy.

SOME HON. MEMBERS: Hear, hear!

MR. J. BENNETT: Mr. Speaker, she schedules all of the interviews with people. She contacts all of the groups. She does all of the

correspondence and she certainly oversees the production of the reports. So we are absolutely indebted to her, as I am indebted to other committee members.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Tabling of Documents.

Pursuant to section 8 and section 10 of the Public Tender Act, I hereby table the report of the Public Tender Act exceptions for the month of April 2014, as presented by the Chief Operating Officer of the Government Purchasing Agency.

Further tabling of documents?

Notices of Motion.

Answers to Questions for which Notice has been Given.

Answers to Questions for which Notice has been Given

MR. SPEAKER: The hon. the Attorney General.

MR. F. COLLINS: Thank you, Mr. Speaker.

Mr. Speaker, yesterday in Question Period, the Member for St. Barbe asked me a couple of questions with respect to a class action case by Inuit plaintiffs of the Coast of Labrador against the federal government on allegations of abuse while attending residential schools on the Coast and in St. Anthony from 1949 to 1979.

Mr. Speaker, in the question, he implied that this Province had incurred a loss at the Court of Appeal and that the Province was being sued – or the action was against the Province by the plaintiffs. Mr. Speaker, he went to ask about if I had been briefed by the lawyer with respect to our possibilities or chances of winning that case; and given, in his opinion, that the possibility of winning that case was slim, that we might have to pay out considerable damages at the end and enter into a settlement process with the plaintiffs.

Mr. Speaker, the question sort of threw me for a loop, because while I had not been briefed on that file in recent weeks, I did remember it from my previous tenure as Attorney General, and I knew that we were not a party at that time to that action. It was strictly an action against the federal government.

MR. SPEAKER: I would ask the minister to quickly get to his final answer. Please get to your final answer.

MR. F. COLLINS: The final answer, Mr. Speaker, is that we are not a party to that action, never have been. So the trial will go ahead (inaudible) –

MR. SPEAKER: Order, please!

Petitions.

Petitions

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

MR. MITCHELMORE: Thank you, Mr. Speaker.

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

WHEREAS Labrador-Grenfell Health employs a nurse practitioner at St. Anthony able to take appointments and operate a full scope of practice for which nurse practitioners are licensed to operate; and

WHEREAS Western Health at Port Saunders and Norris Point on the Great Northern Peninsula has similar nurse practitioner practices; and

WHEREAS nurse practitioners have advanced education and training beyond the registered nurse level and provide comprehensive care ranging from health promotion and prevention to diagnostic and treatment, including ordering diagnostic tests, prescribing pharmaceuticals, and performing procedures with a legislated scope of practice; and

WHEREAS nurse practitioners are alleviating physician shortages in rural areas across Canada and Newfoundland and Labrador by operating clinical practices in collaboration with physicians and other health professionals, leading to better access to services and shorter wait times; and

WHEREAS residents from Eddies Cove East to Reef's Harbour deserve to have regular nurse practitioner clinics that are available to other residents on the Great Northern Peninsula;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to ensure that a nurse practitioner clinical practice be established at the Strait of Belle Isle Health Centre to be fully integrated with the clinical practices of physicians.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, I have presented this petition before. This is something that residents of the Great Northern Peninsula see as ways the Minister of Health and Community Services can save money and improve health outcomes for people of the district. As in the case with reintroducing and reinstating the echocardiogram service which was announced today, which I am very pleased to see. That has been a hard-fought battle for many residents of the area.

Maybe next time a health care announcement is done an invitation would be extended to my office. That is multiple times now that my office has been denied invitations, the sheer courtesy of being invited for the hard work and dedication on behalf of the people who I represent. It is certainly not an oversight because this is something that has been raised with the former minister and other staff, the CEO, and others. I will be raising that and making that an issue.

This is another way where you have the full complement of staff already on site. They need to be better utilized so that we can get better outcomes and save our health care dollars. Introducing a nurse practitioner clinic regularly would do that for the people of the Strait of

Belle Isle Health Centre. I look forward to the invitation when the new Strait of Belle Health Centre opens in Flower's Cove very, very soon.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Carbonear – Harbour Grace.

MR. SLADE: Thank you, Mr. Speaker.

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

WHEREAS the local service district of Freshwater-Carbonear is expressing ongoing concerns with regard to the need to make repairs to the beach breakwater which has been severely damaged by storm waves, and this causes major concerns to the local service district of Freshwater as it pertains to fire protection and safety; and

WHEREAS the lack of repairs by government constitutes a fire and safety hazard to the community since the residents will be trapped if a fire ever took place; and

WHEREAS the damaged breakwater-roadway is also creating an environmental concern as the Atlantic Ocean has washed over the roadway and out into a freshwater pond where fish in that pond are; and

WHEREAS this area serves as a capelin run each year which attracts great many local residents and tourists to that site; and

WHEREAS the federal government refuses to assist with this repair as they deem there is no associated fishing activity to justify investment;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to respond to pleas from the communities' residents to have this breakwater structure repaired so it can once again properly protect the road infrastructure from being more severely

damaged and once done, to call upon the government to repair the road.

As in duty bound your petitioners will ever pray.

Mr. Speaker, I am after bringing this issue up in the House on several occasions now, up to this point in time to no resolve. I would just like to say that I am also after writing a letter to the minister with some pictures to show exactly what is after taking place there.

Mr. Speaker, it gives me great concern as the MHA for Carbonear – Harbour Grace to see that down there like that. I am concerned, first and foremost, for the safety of the people in that area if a fire should take place and somebody happens to get trapped in there. That is probably the most important, but also I would like to emphasize that the environment there at this particular time is getting some damage, too, Mr. Speaker.

I look forward to hearing the minister's reply when he has a look at it.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. OSBORNE: Thank you, Mr. Speaker.

Mr. Speaker, I have a petition again for Saint Luke's cottages.

WHEREAS Saint Luke's cottages has been using the continuum of care model since it opened. It entails priority access to long-term care beds, as clearly stated in the Saint Luke's handbook which is given to all tenants. Further commitment was confirmed in 1995 under the Single Entry System established by Eastern Health. This allowed cottage tenants to join Saint Luke's if they were no longer able to function independently regardless of their level of care; and

WHEREAS Eastern Health has arbitrarily changed this practice in recent months; level 2 cottage tenants are now forced to leave and live in personal care homes when the placement is

needed. This breaks the commitment to the continuum of care model; and

WHEREAS we became aware of this change in practice when a ninety-three-year-old tenant who lived at Saint Luke's cottages for thirteen years was forced to find their own living arrangements after returning from the hospital. This incident has caused other tenants to worry about their future. Saint Luke's Homes is committed to the continuum of care model; however, it is being abolished by the decisions made by Placement Services;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to request that Eastern Health and the provincial government direct the staff of Placement Services –

MR. SPEAKER: Order, please!

This being Wednesday, according to our Standing Orders, at 3:00 o'clock we have to go to the private member's resolution that is on the Table.

Orders of the Day

Private Members' Day

MR. SPEAKER: I call upon the Member for Lewisporte to introduce the motion that stands on the Order Paper in his name.

SOME HON. MEMBERS: Hear, hear!

MR. VERGE: Thank you, Mr. Speaker.

Mr. Speaker, I move, seconded by the Member for Conception Bay East – Bell Island, the following private member's resolution:

WHEREAS our Province is unique in Canada in having its principal population base connected to its neighbours, not by land links, but by marine services; and

WHEREAS the federal government is constitutionally obligated under the Terms of Union to maintain the Gulf ferry service; and

WHEREAS following our Province's entry into Confederation in 1949, the federal government enacted the Trans-Canada Highway Act to spearhead the completion of the TCH to give all members of the federation the benefit of a truly national highway to facilitate the flow of people and goods freely and fairly throughout the federation; and

WHEREAS it is unacceptable to view the Gulf ferry service as anything less than an essential and integral component of the Trans-Canada Highway and the National Highway System; and

WHEREAS the cost-recovery and scheduling policies of the federal Crown corporation Marine Atlantic have served to impede the flow of people and to undermine the free trade of goods to and from our Province; and

WHEREAS the federal government should be sensitive to the impacts of higher Marine Atlantic prices and fewer crossings on our Province's tourism industry and on the costs of living and doing business in our Province relative to the costs in other provinces;

THEREFORE BE IT RESOLVED that this hon. House calls on the federal government to direct and enable Marine Atlantic to reduce user prices and to restore transit frequency on the Gulf ferry service.

Mr. Speaker, access to the rest of Canada for Newfoundlanders and Labradorians is very important to all of us in this Province. Marine Atlantic is a Crown corporation that is mandated to provide a ferry service between Nova Scotia and Newfoundland and Labrador. The federal government is obligated to ensure that this service is reliable and also available to meet the needs of residents and of businesses in our Province.

When Newfoundland and Labrador joined Canada, the Terms of Union addressed the transportation section in this Province. Terms 31 and 32 spoke to the federal government's responsibility which stated, section 31 said, "At the date of Union, or as soon thereafter as practicable, Canada will take over the following services and will as from the date of Union relieve the Province of Newfoundland of the public costs incurred in respect of each service

taken over, namely, (a) the Newfoundland Railway, including steamship and other marine services...”.

Section 32.(1) says, “Canada will maintain in accordance with the traffic offering a freight and passenger steamship service between North Sydney and Port aux Basques, which, on completion of a motor highway between Corner Brook and Port aux Basques, will include suitable provision for the carriage of motor vehicles.”

Therefore, Mr. Speaker, the federal government needs to ensure that there is a quality level of service. Over the past number of years, and again recently, we have heard of Marine Atlantic increasing fees and also reducing summer schedules.

Mr. Speaker, I checked the current rates from Port aux Basques to North Sydney, as if I were going to travel this coming Friday. What I checked was just to see what would be the cost right now for a family of four in a normal automobile to leave Port aux Basques, travel to North Sydney, and to return. I saw the following rates, Mr. Speaker.

For one automobile it is \$93.55. For a cabin it is \$145.48. There is a fuel charge per passenger of \$20.85. There is a fuel surcharge for a vehicle of \$19.65. There is a four passenger cost of \$99.30. There is a security fee of \$7. The total ticket price, Mr. Speaker, for a family of four to travel one-way from Port aux Basques to North Sydney, as of this coming Friday, is \$385.83. Then to return, you are going to double that. It is up close to \$800 right now for just a family of four. Of course, if somebody is visiting the Province and they are towing a trailer the cost is escalated. If you are moving commercial traffic, the cost is escalated again.

It is far too expensive, Mr. Speaker, for us to travel to the rest of the country. It is far too expensive for people to visit, and it is far too expensive for commercial traffic carrying goods into and out of this Province to conduct business. It is because of the unreasonable burden placed by Marine Atlantic.

By way of example, Mr. Speaker, I have business people in my district who are in the

mussel farming business. It is a business with tremendous growth potential, as there is a heavy demand in the marketplace. Nothing can hurt a business more than not being able to supply the market with a secure and a constant supply. Businesses depend on it.

If a producer has markets, for example, in the US and they have committed to supply these markets with live, quality product, if there are delays on the Gulf ferry then that means the product is not getting to the market on time. The buyer on the other end who has probably made commitments to their customer's maybe – restaurants, for example, may have advertised they have certain product that is available, in this case it could be the Newfoundland mussels, and if they are not reaching the end point on time, then of course it is a detriment to the business that is advertising, it is a detriment to Newfoundlanders and Labradorians who are supplying this to the market.

Mr. Speaker, it is unacceptable for the people of Newfoundland and Labrador to have to continue to put up with this inconvenience. Marine Atlantic is a vital connection between the Island portion of this Province and mainland Canada. While the federal government have invested in upgrading their fleets with the charter of *Atlantic Vision* and the *Leif Ericson*, the quality of service does not appear to have improved. We have higher rates and we have fewer crossings.

Our government has heard the concerns from the residents of the Province, from organizations and from businesses alike, and the people of Newfoundland and Labrador are telling us that increased rates and reduced summer schedules are going to hurt businesses. It is also going to hurt our tourism industry across the Province, but in particular, Mr. Speaker, it is going to hurt rural Newfoundland and Labrador potentially harder.

We have also heard from tourists, such as a gentleman who wrote a recent letter to the editor in a mainland paper, which I read a couple of days ago, Mr. Speaker, in doing some preparation to speak to this bill today. There was a visitor to the Island, to Newfoundland, and upon return to his home, he wrote a letter to the editor in the paper. I will not go through the full letter, Mr. Speaker, but one of the things that

he said was this, “Our visit to the island was truly spectacular, great scenery, great weather and the people we met were really terrific.” He went on to say, “The only cloud was Marine Atlantic.” He shared his experience and the troubles that he encountered in dealing with Marine Atlantic. This causes us grave concern. We like for people to visit, we like for people to have a good time, and, Mr. Speaker, we would like for them to return.

Being an Island poses challenges; we know that. It is the responsibility of the federal government to ensure that we have a reliable and an affordable ferry service to and from this Province, a service that will enhance and not diminish the appeal of Newfoundland and Labrador. Mr. Speaker, our government believes in rural Newfoundland and Labrador and in creating opportunities which will see our communities thrive.

The federal government needs to work with us to ensure that this happens and that Marine Atlantic provides a service that is acceptable to the people of Newfoundland and Labrador. A rate increase of about 3 per cent for the 2014-2015 season in addition to a 4 per cent increase that we saw last year, is not the way to ensure that the flow of people and products on and off this Island move quickly, easily, efficiently, and affordably. In fact, Mr. Speaker, this will impede the flow of products. It has the potential to raise the cost of living for people in Newfoundland and in Labrador. The people of this Province should not be expected to pay increased costs on their products because the federal government has not lived up to its commitment.

Mr. Speaker, our government has created a booming economy in this Province. We are one of the leading provinces in Canada due to the contribution our Province and the people make to our country. We expect the federal government to work with us to ensure a united and a prosperous country. This in our view includes Newfoundland and Labrador. The service provided by Marine Atlantic has a huge impact on our businesses and on the tourism industry in Newfoundland and Labrador.

We also agree with Hospitality Newfoundland and Labrador’s position, that scheduled changes

this late in the season do negatively impact tourism businesses and tour operators. We have made great strides in recent years to create opportunities, and we want to see that continue. The Island portion of the Province is limited in how it can import and also export goods. There are two options, either by flight or by vessel; 90 per cent of all produce is brought into this Province via these methods, and Marine Atlantic also provides a link for companies from other provinces doing business with Newfoundland and Labrador companies.

Mr. Speaker, it is an issue that has been with us for quite some time. We have often heard from constituents, we have heard from residents, we have heard from people throughout the Province, we have heard from trucking companies, and we have heard from people who are carrying goods and services that need to be here or there in a timely manner. Goods and services that are perishable in some cases when we are talking about seafood, in particular the shell fish industry and moving products that need to get to the destination while it still has life, while it is still a quality product.

We have heard from the people of the Province about these issues for quite some time, for years; and I guess as long as we are dependent on a ferry service, we will have issues. We recognize that, but I want to assure the people of the Province that as the provincial government it is our duty to hold the federal government up to their commitment. That is our commitment, Mr. Speaker. We want to hold the federal government – we want to hold their feet to the fire and we want to make sure that they live up to their constitutional commitment to the people of this Province.

Mr. Speaker, I look forward to hearing other speakers throughout the afternoon speak to this very important motion. It is a timely issue, and I will be back to close debate when everybody else has concluded.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: The hon. the Member for the District of Bay of Islands.

MR. JOYCE: Thank you, Mr. Speaker.

I just stand here – first of all, thanks for giving me the opportunity to wait to present the private members' motion. There was supposed to be someone in the gallery, so thank you for helping to delay that, Mr. Speaker, and have the person present.

Mr. Speaker, the private member's motion here today – and I thank the Member for Lewisporte for bringing it forward because it concerns all of us in the Province of Newfoundland and Labrador. As you go through the motion, this is a motherhood issue for all of us in Newfoundland and Labrador. This has been around a long while, this fight with Marine Atlantic, Mr. Speaker. One of the easiest things for us to do is beat up on Marine Atlantic, but what we need to do is be proactive instead of reactive.

I know tourism is a big part of Marine Atlantic, and I know the new Tourism Minister is going to get into this file, dig into this file and do what he can, but what we need to do as parliamentarians is we need to come up with some strategy to go after Ottawa. It is not Marine Atlantic. The people who make the decisions are in Ottawa.

This is not a knock on this government because when the Liberals were in power, it was always a struggle with Marine Atlantic, for the rates and for the fighting.

This is just a suggestion from me. We just came up with an all-party committee on fishery to go to Ottawa. What better way can we have if we all work together to go to Ottawa on Marine Atlantic, Mr. Speaker? What way can we serve the people of Newfoundland and Labrador any better than coming together as a group to say let's develop a strategy, let's develop a plan that we are going after Ottawa, after the politicians in Ottawa who make the decisions, that we do it in one voice, we do it in unity, and we do it on behalf of all the people of Newfoundland and Labrador? That would be the biggest and the greatest service that we can do for the people of Newfoundland and Labrador.

The easiest thing to do is for this side to get up and pick on the government saying you are not doing enough. The government comes back and says well, when you were in power – we can do

that, but if we are going to look for solutions to benefit the people of Newfoundland and Labrador, we need to be a unified group. We need a unified voice.

Whatever you say, Mr. Speaker, when the Premier of the Province – whoever it may be – the Leader of the Opposition or the Leader of the Third Party comes together, it adds extra power to the people of Newfoundland and Labrador.

I am very confident that the Minister of Tourism will be speaking to his counterparts on a regular basis and raising this issue. I am confident the Minister of Transportation and Works has been doing it also, but we have to remember, Mr. Speaker, the ones who will make the decisions are the politicians. They are the ones that we, as a group, have to go after as a unified voice here in Newfoundland and Labrador. When we heard this year that there were two crossings a week cancelled, it took us all for a shock; it took us all for a loop. Last year, we had all the increases in Marine Atlantic; this year, we have the two crossings per week.

I do not think there is any person in this Legislature – I know the Member for Lewisporte who presented this was more shocked to hear that than any of us, that the services for Newfoundland and Labrador once again is being decreased. Bringing private members' motions in this House of Assembly is a great idea; but what we need to do – and as the presenter of the motion, the Member for Lewisporte, I think we need to try to get all groups together here in this Legislature to go as a unified voice.

I think it is great that you brought it forward. It is a motherhood issue for all the people. It is a motherhood issue for tourism. It is very essential, and it is an integral part of Newfoundland and Labrador, Marine Atlantic. As the Member for Lewisporte mentioned, it is in our Constitution that we have a reliable service to the mainland. Affordable is another word that we need to ensure that the federal government is well aware of.

I will just give you a few figures. The new minister is aware of this, also, the Minister of Tourism. The auto in 2012 was 106,200 visitors, and brought in an estimated \$96.4 million. Auto in 2013 was 99,900 visitors,

brought in \$92.2 million – a decrease of 5.9 per cent in visitors, a decrease of \$4.2 million, Mr. Speaker. I heard the minister yesterday – and this is true; the air travel has gone up. Air travel has gone up by about 2 per cent in the seven major airports.

So, Mr. Speaker, we know people want to come to Newfoundland and Labrador. We know it. I stood in this House and said those tourism ads are dynamic – they are dynamic. They reach people; they make people want to come here to Newfoundland and Labrador. Mr. Speaker, once we get people here with the hospitality in Newfoundland and Labrador, with the people we have, with the service industry which we have around tourism, they want to come back. When they come back, they are going to bring back a lot of their friends, a lot of their family on the word of mouth. So, the ads are excellent. With the increase in the air travel, we know that tourism is a big spot for people on the mainland, Mr. Speaker, around Canada and North America for this.

Mr. Speaker, in 2013, this is the fourth year in a row we had declining non-resident visitors – fourth year in a row. There is a problem with Marine Atlantic. That is the fourth year in a row that we had a decline. Last year is the first time since 1986 that we hit below 100,000 visitors coming across on Marine Atlantic – below 100,000. Then again, this is not a criticism of anybody in this House of Assembly. It is definitely not, but I am just bringing out the facts and hopefully I am trying to unify everybody here that we as Newfoundlanders and Labradorians, we as people who are representing tourism stakeholders, we as people who are representing businesses here in Newfoundland and Labrador, have to find a way to work together to put an end to this, to get a better service, get a cheaper service and get a reliable service.

That should be the intent of this whole resolution that was brought forward. We could stand up here, every one of us, there is not a member in this House who is not capable enough to stand up here and pound the desk, pound their chest and say: Look how bad Ottawa is. What are we going to do about it? That is the key: What are we going to do? That is what I ask everybody to think about in this House of

Assembly today. Come 5:00 o'clock, Mr. Speaker, after we all vote and we have a unanimous vote, yes we all agree and we all support the private member's resolution, what is the next step? That is what I ask. That is what I ask the Member for Lewisporte. Take the leadership role on this, get us all involved to help out with this, because it is such an important issue, Mr. Speaker, for people in Newfoundland and Labrador.

Mr. Speaker, there is a decrease in Marine Atlantic crossings: 130 crossings in 2013 from 2012. Now, a lot of that was when the *Blue Puttees* had the accident and there was some mechanical problems; but, with that, it shows how we need to have a backup here. During that time – and I am sure it was not just Corner Brook, but I will use Corner Brook for an example. If you go in the grocery stores and you see how bare the shelves were, that traffic could not get over with fresh fruit, vegetables, products, you would be amazed. You would actually be amazed, Mr. Speaker, to see shelves empty – actually empty. You go into other parts of the store and you could see parts of the shelves completely bare. That just shows you how essential Marine Atlantic is to Newfoundlanders and Labradorians.

In 2013, Mr. Speaker, there were ten fewer crossings down in Argentina. Argentina is a seasonal run. We all know that, but it is still vital to our tourism industry in Newfoundland and Labrador. People look to Argentina – look for that trip to Argentina. It is seasonal; it is mainly based with tourism and we all understand that. I think we have to find some way to – if they are going to have these services to Argentina, we need enhanced services. We need to find a way to enhance the services to Argentina.

We cannot forget the number of businesses in Argentina that built industry around tourism. You cannot forget a number of taxpayers who are contributing to the municipalities in that area and all around that area. When they leave Argentina and that area, they come all across the Province of Newfoundland and Labrador, Mr. Speaker.

In Argentina alone in 2013, 27 per cent in passenger movement as a decrease; 25 per cent

in passenger-vehicle crossings, Mr. Speaker. Like I said some of it is because of damage; they had to take a boat off from Argentia at the time. It shows why we need backup. It shows why we need other services in place to ensure that we are not held hostage by damage and mechanical problems. It would not happen anywhere else. Why should it happen in Newfoundland and Labrador?

Mr. Speaker, we need this service to be reliable and we need it to be affordable. Every year we hear of the increase in the prices going across the Marine Atlantic. On the West Coast, and I am sure there are some people – I think the Member for Lewisporte brought up about mussels. I commend the member for that. If he knew how much product at many times of the year are stuck at the port at Marine Atlantic, cannot get across, I am talking for days and days and days. When you are shipping live mussels to the market, you have to have a reliable service. You cannot have shipments waiting at the port four, five, and six days. You lose your market, you lose a lot of product, and in the end you lose a lot of jobs in Newfoundland and Labrador over that.

Mr. Speaker, once we get an increase in Marine Atlantic, a commercial increase for trucking, who is going to pay for that increase? It is going to be the people of Newfoundland and Labrador. When we hear an increased cost for commercial traffic, guess what? You will know that your product will increase. They have to pass on the cost of that. It is going to be passed on to the consumers in Newfoundland and Labrador. That is who is going to end up paying for this.

Once again, I say to all hon. members here, Mr. Speaker, Marine Atlantic – I know the Member for Burgeo – La Poile is so passionate about Marine Atlantic and the services. Marine Atlantic is essential to all of us in Newfoundland and Labrador. We cannot grow a tourism industry to its potential without a reliable and dependable service. We cannot be shipping products to and fro without a reliable and essential service, Mr. Speaker.

I say again, on many occasions I know of businesses that have product left at the Marine Atlantic terminal in Port aux Basques for days upon days upon days, because when we get a

flood of tourists coming in, the commercial part gets a bit behind because they only take so many. They tried the reservation system. It worked to some degree but then the truckers – truckers are saying now, yes, it is working pretty good. I heard the trucking association say, well, it is a bit better. Then, what did they do? They dropped two crossings a week, Mr. Speaker.

Every time we try to take a step forward, we end up moving backwards, Mr. Speaker. It is very hard to diversify your economy if we are promoting tourism in this Province and we cannot get people here at an affordable rate. That every time they are coming over they are stuck at the terminal in North Sydney for three, four or five days. They have eight, ten, twelve days planned to come over, stuck three or four days, unsure if they are going to get back once they come here. It is a deterrent for people to travel to Newfoundland and Labrador.

Mr. Speaker, this is very essential to us all. Once again, I say to all members in this House of Assembly, we need to come together. We need to come together as a group. We need to go after the politicians in Ottawa.

Marine Atlantic is a Crown corporation. We all know how Crown corporations work. If the federal government comes down to them and says: You have to cut. Who is going to lose on that? Newfoundlanders and Labradorians.

Mr. Speaker, I urge all parliamentarians in this House today, let's not forget this after this day is over at 5:00 o'clock when we all vote for it. Let's come together. Let's not fight on this. Let's work together as Newfoundlanders and Labradorians.

I thank the Member for Lewisporte for bringing it in because it is such a vital issue to all of us in tourism, in the trucking industry, and for every Newfoundlander.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. CORNECT: Thank you, Mr. Speaker.

It is indeed a great privilege to stand in my place this afternoon representing the District of Port au Port on the West Coast of the Province, to speak to this private member's resolution on the importance of the Marine Atlantic ferry.

We know that the Marine Atlantic ferry, Mr. Speaker, is mandated to provide a ferry service between mainland Canada, notably Nova Scotia and the Province of Newfoundland and Labrador.

Mr. Speaker, I want to take a look at it from a trade and commerce perspective this afternoon when we are talking about Marine Atlantic. Marine Atlantic is vital in order for the Province to export and import goods and services to the people of Newfoundland and Labrador.

Mr. Speaker, it is incumbent upon the federal government to ensure that our Province's population is connected to mainland Canada and that our goods and services, as well as our tourists, can flow freely and that pricing for this service is fair and equitable.

Mr. Speaker, the cost of living and doing business in Newfoundland and Labrador will increase if the federal government does not ensure that our link to the mainland is as effective as possible. To illustrate this, Mr. Speaker, we must consider primarily local industry as it relates to perishables.

Newfoundland and Labrador is self-sufficient in milk, 37 million litres per year, and also exports about 8 to 9 million litres of industrial milk annually. Industrial milk is used to process cheese in Nova Scotia. So Marine Atlantic is very important.

Newfoundland and Labrador's chicken quota is about 18.5 million kilograms per year. We are very close to self-sufficiency but we still have to import about 2 million kilograms per year. Currently, the only chicken that is sold in Newfoundland and Labrador that cannot be produced here is the rotisserie prepared chicken that is sold in the delis in supermarkets. It has to be produced using air chilling technology which is not part of the processing line at Country

Ribbon. So, Mr. Speaker, Marine Atlantic services is vital.

Newfoundland and Labrador has a 365,000 bird quota for egg production. This makes us self-sufficient in eggs and allows us to export about half to Nova Scotia for industrial processing. So, Mr. Speaker, the Marine Atlantic ferry is essential.

In vegetables, we are currently about 10 per cent self-sufficient. The rest has to be imported from other provinces and countries. Mr. Speaker, Marine Atlantic is needed.

In fruit, we are currently less than 1 per cent self-sufficient. The rest has to be imported from other provinces and countries. With Newfoundland and Labrador's climate, we will never be able to produce many of these commodities. Mr. Speaker, a Marine Atlantic reliable schedule is required.

In beef, Mr. Speaker, we are currently about 2 per cent self-sufficient. The rest has to be imported from other provinces. Marine Atlantic is wanted.

In sheep, we are currently 10 per cent self-sufficient. The rest has to be imported from other provinces. Mr. Speaker, Marine Atlantic is mandatory.

Mr. Speaker, we are taking many steps to increase the amount of land we have in production and to develop these commodities further. In the short term, we are heavily dependent on marine transport to feed our people. We are also heavily dependent on marine transportation to market our excess supply-managed commodities outside the Province. It is key to ensuring that these commodities are fresh when they arrive for processing.

Mr. Speaker, we believe that the federal government has failed to live up to its commitment of ensuring the smooth transition of products to Newfoundland and Labrador due to their lack of action to stabilize rates, improve service offerings, and offer the best service possible through Marine Atlantic. This not only hurts Newfoundland and Labrador's economy, but it also inhibits regional, national, and

international partnerships as it reduces the number of suppliers and businesses which want to work with Newfoundland and Labrador companies.

In the midst of a booming economy, Mr. Speaker, where megaprojects and construction are contributing to Newfoundland and Labrador being one of the leading provinces in Canada, there needs to be assurances that the products and services being delivered by Marine Atlantic will be on time and on schedule at a fair rate. The Marine Atlantic ferry service is not just a regional transportation issue, but a national economic issue.

Marine Atlantic is key to the economic growth of Newfoundland and Labrador as well as Canadian businesses, as it provides a vital connection between the Island portion of Newfoundland and Labrador and the rest of Canada. Marine Atlantic is a vital link, as 90 per cent of all produce is imported into our Province. Marine Atlantic is also a link for companies from other provinces which are doing business in Newfoundland and Labrador, and delivers one-half of goods into our market.

Mr. Speaker, while the Terms of Union, Term 32.1 state, “Canada will maintain in accordance with the traffic offering a freight and passenger steamship service between North Sydney and Port aux Basques, which, on completion of a motor highway between Corner Brook and Port aux Basques, will include suitable provision for the carriage of motor vehicles.” Mr. Speaker, Marine Atlantic’s mission is “to provide a safe, environmentally responsible, and quality ferry service between the Island of Newfoundland and the Province of Nova Scotia in a reliable, courteous and cost-effective manner”. That is their mission, Mr. Speaker.

As the board of trade pointed out in recent years, this mission should include “as a means of supporting economic success in all provinces.” Mr. Speaker, as a government, we too feel very strongly and passionately about this.

Not only do increased rates and a reduced schedule impact our local businesses, but it also raises the cost of living for the people of our Province. The capacity has to be adequate for our businesses and Marine Atlantic needs to be

able to accommodate demand for the movement of goods. Our businesses in Newfoundland and Labrador are affected by pricing, reliability, scheduling and service level, or lack thereof, when trying to import or export products.

Mr. Speaker, the people of Newfoundland and Labrador and the entrepreneurs in Newfoundland and Labrador deserve better. Just recently, an article out of New Brunswick noted that Atlantic Canada’s truckers will pay more for ferry service to Newfoundland and Labrador as of April 1. Marine Atlantic Incorporated has hiked its rates by 3 per cent for the 2014-2015 season. The Crown corporation’s fees have increased 11 per cent since 2012, two short years ago.

Mr. Speaker, time and time again we have met and written letters to the federal government on this issue. It is important that the federal government recognize that we are serious and we want to reach a solution which benefits the residents of this Province and the businesses throughout the country of Canada.

Mr. Speaker, summarizing, in a sense, our Province is unique in Canada in that our principal population base is connected to the rest of the country through a marine service. The federal government is constitutionally obligated under the Terms of Union to maintain the Gulf ferry service.

Mr. Speaker, the Gulf ferry service is a vital link and integral component of the Trans-Canada Highway and the national highway system. Increased rates and reduced scheduled will impede the flow of people and will undermine the free trade of goods to and from our Province.

To the people of Newfoundland and Labrador, as a government we will continue to advocate on behalf of the people of Newfoundland and Labrador. In fact, Mr. Speaker, when we heard of the recent ferry increase and scheduling changes, our provincial government immediately wrote the federal Minister of Transport, Lisa Raitt, expressing our dissatisfaction with recent changes to Marine Atlantic, our ferry system.

Mr. Speaker, as a government, we will continue to advocate to enhance the services on Marine Atlantic. We hope that the members on the

opposite side will join with us in raising this issue with their federal counterparts as well.

Mr. Speaker, it gives me great pleasure to support the private member's resolution as put forth by my colleague, the Member for Lewisporte. I will read for the record:

WHEREAS our Province is unique in Canada in having its principal population base connected to its neighbours, not by land links, but by marine services; and

WHEREAS the federal government is constitutionally obligated under the Terms of Union to maintain the Gulf ferry service; and

WHEREAS following our Province's entry into Confederation in 1949, the federal government enacted the Trans-Canada Highway Act to spearhead the completion of the Trans-Canada Highway to give all members of the federation the benefit of a truly national highway to facilitate the flow of people and goods freely and fairly throughout the federation; and

WHEREAS it is unacceptable to view the Gulf ferry service as anything less than an essential and integral component of the Trans-Canada Highway and the National Highway System; and

WHEREAS the cost-recovery and scheduling policies of the federal Crown corporation, Marine Atlantic have served to impede the flow of people and to undermine the free trade of goods to and from our Province; and

WHEREAS the federal government should be sensitive to the impacts of higher Marine Atlantic prices and fewer crossings in our Province's tourism industry and on the cost of living and doing business in our Province relative to the cost in other Provinces;

THEREFORE BE IT RESOLVED that this hon. House calls on the federal government to direct and enable Marine Atlantic to reduce user prices and restore transit frequency on the Gulf ferry service.

Mr. Speaker, thank you very much.

SOME HON. MEMBERS: Hear, hear!

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

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

I am very happy to be able to stand here today and speak to this very important private members' resolution on the Marine Atlantic Gulf ferry service. Let me first say, right off the top so there is no confusion, I will be wholeheartedly supporting this resolution today, and I do not think there is anybody who would doubt otherwise. I want to get that out there first; I think that is important.

My problem here today is I only have fifteen minutes to speak. That is really the problem. I have so many things to say to this very important issue that it is hard to get them all in, and sometimes I get a little jumbled – because I was very happy to see the government put this resolution in Monday, and it is something, again, I have dealt with all my life, like everybody in my area. Over the last few days, to put some of these thoughts on paper and to look at some of the solutions, some of the issues, so I am going to try my best to get them out there.

I do not think there is any need for me to reread the resolution, the members have put that out there, but I do think it is important to look at the resolution clause. What is this government asking? This government is asking the federal government to direct and enable Marine Atlantic to reduce user prices and restore transit frequency on the Gulf ferry service; one part difficult, one part easy.

It is hard for the government to direct Marine Atlantic to do the reduction in cost unless they enable them, and you can only enable them by providing them the funding they need. I have listened to the members opposite and I have appreciated their comments. I listened to my colleague as he spoke. This is not a blame game, but it is something I think we have to look at the issues and what needs to be done here.

The first thing I am going to do – and I do not think there is any need to reiterate Term 32, the member opposite referred to it, but I did do some interesting reading on The Terms of Union: An Analysis Of Their Current Relevance. This is over ten years old. The

member stated the purpose of it here. Sometimes we use that phrase constitutional right, a constitutional service, and it is, but the problem is that it is vague.

What we have: Canada will maintain in accordance a steamship service between North Sydney and Port aux Basques, which, upon the completion of the highway will include suitable provision for the carriage of motor vehicles. That is all it says. We have a constitutional steamship service, a ferry service between Port aux Basques and North Sydney.

It says nothing about the number of crossings. It says nothing about the cost. It says nothing about the frequency. This is where they are getting us. The fact is these Terms of Union, in many ways the relevance has diminished over time.

One thing the author of this report noted was: Except for the fact that the “Terms of Union provide that there be a ferry service, the Government of Canada’s ability to make operational decisions remains relatively unfettered.” That is out there. “Besides the obligation to maintain the ferry service, there is a qualification that the level of service is to be based on demand. There is arguably an obligation, therefore, that the service must address demand for its use.”

Basically, we are constitutionally obligated – we are supposed to be provided a service based on demand. My argument is that the federal government’s actions have reduced the demand for our service. If they do not put enough money in, Marine Atlantic has to raise the rates. If they raise the rates there is less traffic. If there is less traffic, there are fewer crossings needed, and therefore we are in a downward spiral. This is the federal government’s responsibility. They are the ones that should be doing something. There is no doubt about it.

Some people might say it is easy to beat up on the federal government and we like to do it. Do you know what? I do not care. I am going to; this is an obligation they have to us. It is a right. Here they are, they control the purse strings, but they are not providing the funding that is necessary to have the necessary service. No doubt about it, they provide a subsidy, the rest

has to be provided on revenue. The costs continue to go up. The cost of inflation, labour goes up, fuel goes up, but the funding stays the same.

I am going to stop at that point because everybody knows my feelings on the federal government and what they have been doing for this. Do you know what? I am not the first politician to stand up in this House, nor will I be the last, to talk about how the federal government is not doing what they should be doing when it comes to this. Technically they are under the Terms of Union, but I think I have explained how that works and how they are getting around that.

One problem I do have, though, in the next level we have to deal with the provincial government. This is something that has been here for previous Administrations, PC, Liberal, or whatever. I am sure if I go back it is no different than reading a newspaper from thirty years ago. Sometimes you look back and see these issues there and you read them and you are like, my God, it is the same issue we have today.

I am not here to beat up on this current provincial government because that is not the purpose. What I am hoping to do today, and I think people can see my passion for this because this is personal for me, this is my community, this is my area, and this is my family. My grandfather was a skipper on these boats. Most of my family has worked there. A lot of my friends work there, and right now because of what is going on, I have friends, neighbours, constituents who are not going to get work and may have to leave this Province. That to me is unacceptable. When we talk about a boom time we have to look at the reality that is going on right now, and it upsets me.

I look at the provincial government, I know this is not in their purview, this is a federal responsibility, but as I stated the other day, there are many things that are a federal responsibility that we advocate for. The primary one that we all hear about is the fishery. What did we just do? We just sent an all-party committee to Ottawa to lobby. Do you know what? We might not get anything out of it, we may not, but this government, the Official Opposition, the NDP, joined forces to go to Ottawa to fight and

that is sometimes what you need. Sometimes you have to make them aware of the issue.

My problem here right now is I asked the Premier the other day to send a delegation and he said no. He said I am going to have a meeting with the Prime Minister at some point. Then we further pressed and said what are you going to talk about? He said shrimp allocation, ice compensation, and on a commission for missing and murdered Aboriginal women and children. As I have said before, three important issues. I am not taking away from that, but Marine Atlantic was not mentioned; silence.

Right now, how does this federal government interpret silence? They interpret it as not being an issue and this is my problem. This government, over the last ten years there have been a number of press releases out on Marine Atlantic but the vast majority have been reactionary to a rate increase, and they are all along the same lines. We are very concerned. We do not like this.

We are going to monitor the situation and we are going to do something about it, but that is the problem, we do not see what is going on in between. I have no doubt the letters have been written but we need to work together here. We need to work together to make sure this constitutionally provided service is doing all that it should. Right now, there is no doubt there is a reduction in traffic, and that is commercial and personal.

Commercial traffic, and we hear about the booming economy but if you actually talk to people in the construction association, if you talk to people retailing several goods, that right now it is a soft time. It is a soft time and that is why commercial traffic is down. No doubt there is some competition, but I am willing to bet here today their numbers are not what they thought they would be either. There is not as much coming in.

The previous member mentioned goods. Do you know what? He is exactly right. We are not self-sufficient in many areas. In fact, there are certain producers who will not ship their goods over here because by the time they get over here the quality of the good is so poor that it diminishes their brand, and I will give you one

example. Strawberry producers will not ship them here in many cases because by the time they get here they are spoiled and all that is doing is reducing the value of the brand.

I am saying to the provincial government here today, I applaud you for the motion. It is a great thing but let's work together. This is just a private member's resolution here today. I do not know if Ottawa is even going to see it but we can work together and send a delegation. Will we succeed? Maybe not, but I can guarantee you we will not succeed if we do not try, and we have to try. There are going to be tens and tens of jobs lost this summer, people not working because of the reduction in service, and that is unacceptable.

I am going to move on to the Crown corporation itself, Marine Atlantic. Again, I am not here to beat up on Marine Atlantic. God knows, they take enough abuse from a number of different people, a number of different groups. I treat Marine Atlantic sometimes like family. I can say what I want about them but I get sensitive when other people talk about them.

I mentioned this the other day. I heard one former Minister of Transportation say the best thing we should do is move the service, which is about the most foolish and ridiculous thing I have ever heard. It is not based on fact. It is not based on reality, and he has no clue about the economics of actually doing that. He has no clue. Now that does not reflect on the current members. It does not reflect on the current minister. I am sure that is not department policy. That is just a person giving a column that does not know what he is talking about. He has no clue.

I go back to Marine Atlantic. Can they do better? You had better believe they can. My feeling about Marine Atlantic is this: but for this Island, this Province – I say Island because it is the Island of Newfoundland; Marine Atlantic is not servicing Labrador, but it is a Newfoundland and Labrador service – but for this Island, the service is not there. If we were not here, there would be no need for the service; however, did you know Nova Scotia has more employees in North Sydney than Port aux Basques has? Did you know that? Did you know that Nova Scotia has roughly almost 100 more employees than

Port aux Basques has? That is absolutely, patently ridiculous, unfair, and unnecessary.

I will say this now, and I will say it again, and I will stand by it until I die; there should be enough over there in North Sydney to tie the boat on, and that is it. There should be enough over there to tie the boat on. This is not a Nova Scotia service, this is a Newfoundland and Labrador service and I will stand by that.

SOME HON. MEMBERS: Hear, hear!

MR. A. PARSONS: If there is an MLA over there, or if there is an MP, or if there is a Senator, or if there is a councilman, I will tell them that, too, as I have done before. I actually told the president of the company in the past, you should have enough over there to tie the boat on. You should not have more jobs in North Sydney than there are in Port aux Basques.

I can just say that from the passionate side, but there is a logical, economic side to it, too. The job is not getting done any cheaper over there. You could do the job as efficiently in Port aux Basques as you could in North Sydney. Actually I think you could do it cheaper because of the cost of housing those workers. I think you could do it cheaper. I have put that point across and I think this is something we should lobby for as well. It is a Newfoundland service; it is not a Nova Scotia service.

At the same time – and I have made this concern known to Marine Atlantic – the employees in North Sydney actually are going down. The employees in Port aux Basques are going down. The amount of management in St. John's is going up. At a time when you are cutting the rank and file worker – the worker actually tying the boat on – you are increasing the size of management.

I have told the president this. I do not see how you can do it. How does that make the service more efficient? Would you be interested to know when they started out in St. John's – because it used to be in Moncton – there were less than eight workers in St. John's. Two years ago, they went up to sixteen. Last year they went up to twenty. This year they are up to twenty-four.

Would you know that for twenty-four workers in St. John's they are paying out just about \$2.3 million in salary. For 292 workers in Port aux Basques, they are paying out \$13.4 million in salary. Twenty-four workers hauling in \$2.3 million, 292 pulling in \$13 million, can anybody see what is going on here? That is absolutely ridiculous; there is no need of it.

If they can show to me how it is going to increase the efficiency, well I say go for it, but do you know what? The tourism numbers keep coming down. The biggest reason the tourism numbers keep going down is because the cost keeps going up. Why is the cost going up? Again, two-fold: we need to find more efficiencies within Marine Atlantic, and we need to get the federal government to get on board to get the actual funding that we need.

What I am going to say to the Province right now is that the funding agreement ends on March 31, 2015. The funding agreement is done. It is a five-year agreement. They are in negotiations right now. I am calling on the government; let's send a delegation to Ottawa in September of this year. It is no different than your budgetary process, all of the departments are getting together and they are working on this.

Let's send a delegation. That is the time to do it. This is the time. The next funding agreement is going to be five years. It is time for us to go up now and press our case. If not, we are going to see a decline in tourism. We are going to see a decline in goods and services. We are going to see a decline in jobs for Newfoundlanders and Labradorians and it is unacceptable. I say to you, it might not work, but there is no harm in trying. There is absolutely no harm in trying.

I only have twenty seconds left here today and that is not enough time. I have a lot more to say and I will continue saying it. I say to the government, I support you, but I hope you heed some of what I am saying here. I hope we can work together to work on behalf of all the people, especially those out here now who are going to lose their job because this federal government is not doing what they should. The Province has a role. Step up, speak up and I can guarantee you one thing, I will be on your side if you do it.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. KENT: Thank you, Mr. Speaker.

I want to rise today to speak in support of this private member's resolution. I hear a distinct buzzing. It is not being caused by my phone, I assure you. It is not plugged in, so hopefully that will go away, Mr. Speaker.

We cannot solve the mystery so I shall continue. I assure you I am not breaking any rules in terms of our technology and communications here in the House.

AN HON. MEMBER: (Inaudible).

MR. KENT: No, it is not that.

AN HON. MEMBER: Your mike?

MR. KENT: It is a loose mike, perhaps. I will ask my hon. colleague to hold my microphone for the next fifteen minutes.

I am rising today to speak in support of this motion, also as the Minister currently Responsible for Intergovernmental Affairs. This is an issue that definitely affects and relates to our relationship with the federal government as other speakers have highlighted today, so I want to provide a bit of historical context.

Now my microphone has gone off.

MS SULLIVAN: Do you want mine? Do you want to stand here? Here, my light is on.

MR. SPEAKER: The hon. the Minister of Municipal and Intergovernmental Affairs can just slide down one because the minister's light is there.

MR. KENT: Gladly.

MR. SPEAKER: There you go.

MR. KENT: Well, that is a first for me, Mr. Speaker.

AN HON. MEMBER: It is called teamwork.

AN HON. MEMBER: A quick shuffle.

MR. KENT: A quick shuffle in the middle of debate. That is the fastest shuffle ever. Somebody should probably call upstairs and alert them.

Let me provide some context. I want to talk about federal support for Marine Atlantic and the service. I want to talk about funding. I want to talk about the responsibility that the federal government has.

Let me provide a bit of history first. Historically, CN Marine, a division of CN Rail, operated a marine ferry line which serviced the Island portion of the Province. This service was assumed by the Canadian National Railway in 1949 from the Newfoundland Railway when Newfoundland entered into Confederation. There are two routes that have been offered over the years, as people know, the Port aux Basques route and the Argentia route.

Marine Atlantic today is a parent Crown corporation. It was created through an act of Parliament in 1986 and replaced the Canadian national marine in providing a year-round constitutionally mandated ferry service between North Sydney, Nova Scotia, and Port aux Basques, Newfoundland and Labrador.

The Newfoundland Terms of Union addressed the transportation sector in a manner which is unique to the Province. Let me just quote Term 32 which clearly states the federal government's obligation to provide a Gulf ferry service. It says, "Canada will maintain in accordance with the traffic offering a freight and passenger steamship service between North Sydney and Port aux Basques, which, on completion of a motor highway between Corner Brook and Port aux Basques, will include suitable provision for the carriage of motor vehicles".

That is pretty clear. The constitutional requirement contained in the Terms of Union that the federal government provide this service in accordance with the traffic offering means a

standard which provides an appropriate level of quality of service in-line with the growing and changing transportation needs of the Province.

We have continued to place pressure on the federal government to provide this service. The federal government has also placed pressure on Marine Atlantic. They have pressured Marine Atlantic to maintain the 60 per cent to 65 per cent cost recovery. With rising fuel, maintenance, human resource and other costs, Marine Atlantic has been forced to continually increase fares for all users. That is not really in-line with a federally mandated service. It does not provide an appropriate level and quality of service, and it hinders the ability of users to choose Marine Atlantic.

It is simple economics that increases in price generally result in decreases in consumption, and decreases in price generally result in increases in consumption. Is the decline in traffic offering because people do not want to use the ferry, or because fare increases are discouraging travellers?

I really believe that fare increases are discouraging travellers. When you compare the cost of using the ferry service to the cost of airline travel, for instance, some would argue that there is not a whole lot of difference these days. It has become a very expensive service. That poses a challenge for visitors; it poses a challenge for Newfoundlanders and Labradorians as well.

It is the federal government, not Marine Atlantic, who is responsible for ensuring that the constitutional obligation stated in Term 32 is fulfilled, and it is the federal government that is liable for any breach of the obligation. The federal government's obligation under the Terms of Union is an enduring one. The federal government needs to fulfill this obligation. It needs to provide the ferry service, either directly or by providing its service provider, Marine Atlantic, with the resources it needs to provide the service.

In the 1990s, we saw extensive budget cuts by the federal government and a drastic downsizing of Marine Atlantic's operations. Much of the change came following the opening of the Confederation Bridge in 1997; it replaced

Marine Atlantic's most heavily used ferry service, which served Prince Edward Island, and it is actually the only other constitutionally-mandated ferry service.

Ten years ago, late in 2004, a three-member committee was given the task of examining the future operations of Marine Atlantic. While it was reported that privatization was an option being considered, the final report pointed to improved service through a number of things: through fleet renewal, through lower fares, increased frequency of crossings, and the moving of the headquarters to Port aux Basques.

Why there are more employees in North Sydney than in Port aux Basques is a really, really good question that one of the members opposite raises. It just does not make a whole lot of sense, given the location of the headquarters.

Since 2009 we have made numerous representations to the federal government regarding Marine Atlantic. The Department of Tourism, Culture and Recreation has written a number of letters raising issues of concern to the people of the Province regarding Marine Atlantic issues, but we have not stopped there. The Department of Transportation and Works has been active on this issue. My Department of Municipal and Intergovernmental Affairs has been active on this issue as well. We have had discussions with federal officials, we have sent letters, we have issued news releases, and our effort will continue, Mr. Speaker.

We have discussed this issue with various federal officials on numerous occasions and we will continue to do what we can to ensure that the federal government maintains its obligations to Newfoundland and Labrador. We are really concerned about recent fee increases and we are really concerned about recent reduction in service.

Now, there have been some improvements, and I think it is important to acknowledge that as well because it has not been all bad. Through the advocacy work that we have been doing, in 2010 the federal government announced a \$521 million investment in Marine Atlantic over five years, comprising of \$308 million for fleet upgrades, \$145 million for general operating expenses, and \$68 million for shore facility

improvements in both Nova Scotia and Newfoundland and Labrador. The federal government budget in 2010 also provided \$175 million to lease the *Blue Puttees* and *Highlanders* vessels for two years.

These commitments represent the most substantial recent federal efforts to address the long-term capital neglect at the Crown corporation, but it really does fall short. It falls short of the \$1.4 billion in capital funding that Marine Atlantic estimated in 2009 would be required to overcome its strategic challenges. In 2009, the Auditor General of Canada noted that \$150 million was needed for remedial funding for shore-based infrastructure in Newfoundland and Labrador alone.

Through Transport Canada, the federal government also provides an operating subsidy to Marine Atlantic as the service provider. Transport Canada has directed Marine Atlantic recover 60 per cent to 65 per cent of all operating costs on an annual basis. Since 2006, Marine Atlantic has met this challenge through increasing passenger fares and applying mandatory fuel charges, which consumers also pay for.

Since 2010, the cost recovery rate has increased by 9 per cent, which now increased to pass the target of 65 per cent. The cost recovery rate now sits at 67.4 per cent, a rate that exceeds Transport Canada's guidance to Marine Atlantic, and places undue cost on individual users and on commercial users as well.

We have seen some infrastructure investment which is good, but rates have continued to increase while service levels have either remained stagnant or they have decreased. Recently, Marine Atlantic announced another rate increase of about 3 per cent which is planned for the 2014-2015 season, in addition to the 4 per cent increase that we saw in the 2013-2014 season.

The three-year cumulative increase for vehicles was approximately 12.5 per cent between 2011 and 2013. Passenger fares increases ranged from 12.5 per cent for children aged five to twelve, to 23 per cent for seniors on the North Sydney-Port aux Basques route. Cabins and reserved seating prices increased from 7 per cent

for a four berth night cabin for the North Sydney-Port aux Basques route to 19 per cent for a deluxe cabin on the North Sydney to Argentina route. Some very significant increases and that absolutely impacts the number of people using the service, the demand for the service, and the availability of the service to consumers and commercial users as well.

When you look at the per-fare increase, the adult rate in 2011-2012 was \$34.35, which includes a 21 per cent fuel surcharge; by comparison, the adult rate in 2014-2015 is \$43.50, including the surcharge. This represents a 27 per cent increase over this time period.

What we need to keep in mind, Mr. Speaker, is that Marine Atlantic represents a link and lifeline to the Island portion of this Province. As Newfoundlanders and Labradorians, and as Canadians, we have a right to movement across this country, and Marine Atlantic is one of the primary providers for this link for the people of Newfoundland and Labrador. Our ferry service is constitutionally mandated, as I have highlighted – the only remaining service of its kind in Canada. This mandate does speak of a service in accordance with the traffic. You have to have a look at what is happening here. Look at our growing economy; look at our increase in tourism traffic. That speaks to the need for the federal government, through Marine Atlantic, to deliver a top-quality service to the people of this Province and to Canadians.

I assure you, Mr. Speaker, that the Premier in a future meeting with the Prime Minister, which we hope will happen soon, will raise this issue. His comments in Question Period did not preclude raising this issue. He did not say there were only one or two or three items that he was going to raise with the Prime Minister. He highlighted the issue related to shrimp quotas – and we all agree how important that issue is – but he did not say that this issue would not be on the agenda as well. This is an important one for the people of the Province, and I can assure you, as the Minister Responsible for Intergovernmental Affairs, that at every opportunity I will raise this issue as well.

To pick up on a suggestion that was made, if it makes sense to head to Ottawa and meet with the Transport Canada minister, who I have

recently written on this issue, I would be happy to meet her. I would be happy to have a meeting with Minister Raitt any time, anywhere, to address this important issue. I know the Premier will raise this issue with the Prime Minister as well, and we do need to work together.

I will call on all members to reach out to our federal counterparts, to reach out to federal ministers, to reach out to Members of Parliament. You want to talk about a delegation in Ottawa on behalf of the Province, we have a permanent one. In addition to the folks sitting in the Senate, which is a different story, and they certainly have a role to play as well, we have seven Members of Parliament who are elected, paid for by taxpayers of this Province and this country, who are in Ottawa, who should be representing our interests. I do not recall a lot of recent discussion about Marine Atlantic by our Members of Parliament, so I think we need to call on them to do their part as well. I think as Members of this House of Assembly we should absolutely work together to advance this issue and raise these concerns. I will work with my colleagues, I will work with fellow members of Cabinet as well to make sure we are co-ordinated in bringing a strong voice to this issue and making sure that the federal government does pay attention and does meet its obligations to Newfoundlanders and Labradorians and to Canadians.

As this Province continues to prosper through increased offshore development, expansion of our high-tech sector and a revitalized fishing industry, we have an increased need for a high quality, reliable, available, and fairly priced ferry service. It has to be high quality. It has to be reliable. It has to be available at a reasonable price with a reasonable schedule, and it has to be fairly priced to meet the needs of consumers, to meet the needs of commercial users that have a real impact on our economy in Newfoundland and Labrador.

We demand this as a partner in the Canadian Union, and as a Province which is a leader in this country in economic growth, as well as an emerging player in the energy industry led through offshore oil and gas, as well as the Muskrat Falls development. We deserve better. We need better. We need a service that meets

the needs of Newfoundlanders and Labradorians now and well into the future.

I know we are having a heated agreement here in the House of Assembly today, Mr. Speaker, but it is an important issue, and it is good that we are all lending our voices to this important issue. I would encourage all members of the House of Assembly to support this motion today, as I intend to do as well.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. MURPHY: Thank you very much, Mr. Speaker.

I take pleasure in rising in my place today and addressing this private member's motion. We will be supporting this piece of legislation, of that there is no doubt.

I heard some great comments here today from the various speakers around, but I could not resist, when I looked at the motion when it first came to light on Monday, in taking a trip down memory lane; because, you know, elections are a funny thing. They really are. Sometimes you get to hear what the other federal parties are going to promise.

One of the things after the election of Mr. Harper – and I think a lot of our listeners would probably be able to remember, a lot of our viewers would probably be able to remember the whole talk, for example, in the past history of issues dealing with Marine Atlantic. The talk about the constitutional cattle car, as one former minister here in government referred to it. We heard that, and we have heard all kinds of other comments about it.

One of the more recent comments about the policy direction of Marine Atlantic that still sticks in my jaw even today was hearing a conversation – it was not directly out of Prime Minister Harper's office, but it was from the management of Marine Atlantic at the time. The policy direction may have even been the Minister of Transport because that is whose

guise Marine Atlantic falls under. Does anybody else in this House remember the time when we were asking about recouping some of the costs of Marine Atlantic and keeping some of the costs down, that the policy direction from now on when it came to Marine Atlantic was that it would become “self-supporting” in nature and any prices they would be applying to consumers would be based on cost recovery?

There was a distinct shift in Marine Atlantic from that particular time. I am trying to remember how far back that went, Mr. Speaker, but it occurs to me it was somewhere, in recent memory anyway. About eight years ago I think it was that I can remember hearing that. Ever since then, it became apparent to me anyway, and others I have consulted, that Marine Atlantic had a dynamic shift at that particular time.

It was shortly afterwards, a couple of years later at least, when the price of oil started to skyrocket. It may even be older than that. To note, for example, the price of oil went over \$100 a barrel. I think it was probably within those eight years anyway, at least. It was all bent around the fuel consumption model they were using at the same time in which they were going to be recouping costs and passing it on.

Having to do with that, Mr. Speaker, I got to thinking, and in my conversations, of course, certain things become apparent. I can remember, for example, when I compare the price consumers are paying now and the reason why we should have lower prices, are little comments like this. The two new boats, for example, they went shopping after, the two new boats they ended up with. One of the things they pressed upon people was the simple fact, of course, that they were using 25 per cent less fuel than the older boats.

So I asked myself, well, if the cost of fuel to Marine Atlantic actually went down 25 per cent, because you can pretty much account for the same number of crossings from year to year, except for this year they are going to be declining in number. I said to myself, well, if their cost of fuel has gone down, why weren't these savings passed on to the consumer? They were not. As a matter of fact, Marine Atlantic still puts on a fuel surcharge on top of the

consumer rates they are charging, so the consumer gets dinged twice.

When I say about the change in policy at Marine Atlantic, here is the reason why I think there has been an abject shift in their policy; we are also dealing with the law of diminishing returns too. I note some of the members of the House stood up earlier too and talked about the increase in airline traffic that is happening in the Province. Over the last four years too, there has been a decline in traffic from Marine Atlantic.

We know that because Marine Atlantic's traffic is declining, what are they going to do to recoup costs if they are suffering some losses? The next thing you know they are going to be turning around and doing is increasing rates to consumers out there. Then you get to a point where people just get fed up with it, they stay away from it. Then you face a decline in service, so then the next thing you know what happens, they start reducing service to the consumers out there and the businesses that are out there using the service. The next thing you know we have nothing. It is a way out.

You see when your constitutional obligation moves from one where you are going to provide a service because people have the right to that service, and then when you go to one that actually has a business basis on it – it is not that Marine Atlantic, I do not think, was used to initially make a profit at the same time, it was meant to be part of inclusion and that this Province would be included and connected directly with this country. An actual reduction in services here on the part of the federal government and on the part of Marine Atlantic, its stand alone and self-serving service gets minimalized, Mr. Speaker, and we end up suffering as a result of that.

We suffer that with rising fuel surcharges. We see truck and trailer traffic, consumer goods, end up seeing fuel surcharges put on and we end up seeing extra costs because the ferries are not running on schedule. We end up seeing extra costs tagged on to trucking rates at the same time because rates are going up. Where does it stop?

It is probably one of the reasons why there is increased container traffic coming into

Newfoundland and Labrador, too. There is a little bit more competition that Marine Atlantic is facing out there too as a result of that, and people start turning away from Marine Atlantic and going everywhere else.

Mr. Speaker, I would be remiss if I did not also sit down the other day and talk about the irony of this motion, too. It was interesting at the same time, that while you are going to get our support from us for this motion, sometimes it helps to look within. It was interesting to note that while they were berating the federal government – it was a little bit ironic that when I looked at the clauses of the bill, for example, I had to really sit back and think about the provincial policy as regards to our own ferries. You can replace some of the words in some of these clauses with some areas of the Province, and you can see where other areas of our Province that depend on the ferry service do not get listened to, but we expect the federal government to listen.

Here are a few good examples. If you look at the first clause, “WHEREAS our Province is unique in Canada in having its principal population base connected to its neighbours, not by land links, but by marine services”, if you change our Province say, for example, Mr. Speaker, to Bell Island or Ramea, and you change the word Canada to Newfoundland, you will see where the irony comes in. You have an interesting situation. Then it comes out worded: WHEREAS Bell Island is unique in Newfoundland in having its principle population base connected to its neighbours, not by land links, but by marine services.

Isn't the sauce for the goose good for the gander, so to speak, on this? We were asking the federal government to change its policy as regards to Marine Atlantic. We know there are some good things that Marine Atlantic does as regards to the replacement of boats, for example. The provincial government here does not see fit to be doing the same thing.

Sometimes leadership is shown by good example too. People are very dependent on our provincial ferries for basic needs: food, medical transportation, commuting to work, just to name a few of them. Many of the boats we have in our fleet right now are well past their age, well

past their usefulness, and ready to be sold for scrap.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. MURPHY: It is only lately, Mr. Speaker, that we have seen government actually start to go out and buy two or three new boats, and we have yet to see government go any further than that. We are talking about the South Coast, isolated communities, Coastal Labrador, that need good, dependable service here, but we are not seeing our own provincial government invest in the same type of service we want from the federal government. You have to reciprocate; you have to lead by example when it comes to this.

Mr. Speaker, I could go on about the provincial ferries, but that is not the intent of the private member's motion. I can totally understand where they are coming from when it comes to the federal government, because we have seen that reduction in services. We have seen that now for a long time. Again, like I said, it seems like it was a change on the part of the Harper government. They tend to look at everything as having to be self-supporting and have a financial pay off as a result, rather than a cultural pay off, if you will – when it comes to keeping this country together how important Marine Atlantic is as regards to a link to Newfoundland and Labrador.

It used to be cost-effective to take that boat more so than it was taking, for example, an airplane as regards to a connection into this Province. We cannot forget the fact of how important it is in keeping the costs of a ferry service down, when we are talking about the price of consumer goods and everything, how dependent we are, this part of the Province is as an Island as well as coastal Labrador. A lot of freight comes in through Marine Atlantic through Port aux Basques. It will travel up the Northern Peninsula and take the ferry across to get to the South Coast regions of Labrador and Quebec too.

We know how important the ferry service is. We know how much we depend on Marine Atlantic. Until we can come up with other

options – and people can talk about the other options, but sometimes we need the spark to change things. People have talked about, for example, a tunnel through The Straits now for a long time.

If they are talking about the opening up of the coastal road, the 138 from Quebec, would a tunnel, for example, opening up across The Straits to the Northern Peninsula have a direct effect on consumer prices? There is a lot of speculation out there that it would. There is a lot of speculation out there too about having the tunnel there. There are some members in the House here who have talked about that before.

Is that the way we are headed? Is that the way we want to head? A discussion has to happen. That potential discussion may happen down the road. It is in the future that the tunnel option would probably have to be talked about. We know the people of Labrador want it. We know the people of the Northern Peninsula want it, but does the rest of the Province want it too?

When it comes to Marine Atlantic, yes, we totally support the government on this one. We believe that the Marine Atlantic service is essential. It is absolutely important. It is an economic driver. We depend on it; the fishery depends on it for exports. We depend on it for fresh produce.

We do not get apples and oranges, I do not think, by container. It comes in by truck fresh right from the markets. We have to pressure the federal government when it comes to setting up the possibility of setting up a committee on this and making a presentation to those people in Ottawa. We totally support that idea as well. We think we have a good valid argument when it comes to having the proper economics run around Marine Atlantic to not only sustain us economically, but sustain us as well culturally.

That link by land and water, to water and back to land again, is essential for our own well-being. To keep those costs down, the essence of affordability, if you will, is one of the things we hope to achieve. Keeping costs down, keeps people here too. It keeps them working. It is also part about keeping your economy going. That is one of the most important parts, is the affordability nature of it.

Mr. Speaker, I am very pleased to support this motion, but like I said, there are some issues with the provincial ferry program too. We hope the government would lead by example here. I believe, through my research and through my consultation, that there was a change in the way the federal government was looking at the system. We need to get that back.

We need to get back how the federal government looks at Marine Atlantic. Like I said, for some, they might see it as a burden. For some others they might see it as a crutch. For us here in Newfoundland and Labrador, for our people, it is a necessity and it is a must.

Thank you very much, Mr. Speaker.

MR. SPEAKER: The hon. the Minister of Tourism, Culture and Recreation.

SOME HON. MEMBERS: Hear, hear!

MR. S. COLLINS: Thank you, Mr. Speaker.

Today has been a very good discussion I think thus far. There have been some good ideas shared on both sides.

It is a little bit concerning when the Member for St. John's East brings in provincial ferry fleets. I can assure him that I can stand proud by this government's record with regard to what we have invested into the ferry fleet.

I could only ask my buddy, the Member for Conception Bay East – Bell Island to talk about the investment in the Bell Island ferry; \$60 million between ferry and wharf infrastructure. Looking back in my district, in St. Brendan's, \$30 million in a new ferry system, and the Member for Baie Verte – Springdale, the same thing his sister ship. It would be foolhardy to try to compare the two.

Mr. Speaker, I want to talk a little bit in my preamble with regard to tourism, its importance, and its impact in the Province which we are all very familiar with. I just want to touch on a few before I lead into my comments with regard to Marine Atlantic.

Newfoundland and Labrador, as many of us know, has become a leader in tourism

destination in Canada. We now attract people right throughout, not only Canada and North America, but right across the world. We have had fantastic success with our ads program.

The marketing that has gone on over the last number of years has just been absolutely fantastic; you hear it everywhere you go. We have been the recipient of over 200 awards internationally for those ads. Obviously the results of those ads are paying off as we see our numbers grow.

It is a sustainable industry. That is something else that is very important. It delivers maximum economic, social, and cultural value to the communities in our Province. You cannot understate the importance of that.

We are delivering in terms of numbers of tourists and visitor spending. In fact, we are attracting, as I said, people from all over Canada and the world. We are also becoming increasingly aware of how important it is that we deliver on the promises we make and that we meet and exceed our visitor's expectations.

So, it is one thing to sell our product and put it up on the screen; it is another thing to make sure that they receive that said product once they arrive on our shores and even before they arrive on our shores. Certainly, that is what we are talking about here today.

With the guidance of our ten-year strategy, *Uncommon Potential: A Vision for Newfoundland and Labrador Tourism*, government and industry are together taking provincial tourism to unprecedented levels of success. By aligning our efforts we have created greater marketing efficiencies, built our leadership capacity, and made strategic tourist investments in our Province. We have made great strides in entrenching the values of partnership and leadership between private, not-for-profit, and government stakeholders along the way to achieving \$1.6 billion by 2020. Our approach to research, marketing, and diversifying our products has become far more sophisticated over time and we are certainly seeing the benefits of that.

Between 2009 and 2013, non-resident visitation increased 19 per cent, surpassing a milestone of

half a million visitors during that period. Non-resident tourism spending increased 30 per cent between 2009 and 2013, reaching \$476 million in 2013; the highest level of non-resident spending ever in our Province. It is imperative that we continue to concentrate on the development and enhancement of products and experiences that visitors are seeking.

Mr. Speaker, with that in mind, our government has been working closely with HNL and Destination Management Organizations to create new destination development plans for this Province. It is a relationship that I have grown into, I guess, since arriving in the Department of Tourism, Culture and Recreation. I have already met with key stakeholders, a number of them, one being HNL, Hospitality Newfoundland and Labrador, with the Chair and CEO, which was just last week. Certainly, we had a fruitful discussion. That is a partnership that I, not only want to continue, but also to grow because they are a key stakeholder. They are so important to the tourism industry in this Province.

Our tourism strategy which we launched in 2009 represents the result of an extensive consultation process among tourism stakeholders in the Province and provides a road map to drive tourism development in this Province.

One of the seven strategic issues identified through Vision 2020, as I had said earlier, is the challenge of transportation to our Province. We understand the product we have here is great; it is unparalleled. I think if you look right across North America or even the world, what we have here is so unique, so diverse, so exciting, and exotic to many people. Coming from outside of the Province, what we have here is exotic. It is so very different. So what we have here is a tremendous product, but getting people here seems to always be a challenge.

Marine Atlantic is an essential transportation link to our Province and, as such, is an integral component of our tourism industry. It is important that the federal government continues to provide adequate funding for Marine Atlantic so the increase in cost of operation is not continually passed to the travelling public, as we have been seeing.

This past February the ferry service provider announced a 3 per cent rate increase and while on the surface, Mr. Speaker, it could be argued that in itself may not appear to have a significant adverse impact on visitors to the Province; however, when you look at the cumulative effect, that this is actually the third year of rate increases from Marine Atlantic, it paints more of a troubling picture because again it is not a one-time thing but is something that continues. What is next year? We can only guess what next year holds.

As an example – and this is a pretty good one actually – the passenger fares for seniors increased by 23 per cent over the period from 2011 to 2013 – 23 per cent. We all know, of course, when you get into your golden years and you are a senior and you are retired, you like to travel. When you tack on a 23 per cent increase to ferry travel, that is huge deterrent. I can only imagine how huge that is. It is very concerning.

Marine Atlantic rate increases also impact commercial users who bring goods and services to the Province, not only food, groceries and such but they impact tourism operators that rely on those goods being brought into the Province. So, there is a wide variety of goods that they would depend on. Again, not only is it impacting perhaps the number of people entering the Province, but also the goods and services that the tourism operators of our Province demand and certainly deserve to have access to.

Mr. Speaker, there has not been all bad news, I guess, coming out Marine Atlantic and there are some positive things I want to recognize because any time you present a picture, you want to present both good and bad. Certainly, we support Marine Atlantic in the actions that have been taken in recent times to improve service, not only improve services, I guess, but also their public relations surrounding their services. I think we can probably all agree – I cannot speak for everyone, but I know I can speak on behalf of myself that we have seen improvement with regard to public relations.

Actually, if you look at the investment, \$500 million has resulted in new ferries and enhanced customer service. So, they are taking steps – granted, that is fine; but to look at that and just

take it as one piece would not be completely accurate because there is a much larger picture going on here at play.

Fares on Marine Atlantic – services between Nova Scotia and Newfoundland and Labrador must be kept at reasonable levels and there must be uninterrupted services, particularly during the peak season. That is what we are coming into now. Of course, the cuts in services that were just recently announced are coming right at the beginning of peak summer season and it amplifies the problem even greater. The recently announced planned cuts to this season's Marine Atlantic ferry crossing will have major impact, I believe, on local businesses, particularly those on the Southwest Coast of Newfoundland.

I think we heard from the Member for Burgeo – La Poile – I can get up here and speak as a minister and certainly a resident of Newfoundland and Labrador, but the member brings a different side to it as well. He gives a unique stance on it, being the fact that Marine Atlantic operates in his backyard. Perhaps, he sees it even greater than any of us see, on a local level certainly. It was good that he had an opportunity to stand today and discuss some of his thoughts.

In fact, some tourists, Mr. Speaker, have already cancelled reservations; furthermore, fewer crossing will also mean a dip in employment for people in the area. Again, going right back to what I said, the Member for Burgeo – La Poile touched on that. He knows people who are affected; their employment is affected. So, while it may not have a direct impact on tourism, as such, employment is obviously something we are all very concerned with. The bottom line is, Mr. Speaker, the federal government must provide sufficient resources to cover the costs of operating the Marine Atlantic ferry service and not pass these costs on to the travelling public, to whom the service is provided.

As I stated earlier, tourism is a significant economic driver in our Province. In fact, in terms of contribution to the provincial economy, the industry produces 8 per cent of provincial jobs – which 8 per cent does not sound that great, but when you break that down into

numbers, in 2011, it translated to 17,581 jobs. So, it is very significant.

There are over 2,500 tourism and travel businesses in our Province, of which 83 per cent are small businesses, and 87 per cent are outside the metro area. So if you look at that, we all know the importance of small business and what role they play in our industry. Not only that, if you look even further, the fact that there is a rural lens put on this. So while this is a provincial issue – absolutely, it is a provincial issue, but I think the negative impacts, or the positive impacts, whichever way it goes, are most greatly felt in rural areas, particularly again on the Southwest Coast and right throughout the Province, certainly.

The industry relies on an affordable and reliable ferry service, particularly given that auto travellers represent 20 per cent of non-resident visitors to Newfoundland and Labrador. In 2013, these auto travellers accounted for \$92 million of the \$467 million non-resident expenditures in our Province. We know people want to come here, Mr. Speaker; it is not a question of whether they want to come. So any time there is an increased cost or change in schedule that affects access to our Province through our constitutional grant that guarantees a –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. S. COLLINS: Thank you, Mr. Speaker.

– federally-operated ferry service, it runs counter to everything that we are doing to grow this thriving industry.

Our government echoes Hospitality Newfoundland and Labrador's position that schedule changes this late in the season will significantly impact tourism businesses and tourist operators throughout Newfoundland and Labrador. As I had said, this is particularly true in rural regions of our Province.

Good transportation infrastructure is vital to Canada and binds us together. It is an economic enabler and an integral part of nation-building. The Marine Atlantic ferry service is our

connection to Canada and North America, and that is why I join with my colleague to bring forward this motion on behalf of the people of Newfoundland and Labrador. Access to our Province, Mr. Speaker, whether by land, air, or water, is a major factor in the continued success of the tourism industry.

We will continue to closely monitor the situation and any impacts on tourists travelling to and from our Province. We will be monitoring the number of actual crossings and passenger traffic to determine the overall impacts of the reduced peak season schedule. Again, we understand what these scheduling changes are right now, but how will that impact us? I know we have already been hearing from tourist operators that have had cancelled reservations, as I have said. I know initially when the news came out from Marine Atlantic, they put it to us as if it was going to make the schedule more user friendly because the time of departures and arrivals would be changed. On paper it certainly does because you are not arriving late hours or leaving early hours, whatever the case is. It is arrivals and departures but when you look at another level, it interrupts the travel. Certainly, we have heard from tourist operators that it has interrupted theirs already. I understand this transition is going to be rough and we will continue to monitor that.

It is our role as a government, Mr. Speaker, to ensure we continue to market Newfoundland and Labrador as a unique, exciting travel destination. That we carve out our share of an increasingly competitive global tourism industry. It is also our role to continue to lobby for affordable, reliable ferry access to our Province, and we will certainly continue to take this role very seriously. We will continue to monitor rates, as I had said, fuel surcharges, security fees, reservations and passenger traffic to determine the overall impacts of increased fares and schedule changes that may result in making the ferry service a less attractive and unaffordable option for travellers.

Our single most important challenge, Mr. Speaker, is to work together as a government and as an industry on issues such as improving access that will make our tourism industry more competitive. While we as a provincial government do not make direct decisions in

Marine Atlantic, understanding they are a Crown corporation under federal jurisdiction, I can assure the public, I can assure the tourism industry, that we will be a strong voice in lobbying the federal government to make sure Marine Atlantic is given the resources to enable them to provide a service that is not only adequate but is also affordable. That is a job we take very seriously.

I look forward to working with my colleague in the Department of Intergovernmental Affairs who has taken the lead on this. Certainly, I will support him in any way I can. It is very important to understand our goals but also about what we are prepared to do to get there.

I only have a couple of moments left but I want to recognize – it is something I do not think has been recognized yet. I want to recognize the hard work of, not of our employees but if I speak on a provincial basis I will say our employees who work at Marine Atlantic. While there may be somewhat of an argument whether more should work here in Newfoundland, which I think I agree with as well, I want to recognize them and thank them for their hard work, understanding they have to work within the pressures and the limitations that are provided them.

So this is not us versus them as such. We understand they are trying to do the best with what they are given. I hope to continue a relationship with them. I understand they have had a great relationship with the department, so I look to continue that. I look forward to future meetings with them.

In the last minute, I just want to say the Member for Burgeo – La Poile made a good point. He said: How about sending a delegation to Ottawa to lobby them? What I would say to that, to the Member for Burgeo – La Poile, every four years we send a delegation of seven Newfoundlanders to Ottawa. Seven from Newfoundland and Labrador, seven delegates, and we call them our MPs or Members of Parliament.

Mr. Speaker, I urge those members – I know there is one member in particular, Humber – St. Barbe – Baie Verte who has an interest in this being over from the West Coast. I urge him and I urge all of his colleagues in Ottawa to bring

this forward, to fight on our behalf. While we are a provincial government we will do what we can, but there are limitations and there is only so far our voice can go. We have to rely on our federal counterparts as well.

I would urge them to take this and make sure they champion it as well. It all comes down to service to the Province, not only to the people, but those who want to visit our Province and make businesses and tourism operations prosperous in our Province.

Mr. Speaker, I am happy to support this. I think we will get unanimous support from across the House. It is a really good example today of a private member's resolution that can be supported by all three parties. I think we all recognize the importance of Marine Atlantic and the service they provide. With that being said, I will take my seat.

Thank you for the opportunity.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Lewisporte to close debate.

SOME HON. MEMBERS: Hear, hear!

MR. VERGE: Thank you, Mr. Speaker.

Mr. Speaker, there are times in this House when we have debate on issues, there is a lot of toing and froing going back and forth and there are emotions rising. Lots of times that comes out of disagreements that different sides have regarding the issue that is being debated.

This afternoon's debate was very civil, to use that word, and very cordial, as all speakers who got up spoke in favour of the motion. I want to thank the members who spoke.

I want to thank the Member for the Bay of Islands. He is advising us that we need to continue to put pressure on the federal government. We do need to do that. This motion of course calls on us to do that. I thank the Member for Port au Port for giving his trade and commerce perspective and reminding us that Newfoundland and Labrador is not self-sufficient in a lot of different foods, and the

heavy reliance that we have on the services provided by Marine Atlantic.

I thank the Member for Burgeo – La Poile who has said that he lives it and he has dealt with it for many, many years. He indicated that no, this is not a blame game. It is not a provincial government issue, but it is something that all of us as politicians, all of us as Members of this House of Assembly believes to be very, very important. In his legal background he pointed out that the constitutional obligation is there, but it is very vaguely stated. That is one of the challenges, I guess, that we have in trying to keep the feet of the federal government to the fire.

I thank the Minister of Intergovernmental Affairs for his discussion of the impact of rates on the users, and, of course, reminding us again of the federal responsibility. I thank the Member for St. John's East for saying he would support the motion. While his debate sort of frayed a little bit and talked about the provincial issue. The Minister of Tourism did address that a little bit.

In discussion a couple of minutes ago with the Member for Conception Bay East – Bell Island, who seconded this motion, he reminded me and said to me: You know in recent years, in the last number of years, we have actually reduced the rates of the cost of the ferry from the mainland of Newfoundland to Bell Island by 76 per cent. The provincial government has addressed some of the issues that he is talking about. In that sense, I do not think it is a fair comment to compare the investment we have made in provincial ferries to what is happening with Marine Atlantic.

Finally, I thank the Minister of Tourism for discussing the impact of Marine Atlantic on tourism and the tourism industry, and also for recognizing the employees of Marine Atlantic. Because, Mr. Speaker, while we sit here or we stand here in our place and we discuss issues around Marine Atlantic and the delivery of that service, we are not in any way pointing at any individual employees or the people who do the great work in delivering the service. We are talking in general terms about the whole service.

Mr. Speaker, I do not want to repeat a lot of what was said in earlier forms of debate. I do want to relay a couple of messages that I did get. I alluded to some mussel farmers in my district and the importance to them of a reliable service.

I will just read you a specific e-mail I received from Dave, Peter and Lucas. I will not use their last names, but they are people who are involved in that business. I received an e-mail this week from Dave who said: I heard tonight on CBC news that Marine Atlantic is reducing their crossings from Newfoundland to Nova Scotia for the remainder of 2014 for commercial traffic. He says: We are shellfish processors in this Province and the news shocks me. We ship between two and three trucks of processed live shellfish off the Island every week, fifty-two weeks a year to US markets. We also ship a load or so a week of frozen products.

He says: The biggest drawback, bar none, to our business is Marine Atlantic. This past winter, some 25 per cent of their crossings were either cancelled or delayed due to weather and or mismanagement. He goes on to say: Marine Atlantic is a logistic nightmare for us; less crossings is not the solution. He urges us as a government to continue and to put pressure on the federal government. That is one example of the impact of one business person.

Mr. Speaker, the changes that are proposed in raising rates and cutting back on the number of crossings are only going to add to that problem. The problems are real. I do appreciate the fact that, in particular the Member for Burgeo – La Poile in his debate – and so did the Member for Bay of Islands by the way – did say that this is an issue that other governments before us have wrestled with.

In doing some research it is interesting, I came across a letter that was written in 2001 by the then Member for Burgeo – La Poile who was the Minister of Justice, I think, at the time, Mr. Kelvin Parsons. He was writing a letter to his federal government counterparts at the time. I will just quote from it, he said, “I have discussed this matter with my colleagues in the Departments of Tourism, Culture and Recreation, Works, Services, and Transportation and Intergovernmental Affairs and we all agree that the federal government must honour its

responsibilities under the Terms of Union with Newfoundland and Canada.”

Mr. Speaker, I just point that out to say, yes, governments before our government have wrestled with trying to hold the feet of the federal government to the fire to make them live up to their responsibilities. It is an ongoing issue. It is not one that is going to die tomorrow and it is not one that is going to go away.

It is incumbent upon us – and we take that responsibility very seriously – that we do whatever is in our power as a government, along with the support of other members in this House to ensure that the federal government continues to pay attention and do due diligence to that vital link.

Mr. Speaker, Marine Atlantic is a vital service to the Province and we do need to all work together to make sure that the service is reliable, affordable, and dependable. The people of Newfoundland and Labrador are depending on all of us to apply the pressure that is needed to get the job done.

With that, Mr. Speaker, again I would thank all people for participating in this debate. I do recognize that it is an issue that we all support, and I thank everybody for their attention today.

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

MR. A. PARSONS: Just on a point of order, I would ask the member to table the letter because it would be interesting to review.

MR. SPEAKER: The hon. the Member for Lewisporte.

MR. VERGE: I am not allowed to table it. I cannot table it.

MR. SPEAKER: He is not allowed.

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

All those in favour, ‘aye’.

SOME HON. MEMBERS: Aye.

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

Motion carried.

MR. SPEAKER: It being Wednesday, in accordance with Standing Order 9, this House stands adjourned until tomorrow, Thursday, at 1:30 p.m.