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Speaker: Honourable Tom Osborne, MHA

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The House met at 1:30 p.m.

MR. SPEAKER (Osborne): Order, please!

Admit strangers.

We welcome to the galleries today Kara Moss, her husband Jamie Moss and their daughter Jessa. Kara was a Page here in the House of Assembly in 2005 and 2006, and she's the daughter for the Member for Baie Verte – Green Bay.

SOME HON. MEMBERS: Hear, hear!

Statements by Members

MR. SPEAKER: Today we have Members' statements for the Members for the Districts of Harbour Main, Cape St. Francis, Harbour Grace – Port de Grave, Fortune Bay – Cape La Hune, Conception Bay South and Cartwright – L'Anse au Clair.

The hon. the Member for the District of Harbour Main.

MS. PARSLEY: Mr. Speaker, I rise in this hon. House to congratulate the members of the Brigus Volunteer Fire Department. On October 22, I was pleased to join with the Town of Brigus to celebrate their annual firemen's ball. The event was a great success, with close to 200 people from the community and surrounding areas out to support the department.

In addition to a wonderful meal and lively entertainment, I was honoured to present several firefighters with the Outstanding Service Awards. Congratulations to Mr. Fred Williams, with 20 years of service, Shears Mercer, Dave Barrett, Rodney Mercer and Gary Spooner, each with 30 years of service and last but not least, Byron Rodway with an amazing 35 years of service.

Mr. Speaker, our volunteer fire departments are the backbone of our communities. It amazes me how dedicated these volunteers are and how selfishly they give of their time and energy to help others in crisis with no thought to their own well-being.

Mr. Speaker, I ask all hon. Members to join me in thanking the Brigus Fire Department for their service to the Harbour Main District and congratulate each individual on their long-service awards.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

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

I rise in this hon. House today to recognize an icon in my district, Mrs. Mary Power, who passed away on October 28. Her family described her as a rock, a guiding light. Her presence in the entire district will surely be missed. Whenever you were in her company, it was a feeling of warmth and compassion.

She showed kindness to everyone with her unwavering devotion to her faith; she visited schools, read to children. While an elderly lady herself, she was always reaching out to those in seniors' homes or in hospital. She would visit them, read to them, bring communion, say a few prayers or just give an ear to their concerns.

Her age is a secret she takes with her. I know she's smiling just at the thought that I mentioned that. If you asked her age, her answer was very, very fast: "Age is a number and mine is not listed." However, I'm confident she was over 90 years old.

My condolences to her family and friends, they will miss her dearly, but she will remain in the hearts of those who had the pleasure of knowing her. God bless you, my friend.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

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

Today, I recognize Mr. Augustus Menchions of Bay Roberts. Mr. Menchions celebrated his

101st birthday on September 29, surrounded by family friends. Born in 1915, he grew up in the east end of Bay Roberts. He married Grace French of Coley's Point and had two daughters, Olive and Jean, eight grandchildren and 10 great-grandchildren.

He worked as a carpenter for most of his career, and was also employed by Crosbie's Distributors in the town, but his passion – building model boats. He built a replica of the famous *SS Kyle*, which is on display in a tourist chalet on the waterfront in Harbour Grace near the actual vessel.

According to his granddaughter, Deloris, Mr. Menchions told many stories of the early 1900s, in particular, times of war. She remembers when he spoke about the times when the Germans were flying over Bay Roberts, residents below put blankets up to the windows to avoid being seen in the night.

On November 21, Mr. Menchions passed away peacefully in his sleep, and he is remembered with love and respect. May he rest in peace.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MS. PERRY: Thank you, Mr. Speaker.

I rise in this hon. House to pay tribute to John and Frances Kealey, pioneers of our province's aquaculture industry who were awarded the NAIA Aquaculturist of the Year at this year's banquet in September.

Since the 1970s, John and Frances have put their business and economic development skills and sheer determination to great use for the advancement of the aquaculture industry and betterment of our rural communities.

Through the years, with the Bay d'Espoir Development Association, SCB Fisheries, and Nordic Salmon, from salmon to trout to Arctic char, the Kealeys have proven time and time again that they know how to get the job done. They can feel very proud that they played an

instrumental role in proving that aquaculture is a viable, profitable and community-sustaining initiative.

I highly commend them for their pioneering fortitude that led to the confirmation that Nauyak Arctic char is very compatible with the Bay d'Espoir marine environment. We look forward to greater expansion of our aquaculture products and markets in the years to come.

I ask all Members to please join me in paying tribute to John and Frances for the well-deserved Aquaculturist of the Year award.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. PETTEN: Thank you, Mr. Speaker.

On Thursday, October 20, I had the pleasure of attending the fifth annual Bright Business Luncheon Awards ceremony at the Manuels River Hibernia Interpretation Centre.

The annual event is hosted by the Town of Conception Bay South and it's a great opportunity for local entrepreneurs to network and showcase their individual businesses in our community. This year 54 nominations were received.

The Bright Business Achievement Awards help recognize the contributions of local businesses that have gone above and beyond. This year's award winners are: Beautiful Business – CBS Glass for Single Tenant and Don Hennessey Limited for Multiple Tenant; Community Pride and Partnership – Musically Inclined; Main Street Business Improvement Association Member of the Year – The Co-operators; David Murphy Chamber Leadership – Cal LeGrow insurance; Established Business of the Year – Dawe's Plumbing and Electrical; New Start Up of the Year – T & T Auto.

I would like to extend my congratulations to the award winners, nominees and sponsors. Conception Bay South has grown significantly

and it's great to see that the business community has also shown tremendous growth.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MS. DEMPSTER: Thank you, Mr. Speaker.

I rise in this hon. House to recognize what has to be one of the most patriotic communities in our province, Lodge Bay, Labrador, population 60. More than 19 people from Lodge Bay have served or are serving our uniform services over the years.

This level of commitment prompted two moms, Betty and Verna Pye, both of whom had sons deployed in Afghanistan at the time, to start a Remembrance Day event in their community. Vera Pye, who also had a son in service, joined the team a year later, followed by Priscella Kippenhuck whose son, Conrad, has had many deployments since then.

Over the past 14 years, since that first Remembrance Day ceremony in 2002, the event continues to grow with Senior and Junior Canadian Rangers and RCMP in attendance, as well as people from a number of surrounding communities. Each year, there is a church service, a wreath laying, a parade, two minutes of silence. The event concludes with refreshments at the community centre. Tanya Russell has also stepped up to help in a key way as the event continues to grow.

Mr. Speaker, I ask all hon. Members to join me in saluting the community of Lodge Bay, a small town in Labrador with a heart as big as the land itself.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Statements by Ministers.

Statements by Ministers

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

MS. GAMBIN-WALSH: Mr. Speaker, I rise in this hon. House today to highlight the importance of breastfeeding in the early months of life.

My past experience as a neo-natal nurse impressed upon me the value of breastfeeding. There are clear links to the prevention of breast and ovarian cancers in mothers who breastfeed and in the prevention of sudden infant death syndrome, asthma, obesity and type 2 diabetes in infants who are breastfed.

Just a few weeks ago, I was pleased to meet with the Baby-Friendly Council of Newfoundland and Labrador, and we discussed our government's commitment to supporting breastfeeding and working with the council towards increased duration.

Although breastfeeding rates in the province continue to rise, they are still not on par with the national average. In phase two of *The Way Forward*, our government has outlined our plan to implement policies and practices that support healthy eating and breastfeeding in municipalities.

Supporting and encouraging breastfeeding is a prime example of early intervention for healthy living and in addressing rising rates of chronic disease. As a government, we are working to achieve greater efficiency, enhance services and improve outcomes to promote a health and prosperous Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

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

MS. PERRY: Thank you, Mr. Speaker.

I thank the minister for an advance copy of her statement. The practice of breastfeeding is extremely important for children and mothers and the health benefits are immense.

I recognize the minister for meeting with the Baby-Friendly Council of Newfoundland and Labrador. This organization has a vision that our province will be a place where women will be supported to breastfeed and the number of women who practice breastfeeding will rise.

The minister is correct in her statement that breastfeeding numbers have continued to rise in this province over the last decade. The release of *A Great Start A Breastfeeding Strategic Plan for Newfoundland and Labrador 2014-2017* put forward a strategy that built upon the completion of the breastfeeding strategic plan from 2008 to 2011, which saw measurable increases in breastfeeding numbers in this province.

In her statement, the minister took time to promote her government's *The Way Forward* document. She claims government –

MR. SPEAKER: Order, please!

MS. PERRY: – has outlined a plan to implement policies and practices that support healthy eating –

MR. SPEAKER: Order, please!

MS. PERRY: – but as is typical with this government, the plan has no details.

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

MS. ROGERS: Mr. Speaker, I thank the minister for an advance copy of her statement. In Canada, 85 per cent of mothers breastfeed their babies; in our province, only 57 per cent do – the lowest in Canada.

Phase two of the minister's *Way Forward* simply gives a vague reference to supporting breastfeeding with no specifics, no commitment of resources. Without more public health nurses and breastfeeding experts helping young moms to breastfeed, these are nothing but hollow words. The minister is committing nothing. What is she going to do concretely –?

MR. SPEAKER: Order, please!

MS. ROGERS: Niceties are not enough.

Thank you, Mr. Speaker.

MR. SPEAKER: Further statements by ministers?

The hon. the Minister of Health and Community Services.

SOME HON. MEMBERS: Hear, hear!

MR. HAGGIE: Thank you, Mr. Speaker.

It's my pleasure to rise in this hon. House and outline our opioid action plan.

I had the opportunity to share this plan with the Government of Canada and our provincial and territorial colleagues at the national Opioid Conference and Summit recently in Ottawa.

This event provided another opportunity to hear the many different voices of those who are close to the opioid problems across Canada.

Having heard what other jurisdictions are doing, I am confident in the approach we are taking to manage this situation in our province.

Mr. Speaker, our plan will advance this fall, building on such initiatives as the targeted take-home naloxone program, which I am pleased to say will be rolling out in the coming days.

The action plan has many components; a prescriber awareness module is set to begin in January; the new regulatory standards from the Newfoundland and Labrador Pharmacy Board will require all pharmacists to be connected to the Provincial Pharmacy Network by January 1 coming; a Provincial Prescription Monitoring Program is under development to build on this; and we will work to improve access to Suboxone and other alternatives to Methadone.

Mr. Speaker, we recognize the growing epidemic of opioid use in Canada. Through this action plan, we are working to arm communities and health care providers in this province with the tools and information needed to respond.

Thank you, Mr. Speaker.

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. Many of these initiatives have been ongoing and I've supported and advocated for them in the past. The targeted take-home naloxone program is a great example and I do look forward to its future roll out; however, I'm somewhat concerned with government's hesitancy in moving forward quickly on the use of Suboxone.

Versus Methadone, Suboxone has various advantages, including reduced chance of overdose and having other side effects. It's longer lasting and it's much easier to stabilize the dosage. That's why BC added Suboxone to its provincial formulary and family doctors in Alberta, Ontario, Nova Scotia and PEI are allowed to prescribe it.

I say to the minister FTP meetings can be useful, especially if you're willing to listen and adopt best practices from other provinces. There's an opioid epidemic in this province and it needs our attention and best efforts today.

SOME HON. MEMBERS: Hear, hear!

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

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

I, too, thank the minister for the advance copy of his statement. I'm glad we have an action plan for the growing drug problem, but the key word today is action. Of the 20 drug-related deaths so far this year, 18 people tested positive for opioids. This is a shocking statistic.

A naloxone kit project cannot be stalled or slowed; lives can depend on it. I hope when the minister says the coming days that's what he means.

Thank you very much, Mr. Speaker.

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, once again, we're receiving updates from news media on discussions between the Premier and the premier of Quebec.

I ask the Premier: When will he update the people of Newfoundland and Labrador on his discussions?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

Well, I was surprised yesterday actually that I did not get this question. I was more than prepared to update people then.

Mr. Speaker, what we've been working at for quite some time with the Atlantic provinces is improving relationships. We've been able to do that and bring some positive results. Yesterday morning, I had a conversation with Premier Couillard and we've made the commitment to actually work together on initiatives that would impact Newfoundlanders and Labradorians, initiatives that could possibly have a positive impact on our province.

The officials will begin discussions on things like culture, things that affect our border issues and so on. So we look forward to working together with the Province of Quebec, just as we are with our Atlantic colleagues in many other provinces right now.

SOME HON. MEMBERS: Hear, hear!

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

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

I ask the Premier if he will ensure that Newfoundland and Labrador's right to continue

current legal action and the commitment to transmission rights through Quebec will remain intact and remain a paramount consideration of any discussions.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

We've opened a dialogue yesterday about working together without any conditions by the premier of Quebec, unlike conditions what I'm told that he put on the former premier. I didn't ask him about those discussions or why it is he imposed them. There might have been conditions that the former premier put in place, I don't know. I'm not interested in what the former premier would have had said. What I am very interested in is the discussion that we had yesterday and the willingness to work together.

Mr. Speaker, there are a lot of benefits when you work with provinces that you share borders with, and improving relationships, like we seen with the Atlantic provinces right now. So it's really early to tell where this discussion could go. There's nothing concrete. There are no discussion papers, Mr. Speaker. These are very early days and there is a desire for me with Premier Couillard to work together on behalf of our provinces.

SOME HON. MEMBERS: Hear, hear!

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

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

So he won't make that commitment.

I ask the Premier: Will government employees be permitted time to vote in today's school board elections?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Mr. Speaker, there are two questions that he asked there about making the commitment. I'm prepared to make the best decision for Newfoundlanders and Labradorians.

SOME HON. MEMBERS: Hear, hear!

PREMIER BALL: Mr. Speaker, when you start putting conditions in place and what should occur before you even start a discussion, what you're doing is setting yourself up for failure. This is a reason why we haven't been able to advance this.

So to put in pre-conditions on any discussion with a neighbouring province right now may not be to the benefit of Newfoundlanders and Labradorians. But I'll tell you this, Mr. Speaker, before any final decision is made it will be to a benefit of Newfoundland and Labrador, if I am Premier at the time.

SOME HON. MEMBERS: Hear, hear!

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

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

My question was about school board elections.

I'll ask the Premier once again: Will government employees be permitted time to vote in today's school board election, will the Premier tell us?

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

MR. KIRBY: Mr. Speaker, we're pleased that today we're returning to a model of democratic school governance in Newfoundland and Labrador that was basically abolished by the previous government, eliminated –

SOME HON. MEMBERS: Hear, hear!

MR. KIRBY: And we are returning to that model. The polls are open today from 8 a.m. to 8 p.m. There are no provisions for time off work in the *Elections Act* or the *Schools Act* or any of the other regulations, but folks can vote up until 8 p.m.

SOME HON. MEMBERS: Hear, hear!

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

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

I'll ask the Premier why employees, public employees and private employees, who work long hours, for example 12-hour shifts, are being denied an opportunity to vote in these elections.

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

MR. KIRBY: Thank you, Mr. Speaker.

That's interesting, coming from the former premier of the province. Under their government they disallowed everyone in the province from having an opportunity –

SOME HON. MEMBERS: Hear, hear!

MR. KIRBY: – by effectively eliminating the process. We're pleased today that we have reversed that direction that they were going in, and now people will have an opportunity to vote for their own school trustees, as opposed to having them picked for them by the previous administration.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

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

We do expect a level of rhetoric from Members opposite, but it would be nice if they answered a question from time to time.

So I'll ask them again, we are hearing from public service employees who are concerned over not being given their right to vote – they're being denied their right to vote today, those who work 12-hour shifts – and there are thousands of them who work in public service and many who work in private service.

So I'll ask the Premier again: Why are you not providing an opportunity for those who work 12-hour shifts an opportunity to vote in those elections? Your goal was to have as many people vote as possible; you're denying many people that right.

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

MR. KIRBY: Mr. Speaker, as I said here on the floor of the House of Assembly yesterday, we had a thorough debate on the budget and its implications in April, May and June of this year. There was all sorts of opportunity to change the rules, if that's what the Member wanted to do. These rules were in place the last time there was a school board election in this province in 2009. That government didn't see fit to change that then.

We have had no suggestion to date to change the rules or to allow for stipulations for voting during working hours, as I said. The polls opened 8 this morning. They'll be open until 8 tonight. I encourage employers to give their employees, all of them, an opportunity to take time and go and vote.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

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

So the minister references a budget process. I'm not sure if he's saying it was too expensive to do it, it was too costly. He did say he knowingly denied people that right and that access.

The Premier and this government has developed a pattern, Mr. Speaker, of handing out government jobs to Liberal friends, contrary to the principle and the promise they made during the election to take the politics out of all appointments.

I ask the Premier: How many Liberal supporters, how many failed candidates, how many former Liberal staffers have been hired since you took office last year?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

Well, the IAC, the Independent Appointments Commission, is doing their job. They make

recommendations on behalf of the people of our province. They go through a very intense scrutiny and they review the various applications.

We encourage people in Newfoundland and Labrador – and I can assure you there are people that have been obviously taking part in committee work in associations and agencies right now that never ever thought they would ever get the opportunity to serve their province in such a capacity. Mr. Speaker, in the past, we've seen the former deputy premier make, what I'm told, up to 40 appointments in a day prior to the election.

So the IAC, the Independent Appointments Commission, by five very prestigious people in our province right now, are making the representation to the people of this province.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

I remind all hon. Members that it's only the individual identified to speak that we wish to hear from.

The hon. the Leader of the Opposition.

SOME HON. MEMBERS: Hear, hear!

MR. P. DAVIS: Mr. Speaker, public service jobs are historically and intended to be non-partisan positions. The clerk of the Executive Council is the most senior public service job in the province, a non-political position.

I ask the Premier: What process did you use to select a former Liberal leadership candidate as clerk of the Executive Council, what's supposed to be a non-partisan position?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

We respect the work that clerks do in this province. The outgoing clerk has done a great job. She's now doing a great job in her capacity at Newfoundland and Labrador Housing. I'm not going to remind anyone who she would have replaced in that capacity and how that person

would have gotten there, but the former clerk is doing a great job. She's quite at task to go to work at Newfoundland and Labrador Housing and doing a good job.

The current clerk has a very long career in Newfoundland and Labrador both in a legal fashion, also about working in public service I say, Mr. Speaker. There was no political affiliation. He's doing great job there, gaining and earning the respect of public service and earning the respect of Newfoundlanders and Labradorians and very much in my say from my workings with him, is doing a great job in doing so.

SOME HON. MEMBERS: Hear, hear!

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

MR. P. DAVIS: I think I just heard the Premier say the clerk has had no political affiliation when he was a leadership candidate for the Liberal Party of Newfoundland and Labrador. I think that's what the Premier just said, no political affiliation.

This is the highest public service job in the province; the highest public service job in the province. That should be non-partisan, no politics involved in any way, and they appoint a former leadership candidate.

Premier, why did you break your promise to take the politics out of appointments? This was an appointment; you never took the politics out of it. Why did you break the promise, the principle that you went to the people of Newfoundland and Labrador with last year?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

Well, I think the former premier is actually – when he speaks about the IAC or the Independent Appointments Commission, this is a –

(Disturbance in the gallery.)

MR. SPEAKER: Order, please!

Order, please!

This House is now in recess.

Recess

MR. SPEAKER: Order, please!

Before we resume, I remind guests to the gallery, this is the people's House and you're more than welcome to sit in the galleries and observe what happens on the floor of the House, but interruptions from the gallery are not permitted.

I've paused the clock on Question Period. We'll resume – there was 10 minutes used on Question Period. There's 15 minutes remaining for the Official Opposition and five minutes for the Third Party. The time now is 2:02 p.m. The Opposition has until 2:17 p.m.

The hon. the Leader of the Opposition.

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

I was asking the Premier – we were talking about the appointment of a former Liberal leadership candidate to the Clerk's office.

I ask the Premier: Why did you break your promise to the people of Newfoundland and Labrador and make a political appointment when you promised not to do that?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

We have put in place, through the Independent Appointments Commission, one of the best processes that exist anywhere in this country. It far exceeds and replaces an archaic political appointments system that the former administration put in place. As I just mentioned earlier, the process that they had chosen was, in some cases, to appoint up to 40 people, basically picking their people, who they wanted, their friends or whoever it was and placing them politically.

The clerk that's in place in this province right now comes from a very long, distinguished career, representing Newfoundlanders and Labradorians, and he's doing a very good job. I can assure you, he is doing the job on behalf of Newfoundlanders and Labradorians and doing a very good job, bringing their issues forward and making sure that legislation and this government functions appropriately.

SOME HON. MEMBERS: Hear, hear!

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

MR. BRAZIL: Thank you, Mr. Speaker.

The Liberals targeted removal of highly regarded officials from several non-partisan roles in public service and replaced them with Liberal friends, which cost taxpayers millions.

Will the Premier table the breakdown, the full costs of terminating these employees, including leave, severance and salary contingency?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

There have been a number of changes made in the management of Government of Newfoundland and Labrador. Mr. Speaker, we have realized very early on that we had the same number of deputy ministers – if this is who the former minister is talking about, but we had the same number of deputy ministers as the Province of Ontario.

So, Mr. Speaker, that was a footprint of government that was much too large for a province the size of this. We did the same thing within our ADMs, I say; communications, 30 per cent, a reduction.

Mr. Speaker, these decisions have been made given the fiscal situation that we are in as a province. We are decreasing the government footprint in our province. We're not interested in wasting government money.

SOME HON. MEMBERS: Hear, hear!

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

MR. BRAZIL: Mr. Speaker, the Liberals campaigned on taking politics out of appointments.

I ask the Premier: What was the process to appoint a prominent Liberal as Consumer Advocate? How many individuals were interviewed?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Well, I'm happy to address the question. The process to putting in the appointment came through the Independent Appointments Commission, which is a very good piece of work that they're doing. As I mentioned earlier, it doesn't really exist anywhere in this country. It's a very good process that's being used.

I would however say, Mr. Speaker, when you look at the Consumer Advocate and you look at his resume, I would say that it was a political decision that took him out of that position some years ago.

SOME HON. MEMBERS: Hear, hear!

PREMIER BALL: Not a political decision to put him back there.

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

MR. BRAZIL: I ask the Premier again: How many people were interviewed for that position?

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

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

I'm happy to stand to this as the Consumer Advocate does fall under the Department of Justice and Public Safety. As the Premier previously noted, this was the first time that the Consumer Advocate or any of these tier-one positions actually went to an independent commission to make sure that we had the best people appointed to these positions to handle the

finances and the public affairs of Newfoundlanders and Labradorians.

In this case, there was a very extensive process, one that was advertised. I'm not aware of the number. I believe there were a number of individuals that applied for this position and would have gone through the Independent Appointments Commission process. I believe there were a number of interviews.

At the end of it, Mr. Brown was the recommended candidate that was appointed, someone that has previous experience with this position, has served Newfoundlanders and Labradorians well. Given the fact that they are the advocate for the consumers of this province, I'm very happy to have someone of that capability doing this job to look out for the best interests of the people of this province.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. BRAZIL: The Minister of Finance has stated that no Liberal appointees will go into jobs that were eliminated this fall.

I ask the Premier: How does this account for the Minister of Education's communications director?

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

MR. KIRBY: Mr. Speaker, the Member is over there talking about the Independent Appointments Commission is somehow in relation to line departments in government. The Independent Appointments Commission was created to fill tier-one positions and tier-two positions in agencies, boards, commissions, statutory offices, task forces and these sorts of things.

When it comes to line departments in government, the policy is exactly the same as it was when the previous administration was in power and nothing has changed.

SOME HON. MEMBERS: Hear, hear!

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

MR. BRAZIL: Taking the politics out of appointments, that's the Liberal's campaign promise. Senior employees within the government are being shuffled like a deck of cards with all of these appointments coming through the backdoor.

What changes has the minister made to the HR selection process?

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

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

I'm certainly very happy to speak to this on behalf of the Minister of Finance and President of Treasury Board. The fact is we all want the best people in position for the people of this province. Certainly, there's been no change to the HR process that we're aware of.

The big change that has been made, though, is we've actually put in an Independent Appointments Commission to ensure that we put the best people in positions here. Unlike previous administrations who would put people in places and then take them out and let them run election campaigns.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. BRAZIL: Thank you, Mr. Speaker.

I ask the Premier: Were there any other changes in ADMs, executive directors, directors or other senior civil servants other than what you publicly released?

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

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

Again, I'm happy to stand here and speak to this. As the Premier previously noted, the previous administration had a bloated administration, one that rivalled the size of Ontario, which we all know certainly has a greater population. One of the things we're trying to do to deal with the fiscal mess that has been left to us is have a rightsized government, one that will still be responsive to the needs of this province.

As the Premier just said, we're not going to waste money. So we've done a number of changes here that we think are in the best interest of the people of this province. They've all been done through appropriate measures, certainly nothing underhanded like the Member opposite would suggest.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. KENT: Mr. Speaker, in late October a number of assistant deputy minister positions were terminated from government.

I ask the Premier: How many were replaced by former Liberal candidates and known Liberal Party supporters?

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

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

Again, I'm happy to stand here and speak to this because one of the things we want to do as a government coming in is to ensure that we provide the best governance to the people of this province; something that we think has been lacking certainly for a number of years.

The fact is there have been a number of changes. One has been a reduction, I think of 20 per cent when it comes to these administrative positions. This was a previous administration that over their time bloated the size of government to rival the size of Ontario. We don't think it's a proper use of taxpayers' funding here. So we think we have the best people in these positions, people that are going to make policy decisions and

legislative changes that are in the best interest of the people of this province. Certainly, we're very happy to have everyone on our team going forward in the same direction.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. KENT: Mr. Speaker, we're not questioning the reduction. We're asking about these political hires. The Liberals campaigned on taking the politics out of appointments.

I ask the Premier: What was the process to appoint a former Liberal candidate to the role of assistant deputy minister for labour relations?

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

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

Again, I'm happy to stand here and speak to the changes that have happened in the public service. Certainly, we know that in the previous administration a number of executive assistants ended up in public service somehow through a process that I'm not quite sure how it worked.

As it relates to the ADM of labour relations, this is an individual who I believe, Mr. Speaker, was actually hired by a PC administration and served in a similar role to that for a number of years and strangely was removed after the change in government in 2003. So, again, I would leave it to the other side to answer that question.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. KENT: More broken promises, Mr. Speaker.

I ask the Minister of Natural Resources: Can she confirm that her newly appointed assistant

deputy minister of Royalties and Benefits was a Liberal candidate in last year's general election?

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

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

Again, I am happy to stand here and speak to the changes that we're making to ensure this government works for the people of Newfoundland and Labrador. There have been a number of changes when it comes to ADMs in this province. The biggest part being the reduction from an extremely bloated government that previously existed, one that would just create positions they thought were in the best interest, but all it was, was spending money.

There are a number of people who have been hired. I don't know if the other side is actually questioning the resume and questioning the qualifications of these people because if you are, we'd like to hear what your questions are on that. These people have all been hired with immaculate resumes. They're doing work in the best interests of the people of this province.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. KENT: Not questioning qualifications at all, Mr. Speaker.

Speaking of resumes, let's talk about the application process. According to an ATIPP response, this recent Liberal candidate I'm speaking of, contacted government multiples prior to the announcement of her appointment asking for a job description and every asked, and I quote: What am I getting myself into?

I ask the minister: Shouldn't that discussion have already been had before she was offered the job?

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

MR. A. PARSONS: Again, Mr. Speaker, happy to stand and speak to this. The fact is, although the Member opposite is not questioning – he is questioning the qualifications of these individuals. Certainly, if he's not questioning the qualifications and if he does agree they fit the bill and if they are the best individuals for the job, then I'm not sure what the issue is.

Now, the fact is we have a number of people who have expressed interest in working in this administration because they like the direction that we're going in and they like the processes that we're undertaking.

SOME HON. MEMBERS: Hear, hear!

MR. A. PARSONS: While we're at it, one of the things we did inherit when we came in was over 40 appointments made by the Member opposite on his last day in government.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. KENT: Mr. Speaker, the folks opposite are noisy today. I need to remind them they campaigned on a promise of taking the politics out of appointments and they've done the opposite.

SOME HON. MEMBERS: Hear, hear!

MR. KENT: The Liberals campaigned on taking the politics out of appointments.

I ask the Premier: Was the Public Service Commission involved in the hiring of the newly appointment communications directors in the Department of Education and in the Department of Advanced Education, Skills and Labour?

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

MR. KIRBY: Thank you, Mr. Speaker.

There's some irony in this conversation because the Member who is asking the question, in addition to appointing 40 people on the way out through the door, had no less than two executive assistants at his behest. As the Member sitting next to him had the same set up going on; whereas, Cabinet ministers in this government have one, as has been the tradition in government.

When it comes to line departments in government, nothing has changed when it comes to the hiring policy. If people are hired on a temporary basis, then they get to the end of the process, they are interviewed. That's the way that it works, but nothing has changed here at all.

I don't know why the Member is alleging that these people are not qualified to do the jobs they're doing. They're very obviously qualified. So I don't know what the problem is.

SOME HON. MEMBERS: Hear, hear!

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

MR. KENT: The problem, I say to the Education Minister, is that you promised to take the politics out of appointments and you've done the exact opposite.

SOME HON. MEMBERS: Hear, hear!

MR. KENT: Communications positions are non-political hires.

I ask the Premier: Why was the Public Service Commission not used when you hired a former Liberal staffer and close political friend of the Minister of Education to senior communications positions in government?

SOME HON. MEMBERS: Hear, hear!

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

MR. KIRBY: Mr. Speaker, I said this already but I'll repeat myself because maybe the Member didn't hear what I said. The Independent Appointments Commission was created to adjudicate appointments to some 30-

odd public bodies that are tier-one agencies and a number of others, 120-odd tier-two agencies that are statutory bodies and agencies, boards, commissions, task forces and the like.

There's a difference between appointments and hiring to departments. He was a Cabinet minister and he's not aware of that difference? It doesn't surprise me that we have the mess that we have on our hands today if he can't tell the simple difference between hiring and appointments.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Mount Pearl North, for a very quick question.

SOME HON. MEMBERS: Hear, hear!

MR. KENT: Mr. Speaker, they spent millions of dollars sending qualified people out the door to appoint their political friends.

Can the Minister of Education explain why he terminated an experienced communications director days after hiring his close political friend for the same position?

SOME HON. MEMBERS: Hear, hear!

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

MR. A. PARSONS: Mr. Speaker, what this government has done is saved millions of dollars of taxpayers' money by reducing the bloated service that this previous administration left us. There's been no change to the Public Service Commission, but we do have an Independent Appointments Commission to ensure that we hire the right people for tier-one and tier-two jobs. Unlike previously where we saw many entities, such as College of the North Atlantic, that were run by friends.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

Before I recognize the Member for St. John's East – Quidi Vidi, I will remind all hon. Members again the volume in the Legislature

today is getting to the point that the Speaker is unable to hear Members speak. The only person I wish to hear speaking at any given time is the person that I recognize to speak.

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

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

A Liberal election promise committed to improved management oversight at Nalcor. A year after gaining power, the government's Muskrat Falls Oversight Committee has been virtually silent, there is still an interim board at Nalcor and the EY report is long overdue.

Given the mounting costs and the ongoing engineering and environmental issues that plague this project, I ask the Premier: When will he create a truly independent oversight committee that produces regular public reports?

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

MS. COADY: Thank you very much for the question.

To my hon. colleague I will say this: we've been diligent in our efforts over the last number of months. The first act of this government was to bring EY in to do a cost schedule and oversight review of Nalcor. We had an interim report in April that gave a number of very solid recommendations. We've been implementing those recommendations.

As she knows, we did put in an interim board in April. We followed the Independent Appointments Commission process and we are within a very short period of time before we have an expanded and what I would consider a very strong board at Nalcor.

With regard to the oversight committee, they are very active. They are reviewing. They've been involved in, obviously, the methylmercury issue, the information around the cost and the schedule. They're on top of this and we're very pleased to report they are very active.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MS. MICHAEL: Cost oversight of an \$11 billion project is crucial and long overdue.

So I ask the Premier: Will he reverse the poor decision of the previous government and place Nalcor under the full regulatory authority of the Public Utilities Board which is there to protect the ratepayer and ensure reliable power generation?

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

MS. COADY: Thank you very much.

As my colleague in the House would have known, the Public Utilities Board was exempt from this process from the former administration.

We are working along a path now to make sure that the Muskrat Falls Project is on track, Mr. Speaker. We are working very diligently toward that, making sure that Nalcor is engaged in keeping that and the cost and schedule is very tight as possible. We have been – and have been over the last number of years prior to the project being sanctioned – on top of this issue and we'll remain diligent, Mr. Speaker, in bringing this project forward in the best possible way and manner possible.

As we know, Mr. Speaker, there have been a lot of concerns and a lot of challenges around the Muskrat Falls Project. I can assure the people of the province, we are working hard to get it on track.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

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

MS. ROGERS: Mr. Speaker, seniors call my office in despair. Their rents are increasing; they can't afford to feed themselves properly or pay their heat bills. They are desperate and

humiliated. Dave has been on Newfoundland and Labrador Housing wait list for over a year and says he's nearly starving. He's not alone. Our seniors need help now.

Mr. Speaker, I ask the minister again: Will she create a portable rent subsidy program for our seniors now so they can live in safety and dignity?

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

MS. GAMBIN-WALSH: Mr. Speaker, the corporate vision for the Newfoundland and Labrador Housing Corporation is for individuals to have access to safe and secure housing. I stood in this House during the first sitting and I said we would review rent supplements.

I'm happy to report, Mr. Speaker, that that is well along. I met yesterday morning and this morning with my team. I'm also happy to report, Mr. Speaker, that when we started the review of the rent supplements, there was a realization that we actually needed to review every single program and service at Newfoundland and Labrador Housing.

SOME HON. MEMBERS: Hear, hear!

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

MS. ROGERS: Mr. Speaker, reviewing the subsidies doesn't put food on the table or pay the heat bills.

Mr. Speaker, Thomas lives in a horrendous boarding house in my district; bedbugs, holes in walls, filth and inadequate food. His rent is paid by AESL and Health and Community Services. He is one of many vulnerable people living in these deplorable conditions. Hard-earned taxpayers' money is going directly into the pocket of slum landlords.

I ask the ministers: Why are they not ensuring taxpayers get better value for their money by making sure these boarding houses are providing proper services?

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

MR. BYRNE: Mr. Speaker, any case which presents a problem for the citizen, for the client, we would always encourage this hon. Member, any Member from the House, and in particular the client, to contact AESL, to contact Newfoundland and Labrador Housing, to reach out to the Department of Health. There are people who can assist.

If there are inadequate situations of housing, as described by this hon. Member, there are solutions and there are people that can provide help in accessing those solutions. We will endeavour to do that.

If the hon. Member wants to provide a name after Question Period has convened, I would be more than happy to provide some service.

SOME HON. MEMBERS: Hear, hear!

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

Presenting Reports by Standing and Select Committees.

Tabling of Documents.

Notices of Motion.

Notices of Motion

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

MR. JOYCE: Mr. Speaker, I'd like to give notice that I will ask leave to introduce a bill entitled, An Act To Amend The Vital Statistics Act, Bill 50.

MR. SPEAKER: Further notices of motion?

Answers to Questions for which Notice has been Given.

Petitions.

Petitions

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

MS. ROGERS: Thank you, Mr. Speaker.

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

WHEREAS government has once again cut the libraries budget, threatening the closure of 54 libraries; and

WHEREAS libraries are often the backbone of their communities, especially for those with little access to government services where they offer learning opportunities and computer access; and

WHEREAS libraries and librarians are critical in efforts to improve the province's literacy levels, which are among the lowest in Canada; and

WHEREAS already strapped municipalities are not in a position to take over the operation and cost of libraries;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to keep these libraries open and work on a long-term plan to strengthen the library system.

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

Mr. Speaker, again, I am happy to stand here and present this library petition on behalf of the people who've signed it. This petition here is signed by the people from Cape St. George. Cape St. George is a small but bustling community with impressive municipal facilities and services. The community is a bit of a rarity in our province.

SOME HON. MEMBERS: Oh, oh!

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

MS. ROGERS: Thank you, Mr. Speaker.

The community is a bit of a rarity in our province. It is because it has both a French and an English school. The library is housed in Our Lady of the Cape School. It's a fully bilingual facility. It's also an important public gathering place and a hub of community activity. This library is at the very centre of their community.

When the kids in Cape St. George celebrated Halloween, the library was right in the middle of things. Before long, the Mummies will be at the library to be part of an annual Christmas event that has become a tradition in Cape St. George. The librarian in the community drops off books and magazines to avid readers who happen to be shut-ins and the library hosts public forums, for instance, on mental health issues, employment insurance, nutrition and cancer, among other things.

So as you can see, Mr. Speaker, this library is so vital. It's not just about books. It's not just about putting books on shelves or magazines on shelves. This is a vibrant library that is so crucial to the health and the well-being of this community. It's a place where kids can go meet their friends, take part in story time, develop an interest and a love for books. In short, the library in Cape St. George is too important to the fabric of the community to let it die.

I am proud to support the petition of the people of the community to keep this facility open.

Thank you very much, Mr. Speaker.

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 Newfoundland and Labrador has the greatest percentage of the workforce earning the provincial minimum wage in Canada, with women, youth and those from rural areas making up a disproportionate number of these workers; and

WHEREAS the minimum wage does not provide enough money for the necessities of life because a person earning minimum wage working 40 hours a week will make between \$21,320 and \$21,840, which is barely above the low income cut-off of \$20,065 for St. John's, and a working couple on minimum wage with

two children will also make close to low income; and

WHEREAS in 2012 the Minimum Wage Review Committee recommended an increase in the minimum wage in 2013 to reflect the loss of purchasing power since 2010 and an annual adjustment beginning in 2014 to reflect the Consumer Price Index;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to legislate an immediate increase in the minimum wage to restore the loss of purchasing power since 2010 and an annual adjustment to the minimum wage beginning in 2016 to reflect the Consumer Price Index.

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

Mr. Speaker, the workers in this province have been signing these petitions now for well over a year. They are people who are desperate, people who are living on minimum wage, sometimes two and three jobs in order to make enough money for their families. The minimum wage, basically, is a poverty wage or at the edge of living in poverty. They are waiting for some action. They have been waiting now for years, since 2010, since the report came out, for action from governments who are doing nothing for them.

There is a myth that raising the minimum wage costs jobs. What's been proven by study after study is that in actual fact the economy is helped by the minimum wage going up. The Canadian Centre for Policy Alternatives studied minimum wage increases and found that in 90 per cent of the instances there was no statistically significant connection between the increase in the minimum wage and labour market outcomes. Yet, those opposed to it like to say you are going to have job loss, the economy is going to go down and, in actual fact, it's the opposite.

In the cases where there was a statistically significant connection between the two, four out of seven outcomes were negative and three were actually positive.

Mr. Speaker, I implore the minister to really take action. He keeps saying he's going to do something. He got upset last week when we implied he is doing nothing. So far, he is doing nothing.

Thank you.

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

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

To the 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 ground fishery has been the cornerstone of our province's culture and economy for generations; and

WHEREAS there is scientific and anecdotal evidence that cod stocks are increasing off our shores; and

WHEREAS current fishers are having trouble securing buyers for their product;

WHEREUPON the undersigned petitioners humbly pray and call upon the House of Assembly to urge government to take immediate action to develop markets for groundfish within our province and with our trade partners.

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

Mr. Speaker, I've stood up in the House of Assembly before and I've talked about the resurgence of the cod fishery. Again, it's a part of who we are as Newfoundlanders and Labradorians. We can never forget the fishery and what it's done for generations and what it's done for Newfoundland and Labrador, especially rural Newfoundland and Labrador. It's an important part.

I can remember growing up and being involved in the fishery with my father and family. When I went to the Southern Shore, to different parts of the Southern Shore, there was a fish plant in

Witless Bay, there was a fish plant in Bay Bulls, there was a fish plant in Tors Cove, one in Fermeuse and further on up the shore in Ferryland. It was the centre focus of rural Newfoundland. People were excited, people were employed. Young people got jobs in the summertime.

We look at our economy today and we talk about diversification. Well, we have something right in our hands right now that can help diversify our economy and just make our economy even more active and keep people in rural Newfoundland, keep people in our communities.

Our cod fishery is coming back. I've experienced it myself, Mr. Speaker. I go to the recreational cod fishery. The last number of years in talking to fishermen, they tell me they've never seen the like. We had four boats go out on Flatrock this weekend fishing in the middle of November; never, ever heard of it before in my district that you'd see fishermen on the water in the middle of November. They came in with great catches.

Most of them only had four or five nets in the water and came in with 14 and 15 pans of cod. That's amazing. For this time of year it's amazing. I think our government really has to put a focus on this. It's something they're not doing; it's something that fishermen are asking for. They want markets. They need to understand where they're going to sell the fish. As it increases we need to get a place to sell our fish.

Right now, most of the fishermen are selling their fish through fillets to people that want to buy it like that because there are absolutely no markets available. As a government, you should be responsible for making sure that next year – it's going to get bigger again and we need to develop markets.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. BRAZIL: Thank you, Mr. Speaker.

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

WHEREAS the education of children is one of the most important and vital investments that can be made in the success of children; and

WHEREAS the Government of Newfoundland and Labrador should be choosing educational options that will provide all students of our province with a higher standard of education and an enhanced learning experience for our youth; and

WHEREAS the government's decision to make cuts to teachers and to our education system will have a negative effect on the students;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to reverse the decision effective immediately.

Mr. Speaker, it's ironic that I get up and speak to something as important as education on a day when we're having a school board election. I say that because I have to compliment those people who put their name forward. I've managed to talk to nine of the candidates from different zones and had a very intense conversation. I was very impressed with their skill set, with their understanding of the school system, but particularly about their commitment of reversing some of the decisions that have been made that they know and they've identified that are detrimental to our education system and particularly to our students.

Most are putting their names forward because they want to right the wrongs that have been done over the last 12 months. They want to go back and take a real look at where our education system is and outline a proper way to invest for our young people.

They've looked at things from what's been lost over the last 12 months. The mess we have around overcrowded schools; the mess we have around the loss of core French; under resourced, all-day kindergarten we put in play; overcrowded schools; proper lunch programs not being taken into account when you have so

many volunteers who give so much of their time. All they needed was a little bit of extra support or some dialogue to be able to prepare to make sure nobody was left out. The busing mess that we have right now, these are all issues they put forward.

They talked about teachers who talk about the resources they need and the ability with the blended classrooms, the challenges they have around that; the special needs students. All these are important issues that have been neglected by this administration over the last 12 months.

The school board elections will at least bring this to the forefront and the individuals who are running on those campaigns, they want to improve the education system. They want to first go back and correct the wrongs and then move our education system forward because we have great people in our education system; great educators, great administrators, great volunteers, great support mechanisms.

We have the right mechanism to do it but we can't do it when we're constantly making decisions that are detrimental to everybody who are key stakeholders here. That goes particularly around the volunteer sectors out there. The school councils who raise money to do special programs and services, because they realize they have a stake in the betterment of education for the students and their children in these respective schools, but every time they take a step forward, last year they were putting two back because there's been no dialogue. There has been no inclusion about what we need to do. Then you add on the sidelines, you got things like the cutting of libraries that has a major impact.

Mr. Speaker, while this is a monumental day here when we have our elections, I'm looking forward to working with those zone-elected individuals to improve our education system.

Thank you, Mr. Speaker.

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

MR. LANE: Thank you, Mr. Speaker.

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

WHEREAS many students within our province depend on school busing for transportation to and from school each day; and

WHEREAS there have been a number of buses removed from service over the past few weeks for safety reasons, calling into question the current inspection and enforcement protocols for school buses in the province; and

WHEREAS there have been concerns raised by members of the busing industry regarding government's tendering practices as it relates to the provision of school bus services in the province; and

WHEREAS there are many parents throughout the province who have raised both scheduling as well as safety concerns regarding the English School District's 1.6-kilometre policy, the courtesy-seating policy, the new double-bus-run schedule, as well as the overcrowding on school buses;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge the Government of Newfoundland and Labrador to strike an all-party committee on school busing to consult with stakeholders and make recommendations to government for the improvement to the school busing system in our province.

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

Mr. Speaker, I'm presenting this petition again today. I've had plenty of calls and emails and so on from individuals who have concerns about school busing in the province. I've raised this issue on the 1.6-kilometre school busing and so on for the last two or three years. I will continue to do so on behalf of parents who have concerns.

I am glad to see that there are matters which I'm hearing are going to be addressed as it relates to inspections, which is good, but it certainly does nothing to address the 1.6-kilometre rule, it does

nothing to address the double bus runs and all the concerns parents have around that.

I will continue to bring this forward until we see some answers.

Thank you, Mr. Speaker.

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

MR. A. PARSONS: Orders of the Day, Mr. Speaker.

MR. SPEAKER: Orders of the Day.

Orders of the Day

MR. A. PARSONS: Mr. Speaker, I move, seconded by the Minister of Municipal Affairs for leave to introduce a bill entitled, An Act Respecting The Relocation Of Certain Communities In The Province, Bill 47, and I further move that the said bill be now read a first time.

MR. SPEAKER: It has been moved and seconded that the hon. the Government House Leader shall have leave to introduce Bill 47 and that the said bill shall be now read a first time.

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

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

Motion, the hon. the Minister of Municipal Affairs to introduce a bill, "An Act Respecting The Relocation Of Certain Communities In The Province," carried. (Bill 47)

MR. SPEAKER: The hon. the Clerk.

CLERK (Ms. Barnes): A bill, An Act Respecting The Relocation Of Certain Communities In The Province. (Bill 47)

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

When shall the said bill be read a second time?

MR. A. PARSONS: Tomorrow.

MR. SPEAKER: Tomorrow.

On motion, Bill 47 read a first time, ordered read a second time on tomorrow.

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

MR. A. PARSONS: Mr. Speaker, I move, seconded by the Minister of Municipal Affairs, for leave to introduce a bill entitled, An Act To Amend The Hydro Corporation Act, 2007, Bill 48, and I further move that the said bill be now read a first time.

MR. SPEAKER: It is moved and seconded by the hon. Government House Leader that he shall have leave to introduce a bill, Bill 48, and that the said bill shall now be read a first time.

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

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

Motion, the hon. the Minister of Natural Resources to introduce a bill, "An Act To Amend The Hydro Corporation Act, 2007," carried. (Bill 48)

CLERK: A bill, An Act To Amend The Hydro Corporation Act, 2007. (Bill 48)

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

When shall the said bill be read a second time?

MR. A. PARSONS: Tomorrow.

MR. SPEAKER: Tomorrow.

On motion, Bill 48 read a first time, ordered read a second time on tomorrow.

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

MR. A. PARSONS: Mr. Speaker, I move, seconded by the Minister of Advanced Education, for leave to introduce a bill entitled, An Act To Amend The Income Tax Act, 2000 No. 6, Bill 49, and I further move that the said bill be now read a first time.

MR. SPEAKER: It is moved and seconded by the hon. the Government House Leader that he shall have leave to introduce Bill 49 and that the said bill shall now be read a first time.

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

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

Motion, the hon. the Minister of Finance and President of Treasury Board to introduce a bill, "An Act To Amend The Income Tax Act, 2009 No. 6," carried. (Bill 49)

CLERK: A bill, An Act To Amend The Income Tax Act, 2000 No. 6. (Bill 49)

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

When shall the said bill be read a second time?

MR. A. PARSONS: Tomorrow.

MR. SPEAKER: Tomorrow.

On motion, Bill 49 read a first time, ordered read a second time on tomorrow.

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

MR. A. PARSONS: Mr. Speaker, Order 2, third reading of Bill 42.

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

MR. A. PARSONS: Mr. Speaker, I move, seconded by the Minister of Service NL, that Bill 42, An Act To Amend The Highway Traffic Act No. 3, be now read a third time.

MR. SPEAKER: It is moved and seconded that Bill 42 be now read a third time.

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

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

CLERK: A bill, An Act To Amend The Highway Traffic Act No. 3. (Bill 42)

MR. SPEAKER: Bill 42 has now been read a third time and it is ordered that the bill do pass and its title be as on the Order Paper.

On motion, a bill, "An Act To Amend The Highway Traffic Act No. 3," read a third time, ordered passed and its title be as on the Order Paper. (Bill 42)

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

MR. A. PARSONS: Mr. Speaker, I move, seconded by the Minister of Municipal Affairs, that the House resolve itself into a Committee of the Whole to consider Bill 44.

MR. SPEAKER: The motion is that the House resolve itself into a Committee of the Whole to debate Bill 44. Is it the pleasure of the House to adopt the motion?

All those in favour?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

Carried.

On motion, that the House resolve itself into a Committee of the Whole, the Speaker left the Chair.

Committee of the Whole

CHAIR (Dempster): Order, please!

We are now considering Bill 44, An Act To Amend The Municipalities Act, 1999.

A bill, "An Act To Amend The Municipalities Act, 1999." (Bill 44)

CLERK: Clause 1.

CHAIR: Shall clause 1 carry?

All those in favour?

SOME HON. MEMBERS: Aye.

CHAIR: All those against – oh, I'm sorry.

MR. K. PARSONS: I'm pretty small. It's hard to see me, Madam Chair.

CLERK: I can't say it's Monday.

The Chair recognizes the hon. Member for Cape St. Francis.

MR. K. PARSONS: Yes, in debate yesterday I had some questions to ask. I really like this bill. I think it's a great bill, but there are some questions that I'd like to ask.

Most municipalities in Newfoundland and Labrador deal with a lot of small communities and in those communities you'll see a lot of members on council that are related. One thing you always do when you become a council member is to understand the conflict of interest and how it works within municipalities.

My question to the minister is I know it requires two-thirds of a vote to go through council, but is there any other mechanism where – because sometimes in small communities, you look at family members and three or four members of that family could be on a council. So it will be a job to get the two-thirds of a vote or whatever. Conflict of interest is usually addressed at the council level and not the municipal level. My

question is how are you going to look at this when it comes to conflict of interest?

CHAIR: The hon. the Minister of Municipal Affairs and Service NL.

MR. JOYCE: Madam Chair, he may be hard to see but it's easy to listen to him.

My good friend and great colleague, thank you for the question. It's the same right now in the municipalities. I'll give you a good example. It's a great question because there are a lot of times in municipalities where you're related.

Right now under the municipalities act, if a councillor, for example, wants to do some work for the town or a family member for the town; they can get an exemption from the minister. What they can do is council can explain the situation – they can't get two-thirds votes.

You always have to remember that anytime, even with the two-thirds vote, it has to be approved by the minister, but if there's conflict of interest which is deemed by – if there are five or six councillors and three or four says I can't, the minister can then approve that, like he does now.

I know the former minister had occasions where councillors wanted to get on certain programs or certain councillors where a family member, they'd excuse themselves and ask if they could be hired, and they're still on the council. So the minister can give exemptions to that if written to the minister and explained to him.

CHAIR: All those in favour of clause 1?

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, clause 1 carried.

CLERK: Clause 2.

CHAIR: Shall clause 2 carry?

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

MS. MICHAEL: Thank you very much, Madam Chair.

Yesterday, when I spoke in second reading, I did throw out some questions with regard to clause 2 which deals with the local service district naming and marking all the highways within the local service district and requiring owners of buildings on the highways to number the buildings and also giving them the right, actually, to charge a fee for the numbering. I threw out some questions and the minister may have answers to them today.

I have concerns, and concerns that have been expressed to me by people who live in local service districts. One of the questions has to do with fairness. Is there going to be a fee that the department comes up with to say it will be the same fee everywhere? Will they do an analysis of what exactly would create a cost and have that put down as – or even a range of a fee, has any thought gone into that?

I've also had a concern expressed that the local service districts don't have the mechanism to deal with – many of them, some might, but many of them do not have the mechanism to deal with the actual collection of fees and the administration of fees. That's a major concern. If a local service district wanted to do it, is the department there to give them resources to help them? Human resources or whatever to help them do it?

Another question that's been raised is that – I had one person speak to me, for example, who lives in a LSD where they've done the numbering. It's all been done. That person raised the question, well, is this going to be retroactive? Are they going to be able to say now since this legislation is in place that they can now charge a fee for having done the work?

These are legitimate questions that have been coming to me. I really would like to hear a response from the minister about how he hopes this would be able to work, and work smoothly and work for the benefit of everybody. Would the fee be the same? For example, some of the buildings on the highways are residences and some of the buildings are businesses, so is everybody going to be paying the same?

So there are quite a number of questions that have come forward. I do put out that even though the minister was hopeful that people won't mind this, I'd like to suggest to him that some people may mind because they'll say well municipalities didn't charge a fee. Now we know people living in municipalities pay taxes, but that doesn't seem to matter to some people living in LSDs. They still will throw that out.

Certainly, we know there was quite a reaction when Eastern Waste Management wanted to collect \$180 as an annual garbage collection. So are we going to have people saying, well, I only live in that house during the summer, I only go there a few times a year and it's not going to be a major emergency issue in my case if I don't have a number?

We've heard crazy things being put out there, and I think we might hear things being put out around this one as well. So I'd just like the minister to speak to us about, have they looked at some of these issues?

Thank you.

CHAIR: The hon. the Minister of Municipal Affairs and Service NL.

MR. JOYCE: Madam Chair, I have to say that I'm kind of puzzled by the questions and I'll explain to you why. LSDs asked for this. They actually asked for this, to have this done.

If there's anybody out there in the Province of Newfoundland and Labrador – anybody in a city, town, LSD – feels that this is a waste of money to have their house numbered for safety; we have concerns about that because it hasn't been expressed to the department. Not one person in the province that came to my attention is concerned about this. I'm not saying they didn't come to your office, I'm just saying they didn't come to me.

The second thing I'll put out to you, under this act, LSDs can charge what it cost to put the numbers in. LSDs want that. The second thing, as we speak, LSDs can charge fees already. So being able to charge a fee, it's already within the LSD.

The third thing, if they have problems – there are two things with that. One, if they have problems collecting a fee, it's up to the LSDs to police themselves. If not, if there's an LSD – a regional waste management authority, as an example, the Eastern authority. They have the authority to go with communities and collect fees if they want that done. There are many mechanisms for them to collect the fees, but I can assure the Member – I hope that answers your question. That's the three questions that I noticed.

Saying they might charge more than it costs, they can charge as we speak now. LSDs can charge fees now, what they please. If people don't want to pay, they have no mechanism. They have no property tax; they don't have water and sewer where they can turn on and off the water. In some cases they may, but that's the authority. I guess that's why they want to remain an LSD.

But I can tell the hon. House, that to my personal knowledge as the minister, I haven't received one call from any person in an LSD that this is a concern or they may be charged too much or they're already being charged. People in the LSDs that we spoke to want this for safety; they want this to ensure their safety, if they have fires, if there's an emergency. So if there's anybody who got any concerns they can contact me, but to date I haven't received one.

CHAIR: The hon. the Member for Ferryland.

MR. HUTCHINGS: Thank you, Madam Chair.

Madam Chair, I had a question for the minister in regard to civic addressing as well. Yesterday in debate I mentioned it in regard to the availability of some data they could already possibly collect in regard to civic addressing and through the waste management initiative that's been developed over the past number of years.

Eastern Waste Management, I know in our particular area, would have gone in and identified various structures in regard to implementing buildings for waste management. Some of that data in regard to civic addressing would retain with an organization like Eastern Waste Management.

I wonder – we've got to go through this process again in regard to getting it for this reason, and we know it's an important reason to obtain that information and why it is. Is there any interconnection with someone like Eastern Waste Management, where that information is already collected, and could that be accessed to provide that information now?

CHAIR: The hon. the Minister of Municipal Affairs and Service NL.

MR. JOYCE: Thank you, Madam Chair.

Great question; the answer is yes. We met with Eastern Waste Management. They have a lot of that work done, as you know as a former minister. They have a lot of that work done and a lot of civic addressing done for their own collection.

They said they're willing to share that information. The LSDs, they know that, and the LSDs can approach Eastern Waste Management or other waste managements in the area. If they haven't done that, they can phone. I know when we met with the chair of Eastern Waste Management here in St. John's they were willing to share that information to anybody that would need it.

So it's a great question. Yes, they do have it, and yes, they will share whatever they got to ensure the safety of the people in the province.

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

MS. MICHAEL: Thank you, Madam Chair.

Minister, I have another question, and I agree with you. We all agree that having civic numbers is absolutely essential for emergency – we all realize that – for fires, for anything, health, whatever reasons. We know that for emergencies in particular the civic numbering is really important.

I'm not saying this is not a good move; it needs to be done. But I'd like to know from the minister, is there going to be a monitoring? Has he and the department looked at even a deadline for when we would have civic numbers all over the province?

This is leaving it in the hands of the LSDs who they may do it – so the permission is there for them to do it. They can charge a fee. While I accept what the minister has said that they're LSDs who've asked for it, there may also still be some who aren't as organized as another one that may not have the ability to do it. Will there be any monitoring of when we would have the whole province with civic numbers?

CHAIR: The hon. the Minister of Municipal Affairs and Service NL.

MR. JOYCE: Thank you, Madam Chair.

It is a great question. The idea of getting civic addressing is for the Next Generation 911; that's the idea. Right now it would help in some areas. In the City of Corner Brook, it would help the fire department. But a lot of the LSDs and where the Next Generation is going to use GPS to get in on a house, hone in on a house, that's when it's very important. MNL has been very supportive of this. They've been pushing it through.

MNL has been pushing for this for the municipalities under their umbrella. We have contacted most LSDs; a lot of LSDs have contacted us. We will give them whatever support we can. We will have a promotion when it gets close to the Next Generation of who hasn't got it done. That is a great question because we can't force anybody in LSD to do it, but we can definitely point to them and lead them in right direction, the reason why it should be done.

So we are willing to work with all LSDs. We will be sending out reminders when we get closer to the Next Generation. Municipalities Newfoundland and Labrador is at every convention and pushing for it. The best we can do is educate people, support the LSD, support the municipalities that it is a safety issue and we will be monitoring which ones – every year, or every six or seven months we're seeing how many are done and how many are not done, so we're trying to collect the data for that. That's going to be helping through the 911 system who is asking us to get that.

So it is a great question. I encourage anybody who is listening to get their civic addressing

done. And I'll just give an example; we were at a meeting last night, myself and the minister of fisheries and agriculture, Bristol's Hope, LSD. (Inaudible) they're just non-incorporated. They have civic addresses in every house in Bristol's Hope. That is taking such a forward step and such forward thinking that it's so great to hear 300 people now have civic addresses. They did it on their own for safety reasons, for fire.

So I encourage all LSDs, all municipalities who haven't got it done, get it done and I'll give you a good example out in York Harbour; I'm very familiar with York Harbour. York Harbour, they have their civic addressing. If someone puts up a house where there is no house, it does not change. So that's the kind of stuff we have to work on.

It's a great question, we will be monitoring them and we will be helping out wherever we can. We will be encouraging through a public education program to ensure that everybody has a civic address because it is for public safety.

So thank you for your question.

CHAIR: All those in favour?

SOME HON. MEMBERS: Aye.

CHAIR: All those against?

Carried.

On motion, clause 2 carried.

CLERK: Be it enacted by the Lieutenant Governor and House of Assembly in Legislative session convened, as follows.

CHAIR: Shall the enacting clause carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, enacting clause carried.

CLERK: An Act To Amend The Municipalities Act, 1999.

CHAIR: Shall the long title carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, title carried.

CHAIR: Shall I report Bill 44 carried without amendment?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

Motion, that the Committee report having passed the bill without amendment, carried.

CHAIR: The hon. the Government House Leader.

MR. A. PARSONS: I move that the Committee rise and report Bill 44.

CHAIR: The motion is that the Committee rise and report Bill 44.

All those in favour?

SOME HON. MEMBERS: Aye.

CHAIR: All those against?

Carried.

On motion, that the Committee rise, report progress and ask leave to sit again, the Speaker returned to the Chair.

MR. SPEAKER (Osborne): The hon. the Deputy Speaker.

MS. DEMPSTER: Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have asked that I report Bill 44 carried without amendment.

MR. SPEAKER: The Chair of the Committee of the Whole reports that the Committee have considered the matters to them referred and have directed her to report Bill 44 carried without amendment.

When shall the report be received?

MR. A. PARSONS: Now.

MR. SPEAKER: Now.

When shall the said bill be read a third time?

MR. A. PARSONS: Now.

MR. SPEAKER: Now.

On motion, report received and adopted. Bill ordered read a third time presently, by leave.

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

MR. A. PARSONS: Mr. Speaker, I call Order 3, third reading of Bill 44.

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

MR. JOYCE: Mr. Speaker, I'll just take a second. I just want to thank everybody who participated in debate. Great questions and a chance to ask people to encourage it; great questions about municipalities and I just want to thank everybody who participated in the debate.

This is a bill that's going to help municipalities with a lot of paperwork and help a lot of towns. Also, it's a safety issue. I thank all the Members in the House of Assembly who promoted safety to all the LSDs and all the towns through this debate. I just want to recognize that.

Again, this is a bill for the House of Assembly. It's not a Liberal, PC, NDP or Independent bill; this is another bill.

Thank you.

MR. SPEAKER: Are you moving and seconding the bill?

MR. JOYCE: This is third reading.

MR. SPEAKER: Is it the pleasure of the House to adopt the motion?

All those in favour?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Against?

Carried.

CLERK: A bill, An Act To Amend The Municipalities Act, 1999. (Bill 44)

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

On motion, a bill, "An Act To Amend The Municipalities Act, 1999," read a third time, ordered passed and its title be as on the Order Paper. (Bill 44)

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

MR. A. PARSONS: Mr. Speaker, I call Order 5, second reading of Bill 46.

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

MR. JOYCE: Mr. Speaker, I move, seconded by the Government House Leader, that we now read Bill 46, An Act Respecting Procurement By Public Bodies and that the bill be read the second time.

MR. SPEAKER: It is moved and seconded that Bill 46 be now read a second time.

Motion, second reading of a bill, "An Act Respecting Procurement By Public Bodies." (Bill 46)

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

SOME HON. MEMBERS: Hear, hear!

MR. JOYCE: Thank you, Mr. Speaker.

Thank you for the opportunity to speak on this bill.

I rise in this hon. House today to open debate on the introduction of An Act Respecting Procurement By Public Bodies. At present, the province's legislation governing purchases by public bodies is the *Public Tender Act*.

Public tendering governs the acquisition of goods, services, public works and leasing of space by government-funded bodies in the province. It is an important piece of legislation because it influences buying by all public bodies. This includes municipalities, health boards, school boards, academic institutions, Crown corporations and government.

The act is decades old and has not been substantially amended since it was enacted. Changes have been needed for some time and modernizing the procurement in our province is a priority for our government. It was one of the platform commitments that were included as one of the 50 initiatives in *The Way Forward* vision that we recently launched. Modernizing procurement is important because public bodies influence a lot of economic activity in the province.

A recent Atlantic Provinces Economic Council study noted Provincial Government procurement and capital spending totalled \$4 billion combined in 2014. This speaks to the magnitude of purchasing by public bodies in our province and the need to have legislation in place that focuses on best practices and achieves best value for dollars spent.

Mr. Speaker, the key benefits of this bill include: promoting enhanced oversight and transparency; providing greater flexibility to help public bodies purchase what they need; increased consistency in procurement practices used by public bodies across the province; limiting exemptions for Nalcor and the Research Development Corporation; and, creating the opportunity to update the thresholds governing buying activity. I want to take this opportunity to talk about each one of these in a little greater detail.

With respect to promoting enhanced oversight and transparency, under the new act the Government Purchasing Agency will become the public procurement agency. This change is meant to increase focus on the agency's strengthened role in providing oversight over procurement by all bodies. As part of this, the chief procurement officer's role and the procurement advisory council will be established to oversee the public procurement activities across the province.

Madam Speaker, the chief procurement officer will be selected through the Independent Appointments Commission process. The advisory council will be comprised of officials from provincial public bodies. In addition, professional services that were previously not included in the *Public Tender Act* will now be subject to greater oversight than ever before.

I'm also pleased to note that this new act will allow us to put new regulations and policies in place in the coming months. These regulations and policies will make the procurement process more transparent for vendors and allow public bodies more opportunity to hold suppliers accountable for their performance.

Madam Speaker, this act also provides greater flexibility in the way public bodies purchase what they need. The previous approach encouraged tenders over requests for proposals or RFPs. The new act will make it easier to use additional approaches such as RFPs and calls for expressions of interest.

This new act will allow increased consistency in procurement practices, specifically in terms of the timelines used for procurement process, the sharing of information between buyers and suppliers, and the application of procurement policies. This new act will promote greater consistency in the approach used by all public bodies.

This new act would also limit exemptions for Nalcor and the Research & Development Corporation. Procurement activities by those entities such as buying office space, supplies and furnishings were not within the scope of the legislation before but are now included. Nalcor's exemptions are now limited to the following situations: procurement involving energy and

energy products; strategic partnership, joint ventures or equity investments with other public bodies or private sector entities; or to meet the requirement of a benefits agreement.

The Research & Development Corporation's exemption is limited to procurement for research and development purposes unrelated to the daily operations of these corporations. These exemptions are necessary and responsive to the nature of the work carried out by their entities. I want to note, that public reporting will be required on any remaining exempted activities.

Finally, Madam Speaker, this act includes the benefits creating the opportunity to update the thresholds governing buying activity. As Minister of Municipal Affairs, I'm very aware that this has been a concern for many communities in our province. Many representatives from public bodies stated in consultations that the current thresholds for requiring open calls for bids are too low. This increases the red tape involved in small scale procurement and prevents public bodies from being able to buy locally. The new act creates opportunity to respond to these issues through regulatory changes and will allow government to increase thresholds and address these problems.

Madam Speaker, I am proud to be introducing this bill so early in our government's mandate. Establishing this act is a vital first step in a process of modernizing public procurement in Newfoundland and Labrador. Our government is delivering this act within six months from the launch of *The Way Forward* vision just as we promised. Next steps will include selecting a chief procurement officer, finalizing regulations and policies and training buyers and vendors which is very important. We anticipate this work will take place over the course of 2017.

I will conclude my comments now by noting *The Way Forward: A Vision for Sustainability and Growth in Newfoundland and Labrador* was recently launched by our government to identify ways to make improvements in our province without driving costs. Our vision focuses in four areas: one, achieving a more efficient public sector; two, building a stronger economic foundation; three, providing better service; four, supporting better outcomes.

Madam Speaker, by modernizing the procurement to achieve these best values for the dollars, I am pleased to say our government is delivering on each of those areas.

Madam Speaker, I'm just going to take a minute on the other side, just speaking for myself when I was in Opposition and dealing with municipalities. MNL has supported this wholeheartedly. Just to give an example – and I know the Member for Cape St. Francis is well aware of this also. When you're on council and you, for example, had a waterline break, if it was over \$20,000 you had to go to tender. By the time you went to tender and moved up the tender process, it's a month or two months down the road.

Now we're going to increase it up to \$50,000. That does two things. This is just for municipalities. There are a lot more great examples. For example, that allows that if there's a problem with municipalities, you go out and get three quotes instead of going through the tendering process. The three quotes then, you can have it locally, instead of – and this is a big thing, municipalities get a lot of local suppliers then that can't partake, and this is just one example. When the work is done up to \$50,000, I just want the Province of Newfoundland and Labrador to know that that three quotes and how it was awarded by council has to be sent in and put on the website for the public procurement officer.

So you just can't have three quotes in a town and say, okay, we got it done. It has to be sent in. They will be monitoring it in the public procurement office. This is a great move for municipalities. This is just one.

Buying supplies – if it's over \$10,000 then you have to go out and do the public tender. Just imagine the work itself for supplies that every time you had to put it to public tender. This here reduces the red tape, and I know the previous government has been trying to reduce red tape in the Province of Newfoundland and Labrador for years. This is a prime example of how we're going to reduce red tape for municipalities, for vendors in this province, for businesses. It's a great opportunity for a friendly business atmosphere, Madam Speaker, in the Province of Newfoundland and Labrador.

I know we're going to get into debate much later. I know there are going to be some questions asked about it. But I can say, Madam Speaker – and I'm sure the Opposition, the Third Party and the Independent are going to support this. I'll tell you why we're going to have unanimous support again in the House of Assembly. This is what municipalities, this is what the people of Newfoundland and Labrador wanted, this is what the business community wanted. We delivered what they wanted.

I'm confident again that if there's some way we can strengthen this legislation, I'm open for it. But I feel very confident with the public consultations that we had, the best opportunity we have now to increase business for rural Newfoundland and Labrador, to have more transparency and bring more under the umbrella of what can and will not be under the *Public Procurement Act*, will be in this bill.

I'm very confident once again because we're all working together in this House of Assembly for the good of Newfoundland and Labrador that we will have unanimous consent on this – I'm sure there's going to be questions, which there should be. But I'm very confident that once again we're going to show the people of Newfoundland and Labrador that this Legislature is working together for the betterment of people of Newfoundland and Labrador, and this bill will pass with unanimous consent in the House of Assembly.

I know my friend, the Member for Cape St. Francis, who was a municipal leader in his past, will stand and support this, because he knows how good this is. I know his councils are saying we need this, we got to have this done; and I look across at the former minister, the Member for Ferryland, he mentioned to me many times that yes, there's a lot of great information in this and we need it done. So I feel very confident that the Members opposite are going to support this because it's great for Newfoundland and Labrador.

I look forward to their support. Madam Speaker, when the support is done, I will stand up like I always do and thank the Members opposite for their support because it's great for Newfoundland and Labrador.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MADAM SPEAKER (Dempster): The Speaker recognizes the hon. Member for Cape St. Francis.

MR. K. PARSONS: Thank you very much, Madam Speaker.

I want to thank the staff over to Municipal Affairs for the great briefing they gave us yesterday. And I want to ensure the minister that we are good friends, but I can assure the minister also that we will have lots of questions and there are lots of questions on this bill. And I hope that he will listen to some of the stuff that we have to offer to make this – and we really want to make sure that this bill is done proper. There will be questions and probably some amendments that will come forward.

Madam Speaker, it was the PC government who were working on this for years and had a great deal of the ground work done. The first reading of *Public Procurement Act* was given in 2012, but the legislation did not advance at the time. The Liberals are pushing the legislation to be done, no doubt. Although they will boast today they're moving ahead where others didn't, the fact is that we are pushing many of these details of legislation into regulations to be dealt with later. That means that Cabinet will have to deal with many of these details later. There are 20 categories of regulations described in section 28 and 29 of the bill. There is a broad exemption in section 7. The bill leaves many unknowns.

Under section 36, we don't even know when Cabinet will proclaim the bill. The regulations have to be written yet, the act has to be proclaimed, so nothing is going to change until all of this comes into place with regulations and (inaudible).

In principle, public procurement reform is something we all want to support. It was the PC government that brought this forward in the first public procurement reform in the *Public Tender Act* in 1984 and it has been updated from time to time, including in 2009. The legislation brought integrity, fairness, good value, transparency and accountability to public procurement. The

legislation is surely needed and it was the PC Party that took the lead after more than three decades of people ignoring it.

But, as in any legislation, it needs improvement. The trade, business, and procurement environment has changed significantly since then, and it's continuing to change, particularly when it comes to the trade environment. Procurement and trade are issues that are always in flux.

CETA is just happening; an agreement with intergovernmental trade is being negotiated and includes procurement. Who can guess what will come with our new president of the United States. What will happen with respect to NAFTA or trade agreements in Asia and the Pacific? What will that lead to? Trade issues also end up before tribunals in court. They, too, can change and the rules can change according to the environment. In fact, part of this legislation anticipates challenges in these areas.

The constant flux is a reason why our administration did not get this legislation done. Although the current government would claim they're acting where others didn't, they have made some part of this bill so vague and open ended that people can only guess where it will lead.

So in the final words of procurement: Decisive legislation that the Liberals promised? No, but it's a great framework. Some specifics to the legislation; in some cases, it's just a change of new names to old names. Instead of the *Public Tender Act*, the Government Purchasing Agency and *Intergovernmental Joint Purchasing Act*, it will now be called the *Public Procurement Act*. Instead of the Government Purchasing Agency, we will have the public procurement agency. Instead of the GPA chief operating officer, we will have the chief procurement officer.

There are many things that are new in this act also. That flows from the recommendations from the Reid & Associates report that we commissioned in 2008 broadening the coverage of procurement legislation focusing on results and roles and being accountable, adapting a new flexible policy, increasing standardization, implementing a new accountability framework

and mandating an independent system for recourse.

The purpose of the legislation; well, the principle or the purpose of the legislation is outlined in section 3. These are statements that we all can agree on: "The purpose of the Act is to establish a statutory framework which, through its operation, enables public bodies to achieve best value, transparency and accountability in procurement.

"(2) For the purpose of the efficient, effective and ethical procurement required by public bodies to carry out their mandates, public bodies shall (a) promote the integrity and fairness of, and public confidence in, procurement; (b) foster and encourage participation in procurement by suppliers; (c) promote competition among suppliers in procurement; (d) provide for the fair and equitable treatment of all suppliers and contractors; (e) promote making information on procurement publicly available; and (f) value diversity in procurement."

What we're really trying to do here with this bill in particular, we want to get the best value for the people's money and that's what this bill is all about. We want to ensure that local business have a fair chance to compete for government business. Under trade agreements, we also want to ensure that local companies compete for business in other jurisdictions. Of course, that means we have to open our doors wider to competition here. It means we also have to nurture an environment in which local companies can be competitive.

One way to make our local companies really competitive is our tax rates. When we have companies in Newfoundland and Labrador competing all over Atlantic Canada and all over Canada, we have to make sure that our tax rates are competitive so our companies are competitive with these companies.

We have to minimize red tape, and the minister mentioned that also. That, too, has a cost of operating with government and doing business here. We have to ensure that the process is transparent and accountability, with the checks and balance to correct any flaws. We have to protect ourselves from challenges. Will the legislation accomplish all these things and

when? While it is well intended, a lot of the whats are still in the details, still to be worked out. There is no indication of when.

Some things we should be aware of – and there are some things that we really have to be aware of when we deal especially with trade. The province has certain obligations under various trade agreements, including the Atlantic Procurement Agreement and the Agreement on Internal Trade. We have to take into account those obligations. The Government Purchasing Agency is continued as a new public procurement agency.

Now, there are a couple of different changes. There will be a procurement advisory council under section 25. These are government employees who will have no stipend. The benefit, it will bring together officials who will provide advice and make recommendations to the minister exactly what will be defined in the regulations.

The bill introduced a concept of best value. Best value includes the best balance of cost, quality, performance and support, as achieved through transparent, effective and competitive procurement process using a clear and fair evaluation. That's important too. A lot of times when you look at some bids that go out there and sometimes it's the lowest bid that always gets it. But best value sometimes doesn't necessarily mean that it's the lowest bid, so that is a good part of the legislation.

The chief procurement officer shall develop general policies respecting procurement of commodities applied to those that are social, economic, environmental priorities. That, the Lieutenant Governor in Council may direct.

The scope has expanded to include lease space. The scope also includes more services. Under it, it includes engineering, architectural, accounting, land surveying, banking or insurance services, voice telephone services or other services that require the giving of an opinion, creativity, the preparation of design and technical expertise.

Professional services are defined in section 2, which includes: legal services and financial

services relating to the provision of credit and instruments of monetary policy.

Although Nalcor and RDC are included in the act, they have certain exemptions. Under section 30 –

SOME HON. MEMBERS: Oh, oh!

MADAM SPEAKER: Order, please!

I remind Members to keep their conversations down or take them outside the Chamber.

Thank you.

The hon. Member for Cape St. Francis.

MR. K. PARSONS: Thank you very much, Madam Speaker.

Although Nalcor and RDC are included in the act, they have certain exemptions. Under section 30, Nalcor will be exempted for procurement in “(a) energy and energy products; “(b) where the corporation or a subsidiary is acting in a strategic partnership, joint venture, or equity investment with other public bodies or private sector entities”

Under section 33, RDC have exemptions that are related to the daily operation of RDC or subsidiaries. Thresholds, this is important; the minister spoke about that a few minutes ago. Monetary thresholds will likely increase but these will be defined under regulation 28, so it will be up to Cabinet to decide whether, when and how much they increase.

Those who gave us the briefing suggested that the thresholds may be raised by Cabinet under regulations and bring them in line with the Atlantic Procurement Agreement levels. That would mean that for services it will move from \$10,000, it could move to \$50,000; the public works could go from \$20,000 to \$100,000; and for lease space, from \$10,000 on an annual rental value to \$100,000 on a contract value. Goods and service more than likely will remain the same.

There are several measures for transparency in this bill. Under paragraph 3, many of the information will be available to the public.

Section 12 provides unsuccessful bidders to be debriefed; suppliers can also file a complaint under section 12. Suppliers' performance governance is under section 13.

Electronic notification system is defined by paragraph 2, under section 16 and 22. Also, there's a clause in section 26 that protects officials from being sued when they act in good faith. There is also a reporting mechanism for exemptions for Nalcor and RDC under sections 30 and 33.

Mr. Speaker, regulations defined in the bill are significant. There are 17 paragraphs defining where Cabinet can regulate and three defining where the minister can regulate. They include: defining procurement thresholds, defining exemptions where open calls for bids is not required, defining change orders or extensions, defining groups of purchasing, defining the delegation of authority, defining what happens in the absence of bids, defining the requirements for tabling and reporting, defining procedures for a limited time for a call of bids. This is just a short list and goes on.

Mr. Speaker, it's not that I'm against the bill or anything at all. I think it's a great piece of legislation that we need to do here in the House of Assembly, but there are a lot of questions to be asked. In Commencement, defined in section 36, the act has to be proclaimed or part of the act has to be proclaimed on a day or days that the Cabinet determines. So there's no way of knowing when this bill will be determined or will come forward.

It's a very important bill. I apologize; I said it was Municipal Affairs but, in actual fact, it's Service NL. The minister mentioned about \$4 billion. That's a lot of money. There are a lot of businesses in Newfoundland and Labrador, a lot of municipalities, a lot of health care, people who deal with our health care and people who deal with municipalities that this can affect. So it's important that we get it right.

There are a lot of details that we need to work out in this bill. I'm hoping to hear more answers from the minister when he gets up to speak.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Warr): The Speaker recognizes the hon. the Member for Labrador West.

SOME HON. MEMBERS: Hear, hear!

MR. LETTO: Thank you, Mr. Speaker.

It's a pleasure for me today to rise in this hon. House to speak on Bill 46. I've just listened to the Member opposite talking about why they couldn't bring it in and all this good stuff. Well, I remind the Member opposite that it was that administration that brought in Bill 1, which was supposed to be their signature bill at the time, which was to bring in a new procurement act. That was in 2012. Here we are today in 2016 bringing in this bill so we can have a better procurement system in this province.

It died on their Order Paper. That's why it didn't get brought in. They can make up all the excuses they want for not bringing it in. The fact of the matter is when this government came into power and this minister came in, it was in his mandate letter to get this done. We saw the need and this minister took it upon himself with his department officials, we had many officials in the department to work on this, we're bringing it to the House today as a new procurement act that will work better for the people of this province and the municipalities, the government and all agencies that are involved in this procurement act. So, no, excuses don't count. We're here today to do what's right, and do what's been asked by the people of this province to be done for many years.

Now, Mr. Speaker, this act influences a lot of economic development in the province. As the minister alluded to, a recent Atlantic Provinces Economic Council study cited 2014 data to show that this provincial government engages in approximately \$3.19 billion in procurement activity and approximately \$963 million in capital spending. That's over \$4 billion annually.

So it's no wonder we saw the need to improve what was happening within the province. Because the act that's there is decades old and has not been substantially amended since

enacted. Changes have been needed for some time, as outlined in a 2008 report by Reid and Associates – and we know who was in power in that particular year.

AN HON. MEMBER: Who's the minister?

MR. LETTO: Well, I can tell you who the minister was when Bill 1 was introduced in 2012. He's now sitting as the Leader of the Opposition. So they can talk about all they want, but we're doing what's right here today.

Some of the benefits of this act, it moves the focus, Mr. Speaker, from getting the best price to getting the best value.

AN HON. MEMBER: (Inaudible) and he ran for five years?

MR. LETTO: Five years.

MR. SPEAKER: Order, please!

MR. LETTO: The focus of this legislation and our overall approach is to ensure public bodies achieve best value, transparency and accountability from procurement, not just the best price with little regard for the other factors. And more services are included in this act than ever before. Engineering services, architectural services, accounting, land surveying, voice telephone services, banking services, insurance services and other services that were previously not included. This enhanced oversight will help ensure best value from money spent on these services in the future.

There will be an opportunity to update the thresholds governing buying activity. Many public bodies, including municipalities, have said that current thresholds are very low and force public bodies to engage in open calls for bids when the services they needed had a small monetary value. That's been addressed in the new act.

The new act provides an opportunity to increase these thresholds, which in turn reduces red tape and supports buying activity. This also provides public bodies the ability to locally source for acquisitions below the thresholds, and the minister alluded to that. If you have a municipality who want to buy locally to support

the people that are supporting them, this act gives them the opportunity with oversight, I might add.

Speaking of oversight, there will be enhanced oversight. The new act includes changing the Government Purchasing Agency to the public procurement agency – I guess that was a little dig as well – it's monitoring and compliance role regarding public procurement, establishing a chief procurement officer and a procurement advisory council to oversee all public procurement activities across the province.

As the minister also alluded to, the chief procurement officer will be selected through the Independent Appointments Commission. The advisory council will be comprised of officials from provincial public bodies. The minister already said that.

One of the things I think this act addresses which we're very excited about, and we keep hearing from the Opposition parties about, more oversight is needed at Nalcor. This act does that because the province's energy corporation, which is Nalcor, has been exempt from the *Public Tender Act* since an amendment in June 2008. Just remember that date, June 2008. Who was in power?

While Newfoundland and Labrador Hydro has always been included, Nalcor and its remaining subsidiaries have not been subject to government's procurement legislation since June 2008. The *Public Tender Act* had been recognized as a dated piece of legislation that required updating. The former government had promised to bring forward a new procurement framework, which they did, but this had never materialized.

Since coming into office, our government has had the opportunity to provide input into new procurement legislation and to ensure that the new legislation aligns with our commitments to transparency and accountability. This legislation is a direct example of our commitment to the transparency and accountability of Nalcor.

Nalcor now will be subjected to the public tendering process, the same as any other organization or Crown corporation in the province, but we recognize that Nalcor is a little

different than most other corporations. For that reason, we have identified some exemptions that make sense. They include energy and energy products.

We know buying and selling of electricity and other energy products, like oil, is an area that does not fit well within normal procurement procedures. Lots of times that purchase, procurement or sale is done on a daily basis and it happens to trading, for instance, for oil and electricity. We're now in an open market process and it happens in real time and across open markets. So it's not practical to be able to subject that type of procurement to the public procurement act.

Also, Nalcor buys energy. Again, they're buying that on the open market. There are lots of incidents with this corporation. It's involved in strategic partnerships, joint ventures, or equity investments, whether it's in the offshore or other energy products that they're involved in.

Mr. Speaker, we've identified that there are areas where Nalcor can be subjected to the procurement system and there are areas where this does not make sense. I think this act and the people who've put together this legislation have done a great job in identifying, especially with Nalcor, what is practical and what is not practical. I am confident they've identified the areas for both.

So, Mr. Speaker, I will take my seat; but, before I do, I want to thank the minister, who I know has put a lot of effort into this, getting this act together, and the people within the department who have put a lot of time and effort into ensuring we have a new procurement act that meets the needs of all organizations within the province and meets the needs of our people, and the taxpayers of this province will get the best value for their money.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. BRAZIL: Thank you, Mr. Speaker.

It is indeed an honour to stand and speak to Bill 46, An Act Representing Procurement by Public Bodies.

My short period as the minister responsible back a couple of years ago, this was one of the files that I started to really dig into because both sides of the House at the time had seen the need. It already had been identified by the Auditor General. It had been identified by the proponents we deal with and it had been identified by the general public and everybody involved that we need to find a better way of procuring the services and the products for the people of Newfoundland and Labrador.

While I never got a chance to really go through it, the nine weeks went quick enough, I managed to do a few things on some other files but this was one that was always in the back of my mind, and obviously a lot of our minds as we started to move it forward. That's why a lot of the legwork – an enormous amount of legwork – was done. As I go through what's being presented here, I reflect back on it. It's déjà vu. It's a lot of the same discussions I had in my briefing at the time around, particularly, what is it we're trying to achieve here.

The main focus here is simple. It's not about the least cost. It's about the best value. No doubt, everybody in this House, no matter if you're a minister, if you're a backbencher, if you're in Opposition, your objective here is to get the best return on the investment for the taxpayers, for the residents of this province. The best way to do that is to get the best value on the purchases we make and the services that are being provided to us by outside entities.

So the procurement process, obviously, has been a long time in the waiting. It's been a process that's been developing. It's no doubt, it's had enough, I think, input from some outside entities to get to a point where now we can have open debate again.

The key thing here is about ensuring the procurement process does do exactly what the philosophy and the process that's put in play will play out the way it should be. That is we get a better value.

I go back to some of the days in Treasury Board with the former process. We would look at Ski-Doos or quads that were being purchased and we were getting a year out of something that we were spending \$250,000 on. The question being asked then by all of us around was: Why is this? Is this an issue about how our use is? Is it we're getting over billed? Is it the product itself? It was we were going with least cost versus the best value.

If we were getting an investment on a piece of equipment that would give us a year, but if we paid a little bit more on one of the other procurement bidders and could get three years out of it, the economy of scale was much in the favour of investing the money on the three-year one. That may have been a little bit more expensive, but in the long run we saved money. You save it, not only in your cash flows and your equity, and the breakdown of the equipment, the safety for the provided service or the piece of equipment you're providing, but you also save it in the administration.

We spent as much time debating that and then the bureaucrats having to deal with other situations around repairs or around procurement of that same product again for the second time. So it wasn't a good use of our money. It wasn't a good use of the bureaucracy at the time. Obviously, changing the legislation and bringing something forward is a good thing. I applaud the minister and the government for doing that.

I do have some concerns around the regulations, because at the end of the day we have to have defined sets of regulations that set out exactly what are the parameters and what procurement process will be engaged. That was one of the challenges I had during my tenure there about really defining what those are and having that set in our legislation so that the people we deal with, that the House themselves would know, that the senior bureaucrats would know, that the procurement agencies would know, the Auditor General would have a clear understanding of exactly where we could go when it came to procurement contracts and regulations.

It would make it more equitable for the private sector when they bid on contracts such as these, because they would know exactly where they are. They would know, in some cases, do they

spend a lot of money in doing up bids for certain things, or are there certain things that can be done. Maybe there's a happy balance. Maybe in certain cases there has to be an ability to govern at a certain level. As part of transparency and openness, it's got to be that every entity that has an ability to bid on a product or a service for the people of this province would know exactly what the playing field is, and know where it is as part of that process.

Does that mean the balance of having some leeway for line departments or line bureaucrats to be able to no doubt purchase things in an equitable fashion, in a timely fashion that doesn't slow down what we do and the services we provide as a body for the people of this province? No doubt. It's that happy medium, but when the unknowns are there you're not really improving the process because the outside entities are still going to be guessing exactly where it is they're going and what to expect.

If they know what the budget lines are going to be, they will pretty well know where they lie when it comes to a bidding process. It will also open up some other markets for people to be able to come in here and determine if indeed a certain particular service, if it's an engineering service, if it's an architectural service, or if it's a building service, or it provides service goods, then they would know what dollars may be available. But if it's left to discretion or if it's left to a follow-up time of a year or two years or three years down the road before these regulations are defined, we're no further ahead.

That's my concern, and that's why I'm looking forward to, as we have the dialogue, and no doubt in Committee asking the minister some questions around how they're going to define the regulations, what they're going to be entailing, how they're going to be implemented, what the parameters are, how they're going to be defined when it comes to the input from major stakeholders as part of that process. I see a lot of things in here that are good.

I remember getting my briefing around having advisory committees, about the line departments working closer together around procurement, around the process of having a properly defined concept, being able to communicate it out to the general public, and particularly to those

procurement agencies that we're going to be doing business with, and finding the best way to promote best use of our investments and the best value for our money.

Again, it has to go back to looking at how we do that. The philosophical outline, the motherhood process here is very engaging. It makes sense. It's a process that would work. There's no doubt, bureaucrats would look at this and say, yes, this would streamline how we do business. It would make an even flow. It would make line departments communicate a lot better, because there are some definitions here of what's accepted and what falls under each heading. But the confusion will come down to at the end of the day – and the real decision making is – what is it that we can procure and what costing is related to that. That still hasn't been defined and that becomes the regulation.

So there are some conversations that no doubt I'll have and my colleagues in our party. I know the Third Party will probably have the same concerns. What is the process to define that? How is it going to be defined? What parameters? Are we adding on to what already existed and putting that as part of the legislation? Are we having that separate? That it's left to Treasury Board or Cabinet or the minister or particular levels of the bureaucracy to make decisions. These are things that are going to have to be discussed as we go through the process around the regulations itself.

As we look at it, there's no doubt the bill needed to be updated. Going through a lot of the regulatory processes that are outlined here and the different sections, it does do that. It starts to clean it up. Chief procurement officer; it's a great entity to have there. It's a senior individual who will have the expertise to be able to oversee the whole process. We're talking \$3 billion to \$4 billion in a given year in procurement contracts. Obviously, you have to have somebody who has that ability to understand how the private sector works, but how the public sector needs to avail of those types of services. That entails the value for the investment, but it also entails the best use of the service that's going to be provided.

There is a multitude of ways that can be done. It can be done through some developed partnerships. It can be done from direct

purchasing. It can be done from lease purchasing. There are all kinds of processes here that no doubt, this individual will dialogue with the line departments, dialogue with the advisory committee that the minister is going to set up. I think it's a great idea. I look forward to seeing who in the particular industries or who from the senior bureaucracy will be part of that. I think it's a great way to have that openness and transparency, a great way for engagement to see that process. Again, that has to be open and transparent and it has to obviously include the key components that are going to benefit, particularly all the stakeholders.

The particular stakeholders that I have the most interest in protecting are the taxpayers here. That the best use of their money is going to be put forward and at the end of the day the best value that we get for our investments. So if we're doing it in an equitable way and we're doing it in an efficient way that we save money on one side, well then there are other investments we can put into other parts of our procurement process. That may be supplies. It may be building new buildings. It may be in some kind of other particular service that we need.

There may be other avenues that we look at to better provide our procurement services. Sometimes there are procurements services that can be done in-house by enhancing some of the staffing we have and some of the training. So that the private sector, as part of our procurement, is part of the training component, or have a particular specialty or an expertise in a certain area. So there's an ability here to have, while we're at this, an open dialogue and an open concept around making sure that the legislation that gets adopted is the legislation that is best going to serve this House and best serve the people of Newfoundland and Labrador.

I do recall, when I was minister, the discussion around how do we get all the key stakeholders at the table to have the proper dialogue about where we best get the return on our value. There's a multitude of ways of doing that. We have partnerships with, I think, 10 major organizations or associations that represent all the key players in this province when it comes to procurement. So we need to better engage them and get a better understanding of what they feel is the benefit of this here.

I know there has been some dialogue. I've had some conversations with some people that the department and the minister's office have had dialogue with some key players, and I applaud that. I think it's good. You can only improve on things if you ask for people who either have a concern or have an ability to be able to give advice that you think is going to move things forward.

No doubt, all players here, with the economy being what it is, all players, particularly home-grown companies, would like to have a better way that they can get a piece of the revenues or the expenditures that we're putting out there and still provide the service for Newfoundlanders and Labradorians and still employ Newfoundlanders and Labradorians.

Having that open dialogue has been a positive thing. I'm looking forward to hearing from the minister and other Members opposite, particularly when we get into Committee, about how that process was engaged and going back in comparison to the former procurement bill, how the improvements have gotten to this point. I know where we were and I know how we had gotten to those. I know 75 to 85 per cent of this is exactly where we were.

It's again about the regulations that I have some concerns about. There are too many unknowns here. There are too many things that haven't been defined. When you look at some of the key things that are going to be discussed when we get down to the bill part of it, particularly when you talk about the Lieutenant Governor in Council may make regulations. Fair enough, that's part of the process but may be making regulations particularly around the procurement of commodities.

Now, we all know what the commodities are. That's where our \$3.1 billion or \$3.9 billion is going to go each year and that's around our goods, it's around our services, it's around our public works and it's around our lease of spaces. So we need to be able to know what the parameters around that are. The public sector needs to know that; the taxpayers need to know that. Because we need to know if we're going to make decisions around supporting a bill like this, whether or not that is the best use of the investment or the best approach forward.

There are a number of things here that I think we need to have a more open discussion around. This is not something that you can rush forward because it's too much of a big investment in the benefits of the people of this province and in driving the economy.

I have no illusion here – the public sector here understands what role they need to play in this. If there are restrictions on what they do or if it's not clear in what they do and companies slip through the cracks because they didn't understand that this was an open call for proposal, or there's a standing order and how do they get on that list, so there has to be some definitions here of exactly what that means, respecting the manner in which contracts are awarded. These are things that can be defined.

My argument is let's define them. I think that's easy enough to do. We've been criticized because we didn't get to it previous times, there's no doubt – I can give you some of my advice from my short period there. I know there are other people over here who can give you their advice of what they've done. There's no doubt Members from the Third Party could do that and there's no doubt people from the private sector could come in and tell you here's what they would suggest.

The government still has the ability, and the minister, to take all of that information and then prepare that so here's our regulation – here are the regulations we're going to propose and this cleans up exactly what the procurement process is about. It outlines the regulations that are part of the act. They don't have to be a separate thing that we're going to get to next year, or the year after, or three years down the road where all of a sudden there's some confusion about where the private sector fits to it, to where the private sector from the mainland to Newfoundland and Labrador feeds into it, to what standing offers that we can do immediately.

So there needs to be a little bit more clarification here on what we're doing. There are too many unknowns here, when you've got 20 categories here that are not yet defined. Respecting suppliers' performance, so what does that mean in regulation? One of the things that we had talked about would make sense and when I was

minister of Transportation and Works it was about performance initiatives in contracts.

A lot of our contracts, unfortunately, go over budget, or particularly are behind schedule and there are a number of reasons for that. So do we build in penalties and do we build in performance incentives? What's the happy medium there? What are the conversations? And some of the conversations I had with the different sectors were around this could work but we'd need to know what it is. That would have to be part of your procurement, how you're going to do that, how you're going to be able to keep the companies accountable on performing what they've been contracted to do, but at the same time if they can make a project work and have it in a professional manner and it expedites a lease agreement, for example, if we're building a building, or it finds a way for us to save money from busing because the school now was built on time, maybe there are some incentives there.

So there has to be a process here that has to be discussed around how we do that, how we engage that. And when you just say there are 20 regulations we're going to have a discussion around down the road, here's our procurement piece of legislation but it doesn't define exactly how we're going to do procurement. What it says is, it outlines – and no doubt the same stuff that we had outlined. The same challenge that is being faced here, we face at the end: getting to a point of defining exactly what those regulations were and agreeing what was equitable and what would be a balance between those who are going to be the bidders as the procurers and those who are going to be the people who are going to receive the service from the procured contracts.

So that became a bit of a challenge and, no doubt, was one of the key reasons why it was delayed for periods of time. I applaud the fact that the minister now and the government wants to move it forward, but it still got to be the right piece of legislation. It still has to serve what it's set up to do, and what it's set up to do is get best value for our investment. Not the cheapest value, the best value.

So we need to have a bit more of an open dialogue around that. There's no doubt there are questions we're going to be asking here around how we get to that point. I would think Members

over there have been in the private sector, they've been public servants, they've seen services out in their respective districts, particularly the last year that they've been out there, about a better way we can do business and a better way we can partner with the private sector. The procurement process is what gives us our safeguard because it sets an even keel. We know what we're getting when we set the process.

Right now, there's still no knowing what we're getting because the unknowns are in the regulation. Where are the regulations? They don't exist. Now if they do exist, please share them with us because, you know what, they may hit exactly where we are. It may hit exactly where the private sector is. It may hit where the taxpayers feel is the best way to spend our money. I'm looking forward to having that discussion with the minister and with the colleagues opposite. No doubt my colleagues on this side, too, will have some questions those types of things.

I also want to talk about some of the things – I just want to let people know at home that it's not as simple as saying let's bring in an act, well that cleans up what we're doing. No doubt we're going to clean up what we're doing, but we need to clean it up to a point where at the end of the day people can feel confident that things are going to be done in an efficient way, they're going to be done in a timely fashion and we're going to get the best value for that money.

We're talking about governing forms in consent of electronic notification systems. So what does that engage? What does that include at the end of the day? We need to know it. If I'm to vote for something here, I need to know what that means. Is that going to be a very expensive, encompassing process? Is it going to slow down the distribution of information? Is it going to hinder my access to know what contracts are out there, what company has procured it and what service they're providing? Is it going to slow down the companies being able to bid on processes or is it going to slow down them or make it costly because half of it is going to be administratively oriented. We need some more definitions of what these things mean.

“Establishing monetary amounts at which an open call for bids is required.” Fair enough, I understand that. You’re not going to go for every thousand-dollar bid or even \$5,000 bid or maybe even a \$10,000 bid depending on what makes sense. I mean we operate a multi-billion-dollar operation, the Government of Newfoundland and Labrador does, so it needs freedom to do things that it’s been elected to govern to do. No problems with that. There’s a trust factor there that you take it and you run with it and you do the right things.

We have bureaucrats who do that every day. They know what services are needed. They know what they can do, take and run with it. They don’t need to be slowed down because it’s too encompassing about what the process is. The problem here is I don’t know if they’d be in favour of this or against it because they know as much as we do. They don’t know what that would include. If you’re now to procure a particular service, if there’s a leak in this building tomorrow and you have to bring in a contractor, what does that mean? What process are we using here? If it’s less than a certain amount or if it’s under an emergency call or if it’s part of a standing offer, fair enough. Those things need to be better defined here.

We know we have all these operating policies. I know TW has them; Service NL, Municipal Affairs has them; Justice has them. We have operating policies within the line of a department but now we’re talking about the procurement of the services and goods that the people of Newfoundland and Labrador, through the decisions of government, will avail of. That’s fair enough. That’s needed. It’s well overdue. But how do we do that?

The best way we can do it, have all the regulations, all these things that are noted here, the 20 things that are gone through this list here that I’ll have a chance to talk to in Committee, let’s define them so everybody knows what the playing field is. We’re all in a good place. People would know exactly what’s going to be invested. They know what they have access to and they know it’s a fair and open market. And the government of the day and the taxpayers of the day will know exactly what they’re getting on their return: better value than the cheapest service.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Speaker recognizes the hon. the Member for Burin – Grand Bank.

SOME HON. MEMBERS: Hear, hear!

MS. HALEY: Thank you, Mr. Speaker.

It’s a privilege to rise and speak in support of this legislation here today – one, I would suggest, has been a long time coming.

SOME HON. MEMBERS: Hear, hear!

MS. HALEY: Government procurement isn’t something you see in the spotlight a whole lot, but maybe that’s for the obvious reasons. But beneath the bland exterior of the practice is one of the most single things a government will do.

Procurement, for the purposes of this legislation, refers to how a government spends its money when purchasing goods and services when it’s paying for public works and when it’s leasing out space for the housing of government agencies, Mr. Speaker. When you consider it from that angle, procurement reveals itself to be of paramount importance to the smooth functioning of a government.

Just, for example, in 2014, the government spent nearly \$4 billion in procuring goods and services and a further \$963 million in capital spending, Mr. Speaker. If you crunch the numbers on what Newfoundland and Labrador’s Gross Domestic Product was in 2014 and the \$33.514 billion, then we have spent 14.5 per cent of our total GDP. It really puts things into perspective here.

What we’re debating in this hon. House today, Mr. Speaker, is legislation that will modernize the purchasing and procurement process. The existing *Public Tender Act* has been around for decades and it’s badly in need of updating. In all of its time being on the books, it’s never been substantially amended and it’s time we did something about that here today, Mr. Speaker. That’s why I’m happy to speak in support of this legislation.

During *The Way Forward*, we spoke to applying this governing philosophy to all sectors of government, Mr. Speaker. What we want to do is change the culture inside of government, with the end goal of doing things better, more cost effectively and more sustainability. I believe this piece of legislation is a clear example of how we're going to do just that.

Consider that procurement influences every area of government services, whether it's health care or roadwork or textbooks in our schools. It influences the real estate we occupy, the public institutions we support and the municipal services our communities provide all across our province, Mr. Speaker. In effect, we are retooling the legislation and bringing a more sensible and modern approach to the practice and it will have a positive impact in all areas of government, and that's something I'm very happy to support, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MS. HALEY: Transparency had been a principal consideration for our government from the moment we took office and the improvements to the procurement process will make it far more transparent. It will make it easier for vendors and buyers to get clear and usable information about the process. It will help streamline the buying process, and that goes right back to our commitment to make this government more efficient in order to lay a strong economic foundation for our province.

Modernizing procurement was a key commitment of ours right when we took office. Here we are just under one year later and we're living up to that commitment. I'm very proud that we have been able to bring this legislation into the House of Assembly within our first year. I think it's an outstanding improvement to the process. It will have lasting benefit for all Newfoundlanders and Labradorians in that we will be able to offer them a government that works more effectively and efficiently.

One of the best aspects of the legislation is that it directs the focus on getting the best value instead of merely getting the best price, Mr. Speaker. There's an old saying about buying consumer goods that you should buy nice or buy twice, and that holds true for procurement as

well, Mr. Speaker. If the lowest cost is the primary consideration and not quality, then it can end up costing way more in the long run. Certainly, cost is an important consideration, particularly when you're spending taxpayers' money, but so is value.

I would argue that value is a more important consideration because if the product you're procuring ends up not being good quality, you're back to the drawing board again.

Another great thing about this legislation is that more services will be included in the *Public Tender Act* than ever before, Mr. Speaker. This is key. As a government, we contract out work to all sorts of professional services, from engineering and accounting to advertising. Under the old legislation, there were certain services that weren't included, like engineering, architectural services, banking, insurances and others.

A more transparent approach to the procurement of these services makes sense and will help us make smarter decisions about how we procure them going forward. On the subject of smarter decisions, this updated legislation makes common-sense adjustments to the cost thresholds that determine whether or not a public institution must engage in the full procurement process when acquiring goods or services, issuing a request for proposal, soliciting bids for tender and so on, Mr. Speaker.

Obviously, the tendering process is virtually important, but it doesn't make sense when the cost of goods or services is marginal. In cases like that it's actually a hindrance, Mr. Speaker. It's what you would call unnecessary red tape. I'm happy to support making this process work much better and smarter for the people of this province. I think it will have significant benefits for all stakeholders, from the government bodies to the vendors and even to the end-users.

I am also very happy to note that the legislation establishes the office of a chief procurement officer and a procurement advisory council that will lead the public procurement agency, Mr. Speaker. I believe the establishment of these statutory offices will enhance the oversight we are able to apply to the procurement process. Of course, the chief procurement officer will be

selected by the Independent Appointments Commission so that we're able to put the right person in the right job.

Just a note on that, I think that the Independent Appointments Commission has done a tremendous job so far in selecting appointees for our agencies, boards and commissions, Mr. Speaker. It's just another example of our commitment to making government work better, smarter and more efficiently.

This statutory office will also give suppliers recourse to lodge a complaint and to get additional information if they deem the process to have contained fair issues. The end goal is to make the process work better for all parties involved. The public procurement agency will be instrumental in accomplishing just that, Mr. Speaker. I see this bill as the first step in the process of modernizing government procurement.

I'm very glad we're able to bring this in and I think it's a long, long overdue adjustment to the way procurement has been handled in our province, Mr. Speaker. I am strongly encouraged by how high of a priority this legislation has been for our government. It shows we are committed to overhauling government practices that are outdated or simply don't make sense. It shows we are committed to laying in a smarter and better economic foundation for the future of Newfoundland and Labrador. And more importantly, it shows we are willing to listen to the public and to all stakeholders that this legislation will impact.

I'm very happy to speak in favour of this legislation and I look forward to keeping close tabs on the process as we move forward in the next steps.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

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

I am glad to have the opportunity to stand and speak to Bill 46, An Act Respecting Procurement by Public Bodies. I want to thank the minister's department for giving a briefing to our caucus with regard to this bill, and a briefing that was very interesting, informative, but has raised a lot of questions for me.

The first thing I find confusing is that as the act itself says at the very end, and as was said in the briefing, this new act incorporates existing legislation. So the *Public Tender Act*, the *Government Purchasing Agency Act*, the *Intergovernmental Joint Purchasing Act*, and the *Public Tender Regulations*. That's in the very end of the act.

It's in what's called section 35, "The following Acts and regulations are repealed." When I read the briefing notes I said I have to go look, and yes, in fact, it does say that "the *Public Tender Regulations, 1998*, Newfoundland and Labrador Regulation" is repealed with this act being put in place.

Now, I do know that when you go into the act you see a whole section where the Lieutenant Governor in Council – so basically the Executive Council, Cabinet/Executive Council – where in section 28 it says very, very specifically that the "The Lieutenant-Governor in Council may make regulations" and you have 17 regulations listed, and then in section 29, "The minister may make regulations" and you have three areas for the minister – so 20 areas for regulations.

This act, when it's put in place, is going to get rid of the regulations that are currently on the books. The public tender regulations, they're going to be gone. This act, when it gets put in place, is giving responsibility and power to the Lieutenant Governor in Council and the minister to come up with 20 areas of regulations. So my question is there's going to be a hiatus somewhere. The minute this is proclaimed, if regulations haven't been created by the Lieutenant Governor in Council and by the minister, if those regulations haven't been created, there'll be no regulations in place because the act has repealed the public tender's regulations.

We're going to have to have an explanation of what's going to happen. It will get passed in the House, I assume, because it's a government bill and government is going to vote for it. When it becomes passed, how long will it be before it's actually proclaimed? Because the minute it's proclaimed our public tender regulations no longer exist. So there have to be regulations.

We're going to have to get an explanation of how the government sees that happening. Because it says very clearly, "The Lieutenant-Governor in Council may make regulations"—and it covers everything — "(a) respecting the manner in which public bodies procure commodities; (b) respecting when an open call for bids is not required respecting the procurement of commodities; (c) respecting alternative procurement approaches for the procurement of commodities; (d) respecting the manner in which public bodies shall maintain records respecting procurement of commodities; ... (i) respecting supplier performance; (j) establishing monetary amounts at which an open call for bids is required;" et cetera, et cetera.

There are 20 areas. So it is very confusing to me how an act that in and of itself gets rid of the public tender regulations and sets up a new way for regulations to be made, how that's going to be operative if regulations are already not new regulations and are not already put in place. It's something that I'm asking and we'll be expecting when we get into Committee that we'll do more questioning about, because it doesn't make sense to me.

Now, having said that, I do want to speak to the overall framework because overall there are some good things in this bill, I will not deny that. I would like to go right to section 3 — and I think it's important that we refer ourselves to the sections and to the content because people watching us — and there are people who watch us, there are people who do follow the legislation that we debate — they don't have this in their hands. We need to also help them be informed as they watch us so they'll know what we're talking about.

Section 3 talks about the purpose of the act. I do like section 3. "The purpose of this Act is to establish a statutory framework" — so this is a framework; it is not something that is laying

down law, it's a framework — "which, through its operation, enables public bodies to achieve best value, transparency and accountability in procurement."

Then it says in subsection 3(2), "For the purpose of the efficient, effective and ethical procurement required by public bodies to carry out their mandates, public bodies shall" and then it's prescriptive. It gives some shalls to the public body.

I do like "For the purpose of efficient, effective and ethical procurement" That's something that we need to be concerned about, ethical procurement in particular. I won't go over history in this province, but we all know examples of when we have not been that ethical when it has come to procurement. We all can think of cases where this province hasn't got a great history. So it looks like we're turning a corner here to actually put into an act that the purpose of the act is for the efficient, effective and ethical procurement.

So let's look at the ways in which it spells this out, how the public bodies will carry out their mandates: "... public bodies shall (a) promote the integrity and fairness of, and public confidence in, procurement." So we want people to feel they are dealing with something that is fair, that is good and that they can trust.

Secondly, "foster and encourage participation in procurement by suppliers." So the framework should be clear so that they know what they're dealing with. That's how you foster participation, I think.

Three, "promote competition among suppliers in procurement." Yes, nobody should take for granted that they can get a contract. Everybody should realize there's competition.

Four, "provide for the fair and equitable treatment of all suppliers and contractors." They all do have to be treated fairly. Everybody has to feel they have a chance when they are going after a contract, that they have a real chance of getting the contract, that it is a fair process.

"Promote making information on procurement publicly available." That's absolutely important as well. Nothing should be private.

Finally, “value diversity in procurement ...” – and I really like that. I really like that phrase of value diversity in procurement. Now, how all of that gets spelled out is going to depend on the Lieutenant Governor in Council. It is going to depend on the government. It’s going to depend on Cabinet. Because how all that spells out, it’s going to be in the 20 areas of regulations, and those regulations are going to have to spell out what that framework means, what these purposes mean.

So, for example, value diversity in procurement, I would love to be at the table discussing that when the time comes. Value diversity in procurement, number one, that would obviously mean procurement being open everywhere in the province. I think it would mean looking at our Aboriginal businesses in the province. I think it would look at also diversity in terms of gender. You get a lot of areas of work now where you’re getting companies that are owned and run by women, for example. How do we deal with that? How do we deal with making sure that we value diversity in procurement? This is very serious stuff; it’s really important stuff.

So I think we do need to talk about it here in the House of Assembly. What concerns me is that it’s going to be, when the regulations are put together, around the Cabinet table that discussions will take place and will these discussions on the regulations be the in-depth discussions that I want them to be. How will they make sure that in the discussions that they are including integrity and fairness? How will we make sure that they are including the valuing of diversity and what that means?

How do we promote competition that’s fair and open? How do we make sure that we have a procurement process that’s efficient, effective and ethical? These are really important questions and I really didn’t hear the minister speaking to any of this when he made his presentation. So I want to know from the government what it is that the government values or what this means to government to have these words here because it has to be more than words.

There are so many things that I want to speak to, and I know that I’m going to get an opportunity to do it in Committee when it comes to specifics, but there are some things that may be specific,

but I want to bring them up here in my general comments. One of the things that disturbs me – and I know it was spoken to by some Members already on the government side as being positive but, for me, there are some real questions. And that has to do with Nalcor, our energy corporation and also our Research & Development Corporation.

There are questions that I have around that. Yes, it’s true that both of these bodies, their daily operations will be under the act, but they also have exemptions. The exemption, in particular, for Nalcor concerns me. I’m going to speak to that one first. I just have to get my section here on Nalcor.

In the section which gives an exemption to Nalcor – and the minister did speak to this; it’s section 17. “The corporation or a subsidiary is exempt from the *Public Procurement Act* with respect to procurement in the following areas” The first area was energy and energy products. I agree with the minister; that’s not problematic for me. I have to disappear for a minute because I have to get my speaking notes – the Speaker is smiling at me.

I can see the first exemption, the energy and energy products, that it needs to be exempted. You’re talking about the purchase of energy and energy in different forms and you’re talking about related products. Very often, the prices that are negotiated by each sale or spot market supply, et cetera, that’s where the prices come from. It’s complicated, so I can really understand why energy and energy products are exempted.

However, when we look at the next one, that one says clearly: “where the corporation or a subsidiary is acting in a strategic partnership, joint venture, or equity investment with other public bodies or private sector entities” Now, this is saying that Nalcor is exempted when it comes to anything they are doing which is part of the strategic partnership, which is part of a joint venture.

I’ve done some questioning about this. Based on discussions I’ve had, I’m questioning it. I’m questioning it because basically what it will do is exempting Nalcor in all the procurement work it does, every bit of it because everything they’re

doing is largely in joint ventures and alliances. I understand from people in the private industry that alliances follow a procurement policy of a lead operator. So there's a lead operator. Then you have other subsidiary groups that are working with that lead operator. I'm told that in the private industry it's the lead operator's procurement policy that leads everybody else.

If we were to follow the same model as private industry, then the owner/operator in the case of Nalcor would actually be the government, the province, and the policy would be the act and the regulations that go with that act. So to say they are exempt because they're in partnership, which is what this seems to mean, doesn't fit with the private industry.

If government has a position on procurement and they have that position in an act and they have it in regulations, then the government position on procurement should be what is followed by everybody that Nalcor is working with, including Nalcor. The model in private industry would say that, that the lead operator's policy is what rules. So what is the reason for exempting Nalcor based on that? It doesn't make sense.

Then you have: "for the purpose of meeting the requirements of a benefit arrangement." Well, you know in private industry – especially when you're talking about the energy industry because this is what this is referring to – they, too, have benefits agreements. They don't get exemptions because of benefits agreements that they're part of.

What is it? I mean what really is Nalcor? Is it a Crown corporation or isn't it? If it's a Crown corporation, it should be following government's rules and regulations. If it's not a Crown corporation and it were a private company, then they would be doing what they're doing in the private industry. So I don't understand government's rationale with regard to this almost total exemption of Nalcor. The areas in which it's not exempted, that's fine; the daily operations, that's fine. But that's minor when you look at what all the procurements are that are going to be made by Nalcor, by the subsidiaries that it's working with, by the joint ventures, et cetera.

This is a major problem for me. I'm sorry to see that government chose to continue this treatment of Nalcor. I know the reports are going to be made public. Both Nalcor and RDC are going to have to make reports for the areas in which they've done procurement, that's been exempted, and those reports will be presented to the minister and they will be made public. So after the fact, people will know what's happened, but it's after the fact. And we really don't know what it is they're following. So this is problematic, and I probably will want to come back to that again in Committee, Mr. Speaker.

Another issue has to deal with section 8. Again, it's part of a broad picture. I'm not speaking to it from a Committee perspective, though I will when I get into Committee. It's confusing for me, and we haven't really gotten real clarity on this – and I'm sure the minister will help us out when he gets to speak again.

It says – this is section 8(1), "The Treasury Board may establish a policy for the procurement of professional services by public bodies." I understand the "may" language in acts. It doesn't mean that it's not a directive. I accept the "may" language. They "may establish a policy for the procurement of professional services" – now professional services as defined by the act are legal and financial services. So the board may establish – to me, I hope that means it will be established.

Then subsection (2) says, "Where professional services are required by a public body, the public body shall ensure that procurement is conducted and the professional services are acquired in accordance with the policy referred to in subsection (1)." So here's another area where we have an act and the act, when it becomes proclaimed, has a body in it – it has an action that should be happening.

My thing is this act can't be proclaimed until the Treasury Board establishes the policy. Because if there's no policy there, what is it that the public body is going to follow if a policy hasn't been written? It's the same problem that I raised when it came to the Lieutenant Governor in Council. And it's the same thing, too, with the chief procurement officer, because the chief procurement officer has work that needs to be done.

What I'm putting forward here is a chicken and an egg issue, Mr. Speaker. I'm hoping before we get to the point of having to vote on this – or, Madam Speaker, I forgot that the body in the Chair had changed. That by the time we get to vote, I hope we'll have greater clarity on what comes first.

MADAM SPEAKER (Dempster): Order, please!

I remind the hon. Member her time for speaking has expired.

MS. MICHAEL: Thank you very much.

MADAM SPEAKER: The Speaker recognizes the hon. Member for Harbour Main.

SOME HON. MEMBERS: Hear, hear!

MS. PARSLEY: Madam Speaker, it is an honour to rise in this House today from the great District of Harbour Main and to be able to speak to this Bill 46.

I would like to thank the minister and his department for all the hard work that has gone into this bill. That's why I'm happy to speak in support of this piece of legislation, so we can move forward and streamline the buying process that goes back to our community.

As a former mayor, I'm delighted to see the new *Public Procurement Act*. Anyone who has served on a council knows the frustrations we have experienced with public tendering acts. Towns have been waiting for this kind of change for some time. Unfortunately, this died on the Order Paper in 2012. The former government did not bring it in for ratification. We have brought it back and we're looking forward to using it in our communities. The use of RFPs for things will certainly be of value to small towns.

Expanding the thresholds to be more effective, true cost for goods and services, spending limits that reflect those realities are long overdue. Councils have always argued that going with the lowest price on everything is not necessarily the best way to go. By allowing councils to look at the purchasing from a perspective of best value for more money versus lower price will really help.

Councils have always argued the price on everything is not certainly the best way to go. By allowing councils to look at purchasing from a perspective of best value for money versus lower value will help. A product that is cheap but has a lifespan of only two years, for example, might not be the best buy, but if you can buy something that costs more and its lifespan is over 10 years, you may save money in the long run. Lowest price doesn't mean the best price.

A major issue for our towns is work done properly is taking way too long to complete. Under this new legislation, towns will be able to take action to deal with that. They can refuse to work with a supplier or contractor who has let them down. They have more authority to demand and expect this to be completed on time.

As an example, coming from the Town of Harbour Main, I witnessed that over many times. We had a contractor come in and maybe do some work for us, at the end of the day the work wasn't what it was. It was the pits of a job, and at the end of the day we had to put up with it. Our money was gone. So the next time around when this job came up and the tender was put out, this would come back and we had to use the same contractor again, knowing full well the job was going to be the same.

So this really puts more authority into the hands of town councillors and mayors who work so hard. As you know on the other side, being on any part of a council you work from morning till night and it's doesn't stop then, but at least if you know the work is going to be done well, your money is paid out and it's a good job, you know at the end of the day you've done your job.

They can refuse to work with a supplier or a contractor who has let them down. They have more authority to demand and expect the work to be completed on time.

This is a good piece of legislation. I can't stress enough how this bill will be so good for our municipalities of Newfoundland and Labrador. For too long our municipalities have had to sit back and sometimes had to wait for bids, months and months caught up in the red tape and the bureaucracy. So I ask all Members who are

going to support this piece of legislation to do so.

SOME HON. MEMBERS: Oh, oh!

MADAM SPEAKER: Order, please!

MS. PARSLEY: The Member for St. John's East is worried about how the information regarding this bill is only words and she's not sure how it's going to get out. Well, I can assure her when I attended the briefing this week and some Members didn't show up, that we were there.

SOME HON. MEMBERS: Hear, hear!

MS. PARSLEY: I can tell you right now, the people who showed up for that briefing was fully tuned in what was going on and everything was explained. There wasn't a page unturned or left. So by the time this bill is passed, I can assure you that all work will be looked at and all briefings will be done.

SOME HON. MEMBERS: Oh, oh!

MADAM SPEAKER: Order, please!

MS. PARSLEY: Because of our Minister of Municipal Affairs and the staff over there, there will be no stone left unturned.

SOME HON. MEMBERS: Hear, hear!

MS. PARSLEY: I ask all Members on both sides of the House to look at this bill as a great thing. It's the new beginning. We all need new beginnings, especially towns. It affects everything in our province. If we can save a dollar, let's do it. I'm going to sit now.

Thank you for this, Madam Speaker.

SOME HON. MEMBERS: Hear, hear!

MADAM SPEAKER: Order, please!

The Speaker recognizes the hon. Member for Ferryland.

MR. HUTCHINGS: Thank you, Madam Speaker.

It's certainly a pleasure to rise today and speak to Bill 46. I listened attentively as the minister introduced the bill earlier today in this session and talked about the general principles and fundamentals that they hope to pursue with Bill 46.

He talked about some of the enhanced oversight, some of the new positions in regard to a chief procurement officer, certainly an advisory council and look at from the scope and breadth of professional services and how they would be intertwined in the new act.

Spending a number of years in government and listening to stakeholders, people in our communities and our regions, we know full well the scope of procurement, the tendering process, the amounts of goods and services, infrastructure that's facilitated every other day in Newfoundland and Labrador and what it means to people, individuals who work with companies, small business, and how it drives economic activity, providing those supports and services in Newfoundland and Labrador.

We're talking about billions of dollars. I think someone mentioned earlier about \$4 billion when you look at whether it's some basic service, some goods you are supplying to a public institution, or even something like road construction. All of those things are very significant in terms of what they play in the economy and the role it plays. So you have to have acts, certainly pieces of legislation that drive that activity, that provides that oversight and are able to provide a framework in regard to how all function in the procurement and the tendering process.

And this act has been enforced for a while and now it's up for review and this legislation is –

SOME HON. MEMBERS: Oh, oh!

MADAM SPEAKER: Order please!

The Speaker is having a little bit of difficulty hearing the Member for Ferryland. I ask Members for their co-operation.

Thank you.

MR. HUTCHINGS: Thank you, Madam Speaker, for that.

Madam Speaker, as I said, this is broad based, it's comprehensive of what you need in regard to procurement in order to have that framework available so people know and it's transparent of what the rules are. And certainly you get feedback as well in regard to if you are engaged in procurement in the province, how it's done; and if you are successful or if you are not successful, an understanding of why that is and what you need to do to become more competitive and innovative in terms of it's all part of delivering service as well, an innovative approach and changing approach of how we deliver services, which is indeed important as well.

There are a number of parts to the act and as we go through Committee, we'll be able to ask direct questions in regard to that. Particular points in the legislation – one of the interesting ones we look at is section 3. Section 3 specifically looks at and talks about the purpose. As I mentioned before, it talks about establishing a framework with its operations and enables public bodies to achieve best value, transparency and accountability in procurement.

So that's all public bodies. It's clear, as I said, concise framework that they can operate under, and that it's competitive, people understand it and they can access it. As well, it's not only here in this jurisdiction. With many trade agreements, there are implications as well in regard to outside procurement.

Our business as well in this province, we want to attract and intervene and be part of business opportunities and procurement in other jurisdictions, either provincially or internationally, as does a fair market in regard to others wanting to procure in this particular province.

I know with some experience in dealing with CETA there are provisions as well in regard to procurement coming into this province in regard to the thresholds and what they are. I think it is over \$340,000 in regard to some services, if I can remember correctly. So that's the integration of trade and procurement with and within and outside various jurisdictions. So that's very

important as well, and it's all related to the value and the transparency and the accountability in the overall procurement.

As well, section 3 talks about: "For the purpose of the efficient, effective and ethical procurement required by public bodies to carry out their mandates, public bodies shall (a) promote the integrity and fairness of, and public confidence in, procurement" That's extremely important, and whoever is engaged and involved with it needs to understand it as fair and all players in the public in general have confidence in it. Because obviously it's the expenditure of public funds, and that's extremely important that those partaking in the procurement and the public in general who we're spending their money have confidence in the process.

As well, the intent is: "(b) foster and encourage participation in procurement by suppliers" Again, you can go from the very small business owner in a small, rural community in Newfoundland and Labrador, or certainly a larger provincial company or national or international company who would partake in particular procurement that we're talking about. So it is important we have the participation of all different suppliers. Because, as we mentioned earlier, that brings you to the innovation, new delivery of program and services and, at the end of the day, it's competitive and it's best value for that expenditures of public funds.

Now that section 3 also talks about: "(c) promote competition among suppliers in procurement; (d) provide for the fair and equitable treatment of all suppliers and contractors" And that's extremely important in regard to the level playing field where the rules and access to procurement are open, everybody understands them, and certainly there are feedback mechanisms so people can have an understanding of what transpired, prepare bids, tenders, designs, whatever it is that there's feedback on that so they can improve and gain greater access or greater knowledge of the process.

As well, "(e) promote making information on procurement publicly available" Again to making it open and transparent so that all companies or suppliers wherever they are can be

part of the process, that needs to be available. As well, “(f) value diversity in procurement” – which is extremely important.

All of that is related to the purpose and certainly what the intent of the act is. The question becomes now in terms of implementation of that and how do you define that and what is it going to look like. As I said when I started, this is a framework which needs to be filled in as we move forward so people are clear and concise of what it is it’s all about.

One of the things going through the legislation, the proposed legislation, with some of the briefing information and the materials we’ve got, as you go through, I think there are almost 21 definitions here that have to go to the Lieutenant Governor in Council. That means that these aren’t defined in this piece of legislation. So we won’t know until some point later how they will be defined, what the scope and breadth of them will be. I guess that gets to the transparency and openness and understanding of this particular piece of legislation.

That’s very important, and I think there will be a lot of questions on this as we go through Committee on pointing out, especially under section 28, what these are and what’s the plan for these. As I understand it now, they’re identified but there’s no regulatory framework or regulations that are available right now for discussion.

When you look at section 28: “The Lieutenant-Governor in Council may make regulations (a) respecting the manner in which public bodies procure commodities; (b) respecting when an open call for bids is not required respecting the procurement of commodities” That’s significant. So when open call for bids is not required, that’s something we don’t know today, what that is, what it reflects. That’s significant; that goes to the issue of transparency and understanding it.

As well: “(c) respecting alternative procurement approaches for the procurement of commodities; (d) respecting the manner in which public bodies shall maintain records respecting procurement of commodities” That would speak to the process of a procurer or a supplier and what the

obligations are to them in regard to fulfilling the mandate of this piece of legislation. Yet, we don’t have that; that’s not available here today. It’s a title, but it’s not defined in what it’s going to be. That will apparently come later in regulation.

We continue on in section 28(e) “respecting when annual procurement plans shall be required from public bodies, and the form and content of those plans” Previous speakers spoke about municipalities. What’s the requirement for them in regard to those plans? We don’t know because it’s not part of this legislation. It’s yet to come, I assume, as part of the regulatory framework.

As I said, as we go through Committee we’ll ask more specific questions on timelines. When is it available? What happens in the interim of those not being available when this piece of legislation is proclaimed? What’s the difference in between? Do we use some old reference to a regulation or a framework? What’s happens in between that intervening period while we’re waiting for those regulations to be completed? Obviously, based on that, those regulations won’t come back into this House because the legislation would already have been passed. That’s something the Lieutenant Governor in Council or Cabinet would approve.

As well, it goes on in section 28(f) and talks about, “respecting the manner in which bids are to be evaluated” Now that’s extremely important. All of it is important but on how bids would be evaluated, because the schedule, the rating, how all that is done is extremely important because many times in goods and services there’s often significant work, significant time and energy, expenditures goes into something as large as designing an actual building, supplier information. It takes a lot of time and effort to put that in. So there’s an investment by those who are applying. Again, it’s very important that that’s quite clear in regard to the manner in those bids and how they are going to be evaluated at the end of the day.

“Respecting the manner in which contracts are to be awarded” Again, evaluated and awarded. That’s why procurers and businesses would look to access what we have in the province. I think it’s over \$4 billion in regard to

actual public funds that are expended on an average at a particular time. So it's extremely important that it's open and transparent, but my understanding of this piece of legislation is that's not included here. The actual details of it, but that will come later. That's something we won't review here in the Legislature. Maybe that's not accurate. As we go through Committee, the minister can certainly speak to that.

It goes on and talks about, in section 28(h), "establishing the processes to be followed for the submitting and treatment of supplier complaints" Again, as you go through the normal process with business in providing goods and services, it could become an issue in regard to feedback, either actual service provided doesn't match the specifications that were identified in the awarding of a contract or work that was done maybe was not of the quality. There could be issues in regard to monies and funds being paid for by a public body related to goods and services.

There are all kinds of things that could come up from time to time. We'd certainly need a transparent, open understanding of how these conditions, when they come up, would be resolved; even in regard to conflict resolution or things like that. Again, my understanding is that's not included in this. This would come later at some point and approved by Cabinet.

Section 28 continues on: "(h) establishing the processes to be followed for the submitting and treatment" – as I said, that one is supplier complaints; "(i) respecting supplier performance" Again, a whole performance oversight and understanding of work that's delivered, quality, performance. If there are issues in regard to ineffective or inappropriate work that's done that doesn't meet the specifications, what's the rule in regard to that procurer applying again in the future to access public tendering? I know that's an issue.

I know my first experience in government at times in regard to work that's done, that's not up to a particular level, what's the action that needs to be taken and what's the authority under the act and what can be done? But that would come, my understanding, at another time at some regulatory framework.

Again: "(j) establishing monetary amounts at which an open call for bids is required" That's that threshold we often talk about in regard to can you sole source it? Oftentimes, there's a list of companies or suppliers or agents that you can sole source particular items, or a good or service under a certain threshold. What are those thresholds and how would they apply?

I know in the briefing that was done, I think there was reference to increased thresholds that were referenced. That was related to section 28(j), and the ones we're looking at here now in subsection (j) and (k). That references directly that the monetary thresholds will be established in regulations, maintaining consistency with trade agreements. It could be an agreement on internal trade, it could be on CETA, it could be on TPP, the Trans Pacific Partnership that's not yet signed. So there are a number of areas where consideration needs to be given here for this.

From the goods perspective, I think it's currently at about \$10,000. So that would have to be reviewed. Service is currently at \$10,000, looking at maybe going to \$50,000; public works currently at \$20,000, possibly going to \$100,000. Then we look at things like lease of space, currently about \$10,000 annual rental value and considering pushing it to \$100,000.

These are important elements of section 28(j) and (k). As I said, they're mentioned here in the legislation but there'll be no definition or defining any further what these mean, my understanding, until regulations come forward which will be done by the Lieutenant Governor in Council or by Cabinet.

If we continue on in regard to section 28 and what's required, I think there are 21 items in regard to regulations that need to go through Cabinet: "(l) governing the form and content of the electronic notification system; (m) defining the scope, content and limits of policies respecting the procurement of commodities that may be established by the chief procurement officer"

All of these are references to particular aspects of the new legislation which won't be defined in this act any further. It won't be discussed – well, I guess it can be discussed and asked questions about; but, as I said, section 28 references the

fact that these will have to go as regulations. They'll go to Cabinet. They won't be discussed or talked about here in this House, unless in Question Period, and then they will be approved, I assume, by Cabinet.

As well, "(n) defining the information about procurement activities that shall be published" Oftentimes there are exemptions now. The minister, when he was up, talked about some of the exemptions in regard to Nalcor and RDC and, as well, if they're sole sourcing under some of those thresholds I've talked about now.

For various reasons, whether it's an emergency, whether it's a sole source, that contract could be let. Then there's a process where, in the House of Assembly, there's a document provided which shows all of those sole source or ones that haven't gone through the actual tendering process but are still in keeping with the procurement act or the tendering act, oftentimes they would go to Treasury Board.

So there is a process. My understanding is there still would be a method for that under this legislation when we talk about some of the exemptions, whether you're talking about Nalcor, whether you're talking about RDC, sometimes with RDC the interactions in regard to innovation, science and some of the aspects they're involved with. I had an opportunity to be minister responsible for RDC. I certainly know the great work they do. Oftentimes, in regard to science and expertise and what they are exchanging, some of that obviously is very sensitive and it's often sole sourced – it needs to be sole sourced. So in these cases as well when there are exemptions, there are reasons for that.

In regard to the thresholds and if you're not at that threshold where you need to tender, there's a means as well to identify that and it's reported back to the House here so it's open and transparent as well.

So cluing up section 28, that's significant and I think there'll be a lot of discussion on that as we go through debate over the next number of days and weeks, or whatever it takes in regard to this piece of legislation to identify how this can be open and transparent; and not referencing these 21 items, but how they can be defined and people can have a discussion here, what the

value, content, breadth and scope of this piece of legislation is, and what exactly it is we will be voting on and that will give us the opportunity to do it.

I wanted to reference section 29 as well, and that referenced the fact that the minister may make regulations respecting the advisory council and the duties of the advisory council, which again it would be nice to have that defined so we could discuss it here in the Legislature.

Madam Speaker, I thank you for your time today on Bill 46 and certainly look forward to asking questions when we get to the Committee stage.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

MADAM SPEAKER: Order, please!

The Speaker recognizes the hon. Member for Mount Pearl – Southlands.

MR. LANE: Thank you, Madam Speaker.

It's a pleasure to stand in the House today and speak to Bill 46, An Act Respecting Procurement by Public Bodies. Madam Speaker, I want to say, I guess from the onset, I'm pleased to see that we are going to get a new procurement act, or tender act, or whatever people might want to call it. Here, of course, it's called the procurement act. I think it is a long time coming; there is no doubt about that.

I've stood here in this House of Assembly and questioned former ministers about the procurement act, or tender act it was at the time, because I felt that it was something that was long overdue. Certainly we know that it was tabled at one point in time – I think somebody said it was 2008, but I think it was later than that that it was tabled. But it was tabled in the House at one point in time and then it died on the Order Paper anyway.

There's no doubt that it is a long time coming, so I'm very supportive of a new procurement act, or tender act, or whatever because I've heard a number of people raise questions, concerns and so on around existing legislation. And there's no doubt that after a period of time

legislation gets stale, things change, technology changes, there's a whole bunch of things that could happen – trade agreements happen, other legislation changes, the way people do business changes. We're into a global economy now, I'm sure that would have an impact on the act and the regulations and so on that were established years ago and never changed. So there's no doubt the time has come to create a new, modern *Public Tender Act*, and I certainly that concept, without a question.

The fact that it stated here that we're going to have more oversight, we're going to have more accountability, more transparency, there's going to be a lot more stuff placed online for companies to see, for the public to see in terms of tenders that were awarded and so on, I think that's a very positive step forward. I totally acknowledge that and I agree with that.

I think it's a good idea that we're going to have a chief procurement officer and we're also going to have a – what are they called? The name eludes me now; I did have it written down. But anyway, there's going to be a committee, I guess –

MR. HUTCHINGS: Advisory council.

MR. LANE: Pardon?

MR. HUTCHINGS: Advisory council.

MR. LANE: An advisory council? Okay, thank you, to the Member for Ferryland.

The fact that we're going to have an advisory council which will be made up of – as I understand it, there will be individuals appointed from the various government departments who are experts in the field of procurement, if you will, and who do the tendering work. They're going to be appointed to this advisory council, and of course there'll be a new chief procurement officer who will head that up and will oversee tendering practices for the government, for government boards and agencies and government departments, and that they will oversee the legislation and they will oversee how the tendering is being administered.

I guess they will be monitoring it. They will be recommending changes. I'm assuming they

would look at things like training and stuff like that to ensure that everybody is trained and educated in how the tender act and regulations are supposed to work. I'm assuming if things are not going the way they should be, that this body would oversee making corrections in practices that are not being properly adhered to and so on. So I think that's a good idea to have that and I support that.

I also support the concept of best value versus simply the low bid. That's something that I've heard from a number of people about in the past. Obviously, price is important because the taxpayers have to pay for it. Whether it's a service, whether it's a product or so on, the public do have to pay for it. So, of course, price is going to be important.

However, I think there's more to the value than simply just the price. We also have to look at the reliability, you have to look at the maintenance agreements and so on, who can provide the best maintenance and servicing. If there's something that – it might be cheaper but if you have to wait three weeks to get the parts flown in as opposed to you can get the parts and repair it in a day versus three weeks, that has to be factored into it.

The whole concept of best value for money as opposed to just simply a price, I think that's a concept that we should be adopting and it makes a whole lot of sense to me in the long run. So I certainly agree with that as well.

I guess the issue I have, and other Members have here on this side of the House, is the unknowns. That's really the issue, the unknowns. There are an awful lot of unknowns contained in this piece of legislation. Unknowns in the sense that everything is getting – not everything, but an awful lot of things. I think there is a list of 20 items, if you will. Those items under section 28, there are 17, I believe somebody said; and under section 29, there are three others. There are 17 items here listed from (a) to (q) where Cabinet will develop regulations around these 17 items.

Of course, that's not just 17 items; one item could contain a number of regulations associated to each of those items. There could be 200 regulations or 300, I don't know. There could be

an awful lot of them that would have to be developed as it relates to the act. The problem is that we don't know what any of those are. We don't know what any of those are, so it's almost a leap of faith, so to speak. It is kind of a pass this now and trust us to bring in the best regulations that we can.

The reality of it is that – I mean, I don't think there's anybody on either side of the House that would want to bring in bad regulations. I don't think so. I'm sure there's not. We all want to get the best regulations. But the reality of it is that what's being asked of Members certainly on this side of the House – well, actually I'd say Members on both sides of the House. Because if you don't have any regulations at all, if you don't have them and we don't have them – I don't even think they're developed, is my understanding. So you're asking the entire House of Assembly, even on your own side of the House, to basically take that leap of faith and say, yes, we know, we're confident that the best regulations are going to be put in place and we're willing to support that. But we don't know what they'll be or when they'll be enacted.

That's the concern that everybody would have and, I would suggest, should have because you're voting for something that you don't really know the details of what exactly it is that you're voting for. That, in itself, really is the overall concern I think that everybody has.

One issue that comes to mind, to me, is being able to hold contractors or service providers accountable, as an example. Now, there is a section here – I'm not sure what number it is now – (i) supplier performance. So it says the minister, basically – or not the minister, sorry, the Cabinet will establish regulations that will deal with supplier performance.

So I can look back at an example or under the current regulations, from my municipal days, where we had a contractor that was paving some roads in Mount Pearl. The work was, I'm going to say, shoddy at best. We were totally dissatisfied with the work that was done; residents were dissatisfied with the work that was done. It was a large tender, a lot of money.

Now, at the end of the day, there was a dispute mechanism and there's no doubt that exists

today. But the dispute mechanism that existed was not – I would suggest the dispute mechanism was far from ideal and we settled begrudgingly with the contractor at the time. We felt, as a council at the time, that we should be able to say that if we had – and not based on one job, but if we had a number of jobs or over a couple of years where a particular contractor low bid and they were awarded that work and the workmanship was very poor and we ended up in these dispute resolutions, at some point in time we felt, as a city at the time, we should be able to say this contractor is disqualified from bidding on any more work in the City of Mount Pearl. Because you've bid on work now two or three times, every time your work was substandard, we ended up having to go the dispute mechanism route, potential legal route, and all this kind of stuff, to try to deal with work that was not done up to standard, but now next year you can bid again and if you low bid, we're forced to accept your bid again.

So that's one example whereby I would suggest that there should be an improved dispute mechanism and possibly contractor disqualification. Now, maybe when the regulation contemplated under 28(i) gets developed, maybe that will deal with it, or maybe it'll just leave the status quo, which is, a lot of people say, inadequate. Maybe it will disqualify; maybe it'll be somewhere in between. I don't know. But that's the issue: I don't know. Nobody knows until it happens.

There are a number of areas here – and I'm not going to read down through them all, because I think the Member for Ferryland actually went through them all one at a time, or he went through most of them anyway. So I'm not going to repeat everything he said, but the bottom line is that there are 17 areas where if we vote and approve this legislation as is, then at some point in time the Cabinet can develop regulations – we don't know when that will be, and we don't know what those regulations will say, and they'll just put them in place, whether they're good, they're bad, they're not – again, I'm not suggesting they would put in bad regulations, certainly not knowingly, but there would be no opportunity for anybody on this side of the House, at least, or for their own colleagues, for that matter, to really scrutinize those regulations to know that they're the best possible regulations

and that they work for the people. So that is a concern.

Now, there's also a section here which I view as another positive section – because there is a lot of positive stuff in this, absolutely – to deal with Nalcor and I think that is definitely needed. If we look at all of the issues that have occurred at Nalcor, and issues with contracts, overruns, all this kind of stuff, and things that were awarded at cost-plus as opposed to performance-based and all those things – I've gotten an awful lot of calls on that and I'm sure everyone has. There have been concerns raised and so on around those things. So if we can put in this legislation and it's going to apply to Nalcor and it's going to help deal with those types of issues and prevent potential overruns – there is always going to be some overruns; we understand that. But put in tighter measures to help prevent those things and ensure that contracts are awarded properly, all this kind of stuff, there are no conflicts of interest and all this kind of stuff, then that's a positive thing.

The only problem is, as was pointed out by the Member for – I'm going to call it Signal Hill – Quidi Vidi; that's not really the new name –

MS. ROGERS: St. John's East – Quidi Vidi.

MR. LANE: St. John's East – Quidi Vidi.
Thank you, to the Member for St. John's Centre.

So as she pointed out, the issue we have is that what I just described about Nalcor and what we'd like to see in place, I'm not so sure that this legislation will do that. There's no doubt that this legislation will deal with issues – like if Nalcor is buying their office supplies, their posted notes and all this kind of stuff, there's no doubt that all those normal office expenditures now will fall under the *Public Tender Act*, as it should, and that's a positive thing.

But it calls into question the exemptions that are there – and maybe these exemptions that are here won't exempt Nalcor from things like awarding contracts on projects like Muskrat or any other projects that should happen. Maybe they won't; I'm not sure. But there's an awful lot of grey area there. There's an awful lot of concern that would be there that perhaps they're going to be exempt from pretty much anything

that has to do with anything beyond purchasing office supplies and maybe a few trucks or equipment for themselves. But when it comes to projects and a lot of the projects they are doing are with other companies and partners and all those things, there's a lot of concern, I think, raised by the Member or questions to be answered, for sure, in Committee. Will this legislation apply to Nalcor in the way that people would want it to apply to Nalcor, other than just simple office supplies and day-to-day operations?

I hope it does. And maybe when we get to Committee, we'll get that answer yes, it does. And if it does, perfect; everyone will be on board. I'm sure they will. But that's a question that, at this point, hasn't been answered.

I think it's also good if we can ensure, where possible – and again, I'm not sure if I really see it here in this. I guess this is going to be a regulation issue as well – as best we can, try to ensure that local companies are given a better opportunity to bid on stuff and get contracts. I think the minister did raise the issue of some caps being raised for municipalities as an example, which would give more opportunity, and that's a good thing. If that could be done that's a good thing, I would certainly agree with that.

Another thing that would need to happen, I think, is the way in which tenders are put out. I'm assuming this will be handled under the regulations. One example that was given at the briefing actually, which kind of made sense, is that if you have a local company, for example, and they produce mattresses; let's say they manufacture mattresses but they don't manufacture bedframes. So if we needed mattresses in a hospital or at the penitentiary or whatever, as opposed to putting out a tender for the mattresses and bedframes that they could not even bid on or be qualified for, that we try to put measures in place where we can to say we're going to separate that tender and go with just mattresses so that at least our local companies can bid on the mattresses and they wouldn't be eliminated from the bigger picture.

So I guess it comes down to bundling and how things are bundled and so on and when we're doing it, we just need to be mindful of local

suppliers and local businesses to give them a fair opportunity to get some of the work. Because we have to remember when a local company gets the work, then that money, by and large, is staying here in Newfoundland and Labrador and in our economy. When we open everything up and we make things too big and we bundle too much, all of a sudden it's the big guys from the Mainland who are bidding on everything, they're winning everything. And guess what? All that money: poof, gone. Gone to Ontario, gone to Quebec, gone to the US, wherever it's gone and that's money taken out of our economy that could be in the province benefitting our economy.

There are so many things we could talk about here, but I certainly look forward, when we get in Committee, to talking some more about it.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. PETTEN: Thank you, Mr. Speaker.

It's a pleasure to get up and speak on this piece of legislation, as has been said my colleagues this afternoon. It's a very important piece of legislation. It's one that a lot of people have been asking for. The previous administration had done a lot of work on this particular issue. It never got to be brought in, but there are various reasons for that. There was work that people weren't comfortable with proceeding at that given time, but there was a lot of work done in place and everyone will acknowledge on this side that it needed to be done. The current government – a lot of the homework was done so that made their job a lot of easier, to do whatever was needed to bring this to the House.

Mr. Speaker, in talking about this legislation, section 28, there are a lot of these regulations that Cabinet will be deciding upon. That, I guess, shows some caution to the wind of the powers of Cabinet.

When you look at government purchasing, as we all know the *Public Tender Act* has always been a document or a law of the land to protect, to make sure things were done in a very fair manner, across the board for businesses and government when you're spending public money. But when you bunch in a lot of regulations into a certain section that Cabinet has the discretion to make the regulations around those, whether it be thresholds or certain purchases, it does raise concerns amongst us on this side in that these regulations may be fine, they may all be perfect, everyone may support them wholeheartedly; but when you don't know where to fit certain regulations, or you don't know how to arrive upon a decision and you throw it all into this section 28 and leave Cabinet to decide it at a later date, I guess you question, is it complete.

I know Members opposite will say, yes, it's a great piece of legislation. We're not saying it's not a great piece of legislation, but we're going to ask a lot of questions. Various aspects of this piece of legislation, whether you've got concerns or not, we'll find out when it comes time for second reading and when we get to Committee and we ask questions. But when you lump a lot of things in, as we see down in section 28, it does draw a lot of pause in thought, whatever.

That's another part of the clause: Departments shall promote transparency. Openness and transparency should be something that's front and centre in a piece of legislation of this nature. You are dealing with public money; you are dealing with the businesses. As we all know and said earlier, \$4 billion worth of purchases in government – government are a big customer to a lot of corporations throughout the city and even outside the province. That is a lot of money to spend; it's on par with most any large corporation. Having a strong piece of legislation, procurement, especially when you're spending public money, is very, very important.

So leaving a lot of this stuff to the discretion of Cabinet it does draw a lot of concern. When you look at thresholds and open calls, wouldn't you be better off having something in place? Again, you go in the room; to me, that draws concerns that I think there should be clearer – you can do some tinkering. I guess Cabinet got some

authority to do it on certain issues. But when Cabinet are going to devise a lot of regulations to deal with a lot of issues and, at the end of the day, they could have the authority to pass up on whatever legislation and make a decision using one of the out-clauses in the legislation, that's an issue of concern.

Through our debate, and when we get to the Committee stage, like I say, the minister will no doubt answer a lot of our questions. Whether our concerns are founded or unfounded, well, the minister can help us through that process, but those questions will come.

Mr. Speaker, this bill, as I said, is going to replace the current *Government Purchasing Agency Act*, the *Intergovernmental Joint Purchasing Act* and the *Public Tender Act*, along with some public tendering regulations. It's also going to make some updates to various other pieces of legislation related to procurement.

The name of the bill, as the minister responsible has said, is to help modernize the procurement process. The process which this bill outlines is based upon the Reid & Associates report, along with public consultations. Now this was the basis of the former administration's work that was done on this. It was based on the Reid report, and a lot of things that was in our draft document is in this one but there are some changes of course. Like I said, we will get to discuss those.

There are good things as well, Mr. Speaker, like the best value aspect. Government sometimes will always go with the lowest bidder. The lowest bidder is not always the best bid, as we know. Penny-wise and pound foolish, because you're buying something that is the cheapest but you'll only get your 12 months, you pay extra. It's like when you live at home, your best bang for the buck sometimes, cheaper is not always better.

So clauses like that, especially with government and the amount of purchasing they do, especially with equipment; you look at printing and services, you look at computers, you name it. That's a good change. That's something that I think we all can support.

Like I said, while we all agree procurement needs to be reformed in this province, we're concerned about the lack of detail in the bill. The framework presented in this bill leaves many holes to be filled. The bill indicates that these holes will be filled through regulations, but these regulations are not yet available, Mr. Speaker. As I stated, they'll be decided by Cabinet at a later date. So we don't know when they will be available, maybe sometime in 2017.

The regulations are going to cover such items as when an open call is not required; how records are kept; how bids are evaluated; establishing when and how a call is to be conducted; establishing what information will be made public and when. They're all listed in sections 28 and 29, as I stated, where legislation gives the ability the regulations will be made.

These items will not be contained in the legislation and not debated in the House of Assembly, and will only be made public after decisions have been made and the regulations are determined to cover a great deal of procurement activities. That's the crux of what I've been saying here, what I was alluding back to in most of my commentary, Mr. Speaker. It's not going to come to the House of Assembly to be debated as we do with a lot of legislation and important aspects like this.

This is a very important piece of legislation. Every Member in this House and a lot of the general public, because this has been something that's been in the public domain too, government has been called upon for a long time to come up with this. We want to make sure, and it's incumbent upon all of us in this House to make sure, it is a strong piece of legislation. This process, hopefully, through everyone getting up and speaking and exposing any concerns, it will make it a stronger piece of legislation.

That is one concern. Why not come to the House of Assembly with those regulations as well instead of being determined at a later date – which is a date that we don't even know when it's going to be.

One such regulatory power will surround when an open call is required. Depending on what Cabinet decides, this could have a great impact on the consequences. This is a decision which

should be debated here in the House and not at the Cabinet table. We cannot truly determine the effectiveness of this bill without knowing what details the regulations will be. We cannot determine how transparent this process will be without seeing the regulations. The whole impact of this bill rests on what's contained in the regulations.

The theme of my commentary on this is the fact that the regulations are being decided by Cabinet. It raises a lot of concerns for me and I'm sure to anyone who dug into this and read it. Cabinet has a very important responsibility, Mr. Speaker. We all know that. That's the way our democracy is set up.

In issues like this, there is a lot at stake in a piece of legislation like this. There's a lot of interest in this from the business community, from the general public, from people in government. So giving Cabinet all of that power causes me concern and I'm sure it causes many others concern.

One of the benefits of the new procurement framework is that all public bodies will be using a consistent approach. Health boards, municipalities, government commissions and others will be using the same process to purchase supplies and items. This is going to help industry. There are good aspects of this. This will help bidders to write better bid documents. It will help the industry to take feedback from corporations in future bids.

Mr. Speaker, section 7 of this legislation, it says, "Notwithstanding section 6, the Lieutenant-Governor in Council may exempt procurement from the requirements of this Act where it is in the best interest of the economic development of the province."

That's a very broad statement, and I read that several times. Basically, Cabinet has the authority to ignore their own legislation. In a nutshell, when you read that, it's a pretty broad statement. Like I said, I had to read it a couple of times myself. So this is quite a bit of discretionary power for Cabinet. The power can be defended if it allows the province to protect local interests, but will this be a clause which stands a challenge before the trade tribunal, for example?

Time is winding down today, Mr. Speaker. I'd just like to point out one thing before my time is wrapping up for today. A chief procurement officer will be appointed for six years by Cabinet and can be reappointed multiple times. So will this go through the IAC? Is this a Public Service Commission – no, it's going to be appointed by Cabinet. I know you want to pick the right person for the job, but why not open that process up to the best possible candidate out there to do such an important job on such an important issue we're dealing with.

Mr. Speaker, given the hour of the day, I move to adjourn debate, seconded by my colleague from Fortune Bay – Cape La Hune.

MR. SPEAKER: Order, please!

There's a motion and seconded to adjourn debate.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

Tomorrow being Private Members' Day, this House stands adjourned until 2 p.m. tomorrow.

On motion, the House at its rising adjourned until tomorrow, Wednesday, at 2 p.m.