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Speaker: Honourable Tom Osborne, MHA

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MR. SPEAKER (Osborne): Order, please!

Admit strangers.

Prior to starting our proceedings today, I wanted to recognize and I guess pay tribute to some extent, to an individual who was feared by some Members of the House of Assembly but certainly respected by all.

Our beloved David Cochrane has accepted a job in Ottawa and –

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: As everybody in the House knows, especially the Members who have returned after the election, the Members who have been here a while, David Cochrane has covered the Legislature here for a number of years. He has a very keen political nose, as we can all attest to. We've all at some point been a target of Mr. Cochrane's, but certainly by all Members of the House, I know he's very well respected and his position in Ottawa was very well deserved indeed.

So, congratulations, Mr. Cochrane.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: We have some welcomes today. I'd like to welcome to the Speaker's gallery relatives of Lt. Ken Goodyear, a former resident of Ladle Cove and veteran of the Battle of Beaumont-Hamel. This Newfoundland Regiment Officer had his elbow shattered by a bullet near the 'Danger Tree' on the 1st of July, 1916. Despite his injury, went on to become the Newfoundland Heavyweight Boxing Champion and was inducted into the Sports Hall of Fame.

As many of you may have read, David McFarlane's book, *The Danger Tree*, describes both the promise and loss that befell the Goodyear family during World War I. There will be a Member's statement today providing some detail around the loss to this family, 100 years ago.

I would also like to welcome to the Speaker's gallery the members of the Goodyear family

who are relatives of two soldiers being honoured today: Terry Goodyear, Geoff Goodyear, Noelle Goodyear, Alison Goodyear, Caroline Hong, Sean Goodyear, Ken Goodyear, Seamus Goodyear, Claire Goodyear, Aiden Goodyear and Brittany Pomroy.

Welcome.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: To our public gallery, Dec LaCour, who is the subject of a Member's statement today, and his wife, Marg LaCour.

SOME HON. MEMBERS: Hear, hear!

Statements by Members

MR. SPEAKER: Today we have Members' statements for the Member for the District of Lake Melville, who I understand has leave of the House, the Member for the District of Mount Pearl – Southlands, the Member for Labrador West, St. John's East – Quidi Vidi, Harbour Main and Cape St. Francis.

I recognize the hon. the Member for the District of Lake Melville.

MR. TRIMPER: Thank you, Mr. Speaker.

I would like to ask for leave officially in the House.

SOME HON. MEMBERS: Leave.

MR. TRIMPER: Thank you very much.

I rise in this hon. House to recognize a family of heroes. Josiah and Louisa Goodyear of Ladle Cove had seven children when war broke out in 1914.

Hedley was studying at the University of Toronto and was the first to enlist. He joined the 201st Canadian Infantry Battalion. He would have been the leader of the family business, but he was killed near Arras in 1918.

Ken, the father of the gentleman you just were introduced to, was wounded with the Newfoundland Regiment at Beaumont-Hamel. Oswald was killed three months later at

Gueudecourt. He had been too young to enlist but he convinced his parents to let him go.

Josiah was wounded near Rouen in November. Stanley was a skilled horseman and served as a transport officer. He was killed at Langemark in October 1917. Kate, the only girl, served as a nurse in the Canadian Forces' Voluntary Aid Detachment.

Finally, Roland attempted to enlist late in the war, but was turned away. The recruiters deemed the Goodyears had already paid too high a price. This price includes two names on today's honour roll and one other memorialized with Canadian losses at the Somme.

I ask all Members to join me in recognizing the Goodyear family's sacrifices.

SOME HON. MEMBERS: Hear, hear!

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

MR. LANE: Mr. Speaker, it is my privilege to stand in this hon. House to recognize the tremendous success which was the 34th Annual Frosty Festival in the City of Mount Pearl. Once again, this year's festival included various activities for citizens of all ages and interests, including a concert featuring Newfoundland and Labrador's own Masterless Men, along with the Navigators and the Irish Descendants; two community breakfasts; an Irish Pub night; a lip sync contest; seniors' bingo; Jiggs' dinner and a variety show; and a dinner theatre, just to name a few.

Mr. Speaker, as I'm sure you can appreciate, any festival of this magnitude would not be possible were it not for the hard work and co-operation of a number of community partners.

I would therefore ask all Members of this hon. House to join me in congratulating the City of Mount Pearl, the Frosty Festival Board of Directors, the various community groups and organizations, the corporate sponsors, and all of the community-minded volunteers who contributed to the great success story which was Frosty Festival 2016.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. LETTO: Thank you, Mr. Speaker.

I rise in this hon. House today to recognize Mark and Joanne Lush of Wabush for organizing the fifth annual Shane Mercer Memorial Fishing Derby in Wabush on April 9, 2016, which I attended.

Shane Mercer was a victim of a drunk-driving crash on December 5, 2010 at the age of 30. His girlfriend, Leisa Penney, is survivor of the same crash.

Mark was employed at Wabush Mines and was both Shane and his dad's supervisor at the time of the tragedy.

In Mark's own words, the year after the needless accident, we decided to do the fish derby to give back to the town we now call home. After discussing the idea with the Mercer family, it seemed fitting for the proceeds to go to the local chapter of Mothers Against Drunk Driving.

The goal was a fun-filled family event in the hope of keeping Shane's memory alive and to send the dark message of drinking and driving to the kids. This year's event resulted in \$3,200 being donated to the local chapter of MADD.

I ask all hon. Members to join me in thanking Mark and Joanne for their hard work in organizing this very worthwhile event.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MS. MICHAEL: Thank you, Mr. Speaker.

The Historic Sites Association of Newfoundland and Labrador annually presents the Manning Awards for Excellence in the Presentation of Historic Places.

The 22nd Manning Awards were awarded on March 17. The winner in the community category was the Basilica Heritage Foundation for *Fleming*, a one-person theatrical performance presenting the history of the Basilica Cathedral of St. John the Baptist and the historical figure Bishop Michael Fleming.

That one-person show was written and originally performed the multi-talented Paul Rowe. Bishop Fleming conceived of the Basilica and oversaw most of its construction with a rare blend of negotiation, cajoling, threats and willpower. The performance guides visitors through the Basilica, highlighting its architecture, art and history, via a lively representation of one of Newfoundland and Labrador's most colourful characters.

Paul Rowe himself is well known as both an author and an actor. Last summer he handed the role of Bishop Fleming to someone else because he was performing at the Stratford Festival.

I am thrilled to invite all hon. Members to join me in congratulating Paul Rowe and the Basilica Heritage Foundation for their Manning Award and to thank them for helping preserve a piece of our history in this very engaging fashion.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MS. PARSLEY: Thank you, Mr. Speaker.

I rise in this hon. House today to recognize Dec LaCour. Dec began volunteering with hockey in Wabush, Labrador. He started in 1974, when his oldest son started playing the sport.

In 1977, due to health reasons, Dec and his family returned to Harbour Main. Since that time, he has held many positions including coach, manager and president of the local association. Mr. Speaker, for the last 26 years, he has held the position of Eastern Area Director for Hockey Newfoundland and Labrador.

Recently Dec represented Hockey Newfoundland and Labrador with the St. John's

Hitmen of the Irving Oil Challenge Cup in New Brunswick. They won gold. Irving Old honoured him as he attended all 25 Irving Oil Challenge Cup tournaments.

Ron MacLean from Coach's Corner acknowledged Dec's accomplishments while in New Brunswick.

Mr. Speaker, he has received multiple awards for his volunteerism, including the Governor General Award of Canada in 1992.

I ask all Members of this hon. House to join with me in recognizing Dec LaCour for his long-time contributions to the sport of hockey in Newfoundland and Labrador.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

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

SOME HON. MEMBERS: Hear, hear!

MR. K. PARSONS: I rise in this hon. House today to thank a local business in my district for continuing to contribute to their community and for helping the Torbay local library to remain open.

District Drugs was opened in 1963 and has since been a huge part of Torbay and the surrounding communities. When schools, sports teams, local service groups and any group was in need, District Drugs has been there to support their cause.

Recently, the owners stepped forward to help the local library. Jack Hogan and Keith Hogan, owners of District Drugs, also owned the building where the library is located. When the library was in danger of closing, they offered it rent free for a few months.

Jack and Keith Hogan recognized the importance of the library to the community. The library has been a huge part of Torbay and many members of the Hogan family have taken advantage of it. The library is named after Libby

Morey, a good friend and one of Mr. Hogan's first customers.

Please join with me in thanking District Drugs and the Hogan family for their support of the local community and their local library.

SOME HON. MEMBERS: Hear, hear!

The Commemoration of the First World War and the Battle of Beaumont-Hamel

MR. SPEAKER: Today for Honour 100, we have the hon. the Member for the District of Lake Melville.

MR. TRIMPER: I will now read into the record the following 40 names of those who lost their lives in the First World War in the Royal Newfoundland Regiment, the Royal Newfoundland Naval Reserve, the Newfoundland Forestry Corps, the Newfoundland Mercantile Marine, or the Royal Flying Corps. This will be followed by a moment of silence.

Lest we forget: Philip Gillett, Job Gilley, Charles Gillingham, Thomas Ginn, William Ginn, Edward Francis Gladney, James Glover, Nathaniel Gooby, Robert George Good, Augustus Goodland, Stephen Goodwin, Oswald Goodyear, Stanley Charles Goodyear, William Bertram Goodyear, Gilbert Thomas Gordon, Julian Joseph Gorman, Samuel Goss, Eldred Gosse, Ira Joseph Gosse, Thomas Joseph Gosse, Walter Gosse, George Goudie, Chesley James Gough, Martin Joseph Grace, Charles E. Granger, Edward Peter Grant, James Bernard Grant, William Hoyes Grant, Matthew Greeley, Albert James Green, James Green, John Henry Stanley Green, Moses Green, Robert Green, Barton Greene, Walter Martin Greene, James Greening, John Griffin, Thomas J. Grouchy and Daniel Groves.

(Moment of silence.)

MR. SPEAKER: Please be seated.

Statements by Ministers.

Statements by Ministers

MR. SPEAKER: The hon. the Minister of Business, Tourism, Culture and Rural Development.

MR. MITCHELMORE: Mr. Speaker, I rise in this hon. House to announce that our province will welcome the Princess Royal, the Royal Newfoundland Regiment's Colonel-in-Chief, to participate in commemorative events for the 100th anniversary of the Battle of the Somme on July 1, 2016.

Invited on behalf of the Royal Newfoundland Regiment Advisory Council, her visit spans June 28 until July 1, and includes going to Corner Brook to present the Royal Newfoundland Regiment's 2nd Battalion with new Colours, and unveiling the Forget Me Not Committee's Danger Tree sculpture at Grenfell Campus.

The Princess Royal will attend the Ceremony of Remembrance at the National War Memorial on July 1 and open the Royal Newfoundland Regiment Gallery and Fortis Courtyard and Amphitheatre at The Rooms. She will also visit with veterans and with organizations that she supports.

Mr. Speaker, Memorial Day is a time to commemorate veterans, past and present. It signifies a deep sense of pride for the important role Newfoundlanders and Labradorians played in the First World War, and the particular efforts of the Royal Newfoundland Regiment at Beaumont-Hamel. Their sense of duty shall never be forgotten and we are honoured to welcome the Princess Royal to Newfoundland and Labrador to participate in Honour 100 commemorations.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. KENT: Thank you, Mr. Speaker.

I thank the minister for the advance copy of his statement today. Mr. Speaker, the Opposition also welcomes the visit of Her Royal Highness,

the Princess Royal, to the Province of Newfoundland and Labrador.

The 100th anniversary of the Battle of the Somme is one that is of extreme historical importance and one that I am pleased to see the Royal Newfoundland Regiment's Colonel-in-Chief will participate in. As with any visiting dignitary to our province, I hope they will be able to experience our remarkable province and its people.

Commemorating our fallen soldiers and current veterans is something that all Members of this House rightfully support. Our veterans, many of whom are seniors, deserve the utmost care and respect from their province and especially their government.

Mr. Speaker, I find it curious that this government would claim to make veterans or seniors a priority when the actions and decisions they've made –

MR. SPEAKER: Order, please!

The hon. Member's time for speaking has expired.

MR. KENT: Thank you, Mr. Speaker.

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

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

I thank the minister for the advance copy of his statement. I thank him for the announcement that he's made here today. These ceremonies are so important because they remind us of the terrible price we have paid in the past. They remind us how important it is that tragedies like the First World War or any conflict must never happen.

Canada is a country of peace and these occasions serve to reinforce our commitment to peace at home and around the world, something which I'm sure those who lost their lives would agree with it.

MR. SPEAKER: Order, please!

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

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Minister of Environment and Conservation.

MR. TRIMPER: Thank you, Mr. Speaker.

I am pleased to rise in this House today to inform my colleagues and the people of our province that a spring training program has been launched for drinking water system operators.

Mr. Speaker, it takes serious commitment and dedication on the part of water system operators to ensure their communities have safe and sustainable drinking water.

Operators shoulder great responsibility and they rely on regular training and education to ensure that they have the latest knowledge, which is necessary for them to do their jobs in the best possible way.

Nearly 300 of these operators took part in the Annual Clean and Safe Drinking Water Workshop in Gander last month, and this classroom schedule expands on the training they received there.

Remaining focused on operator training is a priority for our government and one I was pleased to discuss with my colleagues on the Ministerial Committee for Safe Drinking Water when we met last week.

My department is working with the Departments of Health and Community Services, Municipal Affairs and Service NL, on a water quality action plan that will further our efforts in ensuring safe and sustainable drinking water for Newfoundlanders and Labradorians.

Ongoing training opportunities for operators are a critical part of that future plan – which I hope to share with you in the coming months.

I encourage municipalities to check out the classroom schedule on the department's website and avail of training this spring so that together we can ensure our communities have the best possible drinking water systems.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. PETTEN: Thank you, Mr. Speaker.

I want to thank the minister for the advance copy of his statement. I also want to thank department officials for providing this training to water system operators, especially those in various municipalities around the province.

As a province we face huge challenges with drinking water infrastructure. Our province has a large number of boil orders. In some communities, Mr. Speaker, there is infrastructure in place and municipalities have either turned it off for a variety of reasons. I encourage the government to work with municipalities to find solutions, many which require little to no cost. Training will help, but we all need to do more.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MS. ROGERS: Thank you, Mr. Speaker.

I, too, thank the minister for the advance copy of his statement. Covering the cost of basic services like safe drinking water is really challenging for municipalities. Often, they have to turn off their drinking water systems for lack of money and trained staff. Boil water advisories are a major public health problem. For years, communities have been asking the government to provide more help.

I support the water quality action plan promise today and I hope it does in fact provide the needed resources for regular training.

MR. SPEAKER: Order, please!

MS. ROGERS: The people of Newfoundland and Labrador deserve no less.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Further statements by ministers?

Oral Questions.

Oral Questions

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

SOME HON. MEMBERS: Hear, hear!

MR. P. DAVIS: Thank you, Mr. Speaker.

Mr. Speaker, *Maclean's Magazine* wrote an article immediately following the Liberal budget which stated: "the script that the Finance Minister wrote for Newfoundland's fiscal crisis is sure to make matters worse, driving away the young, hard-working people she desperately needs. The minister, in her own admission, stated their plan would reduce growth, shrink the population actually. Yesterday in Question Period, the Minister of Finance stated "we will not budget on hope."

I ask the Premier: How can you and your government continue with your actions of shattering the hope and opportunities for hard-working people of Newfoundland and Labrador?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

Well, there has been a lot of commentary around the budget of last Thursday. *Maclean's* was one article; *The Globe and Mail* had some other articles and said that given the situation the province was facing, there was very little choices that we had to make to get the province's financial house in order.

One of the things about the budget I will say too, Mr. Speaker, is that there is a lot of information that are being shared with the public right now that is really not reflecting what some of the facts are within the budget. If you take the personal income tax, take the levy, take the HST and add those impacts all together, the range is somewhere between – in some cases, people will benefit by as much as 1.44 per cent. Then the

impacts on the high end will be that of around 3.5 per cent. We are still very competitive, even with our Atlantic colleagues.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Thank you, Mr. Speaker.

We are hearing from hundreds of Newfoundlanders and Labradorians who are certainly not going to benefit but are going to be burdened by this new budget. I haven't heard from anybody who's going to benefit, I can assure you of that, Mr. Speaker.

Mr. Speaker, only hours after delivering her budget, which attacked the lower-income and middle-income families, the Minister of Finance gave an interview to NTV and stated that her Liberal government, and I quote, would not make decisions based on who cries the loudest.

Mr. Speaker, I can tell you, many tears of fear and worry are being shed because of the broken promises made by this Liberal government. Their own party insiders are turning on them. This is not the stronger tomorrow that Newfoundlanders and Labradorians were promised, and clearly is a blatant disregard for the impacts it will have on hard-working Newfoundlanders and Labradorians.

So I ask the Premier: Will you listen to the people of the province and reverse these choices you've made?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

When you look at the situation that we currently face within the province, when you look at the transition that had to be made, the information that was not available prior to transition to what we have today – and I will say, too, Mr. Speaker, not all of it on the previous administration. There are things that are

happening globally right now with the uncertainty around oil pricing as an example, but primarily largely as a result of information that was not shared with the people of our province.

The transition's been very difficult. But if we do not address the situation right now, when you look at the debt situation in our province, within the next five years, not taking action, the net debt in our province will actually double. It is then Newfoundlanders and Labradorians will lose their say and their opportunity to collect their future and save their future.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Thank you, Mr. Speaker.

Well, the question for the Premier was: Will he listen to the people, as they so proudly say they do on a regular basis, Mr. Speaker? Because the Liberal government has stated repeatedly and repeatedly that it listens to the people of the province, and it consults with the public – 500,000 advisors. Because of this budget many are considering a one-way ticket to a better future, which is another province.

So I ask the Premier: Will you be true to your word, will you listen to what the people of the province are saying? Will you listen to your own party insiders about this budget, scrap the budget and introduce one that's fair and balanced for the people of the province?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

We do listen to Newfoundlanders and Labradorians, and we're sharing the story of where our province exists as a result of the mismanagement and the poor planning, the lack of preparedness by the previous administration.

Now, if we talk about the facts, we talk about the infrastructure spending that's in this budget, there are a lot of good things within this budget that will impact Newfoundlanders and

Labradorians. It is a budget that will spend \$8.48 billion, I say, Mr. Speaker, and when you look at the tax increases that are there – which I will say that people want to engage in and have that conversation in – when you paint the picture on how competitive our province remains, even with the tax measures that have put in place, the levy, the increase in HST and personal income tax, taking us back to 2006 and 2007 levels, Mr. Speaker. That is the actual picture that we face today.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. P. DAVIS: Thank you, Mr. Speaker.

Mr. Speaker, we know the Premier was very quick to chastise us in the past and he likes to talk about the past. The question was about listening to the people today. We're listening and we know that this government is increasing spending by almost half a billion dollars, Mr. Speaker. The choices that they've made are affecting every Newfoundlander and Labradorian and it's affecting them hard.

The tax burden that the Liberal choices have placed on the people of the province will push many to the poverty line. The Liberal gas tax will make commuting, travelling, access to services – the cost of food and other commodities is going to increase significantly. It may even deter tourists from coming to our province this year.

I ask the Premier: How does forcing Newfoundlanders and Labradorians to pay more for food – how does that provide them with a stronger tomorrow?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

You give me access to \$25 billion over a 10-year period and we'll show you how you can plan for the future of this province.

SOME HON. MEMBERS: Hear, hear!

PREMIER BALL: That is something that they ignored. I heard the previous premier on many occasions talk about (inaudible) and talk about infrastructure investments that they would have had to make, but they did not prepare. What they did not prepare based on the commodity environment and situation that we're into – they did not prepare when they had the opportunity.

Now that they're not in office and they find themselves in this situation that this province is now into as a lack of preparing for this. They make commitments to people of this province that were not sustainable.

Does the former premier – is he prepared to say and support that the net debt in this province should double in the next five years because they did not plan for the future of our province? Are you okay with that?

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. P. DAVIS: Thank you, Mr. Speaker.

Fourth question today and the fourth time the Premier fails to answer the question and utilizes the time for his rhetoric, Mr. Speaker. So I'm going to ask the Premier, in a budget where cuts will be felt in rural communities and it will be more expensive to live, programs and services will be challenged and reduced throughout many rural communities, where is your concern for rural parts of our province? Where is your plan for a stronger tomorrow for rural Newfoundland and Labrador?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

It's been about 120-odd days plus right now since we've been in office, four months. I think the previous administration had many more years of that. I ask the people of Newfoundland

and Labrador where rural Newfoundland has gone within the last 12 years –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER BALL: – when they failed to invest in economic diversification.

We're just starting, Mr. Speaker. We're going to do what needs to be done to get this province back on track, to diversify the economy and help support rural Newfoundlanders and Labradorians.

SOME HON. MEMBERS: Hear, hear!

PREMIER BALL: That is our job and that is our mandate, and we will do exactly that, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Thank you, Mr. Speaker.

I'm glad you mentioned diversification because there's one thing we never saw in this budget and that was diversification, that's for sure, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. P. DAVIS: So I ask the Premier: Well, how is your budget encouraging business? How does your budget support business when taxes are going up, funding is being cut, support for business and start-ups are being cut, and Newfoundland and Labrador will become a more expensive place to live? How is that going to help diversify the economy and how is that going to help support business?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

How you support business in Newfoundland and Labrador and how you support people in

Newfoundland and Labrador is to prevent, is to put mitigating things in place that will prevent – in the next five years, or seven years, we would have been at a \$27 billion deficit. That would have been about equal to where we see our GDP in our province. That is how you protect businesses in our province and that is how you protect Newfoundlanders and Labradorians, you prevent it from actually having debt servicing being the biggest industry in this province.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Thank you, Mr. Speaker.

It's not only rural parts of the Island that are being impacted by this terrible budget brought forward by the Liberals, but it is also Labrador, Mr. Speaker. The Liberal choices in the budget include closure of the Wabush court. We know the next closest court is about 500 kilometres more away. Cancellation of the Air Foodlift Subsidy for Labradorians; elimination of sport and recreation grants for Sheshatshiu Innu Nation; reductions in health care in Black Tickle, in North Coast and South Coast.

So I ask the Premier: Can you tell the people of Labrador what are you doing for them? What's in this budget for the people of Labrador? How does this help them?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

I just wonder why the former premier just left out the significant investment, which is the biggest piece of infrastructure that's yet to be completed in Labrador – that's the Trans-Labrador Highway. It's the biggest single piece of infrastructure, and if you go to Labrador, you speak to people in The Straits and you speak to people across Labrador, they you tell you it's the Trans-Labrador Highway that they feel will connect them.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The hon. the Premier.

PREMIER BALL: So, Mr. Speaker, we are engaged with the people in Labrador. The Trans-Labrador Highway is a big investment, and, probably to the disappointment of the Members opposite, but we're in great discussions with our federal colleagues and they are going to come in and support our investment in the Trans-Labrador Highway as well.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Thank you, Mr. Speaker.

I'm glad the Premier raised the Trans-Labrador Highway, because we made significant investments and partnered –

SOME HON. MEMBERS: Hear, hear!

MR. P. DAVIS: We actually partnered with the previous federal government over six –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

Order, please!

The hon. the Leader of the Opposition.

MR. P. DAVIS: Thank you, Mr. Speaker.

We struck a chord today with them now.

Over six –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The hon. the Leader of the Opposition.

MR. P. DAVIS: Thank you, Mr. Speaker.

Over \$600 million spent on the Labrador Highway, the Trans-Labrador Highway that we built, Mr. Speaker, when we were government.

SOME HON. MEMBERS: Hear, hear!

MR. P. DAVIS: Mr. Speaker, the executive director of the Women's Centre in Western Labrador has expressed concern about the safety of the people with the impending closure of the courthouse in Wabush. Mr. Speaker, the Members opposite and the government was very proud last week – they set a precedent by allowing parliamentary secretaries to answer questions.

I ask the Member for Labrador West, the parliamentary secretary, if he supports the closure of the Wabush courthouse.

SOME HON. MEMBERS: Hear, hear!

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

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

It is an opportunity to answer my first question in the House and talk about the closure of the court in Wabush, which I would remind Members was actually a circuit court up until 2007. Fortunately, since that time, there has actually been a 48 per cent decrease in the number of cases heard there.

We are in consultation with the judiciary. Obviously, it is still a tough decision to make when you have to talk to individuals that are affected by this. We've had those tough conversations. We look forward to working with the judiciary to ensure that there is still access to justice, certainly access to justice that existed up to till 2007. So we look forward to continuing to have that discussion.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Thank you, Mr. Speaker.

I guess they neglected to contact and consult with the Women's Centre in Western Labrador because they have a very strong feeling about what's happening in the Western Labrador court.

Mr. Speaker, yesterday it became known that the Premier has a personal interest in a condo project known as Sundara, which is being repurposed as a seniors' assisted living complex. The Premier has stated publicly that the business has not yet been placed in a blind trust.

Mr. Speaker, I ask the Premier: We are hearing from people throughout the province who are concerned about this –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. P. DAVIS: Thank you, Mr. Speaker.

I ask the Premier if the project has benefited in any way from any decisions that he has made or his government has made since coming into power. Has it benefited in any way financially, anything budget related, HST related or any other discussions or expect to qualify for any programs in the future?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

I appreciate the question actually because it gives me an opportunity to tell exactly what we've been doing since the election. First of all, I met with the Commissioner of Members' Interests on this very issue. The establishment of the blind trust is being done right now.

We currently have a number of operating businesses. The professionals, the lawyers and people that actually deal with this are dealing with this, I will say, a lot faster than many other Members in this House of Assembly, maybe even some Members opposite. The blind trust is important. I can tell you, we want to get this established as quickly as possible.

This is not a personal care home. It is a condo development right now that is being repurposed to rent to people. There is no government money put into this. It is not a personal care home. It is not a long-term care home.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: Thank you, Mr. Speaker.

I appreciate the answer from the Premier. I understand that these things can be complex and take some time to do, but people have been contacting us and asking us wanting to be sure. I know that the Premier wants to be open and transparent.

I just want to ensure – because the Premier hasn't answered the question. Can he assure that there's been no benefit to the project or anybody interested in the project as a result of any decisions he or the government has made since he came into power?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

I will assure the former premier of any of those calls that he's getting, he can forward them directly to me. I will deal with it. I certainly don't mind at all people asking questions about any of those things that impact me.

Mr. Speaker, right now, in terms of anything from funding from this government, not at all. It was a condo building that was built for condos.

As you know, now it's being repurposed not for a long-term care site at all, not for a personal care home. They will be rental units. People will move in there, and actually services will be provided to those individuals. The long-term care individuals that were talked about yesterday in the news story, these are not the individuals that would go into a facility like that at all.

SOME HON. MEMBERS: Hear, hear!

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

MR. KENT: Mr. Speaker, yesterday the Minister of Health said that the Masonic Park long-term care facility was in a state of disrepair and its living conditions were deplorable. Then this morning we hear the Mayor of Mount Pearl, a political staffer on the Liberal government's payroll on a radio morning show, echo those

same talking points. I'm not sure if the minister or Mr. Simms has been in the facility lately, so I'm not sure what they're basing their opinions on.

I ask the Minister of Health to please provide the information and data that demonstrates that the Masonic Park long-term care facility is in a state of disrepair as he says.

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

MR. HAGGIE: Thank you very much for the question, Mr. Speaker.

Recently, Masonic Park was re-roofed. It is in need of renovations and repairs to the tune of approximately a million dollars, I'm informed. Even with that, the layout is now less than optimal for best practices in management of long-term care patients.

We have available federally funded beds through the Veterans Pavilion. Eastern Health is in negotiations with the appropriate department to move those clients into newer and better accommodations. It is our aim to proceed with that.

SOME HON. MEMBERS: Hear, hear!

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

MR. KENT: Mr. Speaker, lots of our facilities are less than optimal, given the age of the facilities. Whether you're talking about St. Pat's or St. Luke's or Agnes Pratt, Masonic Park would be no different.

Mr. Speaker, Eastern Health has an operating agreement with Masonic Park, the non-profit organization that owns the nursing home. Eastern Health has an obligation to maintain the building and protect Masonic Park's asset. I know the facility is well maintained. The owners of the building know the facility is well maintained. The residents know it's well maintained. In fact, the roof was replaced just last year. But the minister and a political staffer say otherwise.

I ask the minister: Can he provide the list of items that have caused him to conclude that the building is in a state of disrepair?

SOME HON. MEMBERS: Hear, hear!

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

MR. HAGGIE: Thank you very much for the question, Mr. Speaker.

The move from Masonic Park to the Veteran's Pavilion will save Eastern Health at least \$1.5 million per year. This decision has been an option available to the Department of Health for in excess of 18 months, and because of local influence, that was never actioned at the time.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Member for the District of Mount Pearl North.

MR. KENT: Mr. Speaker, the minister is correct. I did stop the closure of Masonic Park. I stopped the closure of 40 needed long-term care beds in this region.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The Member for the District of Mount Pearl North.

MR. KENT: I refused to close long-term care beds in this province while seniors and families desperately wait for long-term care in every region of Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. KENT: So I won't apologize for that, Mr. Speaker, but I will ask the minister to provide the detailed information that shows how moving these seniors from their homes at this stage of their lives will save \$1.5 million. It's simply not true.

SOME HON. MEMBERS: Hear, hear!

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

MR. HAGGIE: It seems the gentleman opposite is getting quite excited about this subject. It is a subject of importance.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. HAGGIE: These folk in Masonic Park deserve the best care we can provide. Those beds are vacant and unused in a new facility with adequate staffing and are able to avail of the best optimal staffing ratios according to Canadian best practices. I will not deprive them of that opportunity, Mr. Speaker. This will go ahead.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Member for the District of Mount Pearl North.

MR. KENT: It is shameful, Mr. Speaker, that the Minister of Health and Community Services in this province would try and justify the closure of 50 long-term care beds in this region.

So I'll ask the Premier – I say to the Premier, you're closing 50 badly needed long-term care beds in this province just months after deciding to cancel a solid plan to create an additional 360 new beds. That serious shortage of long-term care beds has a profound impact on the people who need them, not to mention their families. As a result of this decision, surgeries will be cancelled, people will be waiting in hallways on stretchers waiting in a personal care home, or maybe they'll even wait in an assisted living apartment, maybe even in Mount Pearl.

I ask the Premier: How can you justify eliminating long-term care beds when there are so many individuals and families in need of long-term care?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

I can tell you, I've been in this House of Assembly now for about five years and I can honestly say that is probably as low as it gets. This is a former Minister of Health that seems to be willing to take people that need long-term care and put them in a facility, which it seems what he hopes to do – put them in a facility that's not even licensed or not even equipped to do so.

The facility that he's talking about will not take and cannot service long-term care patients I say, Mr. Speaker. It is not a personal care home at all.

So let's take this off the record once and for all. There is no government funding going in at Sundara and it's not connected at all to the decisions that were made by Eastern Health.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Member for the District of Mount Pearl North.

MR. KENT: Mr. Speaker, the Premier didn't answer the question that I asked. I'll move on.

Numerous residents of Masonic Park Nursing Home have spouses that reside in nearby cottages or apartments, or at Hillcrest Estates which is two minutes away. They make numerous trips to the facility every day to help care for and support their loved ones. Now that relative convenience and peace of mind has been stolen from these families.

What does the Premier and the Minister of Health have to say to those families who will now be unable to provide the same level of support and care to their loved ones?

SOME HON. MEMBERS: Hear, hear!

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

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

The desired aim is to move folk from Masonic Park to the new beds at the Veterans Pavilion.

However, working with Eastern Health and the families, if they come up with other options that are viable, those can be entertained too. This is not a question of railroading people into accommodations that don't suit them.

AN HON. MEMBER: Eliminating beds.

MR. HAGGIE: We are not eliminating beds. I would suggest the Member opposite check his math.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Conception Bay East – Bell Island.

SOME HON. MEMBERS: Hear, hear!

MR. BRAZIL: Thank you, Mr. Speaker.

The mayor of Bay Roberts says he's lost confidence in the Education Minister and is asking him to step down in light of the Liberal horrendous budget.

I ask the minister, the man who argued so passionately for the need of a new school when overcrowding and age becomes an issue: Why did you axe Coley's Point school?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The hon. the Minister of Education for a very quick response.

MR. KIRBY: Thank you, Mr. Speaker.

It's interesting that the Member's interest is now piqued in this issue now that they are out of office. They had lots of time to replace this school; they did nothing about it. There are about a dozen schools in the province that are of similar age as Coley's Point. It remains a priority for us, but because of the damage that was done to the provincial Treasury by the previous administration and the horrific deficit position that we're in, it's something we can't do right now.

Officials in my department are working with the English language school district to try to find a

solution. We'll find one if we can in the interim. If we can't, we'll build the school when the funds are available. But like I said, because of the damage the crowd opposite did to the Treasury we simply don't have the funds this year.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Member has about 15 seconds for a question.

MR. BRAZIL: Mr. Speaker, not only are people upset in Bay Roberts, but all across this province with the recent cuts. The minister himself has flip-flopped on his decision and his comments about how schools should move forward.

I ask him: Give us a reason why you're cutting the schools in this province and why you're putting the risk of education and the students here at risk for the people of this province?

SOME HON. MEMBERS: Hear, hear!

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

MR. KIRBY: Mr. Speaker, the reason is last year this crowd told us we had a \$1.1 billion deficit but that has ballooned to more than double to \$2.7 billion. We're not going to keep putting funds on the credit card of the next generation of Newfoundlanders and Labradorians. We're not going to charge back to the next generation like the other administration wanted to do. We're not going to do that. We're going to have responsible management of the Treasury. That's the platform we ran on.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Before I recognize the Member for St. John's East – Quidi Vidi, I would ask the House for order and decorum.

The Member for St. John's East – Quidi Vidi.

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

During the November election campaign when asked about his many business interests, the soon-to-be premier said he was committed to transparency but could not say whether tougher blind trust rules were necessary or not.

I ask the Premier, who does not yet have a blind trust in place: Can he now tell the people of the province whether or not he believes the current conflict of interest rules are tough enough?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

The current conflict of interest rules and what we do as Members in this House of Assembly – first of all, there is a public disclosure of the activities that you’re involved in. These are things that we do on an annual basis. In my case, these things are done. The blind trust situation is really the first time that I’ve gone through this process. We are currently going through that, as I said, right now. All the activities that will go inside of that blind trust will be delivered and the activities will be carried on by the trustees in that blind trust.

Mr. Speaker, I tell you what, from my own point of view, it couldn’t happen soon enough to please me, and it will happen, it will get done. There is a time frame that’s put in place for that to be established. I can assure you that we are doing that in a timely fashion, and much faster than many other previous leaders or Cabinet ministers would have done in the past.

MR. SPEAKER: The Member for the District of St. John’s East – Quidi Vidi.

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

As we know, blind trusts are only needed by Members of the Cabinet.

So could the Premier tell us: How many others in his Cabinet need blind trusts, and are they set up as yet?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

As you know, those with business activities that feel a need to set up a blind trust, the responsibility on any conflict of interest lies within the Members that are included in those activities. So I don’t go around and ask Members, and I don’t think the former Premier would have done that in the past – I’m not sure – but Members, as you know, they put blind trusts in place. It’s their responsibility under the conflict of interest rules to declare their business interests and their personal interests.

Thank you, Mr. Speaker.

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

MS. ROGERS: Thank you, Mr. Speaker.

Yesterday we learned that the minister is cutting crucial mental health and addictions services for youth. Government sat on the same All-Party Committee as I did, and we heard the desperate, desperate pleas from parents trying to get help for their children. We all knew we need a strong, robust day treatment program for our youth like the Rowan Centre.

So I ask the minister: Knowing this program needed to be strengthened, how could he support the closure of the Rowan Centre when in fact it should have been strengthened?

SOME HON. MEMBERS: Hear, hear!

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

MR. HAGGIE: Thank you very much for the opportunity to answer the question from the Member opposite, who is an active Member of the All-Party Committee on Mental Health.

The Rowan Centre is actually a program, not a physical building. In 2015 it had less than one referral a week. The staff that are there are being redeployed to other mental health areas where their skills will be better employed helping a larger number of people.

SOME HON. MEMBERS: Hear, hear!

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

MS. ROGERS: Mr. Speaker, I ask the minister: How could these decisions be made without consultation with the All-Party Committee on Mental Health and Addictions and without consultation with the Minister's Advisory Committee on Mental Health? Is this how he uses our expertise? And exactly what will the minister put in place to provide the gaps left by the closure of the Rowan Centre?

SOME HON. MEMBERS: Hear, hear!

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

MR. HAGGIE: It's unfortunate, Mr. Speaker, that I should have to remind an active Member of the committee of the terms of reference of the All-Party Committee. It is essentially to provide a snapshot of current mental health services to establish best practices and the gap, and then to report back to this House who actually set up the committee.

The committee is active, as the Member opposite knows, and will be meeting shortly. It has activities planned and it is hoped that we will be able to submit the report before this sitting ends.

SOME HON. MEMBERS: Hear, hear!

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

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

The All-Party Committee on Mental Health and Addictions was not at all consulted on this decision or any of the mental health decisions and cuts that were announced yesterday.

I ask the minister: Why not?

SOME HON. MEMBERS: Hear, hear!

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

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

The issue of fiscally responsible use of money by Eastern Health has to take priority at the moment. We have been left in an appalling situation with the single biggest department, in terms of government expenditure. We had money frittered away and unfortunately we are having to deal with the realities.

The Rowan Centre was underutilized. On an operational basis, Eastern Health made a very prudent fiscal decision to reallocate the staff to areas where the need was far greater and they would not be sitting there underemployed.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Presenting Reports by Standing and Select Committees.

Tabling of Documents.

Notices of Motion.

Answers to Questions for which Notice has been Given.

Petitions.

Petitions

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

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

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

WHEREAS the Deficit Reduction Levy is an extremely regressive surtax, placing a higher tax burden on low- and middle-income taxpayers; and

WHEREAS surtaxes are typically levied on the highest income earners only, as currently demonstrated in other provinces, as well as Australia, Norway and other countries; and

WHEREAS government states in the 2016 provincial budget that the personal income tax schedule needs to be revised and promises to do so;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to ensure that the Deficit Reduction Levy be eliminated and any replacement measure be based on progressive taxation principles and that an independent review of the Newfoundland and Labrador provincial income tax system begin immediately to make it fairer to Newfoundlanders and Labradorians.

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

Mr. Speaker, I'm very pleased once again to stand here today with a petition from the people in our province. This time a petition with regard to this terrible levy that has been included in the budget for 2016-2017.

I have many names here in my hand, but I want to let the government know and let the Premier know and the Minister of Finance know that I haven't been able to go anywhere public since last Thursday without people stopping me and saying: Ms. Michael, this has got to end. People are calling it a poll tax. Even at quarter to eight this morning in the supermarket a man stopped me to say: Ms. Michael, keep speaking out against the poll tax, this is absolutely unjust. Everywhere I go.

I have hundreds of emails that have come in. I have more than just these petitions. People are letting us know they are out there getting names. There's going to be name upon name upon name brought into this House.

Not only did this government do this levy, which is bad enough because it's unjust, it's unequitable, it puts a heavier burden on lower income people than it does on the very wealthy in our province, besides that, those people, people who have a taxable income of \$25,000 having to pay an extra \$300 a year, on top of that they are having to pay 16.5 cents more per litre for the gas in their vehicles. On top of that they have to pay more for their income tax, period, because the income taxes have gone up.

On top of that they are not going to get the Home Heating Rebate they have been used to getting. On top of that they are going to have to pay 2 per cent more HST.

I don't know how this government can listen to the petitions we are bringing into this House without paying attention. They say they wanted to consult with 500,000 – here they are.

Thank you, Mr. Speaker.

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

MR. KENT: Thank you, Mr. Speaker.

I commend the Member for St. John's East – Quidi Vidi on her speed. She's very fast and races to her feet quicker than I can some days, Mr. Speaker.

Today's petition that I'm presenting relates to food security.

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 greater food security ought to be a priority for Newfoundland and Labrador;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to set targets for improving the food security of Newfoundland and Labrador by promoting the growing in this province of more of the food we consume.

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

Mr. Speaker, this petition is more important now than ever, given the budget that came down last week. The price of food, which in many cases is already at outrageous levels, is now going to go up because of the increase in taxes that this government is placing on fuel.

Labrador communities have seen the Air Foodlift Subsidy being removed. The health of

the mind and body is partially a result of the foods that we eat. We get 90 per cent of our vegetables from outside the province. Because of this, we only have enough fresh vegetables for several days if there is a problem with the delivery of food. We also make a lot of fishery food products, but we send 80 per cent of these products outside of the province. This helps people have jobs and businesses make money, but it means there is less food from the fishery for the people in our province.

Our province has a lot of communities that are spread out. Many communities in the province don't have their own grocery store. This means that people buy food at corner stores or drive to nearby towns to go to grocery stores. For every 10,000 people in our province, there are 14 fast food stores, eight corner stores, four gas stations with stores and three grocery stores. There will be a need now for this more than ever before. With no regard to the health of the people of the province, this government has imposed taxes without any consideration for those affected.

There are fewer farmers and we need more farmers. There's less land being used for farming. We need to use more of our arable land for farming. Our farmers are getting older and not many young people are becoming farmers. We need to do more to attract new entrants to farming. The cost of buying land and growing food is high. Many of the animal feed and fertilizer used on farms also comes from outside the province.

Mr. Speaker, I'll conclude by saying there's a growing interest in food security in Newfoundland and Labrador. The time is right for all sectors to work together to achieve food security and to create a healthier food system.

Thank you.

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

MR. PETTEN: Thank you, Mr. Speaker.

I, too, present a petition. I've presented this before and I will continue on, I guess, on this one as well.

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 the federal government should be reducing, not increasing, Marine Atlantic ferry rates to drive tourism growth and stimulate the economy of Newfoundland and Labrador;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to press the province's federal Members of Parliament and the federal government to reduce Marine Atlantic ferry rates.

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

As I've stated before, Mr. Speaker, Marine Atlantic ferry rates have a distinct impact on every one of us here, whether it's the grocery shelves, whether you're travelling or you're coming in – off the province. Tourism is a big factor. With our rubber-tire traffic, as I said before, it will definitely have an impact.

Now on top of that we have a 16.5-cent a litre tax added to our gasoline. So not only are the rates at Marine Atlantic increased, but that 16.5 cents will definitely have a detrimental impact on in-province tourism for sure and, no doubt, it will affect the prices on our grocery sales.

One other point to that, as I say about tourism, we have a \$13 million tourism budget. A couple of months ago we were told it was going to be increased by a million dollars a year for the next three years, but that never happened.

In closing, I just want to say, you have 16.5 cents a litre on your gas, ferry rates have increased, there is no new money for tourism, which we have a successful tourism campaign, but we can always be better. I do encourage government to press their federal cousins and try to get some relief on the marine ferry rates, because I suspect we will see a big drop in tourism this year.

Thank you.

MR. SPEAKER: Further petitions?

Orders of the Day.

Orders of the Day

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

MR. A. PARSONS: Mr. Speaker, I move, seconded by the Minister of Health and Community Services, for leave to introduce a bill entitled, An Act Respecting Insured Medical And Hospital Services In The Province, Bill 24, and I further move that the said bill a first time.

MR. SPEAKER: It is moved and seconded that the hon. the Government House Leader shall have leave to introduce Bill 24, and that the said bill shall now be read a first time.

Is it the pleasure of the House to read the bill the first time?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Against?

Motion, the hon. the Minister of Health and Community Services to introduce a bill, "An Act Respecting Insured Medical And Hospital Services In The Province," carried. (Bill 24)

CLERK (Barnes): A bill, An Act Respecting Insured Medical And Hospital Services In The Province. (Bill 24)

MR. SPEAKER: Bill 24 has now been read a first time.

When shall the bill be read a second time?

MR. A. PARSONS: Tomorrow.

MR. SPEAKER: Tomorrow.

On motion, Bill 24 read a first time, ordered read a second time on tomorrow.

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

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

I now call from the Order Paper, Motion 1, the budget speech.

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

SOME HON. MEMBERS: Hear, hear!

MR. HAWKINS: Thank you, Mr. Speaker.

It is my pleasure today to be the first on the government side to speak on the budget. I would just like to recognize my colleague across the floor yesterday in speaking on last year's budget and this year's budget, and certainly took a considerable amount of time and detail to go into some of the details he had. I'm going to try to respond to some of the items today. I won't get to all of them, but I will certainly try to get through some of them.

First of all, Mr. Speaker, I just want to echo the Member opposite who yesterday recognized all the civil servants and the amount of work that they put into helping us prepare this budget. A lot of times we don't adequately recognize the amount of work and commitment that people who are employed within government will give to the service of their employ.

I just want to echo what the minister mentioned and certainly want to recognize all the civil servants who spent so much time in helping us to prepare for this budget.

Mr. Speaker, I want to talk about the seriousness of this budget. I know many of us have been sitting on this side of the House and we've been listening to what the Members opposite have been saying. It's very easy to do that. I guess one of the most difficult things in life that we have to do sometimes is clean up someone else's mess. I feel like that's what we're doing. We're trying to clean up some of the mess that's left behind. It's not an easy task.

What happens then, Mr. Speaker, is obviously when we do that we have to make some difficult decisions. The decisions that we've made, I've got to let the people of the Province of Newfoundland and Labrador know, they have not been taken lightly. We have to realize when

we are facing situations that we are now facing with the unprecedented debt we're left with and also the potential going forward, that if we did not do anything what we would be faced, and what our children and our grand-children would be faced with.

So, Mr. Speaker, none of us, not one single Member sitting on this side is taking this budget lightly. None of us, if we had a choice, would ever be able to make the decisions we made. Unfortunately, we've had to make some tough decisions and these are decisions that we have made, and we will make as we move through this.

Mr. Speaker, the Member opposite yesterday also mentioned the fact that our expenses in our expense line this year is going to be higher than last year. One of the challenges our Minister of Finance and President of Treasury Board had to deal with is the gap that's between the revenue and the expenses. In trying, part of what we have to do is try to narrow that gap in order to reduce some of the borrowing that will be necessary.

When we looked at the numbers this year going forward on the expense side – and I know we're talking a lot about revenue and that we've had to look at the revenue section, and that is true, we have. There's been a lot of talk about the increase in the gasoline per litre, and also of course in the levy. I want to remind the people of this province that these are temporary measures. They are measures that will be in place for a very short period of time. Somehow we've got to face trying to reduce this debt.

When the Member opposite yesterday talked about the fact that actually our expenditure line next year is higher by over \$400 million, that is correct. Mr. Speaker, \$225 million of that, it's my understanding, is going to service the Newfoundland and Labrador Teachers' Pension unallocated funds. So we're looking at about a quarter of a billion.

Then we look at the extra amount of money that's going into the expenses. It will be for interest on money that was borrowed this year. Mr. Speaker, when we talk about challenges that we're facing, I've got two grandchildren that are living in this province. I made mention of them

in my maiden speech. I have some of my family – I wish I had all of my family here but I don't.

We are facing challenges this year that really, when we look at it, \$988 million to service the debt, more money to service our debt than we're spending on education for our children. Now, Mr. Speaker, that's a sad commentary. It's a sad commentary for me. As a result of that, it's a sad commentary for my grandchildren who are in the education system.

Mr. Speaker, I think we have to put these numbers in perspective when we're looking at the budget. I know it's very easy to sit on the Opposition and to sit on the opposite side and look at all the negative things in this budget, but there are some positive things. I think it's important that we look at these.

One of the other things, Mr. Speaker, that was referenced – and I know my good friends opposite have talked about the fact that they're getting a lot of emails. A lot of the emails are negative emails. We're no exception; we're getting them as well. I've had comments made to me that we're not going to gain any votes on this budget.

Mr. Speaker, I want to just be clear, this is not about votes. The decision we made is not about votes. This is about trying to correct some of the issues we have and trying to chart a course for the future.

In doing that, Mr. Speaker, we are well aware that we're not going to get 100 per cent support from the province. One of the things we have to look at is to realize this is not a popularity contest. What we're doing is not a popularity contest. We are representing the people of the province. What we have to do, we are mandated to try to the best of our ability to present a budget that we will chart the course for the future of this province and not for the past. I realize when we do that, there are always issues and always concerns and people will be impacted. We all know that.

Again, what we have to look at and realize: How far could we go on the course that we were on? That's a question we all need to ask. I think when we look at it, I think we have looked at a

future that will provide at least some semblance of getting us out and back in a positive nature.

Madam Speaker, I wanted to also reference the comment the Member opposite made yesterday with regard to our federal government and negotiations and discussions. I just want to tell the people of the Province of Newfoundland and Labrador, we have been very successful. I have met with Minister Sohi on two occasions face to face, and also one on a teleconference. I must say our discussions have been going very well, very positive, and I think we're in a good working relationship.

I think one of the first things that we were able to realize was the \$25 million remission we had on the tariffs for our ferries. That was a very positive step in the right direction, and it was an area we concentrated on. I had a significant, as well as the Premier, we had significant discussions with our federal counterparts to realize that we wanted – even though we did not place the province in that position, we felt it was important. We had two new ferries that were delivered that we did not order as a government on this side; however, we have to put that aside and we've got to try to work with the situation we have. Part of that was trying to get the \$25 million remission done on the ferries, and we were successful in doing that. So I think that's the first step in building a good, strong relationship.

We have continued to have further discussions with the federal government, and we will continue to have them. Right now, Minister Sohi and myself are looking at – there are some restrictions under the Building Canada Fund when it comes to the small communities portion of the Building Canada Fund, as well as the PTIC portion as well. We are working to try to get some of the criteria changed, some of the restrictions removed from the criteria that's there, and we are pretty optimistic that will happen. I think part of that will be because of our strong relationship that we do have with our federal members.

Madam Speaker, we were looking at – I think the Member opposite yesterday as well talked about our roads and how they were done. I think I referenced in the House before that this year, we have taken a different approach on roads.

Madam Speaker, part of that was to try to remove some of the politics from the roads and the awarding of contracts to districts. Part of that whole exercise was to bring in all of the regional directors, and they came to St. John's for two days, engaged in – I guess they were immersed in two full days of discussions on how to move those tenders forward.

Madam Speaker, through that discussion, we had a number of criteria that we wanted; safety was number one. They were all rated; all of the road requests were rated. Safety was one. Condition of the road was another one. The class of the road was a third. We looked at economic impact. We looked at bundling opportunities because a lot of times in the past, you'd do a kilometre in this district and another kilometre in another district and the cost were always escalated on that.

What we tried to do if there were opportunities for bundling, which would bring the cost down, we did that as well. When that exercise was finished, we had roughly about \$10 million that we were able to do an early tender before the end of March. That was done according to the information that was given to us by the professionals in the field.

The same exercise is continuing and we will have a second group of tendering, a block of tendering, that will be going out I am hoping before the end of this week, and the same sort of exercise that we had in the previous one, Madam Speaker, will happen this time. Some of my Members opposite will be quite pleased to know that they will be included in some of the road tendering.

That's been taken out of the whole picture and I know my friend for Ferryland, if I remember correctly, will be happy with a couple of pieces that I have. He may not be happy with all of them I have, but at least a couple. We'll work with that.

MR. HUTCHINGS: (Inaudible).

MR. HAWKINS: What was that?

MR. HUTCHINGS: It won't take much to make me happy.

MR. HAWKINS: I know, I saw that yesterday, Madam Speaker. I was a bit curious. I listened intently to what he was saying probably for almost three hours. I was saying to myself – because I was next to speak. I said I have to stick this out. I was just amazed that he was able to drink that water and still be able to speak for three hours and not have to leave. That really did it for me. I was wondering if there were any other things under the table.

Anyway, Madam Speaker, I certainly appreciated that and appreciated his comments. That's the new approach that we're taking. We're working through that. It's not easy. I do have right now about 1,500 requests for road repairs. I had my officials do a costing on that. If I were to do all 1,500 roads this year, it would cost about a billion dollars to do that.

Madam Speaker, those are the challenges we're facing. We will work through it. We're still looking at about \$60 million this year in the roads, but everyone is not going to be happy with that. We will take it step by step and hopefully be able to get some of the worst roads done and work on that, and the highest traffic. So that's a part of what we're doing with that section.

Madam Speaker, when we complete this next phase of construction, we will be working on a five-year plan. Part of that will be incorporated into our Building Canada Fund to try and have a five-year plan for roads so that we can have our tenders out as early as January. These are some of the things that we're doing.

One of the things I also wanted to mention – because I knew there was no way I could mention all the facts that my good colleague across the floor mentioned yesterday. I wanted to point out a couple of things with regard to supporting low-income individuals and families.

We talk about the tax structure and we talk about the fact that we're all going to be burdened with extra taxes. A lot of the seniors are concerned. I just wanted to make sure that – a senior couple that's making \$26,000 a year will now be getting four payments every three months of \$455.75, which compared to what they were getting is an improvement. We know that there are concerns. Obviously, we want to work with people on that,

but I just wanted to point out that these numbers are not mentioned anywhere from the Opposition when we talk about that.

Madam Speaker, the other reference I wanted to make is that in spite of what we're hearing, a lot of the negative things, there are some positive pieces coming out of this budget and there's going to be a fair amount of infrastructure spending. I think overall, when we talk about health, education and some of the others, we're looking probably somewhere in the vicinity of about \$570 million – which is half a billion dollars, which is a significant amount of infrastructure spending.

In TW, our infrastructure spending is going to be somewhere in the vicinity of about \$226 million. I just want to highlight a few of them. We're going to be spending \$62 million in the provincial roads program – I just mentioned that – and into our brush clearing.

We're going to be setting aside \$750,000 this year for a study and a request for proposals into the fixed link. That's included in my mandate letter from the Premier, is that we are going to be looking the feasibility of the fixed link, and we're putting in \$750,000 to get that study started. I think there is some merit in that, and I really want to get into looking at what are the options and what are the opportunities. I think once we start exploring them there may be more opportunities there than we really expect or anticipate. So, Madam Speaker, that's one area that I really want to look at and to get some work done on.

We're also looking at, even though we are somewhat constrained in our spending, we are still going to put about \$61-\$62 million into heavy equipment and into ice and snow control. We're also looking at \$23 million for the continuation of the Team Gushue Highway, and that's important for us. We're looking at from the Kenmount Road to the Topsail area, hopefully getting that work done. That's a continuation of the work from the previous government on that. We're going to continue putting in about \$23 million to do that section this year. So that's a significant amount.

One of the big items I want to mention and bring to your attention, Madam Speaker, is the fact

that we're taking \$63.7 million to leverage federal funding for widening and paving of Phases 2 and 3 of the Trans-Labrador Highway. We are going to be spending a significant amount of money in Labrador to look after some of the needs that are there. So that's a significant amount of work that hopefully we will be able to leverage federal funding that will be able to give us the ability to do work in Labrador this summer.

I want to also talk about the fact that we're putting \$13 million to vessel refits. I really can never stand and speak about vessels of course; I'm always plagued by the *Veteran*. That's an ongoing discussion that we will continue to have with Damen. I'm going to be a little more forceful going forward on speaking with this group because obviously the service we're providing to the people of Fogo Island and Change Islands is totally unacceptable after having a new ferry. These are discussions that I will continue to have. They will not be pleasant discussions going forward.

We're going to spend about \$6.1 million for renovation to the wharves at Portugal Cove and Bell Island in preparation of the *Legionnaire*. So that's going to be ongoing. I wanted to also mention the fact that we're completing the work on the Placentia Lift Bridge. That's another \$9 million.

Madam Speaker, we're spending a fair amount of money. We're also looking at putting some improvements in our provincial buildings, including some accessibility for the Arts and Culture Centres throughout the province.

Even though we are looking at a budget that is causing us some concerns on that, we will still have a significant amount of infrastructure money that we will be putting out during the summer so we can provide employment for people that are looking for jobs. Hopefully this will be a stimulus as well to get the economy going. We're looking forward –

MADAM SPEAKER (Dempster): Order, please!

MR. HAWKINS: Thank you, Madam Speaker.

MADAM SPEAKER: I remind the Member his time has expired.

The hon. the Member for Topsail – Paradise.

SOME HON. MEMBERS: Hear, hear!

MR. P. DAVIS: Thank you, Madam Speaker.

It's a pleasure to have time in the House today. It's not a pleasure to talk about the difficult circumstances that we face as a province, and it's not a pleasure to stand and talk about the choices that the current government has made.

For those tuning in at home, as Leader of the Opposition, I get an hour to speak to the budget this afternoon. We'll see what happens as time goes on. I do have at least an hour, maybe more, depending on what happens later in my speaking time to talk about the budget.

During the budget debate and money bills – as I know you, as the Speaker, are quite aware – it provides a tremendous amount of latitude for Members of the House to talk about a broad range of topics or anything that impacts the budget, the finances, the circumstances of the province and virtually any kind of program or bill or promise or line in the budget.

Madam Speaker, I want to take a few minutes to back up in history just a little bit. Members opposite throughout their campaign in the fall, when they made a significant amount of very defined and careful promises and commitments to the people of the province – they also utilized much of their time, and we've seen it in Question Period day after day, when they talk about history. I'm going to talk about history now, too, while I have the chance to do so.

They talk about what's happened in the past. They go back in the early 2000s. Maybe we should go back to the '90s if we want to talk about history, or even earlier, because remember back in the early '90s I was a public servant when the Liberal government of the day came to the House of Assembly and had a budget that wasn't a lot different from today in many aspects. It was crushing to the public service. It was crushing to the economy. It was crushing to the province.

We see a budget today that even in the Finance Minister's own admission, during her Budget Speech she had indicated that this budget was going to have a similar response. Her Budget Speech itself references the impacts on people working. I think it's a 15 per cent reduction in the number of people working by 2021. A 22 per cent reduction in real income being earned by the people of the province by 2021. That was in her own speech and her own comments when she delivered the budget last week. In her own admission and her own delivery of what they've done here as a budget, it certainly doesn't instill confidence in the future.

That's very important to the people of the province. When people go to bed at night and they think about what's going to face them tomorrow, they want to know there's a chance for them. They want to know that there's going to be opportunities for them. They want to know if they study hard, if they work hard, if they do their best to make ends meet, if they do their best to create a better future for themselves and their family, that there's a chance and an opportunity that that's going to happen. They've lost all that hope.

This budget has nothing to do with people or care about people. There's been no talk about that. Now the government talks heavily about finances, and that's very important, but I know a former rear admiral of the US Navy used to say, Grace Hopper – hyphenated last name, cannot think of her name off hand, but I remember learning this many years ago. She said, "You manage things; you lead people." The government is very focused on managing things but it appears they have forgotten about people. That's one thing that is really missing in this budget is they have forgotten about who has elected them and why, because people are looking for an opportunity.

In the last decade or so through population – sorry, about the poverty reduction. There was an effort by previous administrations, prior to me coming here, prior to the short time that I was in office as Premier, prior to me being a Cabinet minister and prior to me being elected as an MHA, there was work and a focus on, how do we reduce the number of people and the amount of poverty in our province.

It was very important, because Newfoundland and Labrador and Newfoundlanders and Labradorians for decades and decades throughout our history were seen as in some way disadvantaged, who relied on social programs, relied on unemployment cycles. Well, we have seasonal industries, such as the fishery. Newfoundlanders and Labradorians were quite seen like that. We know statistically speaking we had a high level of families who relied on low incomes living in poverty in our province.

The government several years ago – long before I came here back in the 2000s – started a process in 2005, 2006, 2007 of poverty reduction, a concerted effort. There were over 30,000 people during that time that went through a transition in their own lives, who were able to better themselves and reduce and end their reliance on social programs and to be self-sustaining. Families who worked very, very hard, most of them very moderate incomes – low, middle incomes. Very moderate incomes for families in many, many ways, but they were able to get a start in life where they could live independently without relying on the government for social programs.

Madam Speaker, we hear Members opposite all the time talk about, oh, they squandered money and they wasted money and so on. I'm going to talk a lot about that. I'm going to talk a lot about that in my time. You tell one of those people who we invested in, who were able to either further their education or had a chance to work on their own and get a good paying job – partners not always with government. Quite often it was working with a company or with a business that we helped stimulate and helped create. That was giving them an opportunity to work there. You ask any of them if that was a waste of money and you'll get a very clear answer from them. You'll get a very clear answer that the government provided them opportunity.

What's being held today, one of the problems today is that people are afraid that opportunity worked hard for is being taken away from them. We don't want that to happen. I'm sure Members opposite don't want that to happen.

I'm sure many of the new MHAs that are here got a bit of a fright on Thursday when they

learned what was contained in their budget. I know we're all facing a tremendous amount of input from people of province and reaction from the province. We certainly are. I know Members opposite are as well, but there's a reason for that.

People just don't get up in arms. People who have never called their MHA, or written their MHA, or communicated very personal circumstances through social media and Facebook and Twitter and so on – when people don't normally do that and all of a sudden they do it, there's a reason for that. One of the reasons for that is they've lost hope. They've lost their hope is what are opportunities for them in the future.

When you hear people saying, I'm going to pull up stakes. I'm taking my family and I'm getting out of here because there's nothing here for me, they've lost hope. When you lose hope and when your society loses hope, and people start that slope of loss of belief in their future, it's really hard to turn that around. Bringing that hope down from where it was not that long ago, when people believed we can get through this, Newfoundlanders and Labradorians do it all the time.

I was down to Bay de Verde on the weekend, and I talked to people down in Bay de Verde. They said, do you know what? We're going to get through this. They praised Quinlans, as an example. They spoke very highly of Quinlans as an employer interested in their community. I talked to citizens who said they are rallying together. They have an awful mess in the entire town to clean up.

We know they are going to need government support and help to do that – soot and pieces and chunks of ash on people's lawns and in their gardens. Inside people's homes where there is soot on their kitchen appliances and so on; inside their homes where you have such a concentration of smoke and so on, but they said, do you know what? We're a resourceful lot. Newfoundlanders and Labradorians, we're a resourceful lot.

All they want is a chance to make a go of it. The people down there just facing disaster – thankfully, there was no loss of life. I haven't heard of any injuries or serious injuries that

occurred. Thankfully that's the case because they want a chance to get forward, and they're going to pull together. That's what we do.

If I was to go down there and say: No, forget it, you're done. No one is going to help you here; you haven't got a future here in this town. If Quinlans turned their back on them that would be a problem, and people would feel differently.

That's the way they feel about this budget. They feel like the rug has been pulled out from under them. The rug has been pulled out from under them, and somehow the Members opposite came to the House day after day after day and asked for more.

I will give you some examples of that. They asked for more, and somehow when we tried to say, well, that's a good idea and we should try to find a way to create that program. Let's talk about adult dental, the best program in the country.

Now the government, the Members opposite talked about today – we heard the Premier reference today in Question Period we have an equal level of taxation comparable to other provinces. Well, we need to be better than that because we are geographically disadvantaged for one from where we are with the rest of the country. We have a huge land mass with a small population and having equal levels of taxation doesn't give people an advantage and an opportunity for a better life.

Sometimes you have to find a way to give them a better chance. That's what has happened over the last decade. That's why there is more than 30,000 fewer people in poverty today than there was a decade ago.

SOME HON. MEMBERS: Hear, hear!

MR. P. DAVIS: The fear is they are going to go back to that.

MR. K. PARSONS: It's not funny.

MR. P. DAVIS: You're right, it's not funny.

SOME HON. MEMBERS: Oh, oh!

MADAM SPEAKER: Order, please!

MR. P. DAVIS: Madam Speaker, last year in the fall of 2014, when I had the privilege and the honour to go to the Premier's Office, we were facing – we knew we were facing very difficult circumstances; we knew that we were facing very difficult challenges. It didn't take me very long in the office to know I had to take some actions that were not going to be popular. I thought about it, I said: B'y, look, here we are going into an election next year and I'm going to increase taxes, I'm going to reduce public servants and jobs, I'm going to make things a little bit tougher on Newfoundlanders and Labradorians, and we're going to tell people there's going to be more of it over the coming years. That's exactly what we did. That's what we did; we laid it out. We laid it out and we're in a tough time, and we got a tough time coming ahead and we've got to start making changes.

Just a year ago, Madam Speaker, when we did that there was a long list of quotes from Members opposite who chastised us for increasing taxes. They chastised us for reducing the public service. I remember back even before that, back in 2013, some of the Members who occupy the front bench opposite there now were so hard and critical on us when we cut public servants back in 2013 – wrong thing, should never do it. They stood in a place right here on this side of the House day after day saying you should never, never put people out the door. You should never do it; wrong thing, bad thing, shouldn't do it; bad government, bad government, bad government. What did they do? They turned around and did it themselves.

They did it themselves because they're facing circumstances as we did last year, and we said was coming this year, depending on what happened with the price of oil and where it was going to go. Then they said oh, bad, bad government for doing that, for cutting and reducing and trying to find efficiencies and reducing the public service. We said attrition – we came to the House with an attrition plan. Yeah, they were critical of that. Now, they were a bit cute, because they knew there were going to go to a similar place. They knew that. They were a bit cute, but they were still critical. We increased taxes, HST – and I mean, so many times the Premier has spoken on his position on the HST increase.

I remember, Madam Speaker, last year on budget day and the Minister of Finance was stood in his place here delivering the budget. The Members of the Opposition had been in the budget lockup and reviewing the circumstances of the budget. Much like we do every year; I did the same thing this year. I was in the budget lockup, I came out and sat in my place, the minister began to speak, media requested for me to go out and speak to them, which I did, and last year the same thing happened. Very quickly the Premier went to the lobby and he said: HST's bad; I will not increase the HST, if I'm elected.

Now, he talks all the time about taking the politics out of stuff. Well, very quickly he said: If I'm elected Premier, I will not increase the HST. Not on my watch, won't be done, job killer – it's a job killer. If he said job killer once, he must have said it a thousand times, that HST is a job killer. We were the bad, bad government, Madam Speaker, because we were increasing taxes because we needed revenue because the price of oil was dropping.

In a time when your revenue is down and it's not only down for a government, but it's also down for the people of the province, that's when you've got to find creative ways to be able to inject an infusion of funds and opportunity back into the economy so people can continue to thrive and have a good go of it, and have a chance to have a go of it. That's the time that you need to create and build with people. That's the time you need to stand side by side with people. That's when you need to do it. That's not the time to cut the guts out of her.

We knew we had work to do and we had hard decisions to make. We started that last year. Members opposite sat over here during the Budget Speech, during Question Period, during petitions and asked for more and more and more, day in, day out. Very quickly and for times after that the Premier came in about HST and he said – and I have pages of quotes here, Madam Speaker, and I'm certainly not going to go through them one by one, but stood here in his place and talked about the HST and how bad it was. Not going to raise it – actually when January 1 comes, there will be no HST increase.

One of the first decisions he did when he became the Premier is he made a call to the federal government and said: Can we stop the process? We have to stop it. Wrote a letter, made the request, let's put this to a halt, we have to stop the HST right away. I'm not sure – and the Premier can speak for himself or Finance Minister – if that was an evidence-based approach as they talk about, we have to make evidence-based decisions – yes, sure you do. Absolutely you do. I'm not sure if it was evidence based. If it was evidence based, their evidence was wrong because they've changed it. We know they've changed it, so there was an err in their ways somewhere.

We know it takes several months for the federal government to turn the switch back on for changing the HST. The federal government actually collects the HST. It's collected on remittances at retail outlets on a regular basis, and monthly they make those remittances to the federal government to process it and return the revenue back to the province. That's an ongoing cycle that happens in the province.

They cut the HST, a very popular thing to do. People were going to support them – goodness, they're not going to put up the HST 2 per cent; we have to vote for them. My God, they're wonderful. Yes and not only that, we're going to diversify the economy. Oh, wonderful. We're going to invest in business. We're going to be smarter with business. We're going to be smarter with industry. Well, guess what? The budget has reduced spending and investments in business. The budget has actually reduced the spending and investments in business in our province.

When the Finance Minister stands in her place and talks about how their decisions are going to shrink our economy, that really doesn't tell that entrepreneur at home who is about to invest their lifetime savings in a new business, maybe for the first time in their lives they want to start a new business or someone currently in business wants to expand their business, that really doesn't instill the confidence in them and say yeah, boy, it's a good time to invest in my business. You heard the Finance Minister. She has a lot of hope for the future; I'm going to invest in my business. It doesn't.

If a business is trying to make ends meet and trying to make the best to make their ends meet, they may say I'm cutting my losses and get out of here. I heard what the Finance Minister said; I'm going to cut my losses and I'm going to go.

Madam Speaker, we've seen this movie before. We saw it back in the '90s. Back in the '90s we had all of this happening: remember 1991, tough budget; 1992, the fishery collapsed, the cod fishery, the ground fishery collapsed. In 1993 that big budget came and if you look at all the economic indicators – and I looked at them when I was in the Premier's office and officials, I'm sure, gave me all the same information they're giving the current administration. You look at all the economic indicators and when they took that attack on we have to cut, cut, cut, we have to increase taxes and cut public servants and so on, boom, there it went. It was gone. The economy went bang and it dropped like a rock. It dropped like a stone.

We didn't want to do that. Alberta who has a very similar circumstance as we do – Saskatchewan does too but if you ask Members opposite, they'll say that's my fault. The 14 months I was Premier, that was my fault. I'm responsible for what happened back in 2004 and 2005, 2006 and 2007. I was a public servant back in those days, but somehow I'm responsible for that. I must be responsible for Alberta.

Alberta is taking a very different approach. When you look at the actions they're taking, I think it's much more similar to the approach we took last year – much more similar. They are saying we can't give up on our people. We can't give up on our province. We can't give up on the people who've invested in businesses who are hiring people of the province, giving them jobs and opportunity for their families and so on. They said we have to invest in them. That's what we have to do; we have to find a way to do that.

Well, our government has taken a different choice, contrary to the promises they made last year – contrary to the promises they made last year. Let me back up to our budget last year for a few minutes. Because when we did our budget last year, there were a number of documents that we made available: one is on infrastructure; of

course there's the Estimates book, as we have every year, which provides a line by line of Estimates; there is the Budget Speech itself. We also had a book called Highlights. In the Highlights book – and this goes to some comments we've heard from the Premier. The Premier said: Oh, we didn't know. We didn't know how bad things were. We had no idea. We had no idea.

Well, I think that's a pretty weak argument, Madam Speaker. You come to the House every day, you have committees of the House, you have Public Accounts where you can call evidence, you can bring in people from departments and say: What's the status of your department? Tell us where you are? You can bring in the Department of Finance. Under those circumstances, you can bring virtually anyone you want in and ask them about different aspects of government. They could have done that.

I know they focused on Humber Valley Paving a lot, but they didn't too much focus on what was contained in the Highlights book. If you look over the Highlights book, it talks about the circumstances we face. It talks about what projections were for financial projections. It talks about our five-year plan that we had laid out. It talked about fiscal targets that were laid out. It talked about infrastructure investment – infrastructure is always a good investment. We know it creates jobs, it provides opportunity for businesses, and they hire people and it improves the quality of life and so on. We know that.

Just over here on page 7 there is a block about fiscal sensitivities: Fiscal Sensitivities to Key Assumptions, 2015-16. It is written in millions of dollars. It talks about two key factors that impact the economy. The two most significant factors that impact the economy, one was oil prices and one is the exchange rate. It lays out right here that for a \$1 change in the price of oil, the impact is \$29 million. Now, that's pretty clear. For one cent on the exchange rate, the US to Canada exchange rate, the sensitivity, the change is \$22 million.

Every time a barrel of oil goes down a \$1, the province loses \$29 million. Madam Speaker, that's not that difficult to follow. While yes, you have to calculate well how much was it when on what day and so on. But if you know the price of

oil dropped by \$10, that's \$290 million, roughly \$300 million. If you know you've lost \$20 on a barrel of oil, that's \$600 million. That's not hard to figure out, Madam Speaker.

Last year Newfoundland and Labrador, Saskatchewan, Alberta, every jurisdiction in the country, saw a significant drop in oil prices. When the significant drop in oil prices happens, then you know exactly what's happening, is that you are in much worse condition and you can very quickly do some calculations to determine how significant that is.

Now, the other side is that when the dollar drops by a cent, then there's a \$22 million benefit to the province when it comes to exchange of oil because it has a greater value, so it somewhat offsets. But if the dollar drops five cents and oil drops \$25, you have essentially got a \$20 equivalent of a \$21 drop in oil prices which is going to put you at the \$600 million mark. It's very simple. I think it was late December or early January the Premier was asked one time what's the impact of oil. His comment was something like, well, since we came in office we've lost \$400 million in a matter of a few weeks. So the Premier was cognizant of that and he knew that.

For the Members opposite just to stand in their place and say we didn't know how bad it was. Oh my God, it's terrible; we didn't know how bad it was. All they had to do was look at the documents and you can very quickly find out the circumstances that's facing the province. That was what's in those documents.

As well, we did a document on infrastructure. We said do you know what? We have to lay out infrastructure. We have to do that. We have to talk about projects we want to do. Yes, we want to build a new psychiatric hospital for the province, no two ways about it. Probably one of the single most important, significant infrastructure projects that we talked about as a government. Members opposite talked about it on a regular basis. We know the importance of it all too well. I know the importance of it all too well.

Overall health for our population, including mental health, is so, so important. It is so important for all of us and so important for the

people of the province and being able to provide a location, a building, a facility that allows for the best services possible within that. Because it's about service; there's no doubt that's a very important piece of infrastructure that needs to be done. We said yeah, when we get to it. When we get the money, when we turn the province around because we knew we couldn't.

The other big one that was facing us was long-term care. We don't want to just blatantly go in and gut public service or do anything like that. We don't want to do that. I have a high respect for public servants. I was one myself for 25 years. The Member for Conception Bay East – Bell Island was in the public service for many years. It's not unusual. Some of us had parts of our lives where we worked in the public service as well as private business and so on.

I have a high regard for the public service; there's no two ways about it. One of the problems with much-needed long-term care is when we thought about it, when I became premier and we had discussions about it – and just to sum it up very quickly to try and bring it together for people watching at home and for Members of the House, we have a certain amount of long-term care beds. We have fewer today because yesterday there were some closed. I'm going to talk about that. We have a certain amount of long-term care beds and we have the fastest aging population in the country – the fastest aging population anywhere in Canada.

Madam Speaker, that means the need for long-term care is going to grow in the decades to come. It's going to get bigger and bigger and bigger in the decades to come. We said we got a problem. We've got to deal with this problem or else we're not going to have anywhere for our seniors, our mothers and fathers, and our grandparents and our aunts and uncles, our siblings, our spouses, our partners – we need somewhere where they can live out their lives with dignity in a circumstance where they can be properly cared for. There's a significant shortage of long-term care in our province today – a significant shortage of long-term care.

Now, we have personal care homes, which are generally level 1 or level 2. They are the people with the least amount of complex problems. We started a program where we would provide

additional health care professionals in the personal care homes so people could stay in the homes longer as they got into what they refer to as 2-plus, which is not quite full level 3, you're 2-plus. Then level 3 is your health is now getting to a complexity where a longer and a larger amount of care, more intensive care is required. And when you get into level 4 and into level 5, there is a significant amount of care required for our seniors, our aging population. Not always seniors, quite often they're younger people who are in a health circumstance where they need that extra assistance and support.

We have a problem in health care today where acute care hospital beds – the most expensive room anywhere in the province is an acute care hospital room, and we have a large percentage of long-term care patients who have nowhere else to go. They can't go home because of the level of care they need and expertise they need, and our long-term care homes were filled, filled to capacity. It doesn't matter what part of the province you're in, this impacts you. Now, some are less; some cycle in and cycle out of having waiting lists. You get smaller populations. You might have a hospital that has one or two or three long-term care patients. There are hospitals where there's a combination of both – there are long-term care beds and there are acute care beds very close by in the same facility. Larger centres, quite often they're separate facilities.

But there's a wait-list. There are people waiting for long-term care homes who can't get in there. So they're occupying acute care hospital beds. We've all heard the stories. We've all had constituents contact us – and for the newer Members in the House who haven't yet had those constituent calls, you will – of a family member or a loved one who is now lying on a stretcher in an emergency room. Went to hospital sometime through the night or in the daytime, or the afternoon or the evening, whatever the case may be, and the health care professionals at the hospital say you can't go home; you need to be hospitalized. I trust you, good care – and we've got great health care providers in this province. Well, we don't have a bed for you. We're going to leave you in a stretcher now in a hallway in the emergency room.

I remember talking to a lady last year whose husband was a cancer patient. He's since passed. It was about a year or so ago, I remember talking to her. Her husband was like three days lying in a stretcher in an emergency room because there was no bed available for him. That's no joking matter. That's a very serious matter. We said, how do we fix this? How do we find a way ahead?

Well, for us to build long-term care, it's going to mean significant investment in our infrastructure. It's a huge cost to build these kinds of facilities. Then we have to staff them and operate them and so on. To be perfectly honest with you, some private businesses can be better employers than sometimes what government agencies, boards or commissions can be. Sometimes we struggle – we all heard lots of stories about nurses who can't book their holidays, licensed practical nurses who can't get a day off, personal care attendants who are being constantly called to work. We've heard all those stories and we've also heard of private businesses who do it a little bit better than us.

We know there's a private business here in town that government buys beds off today for long-term care. They do a pretty good job of caring for their families. I've experienced, when people have called and said my mother is in hospital, lying in a hospital bed and needs to go to long-term care, can you try and see if my mother can go to the privately-owned centre versus one of the government-owned centres? Because people feel and their perception is sometimes that's a better level of care.

Madam Speaker, we dealt with that. The ministers and our Cabinet, we talked about it. I don't know how many times we met and discussed, how do we fix this problem? We went through a number of scenarios. We talked to different industry experts, construction and infrastructure, and partnership and public-private partnership. The federal government has a whole branch, department of public-private partnerships. Ontario has done some, BC has done some.

Every other province has done partnerships on long-term care as a regular way of delivering long-term care. Every other province, except for Newfoundland and Labrador, who's done it as a

one-off, in one circumstance but every other province has done that. We said let's have a look at it.

Yes, there are provinces that have had challenges in the delivery of the service and how the program is established and how it operates and how they form it up and so on. We know Members opposite remind us, Auditors General in Ontario were chastising public-private partnerships with long-term care. Yes, there are provinces and there are examples around where they never got it right on their first go around, but there are also examples around of where it has worked really well.

BC has had great success. As a matter of fact, other provinces utilize Partnerships BC. Partnerships BC is a Crown corporation of British Columbia – where there is a Liberal government, by the way. A Liberal government in British Columbia, and they have Partnerships BC they do lots of projects with. They do schools and hospitals and clinics. They do all kinds of stuff with public-private partnership.

That's the road we went down because we have so many seniors in hospital beds that shouldn't be there, that are backing up emergency rooms. They have impact on surgeries from time to time. I've heard the stories.

I heard from a lady a while ago – it's a few months ago now. She showed up at surgery in the morning and said, I'm here for my surgery. We were trying to get you, your surgery's cancelled. We don't have a bed for you. She was turned away and had to wait for a reschedule.

Now, I don't know how often that happens. Hopefully it's rare, but obviously it happens. It happened in this case. That's what she was told, there was no bed for her.

We know of lots of circumstances where people are occupying acute care beds who should be in long-term care. It's a better quality of life for them, and the acute care bed can be utilized for an acute care patient as they're needed; sometimes the ones who are lying in those emergency rooms. So we had to fix it.

Now with a public-private partnership, one of the things that happens is that if you engage in a

partnership with a company or a business and they have to build a new building, well, they have to hire contractors to do that, much the same as government does. They have to hire skilled trades to build the building. The same as government would hire a company to build it. Well, in public-private partnerships, the person, if a business is partnered with government for a project – they decided to do all of that. So that drives the economy, growth and so on.

The problem was, of course, is that us as a government – the same as the problem the current government is facing – didn't have the capital to go do that. You don't have the hundreds of millions of dollars you need to go build all the long-term care that you really need. So where do you go? Our plan was to build 360 – 120 in Western; 120 in Central, divided between Grand Falls-Windsor and Gander; and 120 in Eastern.

Madam Speaker, I tell you, I couldn't believe the criticisms we faced with a plan like that. I had expected Members of the House would have said, well, thank goodness. Government's going to build long-term care. They found a way, they're going to build it, thank goodness. I expected to hear from them: It's about time, boys and girls, ladies and gentlemen. It's about time you went and built that long-term care. We never heard that. All we heard was, bad government, bad government, bad government, don't do it.

One of the very early decisions – the process was well along, and if we had to have rushed it and hurried it we could have finalized it before the election. I said, let's not do that. I'm not rushing it to get to an election. If we don't get elected on November 30 and there's a new government, then it's there for them to go ahead and say, let's do it. Look what we did, we've created long-term care.

I expected the new government would say something like, oh, the Conservatives couldn't get it done, but we came in and we got her done. The Conservatives couldn't do the deal and get it finished, but we came in and got it done. I couldn't be more honest, Madam Speaker, that's what I fully expected to happen. The new government would celebrate the same as they've gone to open schools.

They were up in Southern Labrador recently and opened a school. I always kind of think, yeah, it's too bad we never had the chance to go down and do that. I would have liked to have gone to Southern Labrador. I didn't want to go down just to open a school, but I did want to have that opportunity.

We did have chances and there are other openings and celebrations that have happened as well, and I'm glad they did. With long-term care, I expected that's what was going to happen. They're going to come in – one day there was going to be a big health announcement, 360 long-term care beds.

Madam Speaker, they didn't do that. They just cancelled it. They just cancelled 360 long-term care beds. I can't think of an investment that government could have made and a partnership they could have done to have a significant positive impact on people's lives more than long-term care. I can't think of it. Along the way

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AN HON. MEMBER: (Inaudible.)

MR. P. DAVIS: I hear my colleague behind me saying, and along the way you would have been creating jobs, stimulating the economy. Money would be injected without government having to lay out hundreds of millions of dollars. Money would be injected in the economy. Businesses would be doing business. They'd be hiring people. Then they'd be hiring employees and they'd be creating work. They'd be caring for our most vulnerable population, our seniors who deserve it and need it. They decided not to do that.

I've got to tell you, I was pretty disappointed and I know other people were as well. People don't realize sometimes the importance of long-term care until you have a loved one who needs it, until you have a loved one who's in a personal care home, a level 2, level 2-plus.

I know of cases of personal care homes where clients are now really level 3 but they're trying to keep them below level 3 as long as they can or considered to be because there's no place for them to go. We know people in hospital beds who should be in a long-term care home but they have no place to go.

Madam Speaker, for me, that was a big disappointment. If there was a regret of not finishing the project or getting it done early, that's one I can tell that I have. I wish it had gotten done and a disappointment that this government could have signed the contracts essentially and moved on. I think the minister – I don't want to put words in his mouth, but I think the minister said something like the scope is very narrow and we're not sure it's best interests of best use and the best way to do it.

I also know, Madam Speaker, that when you make those decisions and when those types of projects occur, your decisions really have big impacts. We know that it takes a long time to do it. We know when it comes to health care, that the new health care centre for Springdale was ready to go. Tenders were out, tenders were called, and the project was moving ahead. It was going to be another great celebration for the new government. I'm sure the people of Baie Verte – Green Bay District were looking forward to this new health care centre. The minister rose in his spot here and he said well, it's not cancelled; we are just re-scoping it. I know the minister is new but when you re-scope a project, you have to cancel a tender to re-scope the project.

Just cancelling a tender for simply re-scoping the project, minor changes and so on, trying to get your cost down, is really contrary to the act. You actually have to change what's going to be contained within it or what's going to happen to it, how that's going to be done.

For example, if you have a health care centre you are going to build and in the health care centre, say, there is a dialysis unit. Some may decide well, we can't do dialysis in that unit now in that hospital; we are going to take the dialysis out. We're going to put a CT in there, for example – and I don't know if Springdale was going to get one or not. I don't want anyone to think that we had planned to because that wouldn't be right. Oh no, we are not going to put that in now; we are going to take that. Well, that would be a significant change in the project and that would be a reason to cancel the tender because you have to redevelop a brand new plan. I was disappointed to see that the Springdale-Green Bay health centre has been deferred for two years.

I know, Madam Speaker, that when you defer something for two years, then you have a project being put on the backburner and you have to make sure you kick-start that again in two years' time. Sometimes that's tough to do because two years from now, there's going to be other challenges, more crisis, other priorities, more on the plate that has to be done. It's really hard to make sure that stays on the priority list.

On the deferred list, the list of deferrals that the government has circulated and provided to us, they are also deferring the Grand Falls-Windsor labs project for two years. We heard earlier in Question Period about Coley's Point Primary. I know this is very important to the Member. We heard her today. We saw her response today when the questions were asked. I know the Member for Harbour Grace – Port de Grave, it's very important to her.

She has a stack of petitions she was given to table in the House, to bring to the House of Assembly. I know she said she stands by the people – and I'm sure she meant it. I'm sure that having the school deferred for three years – you know, she criticized us for doing it, but they are doing exactly the same thing, criticizing us for deferring the project in the past but now with the planning being deferred for three years – and planning is your first step. Planning of a school takes a long time. Building these big, huge structures is a big amount of work but delaying the planning – that's what it says here: Coley's Point Primary planning deferred three years. That's a significant pushback and change in policy. I know it's not consistent with the Member and I know that she's not happy about it. I appreciate where she is because I've got similar circumstances going on in my own district.

In schools, Paradise, a new five to eight school is deferred for two years. Madam Speaker, the Paradise, Conception Bay South, Portugal Cove-St. Philip's area is probably the fastest growing area in the province today. Clarendville has experienced tremendous growth. We've seen other areas.

The South Coast has had lots of growth and employment that's happened on the South Coast as a result of investments and partnerships we've made with the aquaculture industry. Probably

one of the best success stories, business and employment success stories for rural Newfoundland and Labrador, even though I suppose that was probably money squandered too. I don't want to go down that road, but that's what Members opposite criticized us for making those types of investments.

In Paradise right now there's a new elementary school being constructed at Octagon Pond known as the Octagon Pond School. I'm glad to see there's funding in this year's budget to continue with that project. It's partially constructed; it's framed up. The walls are up; the roof is on and so on. That really has to go ahead. I'm glad because students who are going to occupy that school are currently bused to St. John's, from Paradise through Mount Pearl to St. John's at the swing school, or the School for the Deaf as it's known as in St. John's, because it needs space.

When you have a fast-growing community and a fast-growing region like Portugal Cove-St. Philip's, St. Thomas Line part of Paradise, Conception Bay South east end, Topsail, Chamberlains, Manuels and so on –

AN HON. MEMBER: Torbay.

MR. P. DAVIS: Even Torbay. Yes, absolutely Torbay, a fast-growing region as well. They can't see through the fog down there most days, but it's a fast-growing region.

Conception Bay South has the most sunshine anywhere on the Northeast Avalon. Did you know that? It has the highest temperatures and most sunshine. It does. It really does. It has the best. It has the most sunshine, the longest growing season and the warmest temperatures.

When they get that school done, Madam Speaker, there's a need for more. You can't stop there because we know the demographics; we know the ages. One of the criticisms that the current government, when they were in Opposition, have said to me – and I've talked to Members opposite, I know they mean it in all sincerity – is you've got to try and get ahead of these growth areas. You have to have the schools ready. When it comes time for a child to go to kindergarten, you have to have a seat in a classroom in a school for that child to attend.

In Paradise there was a plan. We had a plan for Paradise, a new five to eight school. It's in the infrastructure plan, the one I referred to earlier, in the infrastructure documents from last year's budget. A five to eight school deferred for two years. A need for a new high school – there's no high school. Paradise is a community of probably now the population, Madam Speaker, is around 21,000, 22,000 people in Paradise and it doesn't have its own high school. Students currently – the town is kind of split. Some students go to Conception Bay South, the east end of Conception Bay South to Villa Nova and Holy Spirit, and the rest of them go to Mount Pearl.

One of the problems of them going to Mount Pearl is that on the other side of Mount Pearl is Southlands where there are no schools and the students in Southlands also go to Mount Pearl. Many of them go to Mount Pearl for school. People in Mount Pearl go to school, so the schools there now are being filled by students coming in from both areas essentially into Mount Pearl and we know that can't last. So the new Paradise high school is deferred indefinitely.

I think two years ago Villa Nova had some pieces of Villa Nova Junior High, more additions put on last year because of the growing population. You have to have seats for students to sit in, have seats in classrooms – classrooms have to be in schools and they built portable, temporary accommodations. The plan was to build an extension of Villa Nova, phase one, and one for phase two; all deferred indefinitely. That's really sad for a growing community. That's going to be difficult and the government is going to have to deal with that in the years – maybe they won't have to deal with it in years to come, maybe another government will, but they are going to have to deal with that in the future.

Shoal Harbour, Riverside Elementary deferred indefinitely. Ambulatory care in Carbonear deferred indefinitely. Now, ambulatory care is a very important aspect of health care. I know ambulatory care at the Health Sciences Centre is a busy, busy place. Probably in the last year, it was identified as one of the most efficiently operating units in the Health Sciences Centre, and ambulatory care sometimes is that nature. They move like clockwork, super staff, well

organized and other hospitals need, especially a hub area like Carbonear, the same type of thing.

We know the Medical Laboratory Science Program at Grand Falls-Windsor has been cancelled. We know the Protective Community Residence in Burin is cancelled and the Goulds Bypass cancelled. They are all projects that have been cancelled, not deferred or deferred indefinitely, but they are just not going to be done with this government. Burin is not going to get a Protective Community Residence. That's just cancelled, not postponed but cancelled.

We saw in Gander Academy, reconstruction of K-3, continued planning, construction deferred there for one year. I think I talked about Grand Falls-Windsor and Coley's Point. On the Colonial Building, there are some deferrals there. Riverside Elementary, Shoal Harbour, I mentioned that one as well.

So that's the deferral list, Madam Speaker. Those things always cause pain and disruption, but there's a reason why they're on the list. They're on the list because these things need to be done. These projects need to be done and get done. They're important to the people of the province.

All of those projects represent infrastructure development. Infrastructure development means spending the money, hiring skilled trades, labourers. It means engineers. It means a whole host of skills that need to come together to build such a project.

I didn't mean to go on that long, Madam Speaker. I know Members opposite are hoping I'm going to move on to something else, and I will, but they are very important. They are very, very important to what's happened in the province and the change in the province today from what was part of our plan last year when we laid out what we were going to do over five years.

I know they had announced some road infrastructure recently. We've seen the list. We were provided with the scores of the programs that were awarded, but what we didn't know was – because we asked for the evidence-based decision process. What we don't know is the next road on the list that got left off the list or

didn't make the grade? We haven't been provided with that information.

Ministers talked a little bit about how more work is coming and so on. We look forward to that, and maybe at that point in time we'll have the chance to say, well, why is this project underway now and already being done – why was this being a priority when some of these other projects were left to a later point in time? So hopefully we'll get that information and we'll have a chance to have a discussion about it to see what happened.

Now, Madam Speaker, last year in our budget – I talked about HST a little bit earlier, and we had committed to increase HST. We also increased income tax. I'm going to talk about income tax first for a couple of minutes, because the current rate for income tax for what's known as the first bracket, which is people who earn zero to \$35,000, the current rate is 7.7 per cent. We left it at that. The second bracket is \$35,000 to \$70,000, 12.5 per cent. We left it at that. The third bracket, \$70,000 to \$125,000, it's at a 13.3 per cent tax rate. We've left it at that. Then the fourth bracket is when you earn \$125,000 to \$175,000, that was also at 13.3 per cent. Those who make over \$175,000 a year, they are at 13.3 per cent.

We found that other provinces had more tax rate categories, more tax brackets than we did as a province. There is a belief that if you earn more you can afford to contribute more to the Treasury and to the province. That's what happened. So we increased, we created a fourth bracket and a fifth bracket. There used to be only three.

A fourth bracket of \$125,000 to \$175,000. For the 2015 tax year, with a half-year implementation, we increased it to 13.8 and for the 2016 tax year we increased it to 14.3. The fifth bracket, for those who make over \$175,000, 13.3 per cent is what it used to be – because it was for everybody who made anywhere over \$70,000 – then we increased it to 14.3 for a half year of 2015, and 15.3 for 2016.

The reason why I point that out is because we believed that if you make more, then you have the ability to pay more. What's also interesting when it comes to income tax, federal income tax

and provincial income tax, is the tendency always is that the more you make the more likely you are to be able to avail of what's known as tax shelters, deductions. Deductions in the amount of tax you have to pay.

People have the income and the flexibility to be able to find ways to invest or place their money, place their earnings into protected savings accounts, tax-free savings accounts, retirement funds, or make contributions to charitable or non-for-profit organizations. In some cases make political contributions because there are tax reductions for all of those types of things and you don't have to pay tax if you move something into a retirement fund. You pay it when you collect it or use it as an earning later in your life.

It's not always the fact that those who earn more actually pay more, because they have the ability to shelter a lot of their revenue, a much better ability to shelter it than someone who earns \$25,000 a year. If someone earns \$25,000 a year, it's a good chance they're using most all of their money to make ends meet, to go from paycheque to paycheque and live from paycheque to paycheque.

It's important that we understand how these people live. It's important to understand how so many people in our province rely on that paycheque every second week. If they lost their job it would be devastating for them. They need to have that constant revenue because they do want to take their child to a dance class or swimming lessons or hockey or soccer and have extracurricular activities for them so they can enhance their quality of life, or maybe they need tutoring and assistance in school which can be very expensive.

They may need help with a certain subject sometimes. You can have great wonderful kids who just struggle with a certain aspect of a certain program or a certain year they have a problem with math. We know kids quite often will have problems with math, and it might be a year that a child is really well at math but all of a sudden there's a real snag and you have to find a way to help and you have to go find a tutor. Tutors are going to cost you some money. It's going to cost you sometimes a lot of money for help for your child.

I know people who have taken their kids to tutoring and all of a sudden they have soared. They invested more because they wanted their children to do better and have a chance. The tutoring really helped them out and drove them. You can't do that. If you rely on your paycheque from payday to payday, and now all of a sudden the hand is out and you've got to pay more, well, you're going to have a problem. It's going to cause you some grief.

We know the Premier and the Minister of Finance are on the record as saying the rich, they pay enough. That's essentially what they've said. They said they pay enough and we don't think they should pay any more. They did put income taxes for those higher income levels. They did that. They've also put up income tax for lower income levels.

For a person in the first bracket, zero to \$35,000 it was at 7.7 per cent. We selected to keep it there last year for 2015-2016. The current government has increased it in 2016 to 8.2 per cent and in 2017 to 8.7 per cent. Also, there's an increase then in the second bracket for \$35,000 to \$70,000. So if you earn a salary of \$70,000, you're going to pay more taxes in 2016 and more taxes in 2017. The third bracket you're going to pay more taxes, which is up to \$125,000. Then from \$125,000 to \$175,000 you're going to pay more and over \$175,000 you're going to pay more again.

Usually what happens with taxation is that the people who have the highest wages pay the higher amount. Madam Speaker, that's quite often how that transpires, that the people who can afford it pay more. We know the Premier and the Minister of Finance are on record of saying that we believe they pay enough. That was their response to the Liberal levy which they have put in place. They utilize this levy as a way to create more revenue.

As they've done that – created more levy – there's going to be a cost to every family. Everyone who earns over \$20,000 a year is going to have to pay more. They're going to have to pay more, but it's disproportionately taxed, burdened, put upon those who earn less.

I talked to a gentleman yesterday who earns a good income. He told me that his children are

doing okay; they're trying to make a go of it. He said one of his children and spouse make a fraction of what he makes and will pay more – because they both work – to the levy than he will when he's a very high-income earner. Yet this hard-working, young family, who are hoping to have a child in the future, lost \$2,200 on the infant supports and new parent supports and now have to pay this levy.

That's causing a significant amount of hardship and difficulty for families, and they're trying to square it. It wasn't in the platform; it wasn't in the promises made. When we were saying yes, we have to increase taxes, we have to reduce public service, we have to find more efficiencies, and we were being chastised for doing so Members opposite were saying, no, we're going to increase the HST. We're not going to increase taxes. We're not going to lay off any employees. I was shaking my head saying well, the price of oil is dropping. If I was in power today, I tell you, we got to look at our public service, we do – and they're doing it.

The problem with them doing it, versus us, they said they weren't. They're on the record saying we're not going to do that. They said we're not going to do it. Now, they said they liked the attrition plan, they still liked that attrition plan and we did too; but we also said was over the coming years we have to have a plan that can be flexible, and we were quite clear to say that every year we can review the plan and we'll offer the plan depending on the financial circumstances of the province. I mean that's as clear as you can get, clear as that. How much clearer can you get that we're going to have to do things differently?

Someone said to me a little while ago, you're honest with the people; that's your problem, Davis. You told them the way it was; you shouldn't have done it.

AN HON. MEMBER: (Inaudible).

MR. P. DAVIS: Yeah, I know; maybe I shouldn't have done that.

But that's what we did. That's what I did. I told them where it was, I told them how it was, and we did that and we saw how it turned out because the people elected a new government. I

was the first one to say I accept and I respect the decision of the people of the province. I do, yet the people of the province gave us a job and I'm not going to stand here and not do my job because I happen to be a former premier or because I made decisions in the past.

You want to pick out a decision or something I did as premier, well let's talk about it. I will be more than happy to talk about it, but don't talk to me about 2006 or 2007 when someone reduced taxes. I was a public servant, I wasn't even here, but somehow that's all my fault too. Talk to me about what I did last year or what I tried to do for the short period of time, because I was in office about the same amount of time from when I got elected to when I brought down my budget. There's not much difference in the amount of time from when –

MR. LANE: (Inaudible).

MR. P. DAVIS: Oh, we're hearing from the Member for Mount Pearl – Southlands. He's been hiding the last few days, but we're hearing from him now, Madam Speaker, he's been hiding away.

So, Madam Speaker, in the same amount of time this year – and budgets are about choices – the Premier brought forward his budget. I did it last year. We make choices; we make decisions.

Madam Speaker, my time is running out for my first hour, so as the Member for Topsail – Paradise, I move, seconded by the Member for Mount Pearl North, that all words after “that” be deleted in the motion before the House and the following words be substituted therefore: This House deplores the government's failure to deal adequately with the real problems facing our people and its failure to provide competent management to our province. So moved, Madam Speaker.

SOME HON. MEMBERS: Hear, hear!

MADAM SPEAKER: The Member for Topsail – Paradise has put forward the motion and the House will take a brief recess.

Recess

MADAM SPEAKER: Order, please!

The Speaker rules that the motion submitted by the Member for Topsail – Paradise is in order.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Lane): Order, please!

The Speaker recognizes the Leader of the Official Opposition.

SOME HON. MEMBERS: Hear, hear!

MR. P. DAVIS: Thank you, Mr. Speaker.

For those tuning in at home, I just spoke for an hour on the budget. Towards the end of my speaking hour, almost an hour –

AN HON. MEMBER: Great job.

MR. P. DAVIS: Well, thank you. Thank you Members opposite as well.

I laid down a motion, amendment and now I get to speak to that amendment for another 60 minutes. I know it's a good time, if you're tuning in at home and you're sitting in the House of Assembly. What a great opportunity to listen to me talk for another 60 minutes. I know some people who would love to be in your space.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. P. DAVIS: Not very many, but I know lots of people – some people would like to be in your place.

Mr. Speaker, I was talking about the budget. I was making comparisons earlier in the approaches that we had taken as a government last year. We had reflected upon the volatility of oil and the potential impacts it would have on the province and on the budget.

Everywhere in the world got it wrong last year. There might be a few one-offs that found a way to say, oh yes, this is exactly what I said was going to happen. They may have been predicting it for the last 20 years and now finally a day came that they were right. The predictors, the ones that we utilize, which are the same people that the government today utilizes for their

expertise – because none of us are experts when it comes to oil or many aspects of government. We have to rely on officials in departments, we have to rely on consultants and we have to have relationships with the financing industry, the bond rating agencies and so on.

We relied on them and the oil dropped and it dropped and it dropped and it dropped. As I talked about my first hour, for every dollar that oil drops, it's a \$29 million loss to government. So when you go from \$100 a barrel – and I think the lowest it went down to, if I remember correctly, was somewhere around \$26, \$27. I think it was down below –

AN HON. MEMBER: (Inaudible.)

MR. P. DAVIS: How much?

AN HON. MEMBER: (Inaudible) \$27.

MR. P. DAVIS: Twenty-seven dollars? Thank you, Minister. He tells me it was around \$27 a barrel. That's a big hit when you put \$29 million for every dollar that it drops. So yes, we know that the current government had decisions to make, but that's certainly not what they promised to people.

I know as well that MHAs knocked on doors and carried those promises door to door to the people of the province. I know that and I know it's a tough circumstance you're in because you don't have control over some of those decisions. Cabinet does it, the Premier, the Finance Minister, Members of the Cabinet, they're the ones who finalize and decide what the budget is. Members of caucus generally don't. The Premier has said they had a say, but I'm sure – I know the Cabinet responsibilities are sworn responsibilities and it's up to them to bring forward the budget to the people of the province.

They brought forward one of the most controversial parts of their budget and there are several. We know that there were people who disagreed when we proposed last year in the budget that effective January 1 of this year we would increase the HST. There were people who were adamantly opposed to that. There are some of those people, many of them today say, oh, that was a good thing, we should have done it. Now it has been done, but there were some

people who have held over, no, bad, wrong, should never have done it. There are still people who believe that.

The Premier announced in December that he wouldn't increase the HST. A few months go by, things happen, during January, February, March, April we get to the budget and now he's going to put the HST back on in January. The loss of that HST revenue – the thing about HST, HST is collected, as I referenced earlier. A person goes to a store, goes to a business, they make a purchase or procurement. They obtain a service, and they pay it and they pay HST. The HST is collected on a daily basis throughout the province.

We had anticipated, and it was budgeted by officials in the Department of Finance who said, look, with the 2 per cent HST you're going to create \$180 million in revenue during the year. Half a year is about \$90 million. From not putting the HST on from January to July, it is a \$90 million revenue loss, that, very interestingly, is paid by those who spend the most. The people who spend the most are the people who have the most. The people who have the most are the people who earn the most, our highest earners.

Our highest earners would likely contribute the largest amount to that HST and the HST increase, that \$90 million. The Premier saw fit in December to announce: I made a promise, I'm not putting the HST on. I'm going to stick to my promise. My evidence-based decision is, it's wrong, it's a job killer, not on my watch, it's not going to happen.

As I said earlier, if he said it once he said it a thousand times: not going to happen, not going to put up the HST and cancelled – called the federal Liberals in Ottawa and said, what do we need to do? We need to put the brakes on this. We can't have an HST increase in our province, it's a job killer, it's terrible.

Now interesting, at the same time – well, actually last year – New Brunswick was looking at their HST. Nova Scotia put theirs to 15 per cent. The Liberal premier of Nova Scotia was actually talking over the last few months and saying Atlantic Canada should all be 15 per cent. I think their 2016 budget is probably being

delivered as we speak, or it was earlier today for Nova Scotia.

The premier of Nova Scotia last year – I know the premier. I've met him several times. I had lots of discussion with him. He is a firm believer – I talked to him about HST – that 15 per cent was right. The premier of New Brunswick was interested in it and they moved their HST to 15 per cent. Before they did it, the Liberal premier of Nova Scotia said it's right for all of us to do that, but our Premier said: Not, a job killer.

For some reason he felt it was a job killer for Newfoundland and Labrador, but he was offside with his Liberal colleague, the premier of Nova Scotia, and it turns out the Liberal premier of New Brunswick, who also consulted for a full year, 15 months I think. In New Brunswick they went through a consultation process for a 15-month period. It started in January 2015 to inform their 2016 budget.

The same process that our new Liberal government is doing, they started in January 2016 to inform in 2017, but they had a lot of pressure and a lot of pushback on that same – you have to take action now. People were getting tired of saying, look, start doing something. Freeze hiring. They didn't do that. Stop travel. They didn't do that. They travelled lots and government Members travelled. They have work to do, I appreciate that. I'm not criticizing them for any particular travel or anything, but they continued – they didn't do that.

The Minister of Finance stood in the House here one day in Question Period and I asked how much have you saved in discretionary spending. She very proudly got up and said we've saved \$100 million so far. In a short period of time they've saved \$100 million. This very day we don't know what that \$100 million is, but we're hopefully going to find out through the budget process where that \$100 million worth of savings were. From the fiscal update in December through January, February, March, that's three months that she said. She went outside the House, gave a little different answer. I had hoped the next day she was going to clarify it here, but apparently I was chastised and criticized for it again.

That's what governance is and leadership is. It's about making decisions. It's about making choices. One of the significant choices they made in January was not to put the HST on, a \$90 million loss in revenue. So they put the HST back on. It's going to create \$90 million in the second half of 2016. I haven't heard any numbers to the contrary or forecasts to the contrary. I would suggest it's going to be less than that now because of the climate created by the current Finance Minister and current government of taking all hope from people in the province, taking all vision, all sense that there's a better tomorrow and a future for us.

We had 2,500 public servants who normally are given a year-to-year contract and in March they're given a new contract for the next year. We had 2,500 of them who were given a letter saying we're extending your contract, congratulations, only until September. At a time that we have a tough fiscal circumstance, they're putting up a flag to these 2,500 people and saying – I believe what it spells out, if I was one of them who received that letter I'd go uh-oh, my job is in jeopardy and I may lose my job in September.

That investment I was just going to make in my house where I was going to put in new windows, I was going to repair my roof, going to paint my house, I was going to rebuild my patio, maybe I was going to renew my kitchen; I'm not doing that. So for 2,500 families, they were just signalled you better stop spending. You better stop spending in the economy. Don't go to restaurants or bars. Don't do that. Don't buy a new car. Don't take a vacation. Don't take a staycation. Don't do that. Don't invest in your home. Don't spend any of your extra resources because in six months' time your job may be gone.

The hard part of that is, I'm sure the Members opposite or the Minister of Finance and the ministers don't intend to terminate 2,500 people next fall. I'm sure they don't. I hope they don't, but if they don't, if they only were to terminate 200 or 300, or 400 or 500, or 600 of them, we have 2,000 people who put their money in their pocket instead of driving the economy for a six-month period.

For a six-month period, 2,500 families who are saying let's save every cent we have. Let's not drive anywhere anymore because our gas just went up by probably 19 cents or so, 19 or 20 cents. It's not 16.5 because there's also 2 per cent HST. You have 16.5 cents on your gas tax and if your gas is over a \$1 you're going to spend at least two cents or more extra on your HST. So your gas could be up anywhere from 16.5, 17.5, maybe up to 18, 19, 20 cents, depending on what the price of gas is. Don't drive your car. Don't go to a restaurant. Don't go to the corner store or a small business.

What happens then, Mr. Speaker, is exactly what I'm sure the government didn't want to happen, and we certainly don't want it to happen. I'm sure if I spoke to every Newfoundlander and Labradorian they'll say this is a bad thing. There's only one entity I know of that benefits from an implosion in the economy, and that's the people who are in the business of bankruptcy and bankruptcy trustees.

I talked to one today and he can't keep up with the work that's happening. He can't keep up with the demand on his business, but we don't want to see those guys busy. We don't want to see those folks busy being bankruptcy trustees. We'd like to put them out of business. What's happening is now you create that implosion. It has not just started now. It happened a few months ago when the Premier and the Finance Minister said it was some bad, it's some bad, it's some bad, oh my God, it's bad news. There is nothing good in the budget.

I think there is good stuff in the budget by the way. I do think there is good stuff in the budget. Anytime they maintain a program or service that is good news. That is good news for people who require that program or service. That's good news for the people who deliver that program and service.

Well it's bad news that they discontinued 24-hour snow clearing. It's bad news because people are losing their jobs. It's bad news because in the Northeast Avalon there are thousands of people who work shift work, who travel over our highways on a regular basis. The Outer Ring Road has up to – the last number I saw was 40,000-plus travel the Outer Ring Road on a day. Do you know the busiest days? Do you

know the two busiest days in the week on the Outer Ringer Road? Interestingly enough, Saturdays and Sundays are the heaviest traffic days on the Outer Ring Road. That's people going about their business. It's people going to the airport. It's people going to work and shift work.

If you have to go to work at 4 in the morning and the busiest road in the province doesn't have snow clearing, that's going to create a problem for people. Not only that, with all of the dangers, fatalities, devastation and destruction that's happened on the Outer Ring Road, as a former government it was on my mind regularly. I'm sure it's on the mind regularly of the new government. I'm sure the Minister of Transportation, it's on his mind.

I'm sure the Minister of Transportation has had discussions about the safety on the Outer Ring Road. It should be of the utmost importance. Snow clearing is a significant part of that. When you live on a rock in the middle of the Atlantic Ocean in the North Atlantic, you're going to have snow and rapidly changing weather conditions.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. P. DAVIS: That creates a significant challenge. Mr. Speaker, it's the busiest road in the province. The difference with the Outer Ringer Road versus any other road in the province is simply the volume of traffic.

Now, Members opposite can make an argument that you might have a road where there's a small volume of traffic. You take the Member who represents the South Coast and travels up and down the highway on a regular basis; it's a fairly small amount of traffic on that highway relative to the Outer Ringer Road.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

I would remind Members to take your conversations outside if you need to have them.

I recognize the Leader of the Official Opposition.

MR. P. DAVIS: Thank you, Mr. Speaker.

The big difference is then you start to talk about there's one or two, or 10 or 15 people on a roadway in a period of time from 12 midnight to 4 a.m. That's very different than having 40,000 cars a day go over another road. That's why government has to make choices, but you usually start and say I'm going to decrease where the least amount of demand is.

So they arguably just did that in aspects of health care. Yesterday, Eastern Health approved by the minister and approved by this government – because the buck stops in the minister's office and the government's office. Anything an agency, board or commission does, the buck stops there. That's why they call it the minister of a department or the minister responsible for. They are responsible for that, Mr. Speaker. Everyone in the province elects them to be responsible and do the right thing.

We know that yesterday, we'll use Bonavista for an example, they said they were streamlining – and I can't remember the word; maybe the Minister of Health might call it out to me or something. They used a word to say they'd level the playing field for X-ray services in a number of hospitals: Bonavista, Old Perlican, Grand Bank, St. Lawrence and Whitbourne is the other one. They streamlined them to be now, what I always referred to, as banker's hours or office hours, that there'll be X-ray opportunities for X-rays during office hours.

In the case of Grand Bank, if a person shows up at the hospital in Grand Bank and has what's suspected to be a fracture of the arm, leg, bone of any kind and they need an X-ray, the person has to drive to Burin. I don't think that's a really long drive – an inconvenience, not good, but it's not a long drive; 35 kilometres or 30 kilometres something like that if I remember correctly the number of times I've been down there.

St. Lawrence is a bit further. Whitbourne is a pretty busy hub, pretty busy place. They'll have to travel to either Carbonear or St. John's. I would expect people may choose one or the other.

Old Perlican would drive to Carbonear as well, I would expect, and then there's Bonavista has to drive to Clarenville. That's a bit more of a drive, especially if you have an injury that could be very painful. That's the hospital I'm told by officials at Eastern Health that had the largest number of X-rays, afterhours. In all fairness, Mr. Speaker, it wasn't a huge number –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. P. DAVIS: The number, when he gave it to us, I was a bit surprised because there's only –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The Speaker recognizes the hon. –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The Speaker recognizes the hon. the Leader of the Official Opposition.

MR. P. DAVIS: Thank you, Mr. Speaker.

People have to leave from Bonavista now, afterhours, in the case they need an X-ray. I believe and I stand to be corrected but if my recollection is right – I don't have my notes here in front of me – the officials who briefed me from Eastern Health yesterday advised us that is the hospital that has more frequent – and the numbers are not huge. They're not huge. One or two a day, that type of range.

I understand that, but I also understand there's a fair bit of traffic in Bonavista; it's the hub for that area. If there's an event or an injury or a serious injury, the person afterhours now would have to go to Clarenville, which is a bit of a run away.

My point in bringing all that up, Mr. Speaker, is because that's about choices. You try and say well, where is it that the smallest numbers of service being utilized and how do we adjust; we look at the cost and look at the benefit; you do that analysis of the cost and benefit. Then you

determine where we can find savings and achieve those savings. Snow clearing, the road maintenance and so on is the same thing. You do the same type of analysis with roads. If you have two roads that are in bad condition, one has 500 cars a day and the other one has 40,000 cars a day. Well, it makes sense. If you can only do one or the other, you do the one where you're going to get the most benefit for the spending you do. That's what choices are about in a budget.

It's obvious, Mr. Speaker, some of the Members opposite are sensitive about those choices. Then it's up to them to determine if they're the right choices or not. It's up to them to talk to their constituents, to talk to the people they represent and tell them. It's up to them to say, well, I do support this decision or I do not.

We put dialysis down in Bonavista probably a couple of years ago now, and I've been in the unit myself probably two or three times now. I've been in the dialysis unit down in Bonavista. I tell you, there was a group of people who worked very hard to continue to keep our feet to the fire as a government to make sure the dialysis unit went in down there. There were people who worked very hard and lobbied very hard, and I was quite pleased when it got done and got put in there, because I know for a dialysis patient it's a hard go. It's a hard go for dialysis.

If you live close to a dialysis centre, living life while requiring life-sustaining dialysis is tough anyway. I've talked about that here in the House in the past. But when you've got to travel a distance to do that – and we're challenged by our geography, we're challenged by the size of our population, and we're challenged by the cost of operating such things as a dialysis unit or dialysis centre, dialysis equipment, then it really makes it difficult for difficult choices.

I've always said, when you're in government you learn really quickly. You can sit in Opposition and throw over, you should do this and you should that, and how come you're not doing this and not doing that. That's easy to do, but one of the differences for some of us over here is that, yeah, we've had that experience in government and we understand when you say, do you know what, I can't do it. It's a good

program, it's a good service, I think you should have it, but I just can't do it. There could be any number of reasons why you can't. Maybe that it's you're opening a door – you'd like to do it in one place but you'd have to do it a hundred, or maybe there's not a level of fairness.

We all want more doctors – I heard the Member opposite talking. We want more doctors everywhere and we do that. There are so many doctors and so much to pay so many doctors. We have more doctors than we ever had before. We're training more doctors than we ever had before, and I would argue – and the Minister of Health might talk about this at some point in time, because I know he knows an awful lot more about it than I do, an awful lot more. He made a life of it himself in medicine – we probably have one of the finest training institutions in Canada today right here for medicine students. Probably one of the finest, and training more young doctors than ever before.

That comes with a cost and a bill and an expense, but it pays off for the people of our province. Especially, as I talked about earlier, when you have an aging population that exists throughout Newfoundland and Labrador. Because those people are the ones who elected us, and they want us to make those choices.

There's nothing harder than being an MHA or being a minister or even being in Opposition when someone calls and says, I need this, and you say you can't do it. I'm sorry, I can't do it. That's bothersome sometimes because that's what makes us people, that's what makes us real. We can't do things we'd like to do, we feel is a good thing to do, but we just can't do it. You can't be everything to everybody when you're in government. You have to make choices.

The government opposite, when I started this whole discussion I was talking about revenue, increased 300 fees – I think it's 300 fees, I stand to be corrected, approximately 300 fees – and created 50 new ones. As soon as I get through my pile of paper here I'm sure I'll find it here for us so I can refer to it. That's a lot of new fees for the people of the province. There are still people who are learning what the new fees – here it is right in front of me, just where I left it. There are a lot of new fees and also this levy,

which is by far the most discussed aspect of the current budget.

One of the problems of the levy that people have on a regular basis is the distribution of that levy. I'm glad to see that people under \$20,000 don't have to pay the levy, there will be no levy. Someone who earns between \$20,000 and \$25,000 will have to pay up to \$300; \$25,000 to \$36,000, \$300. Then when you go from \$36,000 to \$38,000, you're up to the amount of \$300 to \$450. There's a range there. Depending on how much you earn is the way it looks to be set up. Then \$38,500 to \$47,000, \$450.

Let me just go to that area. Just let me go to that salary range for a minute. I know a lot of people who are in that salary range of \$38,500 to \$47,000. A person in that salary range would have to pay \$450. If you take a person, say a couple of people or a couple, and they're both making just under \$50,000 each. They're working hard. I can tell you anybody who's got a family like that and that's the kind of income they're bringing in, they've got work to do to make their ends meet; of course anyone who is down in the \$20,000 to \$25,000, even more so.

If you had two people working say and making \$40,000 a year, an \$80,000 income, they have to pay \$900 for this levy. Think about that. That's people who don't have a lot of disposable income, are now going to have to pay \$900 for a levy, when someone who makes a much larger salary, \$200,000-plus, \$300,000, \$400,000, \$500,000, they pay \$900. The people are saying it's not fair; it disproportionately burdens lower-income families. Now, I don't know how much clearer we can be about it. Someone who earns \$36,000 a year is going to have to pay \$300. Someone who makes \$25,000 a year is going to have to pay \$300 towards his levy.

Mr. Speaker, there's lots of those people in the province who not that long ago relied on social programs. Some of these making those incomes still rely on certain supports, like through the Newfoundland and Labrador Prescription Drug Program, where the working poor need that assistance. People who are lowest income earners, middle-income earners, they need that assistance because they want to stay off social programs but they have a high health bill for their child. I don't want to rely on the

government. I want to make a go of it myself, but my child has a disease or an illness which would require a high level of drugs and government assists them on that.

Well, now we just burdened them with another \$300, or in the case, as I said, up to \$47,000, \$450 and so on. You get up to \$50,000 range and you are in the \$600 mark. That's a lot of money for people.

What's really interesting about this, when the minister was asked – I saw little clips. I didn't have the chance to look at the whole program, but on *NTV Issue and Answers* on the weekend she was asked: How are people going to pay for this? How is it collected? She said: No problem; they are going to pay on their taxes.

When you go in and file your taxes next February, March or April, go in and file your taxes – and I know an awful lot of people, Mr. Speaker, who every year when they go in and file their taxes, throughout the year they go into their employer and say can you take an extra \$10 bucks off my cheque for taxes. Take an extra \$10 off my cheque because I know at the end of the year when I file my taxes, it doesn't hurt so much to get that \$10 off but when I go to file my taxes at the end of the year, I'm going to get a little return.

That little return is going to loosen up my purse strings just a little bit, give me a little bit of relief. Maybe you're waiting for it to come in because you have to fix your car. It is springtime and you need to buy new summer tires. You have to fix the struts in your car because they got damaged due to all the potholes and ice and stuff during the winter or whatever the case may be. Or my wife and I and my kids were hoping to take a spring vacation, a little vacation or something. We are going to go to Bonavista for the weekend, like I've done many, many times or down in Twillingate.

Who knows what it is. My hot water heater gave out. How am I going to pay for that? Well, I know my tax return is coming. I heard it lots of times. My tax return is coming; I can't wait to get it because I'm going to have a few bucks left over in my tax return.

What the minister said, how this levy is going to be collected, is when you fill out your tax return next year, when you get to your income line they are going to say how much income have you had, this is how much income, well this is how much you have to pay.

Now, a lot of people when they go into taxation, they go in to pay their taxes or they go in and file their tax return sometimes they break even or they have to pay in a little bit. It is not unusual for someone who makes \$25,000 a year at the end of the year, oh, guess what? I'm a \$100 short or I'm \$200 short. I have to pay that now to the federal government, or they break even, or you're going to get \$100 or you're going to get \$200. It might be a wonderful year that you had and your taxes worked out and you're going to get \$300 back. Well, not anymore because the minister is going to take that away. If you're even or if you're in the hole a little bit, now you've got to pay that on top of whatever your taxes are.

The minister did say people can go to their employers and fill out I think it's a T-100 and ask them to take out a little bit more out of their cheque on a regular basis. Lot of people do that, but they do that now for a completely different reason because quite often that's the little nest egg they get come tax time when they look for that little bit of relief from going all year long from paycheque to paycheque.

Maybe that's the weekend they take their kids out for a meal somewhere. Maybe that's the weekend they do something with the family, a little bit special. Round up the kids, take them to a movie or they do something, because a lot of these families can't afford to do that on a regular basis.

Now they are going to be hit with this levy on a time when they expected to have a little nest egg. When you're going to put it oh, go and fill out your T-100 and take an extra – well, I take \$10 off my cheque now to make sure I don't have to pay in at the end of the year. If I take \$10 a payday, \$20 a month, I have a couple of hundred a year extra paid on my taxes so that at the end of the year if I'm short, if my employer didn't do the calculation right, if my employer didn't calculate properly how much taxes I'm supposed to pay, I'll be okay. I won't be stuck

with a big bill. That's what people do. Now we're going to add another \$300 or \$450 or \$600 on to that bill. People are not happy about it for a very good reason.

What's really interesting to point out is that government is talking about needing revenue this year. Members know this; my own caucus, we talked about this. The government says we need revenue this year, but they won't get it until next year because people won't pay the levy until next spring. People won't pay the levy until next March or April or May when people do their taxes. People won't even pay the levy until next year; \$79 million won't be paid to the provincial government for another year.

Officials in the Department of Finance have told me in the past that when the federal government collects money like that, it could be 12 to 18 months before the funding actually comes from the federal government back to the province – 18 months. So it could be up to that. It could be late 2017 before the levy even comes to the coffers of government.

Mr. Speaker, that's a big problem for this levy that the government talked about much-needed revenue and needing that revenue today. I made the comparison earlier HST is paid monthly, remitted monthly, it's processed monthly and there's a constant revenue flow happening with HST where the levy is very, very different. It's going to create \$79 million.

If the Premier had to have left the HST on in January, if the Premier didn't cancel the HST increase in January – from January to July, which would have created \$90 million of cash flow coming into government during that six-month period – then he wouldn't have needed the levy. The levy is going to create \$79 million a year or so from now for the government that needs money today.

The HST would have been paid by the highest earners. The HST would be paid mostly by those who spend money. Whoever spends the most money are the ones generally who have the most money. The people who have the most money to spend are the ones that earn the most money. So our highest wage earners would have been paying that HST.

That's not the case with the levy. That's not what happens with the levy. It disproportionately punishes lower- and middle-income families. That's the fabric of our province, Mr. Speaker. Those are the people who stay here and work here every day. Those are the people who try their best to make ends meet.

SOME HON. MEMBERS: Hear, hear!

MR. P. DAVIS: Those are the people who want to raise their families in Newfoundland and Labrador, in rural parts of our province, in the coves and the islands and the rural parts of our province. They want to keep their families here and they want to go to local business and do business with them.

With this levy they're saying that little nest egg I'm going to have next year is gone. What's the point of staying? The businesses are going to close. Our government offices are going to close. Not a lot of them, but some of them are going to close depending on where you are.

The whole set-up of the budget is to create that implosion. We can't survive as a province and individuals can't survive. That's what happens. In the minister's own Budget Speech she refers to that. She says our decisions are going to negatively impact the people of the province. That doesn't work for so many people.

I can tell you, Mr. Speaker, it doesn't work for me either. It does not work for me. You're going to have a levy on people that's not even going to create revenue this year. You cancelled evidence-based decisions. You cancelled the HST which was going to create \$90 million. You're not replacing the HST with \$90 million, now you're requiring people to pay both.

So not only are you going to have to pay 2 per cent extra on HST starting July 1, but now on top of that what they missed out on the first six months of the year they're going to add with a levy. They're going to add, they're going to try and catch up with the levy that people are going to pay next year. So we're going to collect HST and we're going to collect the levy.

Mr. Speaker, when we did the HST last year we looked at the most vulnerable parts of our population and we said, what are we going to do,

because there's an HST credit that occurs – used to be. There used to be an HST credit that an adult who's eligible, and the eligibility was based on the threshold of \$15,000 income. An adult who was eligible got \$40; their spouse or partner, \$40; and for each child under 19, \$60.

Part of our HST plan last year, when we increased HST I was very cognizant of those families, those people who need that extra money. So we changed it. Effective in 2016, the amount for an eligible adult was \$40 for the first adult. We were going to increase that to \$300 for the first person, but we were also going to increase the phase-out threshold rate to \$30,000.

So now, not just those earning \$15,000, \$16,000, \$20,000, \$25,000, \$28,000 or \$29,000, but people up to \$30,000 were now going to be eligible for that HST increase. For the second, for the spouse it would have been \$60, where before it was \$40. For a child under 19 we were keeping it at \$60. So two parents and a child would have received \$420 under our HST credit program. Before it was \$140.

The one I was pleased to bring forward, the short time I was in the Premier's office, would have significantly increased that and it would have doubled the threshold. I remember asking how many people would that impact, and if I remember correctly – and I'll turn to Members here with me – I think it was around 100,000 families that would have been eligible for some part of the HST credit, if I remember correctly.

Now, the new government did introduce the Newfoundland and Labrador Income Supplement. There's a graph they produced which gives you a range of what's applicable and so on. Though, they also cancelled tax credits and assistance, like Home Heating Rebate. I know so many people used to call my office in the fall of the year – and I know Members get this, and for Members opposite, I know the new Members probably wouldn't be aware of this, but you commonly get the call, where do I get my application? Can you help me fill it out? Can you make sure my Home Heating Rebate application goes in. I got to get my Home Heating Rebate and I need that.

People who get these credits, come Christmastime, they're huge to some families,

huge. When you get a credit or you get a rebate, you get a cheque in the mail from government, it's a huge amount to say, that's going to help me buy my Christmas gifts for my grandchildren for Christmas. It meant so much to them, and you get that.

Well, that's gone, but there is an income supplement. The people of the province will judge that and they'll determine if it's good or not. The analysis and work that we've done on it, it does not offset the increase in taxes. It doesn't do it.

We're still trying to figure out and figure through all of the tax increases because there are 300 of them and how does that apply to families and people's circumstances. I had someone who wrote me last night and said: I'm trying to figure out what the implications are in the budget; can you help me? I said: Well, we certainly can try. We can help share some of the information, but you really have to plug in your own circumstances to really figure out what is going to be.

But 300 fee increases. When I looked at the fee increases, I very quickly thought about – because the first section of course in alphabetical order, the first department is Advanced Education and Skills. There's a savings document that was available and there is also a fee document that was available; they are both in alphabetical order. One of the first one is Advanced Education and Skills.

When you look at the savings that government is going to create, the first one there: "Implement full student loans for NL students studying outside the province in programs available in NL;" about a \$29 million savings there. You go down to Fund Office to Advance Women Apprentices from the federal sources, \$200,000 savings. The budget line was \$200,000 and the savings was \$200,000, so that's to remove provincial portions, as I understand it right, and allow the federal portion only.

There's other savings here, for example, "Integrate the Post-Secondary Training Services Program for persons with disabilities into the Student Loan Program," \$1.5 million savings there on the back of students with disabilities. "Eliminate apprenticeship scholarships." Now

imagine, Mr. Speaker, one of the things that I know – I know so many young people that have worked so hard in their post-secondary studies. They worked hard in high school and post-secondary studies. I know a young man – I was just trying to think, Mr. Speaker, how much I'm going to tell you about him because people will know who I'm talking about before long.

I know a young man who played very high-level sports; he's an adult today. He's at Memorial University today. He played high-level sports and he still plays sports, very athletic, had a very successful amateur career and professional career. Mr. Speaker, I remember he went off to play junior hockey and he played in the Q and he won several scholarships and awards. I remember he was a student in Bay Roberts high school. The high school in Bay Roberts is –

AN HON. MEMBER: Ascension Collegiate.

MR. P. DAVIS: Right on, Ascension Collegiate.

He was a student at Ascension Collegiate. The Member will figure out very quickly who I'm talking about; she probably already has.

AN HON. MEMBER: I have.

MR. P. DAVIS: Yes, you would.

He was going to school. I think in his high school year he missed something like, I don't know, 60, 70, 80 days of school or something through the year. He graduated with the highest marks in his class.

He was away playing hockey. He stayed going to school based at Ascension and he graduated with the highest marks in his class. He worked really hard. He was playing for the Q – he was playing away in the Q. He was playing in Nova Scotia. He won awards and scholarships when he played hockey.

I had a lady call me who had occasion to be there, and I won't get into that – had occasion to be at their awards banquet. She called me and she said you know these people; you know the family. I said I do. It was long before I was in politics. I said I certainly do.

She said I want to tell you what he said at this banquet. He told children – he spoke to children. He used to visit schools and do all that kind of stuff. He spoke to children and he said my mom and dad told me that if my studies slide, if my marks drop, I can't play hockey. He said there's nothing more he wants to do than play hockey. So he told students, whatever you do, you have to balance your life with what's important in life and keep your marks up.

I can tell you that young man, because of scholarships and because he worked hard – not only is he a great athlete, but he's also a great person. He was a great student and a hard-working student. Because he worked hard he was able to get his education through scholarships. That was the only way for this young man to get a post-secondary education a decade ago was if he had help through scholarships and opportunities through scholarships.

I tell you I don't know anybody, I don't know any student who worked harder than he did and was more kind to people than he is. He's at Memorial University now. He has a degree from a university away. He played hockey at a university away. He's come back here and I won't tell you what program he's doing, but I can tell you it's a program that's considered to be fairly elite. He's doing very, very well.

When I look at scholarship reductions, I think about kids like that. One of the things that inspired that young man to study hard was not only the fact that if he didn't study hard and do well he wasn't allowed to play hockey, but once he got beyond high school – and even in his later years in high school and he went to the Q and he played minor, he played pro for a little while and so on. He knew – in college, played in college, got his degree – that if he didn't study hard and do well, he wouldn't get his scholarships. If he didn't get scholarships, he would not have gotten his education, and he wouldn't be a Memorial University student here today who's doing so well. I could spend my full hour on it.

When I saw in the changes, reductions to apprenticeship scholarships, reductions and eliminate funding for post-secondary scholarships – eliminate apprenticeship scholarships, \$25,000. It's a \$25,000 savings

that in the big scheme of a provincial government budget means very little to the big scheme of the budget. I can tell you they might be, I don't know how they're broken down, I don't know how the scholarships are broken down. It refers here to duplication.

Well, I know this young man I told you about, he got lots of combinations of scholarships. There were lots of duplications of scholarships, and it's a good thing there was, because it allowed him to get his education. But \$25,000, that might be 25 \$1,000 scholarships that means everything to a student. It might be the difference in having her books to study or not having books to study or materials or travel or accommodations or clothing to wear to school, whatever the case may be. It may be any of that.

It reduced and eliminated funding for post-secondary scholarships; \$123,800 was the budget line in 2015-2016, they're going to save that. This year they're going to save \$36,000, and next year they're going to save \$123,000. I see that there, Mr. Speaker. The decision to reduce duplication between programs offered by the federal government and the private sector and community sector, they should get all of that.

Cutting a couple of thousand bucks from a student, from a family who needs the scholarships and help for their kid to get post-secondary education to save \$25,000. I tell you, if nothing keeps you awake at night or bothers you about the budget, that's what you call nickel and diming. That's the death by a thousand cuts that governments and people will suffer from, and that's the kind of moves that are going to haunt you. You can't do that.

There are some things in government you really have to say, boys, we have to find a way to do that. You really do, it's as simple as that. You have to find a way to do it. You can't do that to people. You can't do it. Well, you can because you're doing it, but you shouldn't do it. You absolutely shouldn't do it.

At the same time, that same student who relies on a scholarship when I pick up the fee changes, the first line, journey person exam, apprentices. In 2015-2016 the cost to do your journey person exam for apprentices is zero. In 2016-2017 it's

\$50. Trade qualifier application – now, I'm not sure what a trade qualifier application is, but an application, generally, is a process and application – zero cost for it this year. Next year it's \$500. Trade qualifier exam, this year it's \$150. It's going to \$200. You go down through, if you want to renew your journey person certificate, it's \$50. The Provincial Nominee Program, in 2015-16 the fee was \$150. This year it's \$200.

Mr. Speaker, 300 fees are going up by that nickel and dime little pieces that impacts so many people. What's hard to measure is you might impact someone with their \$50 and say, well, that's not really big. You know, probably not. In the big scope of things, b'y, some kids now, they might go downtown, they'll spend \$50 in a very short period of time. If they don't go downtown one night, they have their \$50 saved. It might not be a big deal – it might not be. There are other kids who don't go downtown. Lots of kids don't go downtown because they don't have that \$50.

If they have \$50 there and \$100 here, and they have \$25 over here and they have another \$25 here, and not only that but you're taking away something over here from them. It all starts to add up. Now they have to pay a levy. Lots of students work part time. I heard comments about that and I couldn't believe what I heard. Well, it's okay if they working. If they're part-time students, they're probably working so they're going to be okay. That was the comment. They're part-time students. They're only part time doing three courses, I think, was the quote used. Because they're working part time they're working, so they have an income. So it's okay, it's all right.

Maybe they're only doing three courses and working part time because they can't afford to be a full-time student. Maybe that's what the problem is. Maybe the circumstance is not that they don't want to do five courses – or some students do six courses. Maybe it's not that they don't want to, maybe they can't afford to. Maybe they have a loved one they have to care for part time and pay some bills for, or parents they look after and they can only study part time and work part time to try and make ends meet. Maybe that's the problem.

To say, all right, they're doing three courses and they work. Yes, they're working in a restaurant downtown, b'y, they're making a fortune on tips. Well they were, but the problem is now people aren't going to go to the restaurant anymore. That's the problem. People are going to stop going to the restaurant.

I tell you, I know people who own restaurants. I'm sure all of you do. They said last year when things started to move and the oil started to drop, the first thing they do is – companies involved in the oil industry and stuff, they stop and they cut off those budgets. They say, we have to reduce our entertainment budget; a lot of them call it. We have to cut our entertainment budget. That's restaurants, that's bars. That's meetings that happen in restaurants in our province and our city here in St. John's and throughout our province happen every single day.

I bet all of you have done it. I want to meet you Mr. or Madam, or Ms. or Mr. So-and-So. I want to meet you and talk about a matter. Sure, let's do lunch. Lots of people do it. You have busy days, busy schedules, but people like – if you can take a break, you take a break for lunch, you go meet someone somewhere. Well, it's the first thing that gets cut.

When restaurants start to lose business, that student who's doing three courses – but it's okay because they're working part time and getting their tips – they go home. They're the ones who quite often work in restaurants and bars, our students. Some bars and restaurants downtown and here in the city, they have lots of students working there. Some work a few hours a week; some work more and some work less.

When you're nickel and dime and pick and pick and pick at every one of them, especially when they probably only work part-time, they don't make a lot of money. They are probably in that \$20,000 to \$25,000 range; you just gave them another \$300, plus the fact that they have to pay more fees.

AN HON. MEMBER: Fifteen per cent on insurance.

MR. P. DAVIS: Yes, good one.

They have lost the chance for scholarships to further their education and their opportunities to make a go of it.

Lot of them do have cars because if they're out here at the university and they have to get downtown, lots of them do have cars. So I have to get downtown, I have to get a new car or I have to go here; or I live two hours out of town, so I go back and forth; or I live an hour out of town, I live out in Conception Bay North and I commute back and forth to school and I commute back and forth and I stay in and I go to work. Your car just cost you a lot more for a young student because you just put HST back on the insurance.

I talked to a business owner a couple of days ago. He's a retired gentleman who has some rental properties. Good for him, he got some rental properties; lots of people have those. He has a number of them and he told me he spends \$30,000 a year on insuring those rental properties. So he has a few, \$30,000 a year. He said for the first time in a very long time, I have vacancies in my rental properties that now it takes a little while to fill them. Before, they used to be filled and people lined up waiting for them, but now that is softening up a little bit.

He said not only that, now that we have vacancies, now I have to spend \$4,500 more a year on insurance on HST for my properties on his insurance. He said the problem I have is I have less revenue than I have had in a decade on my properties and I just got tagged with an extra \$4,500 cost of managing my properties. Now, no doubt, people have properties because it is beneficial and it's profitable and you can do well with them, when times are good.

As long as times are good, you can do well. But when times are bad – let's just talk about this a little bit further. So this person is saying I have vacancies; I can't rent those properties. I have books and records to show I've done well with them. I think I'm going to liquidate some of these now. I'm going to sell some of these. I have \$4,500 insurance bill additional on my insurance for taxes that I can't afford to pay. I have a couple of employees who help look after my properties; it is going to cost me more for my vehicles. It is going to cost me more for

buying goods and paint and maintenance and equipment and supplies and so on.

I'm going to liquidate a couple of my assets. As a matter of fact, I'm going to reduce my staff because I don't need as many as I do anymore and liquidate my assets. Uh-oh, I have a problem. So are 3,700 other people on the Northeast Avalon. Recently when I checked, there are 3,700 properties for sale on the Northeast Avalon. Recently when I checked, there are 3,700 properties for sale on the Northeast Avalon. One real estate professional told me 500 of those listings, no one's even looked at them yet. There are 500 listings that no one has looked at. That's what happens when you start to collapse and implode the economy. Yes, you criticize us because we spent and we tried to drive the economy and we spent – well, we didn't put it in the bank.

I've used this example before. When you're leaving work today and the boss calls you in and says you're doing a good job there, Mary, you did a great job, and here's a bonus for you. Thanks very much for your hard work; you enjoy your weekend. You go home and your boss just gave you a little bonus and you're going home, rainy day and you pull into the driveway and your roof's leaking. Well, tomorrow, you're not going to take that cheque and go down and put it in the bank; you're going to fix your roof. Well, in our province over the last decade we fixed a lot of leaky roofs, and we had a lot of them.

We all remember the days back – and we know the days in the '90s and things were tough and so on and money was scarce and so on. I get all that. Remember all the mouldy schools? Do you remember that? Mouldy schools were a daily discussion. You tune in to the radio this morning to see what school is closed today because there's mould, there's health problems, and there's a quality of air, quality of the environment problem in the school. There were a lot of leaky roofs to fix, and a lot of schools to improve, broken roads and bridges – still lots of them. The Minister of Transportation is probably overwhelmed with the list of infrastructure investments that still need to be made, but there's been billions of dollars of infrastructure made, but there's still more to do.

So when you go home with that cheque, what are you going to do with, that bonus? Are you going to put it in the bank and save it for another rainy day, or are you going to fix your roof? Well, sometimes you've got to fix your roof. That's where we've been as a province, and that's where we are.

When you tell a student or a hard-working family that, okay now, you've got to pay \$450 on a levy, for what? Well, you just got to pay it, because that's how much money you make. You've got to pay that now, and you've got to pay it in March when you expect your little bonus cheque from your tax return – you're not going to get that now. Now you've got to pay it and your roof is leaking. Well, government says we're going to crack down on people not paying their taxes and we're going to make sure you pay your taxes. So your roof is going to have to leak for another while.

That's what's really tough about this budget, is that when you take – like the HST increase, so many people last year said, you know, Paul, things are getting rougher; it's probably the right thing to do. I think it is and I still believe it is and so on. There are so many conditions beyond government that government cannot control. I know ministers are learning that really, really quickly. Things happen that you cannot do anything about it and you have to deal with it.

Bay de Verde last week, no one could do anything about it. The minister went down there right away. Good for him, he went down, met with the people down in the community, met with the leaders and so on. The minister was down there. I was down there the week and the minister knows the town has a lot of cleaning up to do and there's going to be a cost to that. Someone is going to have to pay the cost.

When you have soot and ash from the fire – it was a windy day. It was like a funnel went up to the town. I'm sure the minister can tell you about it. There was a funnel right up to the town of soot and ash that blew through people's houses. People's eaves are black; things in their houses are black. There's soot and ash the size of that glass, on people's lawns. Everything is black.

Someone said to me you're either going to have to cover this over or dig it up and replace it. Don't know what they're ever going to do with it. Ash is ash and there's not much you're going to be able to do. It has to be taken out, something has to happen. That's going to cost.

I know the town has already said publicly we want help from government. Haven't sorted out yet what that's going to be, but government is going to be faced with that. Government is going to be asked for that expenditure. Government is going to have to make a decision on how to help that town that so quickly is rebuilding, thanks to a group of people who want to pull together and work together, and Quinlans, who I mentioned very early in my time to speak this afternoon.

When you put more on top of people, people who are working hard, you get people who come off of – and I know so many of them who are on income support and social programs from the government for years. They wanted to get off them. I know lots of them. He said how do I do it, how do I do it, how do I do it?

We changed the Newfoundland and Labrador Prescription Drug Program. One of the big problems of getting off social programs at one point in time was if you take that job – if you walk out the door and you apply for a job and you get that job and you're living in Newfoundland and Labrador Housing, you rely on income from government and you want to get off it – the first thing that happens is you lose your drug card, gone. Lots of employers won't give you a drug card until you're with them for six months, sometimes a year. Lots of them don't have drug cards. Lots of employers don't even have health programs for their employees.

But you're saying why would I want to leave a social program where I have my health care and I have my coverage there? If I need transportation, I have it. If I have to go to the doctor, I'm being looked after. I'm taken care of and they will look after me. I have a social worker I can call on financial assistance where I can do all that, but I want to get off it. If I get off it, I'm going to lose my drug card and I have two pills I take every day that I'm going to take the rest of my life, as an example, or my child has a health – how am I going to do it?

So we extended it and we said you can keep your health card while you start to get your new job. Then we extended it again. It's up to a year now I think. I think it's up to a year now that people can keep their drug card when they're trying to get off their reliance on social programs and move to independence. Good for them because that's what everybody in Newfoundland and Labrador, we hope, strives for and many, many people do.

They say, I don't want to rely on the government. I want to have a chance in life. I want to create a business. I want to work for somebody. I want to get up in the morning and put my children in my car and drive them to school and drop them off and be proud to do so, and go on to work and earn my paycheque and at the end of the day come home and cook supper with my family and my children because that's what I want to do.

What we don't want them to do is to pack up their car, head to the ferry and head to the mainland. That's what we don't want them to do. Your budget even says you believe that's what's going to happen for so many people. We don't want that. We need to fight against that.

One of the things that I encourage the government to do and I encourage the Premier to do is get back on a plane and go to Ottawa and sit down with the Prime Minister and say I have a crisis in my province, I need your help. You have billions and billions of dollars available to you.

I've talked before; I know the premier of Alberta and the premier of Saskatchewan have been knocking on the federal government's door saying we need your help. There are three jurisdictions in the country who need their help because we have such a significant loss of revenue in oil.

By the way, you should be saying that because that's the case. That makes the case that you've lost your revenue that you need back, and you need the federal government to help you. You should be trying to make that, and I encourage you. I know you have good relations with them, and I hope there's lots of things going on behind the scenes.

I expect your approach to be different than an NDP premier and an Independent Party premier. I expect your approach to be different but I hope you're doing that, because nobody wants this levy. Nobody wants these fee increases. Nobody wants these new fees. These new fees that are going to impact hardworking families –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. P. DAVIS: – and Newfoundlanders and Labradorians, and I'm sure you don't want it too.

Members opposite are going to have to stand in their place and vote for this budget when the time comes, and I hope that you encourage all of your own Members to have a hard look. Make the changes that are right for the people of the province.

Only a few months ago you knocked on people's doors and said: I promise no layoffs, I promise no HST, I promise a stronger tomorrow. Well go back to their doors and ask them how you can deliver on the promise that you made to them. Knock on everyone's doors and ask them for their input. That's what I encourage you to do because each and every one of you will rise in your place and vote on this budget.

We hope that this budget changes to become good for a stronger tomorrow and for all Newfoundlanders and Labradorians.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The Speaker recognizes the hon. the Member for the District of Terra Nova.

SOME HON. MEMBERS: Hear, hear!

MR. HOLLOWAY: Thank you, Mr. Speaker.

As I sat here this afternoon – and I've listened and I've listened – there's so much that I want to say. It's hard to listen and it's hard to swallow all the things that I've heard the Leader of the Opposition talk about today.

Before I get into that, I just want to say to the people who are listening at home, people in my district, I've received your emails, talked to you on the phone. I understood exactly where you're coming from. Nobody wants this budget, but it's a budget we have to deliver on. It's not that we choose to be in this situation; it is a situation that we have been put in.

When you think about you're presented with a deficit budget that's nearing \$3 billion, there are a few – okay, I'll give you exactly, \$2.7 billion. There are a few things that you can do as a government: one, you can borrow money, and I'll get to that because there are challenges around borrowing money; you can raise revenue; and you can cut programs and services.

When it comes to borrowing money, you have to have a good credit rating. You think for yourself and your own personal circumstance that if you want to borrow money and you've exhausted your credit card, and your credit rating has been downgraded –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. HOLLOWAY: Thank you, Mr. Speaker.

Your credit has been downgraded, you can't raise money, you can't borrow money, or you have to raise money, so how do you raise money? You have to think about increasing fees and taxes. Those are not choices that anybody likes to make.

The Leader of the Opposition talked about Alberta and a comparison to Alberta. Well, Alberta brought down their budget last week. If you read closely, you will see that they plan to amalgamate or close 33 commissions, boards and agencies. They will have an annual deficit this year on \$10 billion. By 2019, they will have an accrued deficit of almost \$59 billion. Now, I don't know about anybody else in this House or in this province, but that is not a legacy that I want to be a part of or to be proud of. So we had to make some tough choices, no doubt.

I want to speak to legacy for a second. I know before Easter we talked about legacy. We brought forward a bill in this House around

legacy. And I know the Leader of the Opposition said when he talked about the levy that government won't benefit from the levy until next year. Do you know what? That's planning.

The Government of Alberta didn't really think about and talk about putting money aside when you have oil royalties and revenues that come forward, putting that money aside for a rainy day. They couldn't do it because they weren't planning. When you think about the Alberta budget that came down last week, one of the reasons they were able to mitigate and not have as extreme an impact on the people is because in the '80s they actually started to put some money aside.

The Members opposite refused to do that, despite the fact, I might add, they were given advice by the people of this province to do so. I know that first-hand. In my previous occupation, there was advice that came to the previous administration about putting some money aside for that rainy day. They refused to do it. So we were forced as a government to not have that money to mitigate the challenges we have when we were bringing forward this budget.

I've had a lot of people who have reached out to me to remind me of the things I've done in this past, and hoping that information, that experience, that knowledge is going to bring forward. I can tell you, Mr. Speaker, the things people have reminded me about in terms of being a former schoolboard trustee, in terms of working with people who are homeless, in terms of working with family resources centres, I get it; I understand this is a hard budget. But when we are left to looking at can we borrow – and we have borrowed for this budget – we have to raise revenue and we have to cut some programs and services.

But I get it, because I understand the impact. I want to assure the people at home that everything that you have said to me, I understand where you are coming from. I have spent the last number of nights, Mr. Speaker, talking to people in my district about the impacts of this budget. I think it's extremely important, and I take exception that when the Members opposite want to go out and create fear and chaos in this province without providing all of the correct information –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Osborne): Order, please!

The hon. the Member for Terra Nova.

MR. HOLLOWAY: Thank you, Mr. Speaker.

It does not do any of us well when we are creating fear and chaos in this province. What is extremely important is for us to get the right information out.

Mr. Speaker, when we talk about the comparison to Alberta and Newfoundland, I take this from an economist who had a look at both budgets. He says, "Newfoundland's interpretation of the fall in the oil price is that oil is not going to come back any time soon. So rather than accumulate a whole bunch of debt, waiting, hoping, praying that oil prices will come back, they decided to take action to close the deficit." It requires leadership, Mr. Speaker. I am a leader.

I spoke to somebody a while ago and one of the things I said to the person was I know we have a challenging budget. I know we have challenging times in this province. This province requires strong leadership to get us through a brighter future, and I am going to be a part of that leadership that leads us into a brighter future.

A senior economist with the Bank of Montreal said: There was zero appetite for Newfoundland and Labrador's debt. The budget makes Newfoundland's bonds more saleable. Positive responses to the steps we were forced to make, not the ones we chose, that we said was absolute, it was things that we were forced to do because of the deficit that we face.

The President and CEO of Atlantic Provinces Economic Council said, "In Alberta, it is a repeat performance, and governments evidently did not learn from past cycles." In a few years, "they may wish to revisit their government's choices today."

When people are comparing Alberta to the steps that we have had to take, they will see that the choices we have brought forward, while they are not the ones that we would choose if we didn't have such a large deficit, they are the ones that

will help us bring this province back into prosperity.

Talked about consulting with the people, and I'll remind people at home, Members opposite, that we did engage the people of this province. We set a course and we were criticized for it. People talked about that we were going to spend months and months and months going out and engaging and we weren't going to take action. I can tell you, I was part of the process of engaging people.

We had 26 in-person sessions, over 1,000 participants, over 28,000 Dialogue App users and over 700 emails, faxes and phone submissions. I can tell you from the themes that came forward people talked about and asked us to find efficiencies and innovation, to increase revenues, to save money. That's the people of this province who gave us that advice, so we did consult, we did listen and we took action.

Mr. Speaker, I was part of research that looked at how we make the rural regions and the entire province sustainable. We looked at a number of things. I think there were probably close to 50 different indicators. Some of the things you see in this budget are a reflection of the indicators that lead to sustainability.

I'll talk a little bit about some of the good things that are in this budget and I'll reflect back on that report. In the '90s I was part of the Regional Wellness Coalition. One of the things that we used to talk about was that we have a crisis management reactive health care system in this province, long waiting lists in emergencies, people unable to get access to family physicians.

One of the things we used to talk about was, it's too bad we couldn't find some money to help people transition into a healthier lifestyle. Well, I can tell you, Mr. Speaker, in this budget there are measures to help us get and the people of the province get to a healthy lifestyle: \$1.84 million for programs and projects that focus on recreation, physical activity and wellness; \$1 million to encourage healthy living and increase physical activity in school-aged children; \$500,000 to promote healthy eating, physical activity and mental health promotion.

Mr. Speaker, when I was part of this study that talked about sustainability, access to healthy food, access to physical activity, are some of the core things –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. HOLLOWAY: – are some of the things we need to focus on in this province if we're going to turn from being a reactive health care system into a healthy health care system.

Some people have asked me, Mr. Speaker: So where did the money go? I think that's a very good question. We know we're spending almost a billion dollars on debt servicing. It is a crime when we have to do that and we're not putting as much, we're putting less into education.

I can give you a couple of examples from my district of where the money went. In the budget, it has been announced that there will be repairs to the bridge in Terra Nova. Now I want to clarify for those listening at home, as well as for Members opposite so that you understand, that in the budget it talks about \$530,000. Now \$530,000, part of that is to address repairs to the trestle but we also have a significant issue in this province where there are other bridges that we need to assess. So that everybody understands, that money is to deal with both aspects of that issue.

The fact that we have so many bridges in this province that need repair, despite \$25 billion in oil revenues and it went undone –

AN HON. MEMBER: (Inaudible).

MR. HOLLOWAY: Yes, I did, and I'll even talk about that. I'm glad you brought that up, Sir. I'm glad you brought that up.

The Member opposite tabled a petition in this House with three names from the people living on the Avalon in the St. John's area and not from my district. However, you also said, Members opposite also said on the weekend that they were going to vote against this budget and you tabled a petition in this House wanting that aspect of the budget to be done. Like, tell us what you want? Which do you want? Do you

want it done or not done? We're confused by the way you stand.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. HOLLOWAY: So, let's talk about the trestle. During the election I ended up in Terra Nova and I found out that new decking was going to go on that bridge. As soon as the decking was done, the bridge was closed down because it was unsafe. People have asked, where did the money go? Well, I can say to you that was a waste of money.

I'll also talk about, I went to another community in my district and they advised me they were getting a new fire truck. I think, and someone may correct me, but it's around \$275,000. Well, the fire truck came during the election and the community didn't have anywhere to put it. So you had a \$275,000 investment and nowhere to put that piece of equipment. It's disgraceful, actually.

What was said to me was we need \$600,000 now to add on to our fire hall so we can utilize that piece of equipment. People in this province wonder, where did the money go and what things do we have to do to fix the mess that we were handed?

Now, I can tell you, Mr. Speaker, the things that were said to me during the election.

MR. K. PARSONS: The promises you made.

MR. HOLLOWAY: The promises that were made. Well, some of them had to be made to fix the mess we were handed, like investments in roads, like investments in fire halls, like building new schools, like keeping –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. HOLLOWAY: – teaching units in schools. Those are the good things that are in this budget.

Now, Mr. Speaker, I have tremendous notes here, things I want to talk about. I thought I was

going to get to talk about but I'm going to finish – I'm going to talk a little bit about the Leader of the Opposition who couldn't remember his quote. His quote was, "You manage things, you lead people." It was by a retired admiral of the US Navy, Grace Hopper.

Well, Abraham Lincoln said, "I do the very best I know how – the very best I can; and I mean to keep on doing so until the end."

Mr. Speaker, my colleagues in this House, we are committed to leading this province into a bright future. There are great investments in this budget. There are challenges –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

I ask the Member for Fortune Bay – Cape La Hune, the Speaker is standing, would you respect the House.

The hon. the Member for Terra Nova.

MR. HOLLOWAY: Thank you, Mr. Speaker.

Clearly, I have hit a number of nerves today by wanting to get all of the information out so that the people of this province and the people of my district are not reacting to the fear mongering that has been presented in many avenues. We've all heard it.

I hope, and I encourage people to read the budget. Get in touch, and let's talk about it. We will debate it even further as we go on over the next number of days and weeks. We talk about the budget so that everybody has a full understanding of what's in here and why we have to do the things we have had to do.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

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

I move, seconded by the Member for Mount Pearl – Southlands, that the House do now adjourn.

MR. SPEAKER: It has been moved and seconded that the House do now adjourn.

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Against?

This House now stands adjourned until 2:00 o’clock, tomorrow, being Private Members’ Day.

On motion, the House at its rising adjourned until tomorrow, Wednesday, at 2:00 o’clock.