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**Proceedings of the Standing Committee on  
Social Services**

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Department of Municipal Affairs and Environment

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## **SOCIAL SERVICES COMMITTEE**

Department of Municipal Affairs and Environment

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Chair: Carol Anne Haley, MHA

Members: David Brazil, MHA  
Jerry Dean, MHA  
Betty Parsley, MHA  
Kevin Parsons, MHA  
Scott Reid, MHA  
Gerry Rogers, MHA  
Brian Warr, MHA

Clerk of the Committee: Elizabeth Murphy

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Appearing:

### **Department of Municipal Affairs and Environment**

Hon. Eddie Joyce, MHA, Minister  
Jamie Chippett, Deputy Minister  
Gerald Crane, Director of Research and Analysis  
Robyn Hayes, Departmental Controller  
Tara Kelly, Assistant Deputy Minister  
Heather Tizzard, Assistant Deputy Minister  
Erin Shea, Director of Communications  
Colin Holloway, MHA, Parliamentary Secretary

### **Also Present**

Neil King, MHA  
Paul Lane, MHA  
Barry Petten, MHA  
Laurie Bonia, Research Analyst, Official Opposition Office  
Ivan Morgan, Researcher, Third Party Office

Pursuant to Standing Order 68, Neil King, MHA for Bonavista, substitutes for Jerry Dean, MHA for Exploits.

Pursuant to Standing Order 68, Barry Petten, MHA for Conception Bay South, substitutes for David Brazil, MHA for Conception Bay East - Bell Island.

The Committee met at 9 a.m. in the Assembly Chamber.

**CHAIR (Haley):** Good morning everyone.

We're here this morning, of course, to review the Estimates of the Department of Municipal Affairs and Environment. We have three hours allotted for this.

I now ask the Committee if they would introduce themselves, please.

**MR. K. PARSONS:** Kevin Parsons, MHA from the beautiful District of Cape St. Francis.

**MS. BONIA:** Laurie Bonia, Researcher, Official Opposition Office.

**MR. PETTEN:** Barry Petten, MHA for CBS.

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

**MS. ROGERS:** Gerry Rogers, I work for the good people of St. John's Centre.

**MR. MORGAN:** Ivan Morgan, Researcher, NDP caucus.

**MR. KING:** Neil King, MHA, Bonavista. I'm substituting for Jerry Dean.

**MS. PARSLEY:** MHA Betty Parsley, Harbour Main.

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

**CHAIR:** That's right, we have two substitutes this morning, Mr. King for Mr. Dean and Mr. Petten for Mr. Brazil.

Okay, I now ask the minister to have some opening remarks, and as well to introduce his officials.

**MR. JOYCE:** Eddie Joyce, Minister.

**MR. CHIPPETT:** Jamie Chippett, Deputy Minister, Municipal Affairs and Environment.

**MS. TIZZARD:** Heather Tizzard, Assistant Deputy Minister, Municipal Infrastructure and Support.

**MS. KELLY:** Tara Kelly, ADM, Fire, Emergency and Corporate Services.

**MR. CRANE:** Gerald Crane, Director of Climate Change branch.

**MS. SHEA:** Erin Shea, Director of Communications.

**MS. HAYES:** Robyn Hayes, Departmental Controller.

**MR. HOLLOWAY:** Colin Holloway, MHA for the District of Terra Nova and parliamentary secretary to the minister.

**CHAIR:** Okay.

So the responder, of course, will have 15 minutes, and then we'll go in 10-minute intervals. The Official Opposition and then the Third Party, as well as the independent Member.

**MR. JOYCE:** First of all, I apologize for being a bit late, there was a meeting that just ran over. So I apologize to everybody. I'll cut it short in my words.

What we're going to do today is go through the Estimates and go through the financial part of the department. We'll limit it to any policy discussions, we'll go through the budget Estimates.

The only opening remark that I'll make is I just want to thank all the staff of Municipal Affairs and Environment and Climate Change, all throughout, for all your work that you do all throughout Newfoundland and Labrador. The relationship that we have with MNL, working with the firefighters' association, and I know

with the Opposition also that we work very well when it comes to dealing with the towns.

So I'll stop my remarks there because I was a bit late and we'll make up the time that way.

**CHAIR:** Thank you, Minister.

So instead of calling every single head, we'll just run on through, okay.

I ask the Clerk to call the head.

**CLERK (Murphy):** 1.1.01.

**CHAIR:** Shall 1.1.01 carry?

**MR. K. PARSONS:** Okay. I'd just like to ask the officials, when you are speaking – because sometimes the other night it was a little bit hard to hear – if you can talk into the microphone because sometimes it's really, really – to get your answers and stuff like that because I don't want to have to ask you twice or anything like that, okay?

I've just got some general questions first to ask.

Minister, I'm hoping that I could get a copy of your binder after we're finished, if that's okay.

**MR. JOYCE:** Well, you can make the request as usual, yes.

**MR. K. PARSONS:** Yes, okay.

**MR. JOYCE:** Because sometimes when you're nice people then just take advantage of it and make comments that aren't true. So the best thing to do is just go ahead and make the request. We have to follow procedures on this, yes.

**MR. K. PARSONS:** Okay, yes, the request is made for it, if you can.

I'm just wondering if there's any – because the other night we found a few mistakes that were in the Estimates binder. There were a couple of things that weren't there that were supposed to be there. So the full amount of Estimates will be there when we get it, will it?

I know in Fisheries there were a couple of documents that we needed afterwards that weren't there. I just want to make sure that everything is okay.

Any idea how many people are employed in the department?

**MR. CHIPPETT:** 233 is the number of positions.

**MR. K. PARSONS:** Okay.

**MR. CHIPPETT:** I think 197 are filled at this point in time.

**MR. K. PARSONS:** Were there any retirements in the department?

**MR. CHIPPETT:** In '17-'18 there were 11 retirements.

**MR. K. PARSONS:** Okay.

You say there now – okay, so there are a good few vacancies. Are any of these positions being eliminated?

**MR. CHIPPETT:** No immediate plans to eliminate. There are a number of different reasons for the vacancies. I'll give you a couple of examples that really influence that number.

We have a number of positions, for example, in Emergency Services to assist with disaster financial allocations. We had largely reduced filling those when the Thanksgiving rainstorm event processing was almost done, but then in May, of course, we had the Mud Lake event and then in January had the event on the West Coast.

**MR. K. PARSONS:** Yeah.

**MR. CHIPPETT:** For example, there's a block of five or six positions there that are being filled; will be filled this year to deal with the processing for the West Coast. I think there are 10 or 12 of those that are actually under active recruitment.

**MR. K. PARSONS:** Okay.

**MR. CHIPPETT:** We'll look at every vacancy. For example, we have seven positions where

we're not filling the position to fund other priorities in the department; planned savings, you freeze the position and you use the savings for funding other priorities.

The vast majority are either under recruitment, but we'll look at every vacancy, obviously, with an eye to the attrition plans that we're a part of.

**MR. K. PARSONS:** Okay.

Have there been any layoffs or terminations in the department?

**MR. CHIPPETT:** No layoffs.

**MR. K. PARSONS:** No layoffs.

**MR. CHIPPETT:** We've had temporary assignments that have ended, I think two, just based on pieces of work being completed, but no layoffs.

**MR. K. PARSONS:** Okay.

How about new hires; many new hires in the department?

**MR. CHIPPETT:** You mean new positions?

**MR. K. PARSONS:** New positions, yes.

**MR. CHIPPETT:** The two new positions that we funded internally this time around is the director who is doing the review of municipal legislation. Secondly, we created an advisor position on methylmercury to work through the independent expert advisory committee.

**MR. K. PARSONS:** Okay.

On the attrition plan for the department, how many positions have – are you following the attrition plan and how many positions have been either gone or –

**MR. CHIPPETT:** The previous attrition plan –

**MR. K. PARSONS:** Yeah.

**MR. CHIPPETT:** – I think we've got one left on that plan to complete the plan.

I'm going to ask Robyn Hayes if she knows what the total number of positions under that plan were.

**MS. HAYES:** The original attrition management plan, I believe it was 14 for Municipal Affairs but where we combined with Fire and Emergency Services and Environment the number is a bit larger.

Jamie is correct, we do have one position left to complete our 2015-16 plan.

**MR. K. PARSONS:** Okay.

How many contractual employees have you had in the past year?

**MR. CHIPPETT:** I think there may be two or three.

**MR. K. PARSONS:** Okay.

Those are just some general questions I wanted to know about.

Now I'll go to the Minister's Office, 1.1.01. I don't have a lot here but if you could give me – what positions are included in the Salaries under the Minister's Office? Have any of these been moved or what is the variance here?

**MR. CHIPPETT:** There are lower travel allowance costs for the minister. That's why there was a decrease in the revised amount; otherwise, it's the minister, the EA and the minister's secretary.

**MR. K. PARSONS:** Okay.

That's all I have on that section.

I'll go to the General Administration, section 1.2.01. Again, in the Salaries line there's a huge variance there of over \$500,000. I'll just ask if you want to explain that.

**MR. CHIPPETT:** Between the budget in '17-'18 and the revised number in 2017-18, primarily reflected changes or payouts to either people who left or people that were impacted through the management restructuring.

**MR. K. PARSONS:** How many positions are included in the amount? Do you know?

**MR. CHIPPETT:** In the –

**MR. K. PARSONS:** In the salary amounts there.

**MR. CHIPPETT:** I'm trying to count them through in my head now.

**MR. K. PARSONS:** Okay.

**MR. CHIPPETT:** There's annual leave or severance or salary continuance payments for 10 in the extra amount in the revised.

Robyn, do you know that number?

**MS. HAYES:** For 2018-19, there are 13 positions in Executive Support.

**MR. K. PARSONS:** Thirteen positions.

Okay, thank you.

I want to go to the line Transportation and Communications. There's a variance there. Also a reduction of the revised was \$15,000. What's the reason for that?

**MR. CHIPPETT:** That was basically less travel by the Executive.

**MR. K. PARSONS:** Yeah.

**MR. CHIPPETT:** The other influence on the \$45,100 in Transportation and Communications and the salary line actually in '18-'19 is Climate Change joined the department in August of 2017. So it's a restatement of the Climate Change Executive salaries, as well as some of their travel to Transportation and Communications.

**MR. K. PARSONS:** Okay.

I want to go to the line Provincial Revenue. Can you give me what's included here?

**MR. CHIPPETT:** Sure. That's revenue for the position of CEO at the MMSB. The previous incumbent in that position left the organization part-way through the last fiscal year. So that's

why the revenue is \$117,000 rather than \$169,000.

**MR. K. PARSONS:** Okay.

Thank you very much.

The next one is section 1.2.02, Administrative Support. Some areas – I should've mentioned this in the first, and you can explain it – we went back and we looked at the Estimates of last year's budget and the line that was approved in last year's budget. I know there are explanations of why they changed but the actual budget amount this year is different than what we actually voted on last year. So there's a couple of questions there that I want to ask on that also.

Let's go to the salary line first. Just give me a breakdown of what's there and why there's such a big difference in there.

**MR. CHIPPETT:** This is where we do the majority of funding for our co-op students and our students. There is one reception position in there, front-desk position as well.

We've maintained the budget for summer students in here, but the co-op students are now going to be charged off to the various divisions in which they work because it is more like a regular position than a summer student position. So you'll see the co-op students being funded out of the individual divisions: water resources, municipal infrastructure. These types of divisions frequently use multiple co-op students during the appropriate terms.

**MR. K. PARSONS:** Okay.

There on the Transportation and Communications line, perhaps you can explain what the variance is there.

**MR. CHIPPETT:** The reduction there is actually when Environment joined Municipal Affairs and it became Municipal Affairs and Environment, some of the Communications funding for telephone lines and so on in Municipal Affairs, they're all booked in the individual divisions. In Environment they were in one place in Admin Support. So we actually moved those expenses out into the individual divisions as well.

**MR. K. PARSONS:** Okay.

Now I want to go to Purchased Services, and this is one of the lines I mentioned, that last year what was actually budgeted and what's in the budget this year is showing a good bit of difference actually and maybe you can explain that.

**MR. CHIPPETT:** Sure. I think Transportation and Works had their Estimates already –

**MR. K. PARSONS:** Yeah.

**MR. CHIPPETT:** – but there's a re-statement in several of our budget lines pertaining to the movement of all lease payments to the Department of Transportation and Works and all expenses associated with the fleet in terms of both fuel and maintenance. In several line items where we would have leases or vehicles, those statements would be re-stated. The big difference here is actually one of our leases for Fire and Emergency Services on Hallett Crescent.

**MR. K. PARSONS:** Okay.

If you go to the line Operating Accounts, that's a similar thing. Last year there was a huge budget there and it has dropped a lot this year. Is that the same reason for that?

**MR. CHIPPETT:** Yes, that would be the same reason.

**MR. K. PARSONS:** All right.

We'll go to the next section, section 1.2.03. Again, there's a decrease, a steady decrease actually in revised and amount this year. Can you explain it, and what positions are included in these amounts?

**MR. CHIPPETT:** Was that the salary line that you were –?

**MR. K. PARSONS:** Yes, salary line.

**MR. CHIPPETT:** Okay. Sorry about that.

We talked about planned savings earlier?

**MR. K. PARSONS:** Yes.

**MR. CHIPPETT:** We did shift some funding around to maintain a position within that division. Then, the other piece was severance, annual leave and continuance payments for three persons that were formerly in that division, but that were part of the management restructuring in February of 2017.

**MR. K. PARSONS:** Okay, I'll move on to the next section.

In this section I have a couple of general questions. I'd like to ask also about relocation. Are there many people in looking for relocation? How many communities?

**MR. CHIPPETT:** There are two communities: North Boat Harbour is one and the second one is La Poile. Little Bay Islands is in the middle of the process.

**MR. K. PARSONS:** I don't mind the crowd from Bay of Islands trying to get out with a Member like they have too.

**MR. CHIPPETT:** Snooks Arm relocation, I think, is completed. That occurred through last year.

**MR. K. PARSONS:** Is there money allocated for any of this and where is it?

**MR. CHIPPETT:** We've never allocated funding for relocations that may occur because there's a lot of uncertainty in those processes and there are multiple places where the process can stretch out. As an example, we make residency determinations in the department on who would be permanent residents.

There's a two-step process if people aren't satisfied with that determination. If they're not satisfied, the first step is an appeal to the minister. That's handled through an independent commissioner. If there's a second appeal, it's obviously to the courts.

Given that it's very difficult to pin down exactly when we would be at the point of paying out funds, we don't budget. It's often done through the contingency fund in Finance or found from savings within the department.

**MR. K. PARSONS:** Is there any money budgeted for boundary changes or any amalgamation requests that are in place?

**MR. CHIPPETT:** The Grants and Subsidies line is basically for feasibility studies for any number of things. It could be around amalgamation, it could be around boundary changes and so on. That's the \$88,500 in '18-'19.

**CHAIR:** Ms. Rogers?

**MS. ROGERS:** Thank you very much.

Thank you very much for your time this morning and for your excellent work.

Just to pick up where my colleague left off, the Amount to be Voted; in Revenue - Provincial we see a significant change there in the Revised. What would that revenue stream be from?

**MR. CHIPPETT:** We're in 2.1.01 still, correct?

**MS. ROGERS:** Yes.

**MR. CHIPPETT:** That would be primarily revenue from appeal board processes where we would look to charge back the cost. As an example, if somebody wanted, say, rezoning in a protected road zone – and they requested, otherwise, we wouldn't be doing the amendment – then we would charge back the cost for that hearing. The \$6,000 basically reflects the fact that we didn't have a lot of those requests in '17-'18.

**MS. ROGERS:** Okay. That would come from individuals and/or municipalities?

**MR. CHIPPETT:** That's correct, but I think it would normally be individuals because you're outside of municipal boundaries.

**MS. ROGERS:** Great, thank you.

If we move on to Policy and Strategic Planning, Salaries, 2.2.01, we see a difference of \$155,000 in '18-'19.

**MR. CHIPPETT:** Right there we have a couple of things that are happening; number one is in terms of the new attrition plans that we've been

asked to undertake. The reductions have been taken from one line item and then the department is to work with the Human Resource Secretariat on exactly where in the department we'd find those savings.

There's no reduction in position per se there. This is one of the places where we have a position that we've held vacant to fund other priorities in the department.

**MS. ROGERS:** That position is now gone or ...?

**MR. CHIPPETT:** No, the position is still there.

**MS. ROGERS:** But not filled?

**MR. CHIPPETT:** The incumbent in it moved up in the same division as a manager and we've chosen not to fill that particular position at this point in time. He holds the rights to the position, so it's still there. If he goes back to it, obviously, we will fund it at that point in time.

**MS. ROGERS:** What kind of position is that?

**MR. CHIPPETT:** It's a policy analyst position.

**MS. ROGERS:** Okay.

How many policy analysts are now in that department?

**MR. CHIPPETT:** I think it's four.

**MS. ROGERS:** Okay, and that's –

**MR. CHIPPETT:** And there are two managers of policy as well.

**MS. ROGERS:** Okay.

That's four policy positions for all of Municipal Affairs and Environment, is it?

**MR. CHIPPETT:** I think that's right. Robyn?

**MS. HAYES:** Four filled and one vacant (inaudible).

**MS. ROGERS:** Great and two managers.

Thank you.



Grants and Subsidies: who gets this money?  
What is it specifically for? What kinds of grants  
and subsidies?

**MR. CHIPPETT:** These are more or less fixed  
expenditures every year.

**MS. ROGERS:** Okay.

**MR. CHIPPETT:** The major recipient there is  
the Conservation Corps. There's \$147,000 of the  
\$169,100 that is an annual grant to the  
Conservation Corps. It's been the same for some  
time.

The other thing we do in that line item is we pay  
for our participation in certain intergovernmental  
organizations; there's the New England  
Governors and Eastern Canadian Premiers. We  
pay an amount based on our population, if you  
will, to that. There's also a FPT committee on  
local governance that does research in terms of  
urban and rural issues. We also pay an amount  
to that.

**MS. ROGERS:** Okay. Thank you.

I have nothing for Fire and Emergency Services,  
except if we go over to page 17.8, 2.3.02.

**MR. CHIPPETT:** 2.3.02?

**MS. ROGERS:** The Revenue - Provincial; there  
was a significant drop there and nothing  
budgeted for '18-'19? Can you just explain that?

**MR. CHIPPETT:** Sure. Again, speaking of  
intergovernmental organizations we're a part of,  
during '16-'17 and a part of '17-'18 we were the  
provincial/territorial co-chair of the emergency  
management table and there was funding that  
came along with that for a position. As we  
transitioned – and Alberta is now the  
provincial/territorial co-chair – that funding  
would be allocated to them. That's why there's  
nothing allocated in '18-'19.

**MS. ROGERS:** Okay, great.

Thank you.

We had a position at the table, a funded position,  
and now that has moved on. The funding for that  
position has moved on?

**MR. CHIPPETT:** It was more a support  
position.

**MS. ROGERS:** Okay.

**MR. CHIPPETT:** In terms of being the co-  
chair, we would be responsible for bringing  
material together from various jurisdictions,  
agendas, and so on and so forth. So that person  
assisted with those tasks, but we would always  
have an official present at that table to discuss  
Newfoundland and Labrador's position as well.

**MS. ROGERS:** Right. I can understand that.  
Thank you.

2.3.03, we see an increase in Salaries there –  
under Disaster Assistance.

**MR. CHIPPETT:** Yes.

**MS. ROGERS:** Under Salaries we see an  
increase of \$160,000.

**MR. CHIPPETT:** Mm-hmm. So basically in  
this entire heading, you've got an interaction  
between the Thanksgiving rain event, the Mud  
Lake flooding, and the West Coast flood that  
occurred in January of 2017.

So initially, you can see if you go right to left in  
that line, we had a number of positions to deal  
with – the Thanksgiving rain event, Mud Lake  
flooding, we really thought we were going to  
start to wind down. But obviously with the  
Thanksgiving rain event occurring and the  
number of claims we would have from there, we  
will be staffing up again to process those claims.  
So that's why you see the \$391,000.

**MS. ROGERS:** And how are those claims  
going? Where are we at with those?

**MR. CHIPPETT:** Just to give you a snapshot  
of the three different events, there were 43  
private-sector claims for Mud Lake. We're up to  
I think 32 of those that are closed out, or very  
close to being closed out. There's one municipal  
infrastructure claim ongoing which we expect to  
be concluded this construction season.

For the Thanksgiving rain event, there were 244  
private-sector claims; 243 are closed. One is still  
ongoing because there's work that needs to

happen in the spring. There were 25 municipal claims and 13 are completed. One is done and awaiting inspection to sign off on it being completed, and 11 are still in municipal infrastructure mode. So there'll be more work done in this construction season.

And last, the West Coast one, the most recent one, there's 113 private-sector claims – I'm just trying to count the numbers – there were 19 closed, two cancelled, 28 were deemed ineligible under the guidelines, and the remaining are in various stages of work – it could be with the adjuster; we could be waiting for more documentation from the claimants. There have been 13 municipal claims received, but we would expect the majority of that work to start in this upcoming construction season.

**MS. ROGERS:** Thank you.

Purchased Services, we see there was \$3 million budgeted in '17-'18, \$58,000 spent and nothing budgeted in '18-'19. Can you explain that?

**MR. CHIPPETT:** Sure.

So there was a re-profiling of funding there in terms of where we pay things out for claims – it's probably useful to just give you the rundown on the different line items. So for Allowances and Assistance you see there that's payments to individuals. If an individual decides to settle their claim and take a cash settlement, that goes out through Allowances and Assistance.

Purchased Services, the one you asked about, there would be a couple of expenses normally in there. We would pay contractors who would be doing work. Sometimes individuals would say we'll have you pay the contractor directly; they're going to do the work on our property.

To your question specifically, we had anticipated more people doing that in 2017-18, but most people took cash settlements, so we actually re-profiled that funding to Allowances and Assistance.

**MS. ROGERS:** Okay.

**MR. CHIPPETT:** You'll see that increase in '17-'18.

Just to continue with the lines, because they all change for basically the same reason, Grants and Subsidies are how we pay out municipal claims and Professional Services are the adjusters who go in and assess the damage to the property.

**MS. ROGERS:** Great, thank you very much.

**MR. K. PARSONS:** Section 2.1.01, I just have a couple of more questions there on that section.

For the Municipal Training Program, has there been any money budgeted for that?

**MR. CHIPPETT:** Municipal Training Program?

**MR. K. PARSONS:** Yes.

**MR. CHIPPETT:** I know we do pay some money out in a later line item, Special Assistance –

**MR. K. PARSONS:** Okay, under Special Assistance.

**MR. CHIPPETT:** – to PMA, for example, and MNL in terms of training or events that they run.

Tara, do you know where we might pay out municipal training?

**OFFICIAL:** (Inaudible.)

**MR. CHIPPETT:** Okay.

Actually, some of the municipal training is run out of Heather's division on Municipal Infrastructure and Support and it's paid out through municipal finance.

**MR. K. PARSONS:** Okay.

Can you provide an update on the urban rural planning act review?

**MR. JOYCE:** We can answer it, but we're trying to stick to the budget items itself.

**MR. K. PARSONS:** Okay.

**MR. JOYCE:** We're trying to stick to the budget items; that's more of –

**MR. K. PARSONS:** I'll have to ask you in the House.

**MR. JOYCE:** Yeah.

**MR. K. PARSONS:** No problem.

I'd like to, in this section also, if you could, the Regional Appeal Boards. Can you give an update what's happening with the Regional Appeal Boards and is there any backlog on appeals?

**MR. CHIPPETT:** We're doing okay from an appeals perspective. The biggest issue with appeals is in eastern; there are 38. That's not an uncommon number. The board is fully functioning, but there are just a lot more appeals in the eastern region because you've got all the – well, not all, but the majority of the larger towns that would have a lot of appeals associated with that. There are 38 for that Appeal Board.

**MR. K. PARSONS:** And they're meeting regularly, are there?

**MR. CHIPPETT:** They are, yes.

**MR. K. PARSONS:** Okay.

Thank you, that's all for that section.

Under Fire and Emergency Services, can you give me an update on the 911? I know you were doing some work on 911 and civic addressing and stuff like that. Is there an update on that?

**MR. JOYCE:** Again, we're going to stick to the line items. That's more of a policy question.

**MR. K. PARSONS:** Okay.

We'll go to Regional and Financial Support, section 3. Can you give us the variance on the Salaries here on section 01, Salaries? It is section 3.1.01.

**MR. CHIPPETT:** So the increase in the revised line of '17-'18 was salary contingency payouts to individuals. Again, part of the management restructuring that occurred in 2017 and then the slight increase in '18-'19 is basically salary step increases.

**MR. K. PARSONS:** Just looking here under Purchased Services there, again, I would assume that's just vehicles and stuff like that, the difference from last year, but can you explain the variance that's here on this line, what the revised –?

**MR. CHIPPETT:** Yes, that's leases, actually. I think it's primarily a lease we have in the old Gander mall. Our Municipal Support office is in that space.

**MR. K. PARSONS:** Okay.

Under Revenue, what's included here?

**MR. CHIPPETT:** So this is a memorandum of agreement we have with Nunatsiavut Government. We provide support for infrastructure planning and engineering for Nunatsiavut Government's capital projects. The variance you see is a late payment from them, from the previous fiscal year, so that's why in the revised line you see double the amount.

So we would be back to providing an invoice for \$160,000 for that service for this fiscal year.

**MR. K. PARSONS:** Okay.

Next section, 3.1.02, again, I want to go to the salary line. There's a jump in the revised and maybe you can just explain the variance there. What positions are included in that?

**MR. CHIPPETT:** So in Municipal Finance, to your first question, the increase is around salary continuance for one person, and then secondly it's for severance and a leave payout for a senior position in that department, a person left. So that's why there was the increase.

In terms of the positions here, this would basically be the administrative and oversight functions for a number of funding programs that Municipal Affairs operates. So municipal operating grants, CEEP and debt-servicing payments on behalf of municipalities, would all be run through this particular group of staff.

**MR. K. PARSONS:** Okay.

Can I get a list of who received grants in the special assistance, infrastructure grants and

small community grants? Would I be able to get a list of that for the last year?

**MR. CHIPPETT:** Yeah, sure.

**MR. K. PARSONS:** Okay. Could I have it because – I'd like to get it as soon as possible too, if you can give it to me.

Perfect, thank you.

All right, moving on to section 3.2.01, it's Waste Management. I have a general question. I know there's a lot of talk about the cabin owners and stuff like that in the news and stuff like that. Can you give me an update on the situation with the cabin owners and garbage fees?

**MR. CHIPPETT:** Consistently, the position has been that under the Regional Service Boards Act, the boards are responsible for how they charge the fees. There's a variance in fees across the province in terms of how different boards deal with them, but it's certainly clear, if you look at the act and the regulations associated with the Regional Service Boards Act, it's clearly the responsibility of the board.

**MR. K. PARSONS:** Okay.

Is the Citizens' Representative, that's who was dealing with this, right? Dealing with a lot of the – if someone called me, for example, that's who I'd put them on to, that's who's still doing the complaints right?

**MR. CHIPPETT:** Yeah, the minister, last year, actually added the Regional Service Board to the Office of the Citizens' Representative, act, the annex, in terms of who's affected by it.

**MR. K. PARSONS:** Yeah.

**MR. CHIPPETT:** That's why it's now under his jurisdiction.

**MR. K. PARSONS:** Yeah.

I know that there are a lot of requirements coming with the department and some of the deadlines are 2020 when it comes to municipalities and waste-water management. I know there's been a fine lot of money go out

and everything else. So where are with the municipalities on that?

**MR. JOYCE:** That's more of a policy question. We can go through the budget items, the Estimates.

**MR. K. PARSONS:** Okay.

Let's go to the salary line then.

**MR. CHIPPETT:** We spoke earlier about a couple of temporary positions that work concluded on. We announced last year that we were eliminating the limit of service policy for municipalities, which was a lean initiative in the department and, as a result, we no longer needed a computer programmer to oversee the limit of service policy. That's why we've got the \$65,000 decrease when it comes to the salary line.

**MR. K. PARSONS:** Okay.

I want to go to Grants and Subsidies. Again, can you let me know what's included here?

**MR. CHIPPETT:** What's included here is, this is the third year of the pilot with Regional Service Boards to fund regional operators for water and waste-water systems. So there are a number of communities in Eastern, Central and Western where we basically funded the Regional Service Board for a position, a vehicle and operating funds to work with those communities on improving the operations of their waste water and water systems.

**MR. K. PARSONS:** Okay.

**CHAIR:** Are you done?

**MR. K. PARSONS:** Yeah.

**CHAIR:** Ms. Rogers.

**MS. ROGERS:** Thank you very much.

3.2.02, (inaudible), can you tell me the variance and what it is?

**MR. CHIPPETT:** Sure.

This is Industrial Water Services, there used to be a lot of these in the province, that the province is responsible for, associated with fish plants and the like. One of the things you're seeing here is a decrease in revenue because we've been working to divest of these systems.

**MS. ROGERS:** Yes.

**MR. CHIPPETT:** So as we divest of them, obviously, there's less revenue. In this case, as well, there were some issues with collecting payments, so we may see an uptake in that revenue in '18-'19.

Overall, we're down to two systems that we remain responsible for. One is in New Harbour and one is Ramea. We'll always have the Ramea one because it would be very costly because of the type of system they need, given we're dealing with a saltwater environment and so on. It would be very costly to hand that over on a cost-recovery basis, so we will always likely have that as part of the department's operations.

**MS. ROGERS:** Then some of the entities where it was difficult to collect, is that being rectified or are payments coming in?

**MR. CHIPPETT:** We are trying to rectify that and it will likely be a part of the conclusion of divesting of the New Harbour system.

**MS. ROGERS:** Okay, thank you.

Municipal Debt Servicing, we see a variance there of a negative \$726,000.

**MR. CHIPPETT:** In 3.3.01 and the next heading, actually, in years past, before we started issuing infrastructure grants, the department would be a part of issuing loans to municipalities for infrastructure projects.

**MS. ROGERS:** Yes.

**MR. CHIPPETT:** So what this basically reflects is as we're paying down on those debts, the charges associated with them and the principal in the next line item are becoming less.

I think there are around 96 communities who are involved in these two line items. I think the year is 2023 when we're basically down to about

\$10,000 left on them. So it's a fairly steep decline in the next number of years. That's why there's a reduction.

**MS. ROGERS:** That's a good (inaudible).

**MR. CHIPPETT:** It is.

**MS. ROGERS:** Great.

Thank you.

3.3.04, Special Assistance. We see an increase in the revised amount. Can you tell us a little bit about what the Grants and Subsidies are for and why a big unanticipated jump?

**MR. CHIPPETT:** Sure. In terms of what Special Assistance is for, it's for emergency and small capital needs in municipalities. It could be a water pump, it could be an emergency repair to a road or to a sewer pipe or what have you.

In terms of the variance in this line item in terms of '17-'18, I mentioned earlier that we usually use savings or contingency fund for relocation. The relocation amount paid out for Snook's Arm is why you see the increase to \$4.3 million in the Revised.

The reason the '18-'19 estimate is lower than the original budget in '17-'18 is last year was the last year that there was a payment to Wabush as a grant in lieu for the closure of the Scully mine. So you see \$636,000 come out of our budget because of that.

**MS. ROGERS:** Thank you.

Community Enhancement, in '17-'18 we see an increase. There was \$400,000 not spent. Was there a particular reason for that?

**MR. CHIPPETT:** Sure. The cycle here is that sponsors apply for a project. They're provided funding for various eligible costs and to employ people to undertake the programs. Then as we get towards the last quarter of the year, in the fall you expect projects to conclude and there's a final report that is due.

When we get that final report, we review it to see if there are any penalties or compliance issues. We review it to see if everything that was

expended was expended on eligible activities. Because those reports can be late coming out and we have a holdback associated with each project, if everything is not in order we may not get all of that funding out in a given year.

**MS. ROGERS:** Yes. Would that be a few different projects or is that one main, large one?

**MR. CHIPPETT:** That would be a fair number of projects.

Heather, any idea what the number in a year project-wise would be?

**MS. TIZZARD:** For that \$400,000?

**MR. CHIPPETT:** Or for just general (inaudible) through CEEP.

**MS. TIZZARD:** Not off the top of my head –

**MR. CHIPPETT:** No? Okay.

It would be a large number of projects, though.

**MS. ROGERS:** When you look at this it's a pretty good completion rate, though, in terms of the amount of money that's allocated.

**MR. CHIPPETT:** We think so.

**MS. ROGERS:** Great. Yeah.

Thank you.

What kinds of projects would that cover, the Community Enhancement?

**MS. TIZZARD:** The projects are usually anything that enhances a community, basically. We like to see some of the projects take place outdoors but also have an indoor component. So you might see anything from generating recreational activities and programs to some minor infrastructure repairs, maintenance, some painting, repairs and upkeep.

Sometimes some small tourism structures are developed in the community; pathways, community centres, all that sort of thing that keeps people employed and enhances the community they're in.

**MS. ROGERS:** Great.

Thank you.

3.4.01 Municipal Infrastructure. In the revised amount we see a negative \$200,000 there.

**MR. CHIPPETT:** What line item? Sorry, I missed the line.

**MS. ROGERS:** That's okay.

3.4.01, under Municipal Infrastructure, Salaries.

**MR. CHIPPETT:** The decrease there is based on just recruitments associated with various positions.

**MS. ROGERS:** Okay.

The positions are staying vacant a little bit longer. Is that it?

**MR. CHIPPETT:** Yeah, basically, but the majority of those positions I'm sure would be filled in due course.

**MS. ROGERS:** Okay, thank you.

How many positions would that be, approximately?

**MR. CHIPPETT:** Vacant?

**MS. ROGERS:** I know initially, at the beginning there, we had a number of how many –

**MR. CHIPPETT:** I think there are six. Six of the original total would be vacancies here.

**MS. ROGERS:** Do you anticipate those being filled?

**MR. CHIPPETT:** Yes.

**MS. ROGERS:** Okay, thank you.

Professional Services, we see a drop from budget '17-'18 to budget '18-'19 of \$50,000.

**MR. CHIPPETT:** Professional Services there, part of the funding here was for the two RFPs that the department issued to review two

elements of the Waste Management Strategy. That's why the decrease, all that funding is not required in the upcoming year.

**MS. ROGERS:** Thank you.

Revenue from the province, we expect no revenue there. That revenue would come from?

**MR. CHIPPETT:** The answer to that one is very similar to the previous answer. There was \$100,000 provided by the Multi-Materials Stewardship Board towards those two studies on the Waste Management Strategy.

**MS. ROGERS:** Okay, thank you.

3.4.02, Federal/Provincial Infrastructure Programs. Grants and Subsidies, the revised amount is less \$15.1 million.

**MR. CHIPPETT:** The \$101 million down to the \$86 million and then the \$87 million, primarily reflects the progress of infrastructure projects. You would have a number of things going on in that number. As an example, there would be projects that would be stretched out for unknown reasons. If there's an issue with site work, as an example, you encounter something you don't expect, that funding would be carried forward to the next year.

If projects are starting – the new projects you're announcing – the year that you announce them in there's a very small cash flow. If there's a very short cash flow the year after you're into a full construction season, the number could go up. That's basically what you're seeing in that line item, is the variance in cash flows for infrastructure.

**MS. ROGERS:** Okay, thank you.

I would imagine that might be the same for the federal revenue line item, would it be?

**MR. CHIPPETT:** Exactly.

**MS. ROGERS:** Okay.

Thank you very much.

**CHAIR:** Minister.

**MR. JOYCE:** I don't know what the procedure is, but I see the Member for Mount Pearl - Southlands, I don't know if you're into it, but if you want to stay around after, if you could ask questions, we'll entertain a slot for the Member for Mount Pearl - Southlands, if you wanted to ask some questions because I know you're into municipal government. I don't know if you're a part of this or how this works now, but if you want to stick after and have a 15-minute slot to ask on the Estimates, we're more than open to allow that, if you want.

**MR. LANE:** Thank you, Minister.

Actually, what we've been doing with all the other Estimates, my colleagues here go twice and then I get once. That's what they've been doing.

**MR. JOYCE:** Okay, I wasn't sure.

**MR. LANE:** Yeah, I appreciate that.

Minister, I do have some questions, to be honest, but if we're just coming to the line-by-line estimates, I'll just let my colleagues carry on because the questions I had were more – you've been saying policy. I had just some questions about progress of the NEAR plan, *Municipalities Act*, cities act, the regional government – where we're moving with that – waste management, and a couple of questions about with the disasters and increasing the size of pipes and stuff like that, if we're not entertaining those type of questions –

**MR. JOYCE:** We're not.

**MR. LANE:** You're not, right?

**MR. JOYCE:** No.

**MR. LANE:** So I'll just let my colleagues carry on, anybody can ask these other questions and I can listen and write in the variances and stuff.

**CHAIR:** Okay, thank you, Mr. Lane.

Mr. Parsons.

**MR. LANE:** Mr. Parsons, go ahead.

**MR. K. PARSONS:** I don't know if you're going to answer it or not, but under section 3.2.01, and I think this is where a lot of the boil-order advisories and stuff like that are –

**MR. JOYCE:** Pardon me? One second now.

**MR. K. PARSONS:** Okay, section 3.2.01, Municipal Infrastructure and Waste Management.

**MR. JOYCE:** 3.2.01, yes.

**MR. K. PARSONS:** I'm just wondering, under this section I know there are a lot of boil orders in the province, and I'm just wondering where they're to, where the money is that we put into boil orders and stuff like that, and how's it working, basically.

**MR. JOYCE:** Well, we'll explain what money we've got into it, but we're not getting into the policy of –

**MR. K. PARSONS:** Okay, yeah.

**MR. CHIPPETT:** So this section we talked earlier about the \$232,500.

**MR. K. PARSONS:** Yeah.

**MR. CHIPPETT:** So that's in part directed to address boil-water advisories. Often there's an operational component to why there is a boil-water advisory, so assisting smaller municipalities who could not afford to employ an operator by granting money to have the regional service board employ a regional operator, that's a component.

The other place you would see budgeted along this would be later on in the Water resources section of the Environment part of the department.

**MR. K. PARSONS:** Okay.

Let's go to Infrastructure, section 3.4.03, the first line, can you just give us the variances on the Salaries on here please?

**MR. CHIPPETT:** 3.4.03, right?

**MR. K. PARSONS:** Yes, Canada/Newfoundland gas tax.

**MR. CHIPPETT:** This is the administration of the federal gas tax program and the variances there are primarily related to step increases for the individuals in that division.

**MR. K. PARSONS:** Okay.

Under Transportation and Communications, I know that you're gone back to the budgeted and estimated this year but why is the revised – what's the variance there? The revised is \$6,000.

**MR. CHIPPETT:** The \$6,000 was just a result of reduced travel in that division.

**MR. K. PARSONS:** Okay.

What's included in the Professional Services line there, and why is it more this year?

**MR. CHIPPETT:** I know generally there was some shifting of funding within the line items here to better reflect our zero-based budgeting submission.

**MR. K. PARSONS:** Okay.

**MR. CHIPPETT:** Professional Services, I'm thinking it might be for auditing and those types of things.

**MS. TIZZARD:** And some work we were looking at doing with respect to some asset management work with municipalities.

**MR. K. PARSONS:** Okay.

Just a general question for Purchased Services: What other services would you need here on that line also?

**MR. CHIPPETT:** Could you tell me the line item again?

**MR. K. PARSONS:** The line item is Purchased Services and I just want to know what's included. There is a little small variance, but I'm just wondering why it's \$3,500 revised.



**MR. CHIPPETT:** You'd be thinking about things like equipment rental, copiers and so on in that line item.

**MR. K. PARSONS:** Okay.

On the Grants and Subsidies, why the variance in this line and what's included in it?

**MR. CHIPPETT:** This is not unlike the answer to the infrastructure cash flow variances. The difference here is that there are accountability requirements for municipalities when they submit. The first thing they need to do is submit a capital investment plan. That capital investment plan is reviewed by staff for eligibility and so on. Sometimes those plans don't come in, or they don't come in on time or there are issues with them that require back and forth with the community. That's part of what would impact how much money goes out the door.

The second piece is there are accountability requirements that municipalities have to meet in terms of final reports and so on. It's really a variance based on those initiatives or those issues. Then in terms of the amount being higher again in '18-'19, it's really the carryover of that funding. This is really we're doing a flow-through function on behalf of the federal government, so we have the staff but the revenue covers the staff and the revenues flow through us to municipalities. We always get that money in the following year because it's stipulated in the agreement that we'll get the overall allocation for the province.

**MR. K. PARSONS:** Okay.

Go to section 3.4.04, Grants and Subsidies: How many applications did you get last year?

**MR. CHIPPETT:** I don't know that number right off the top of my head. I know that it drastically – it outpaces the budget every year.

Minister, I don't know if you recall the number of fire and emergency applications we had this year?

**MR. JOYCE:** There were hundreds of applications and also this here includes the fire

trucks itself. I think we have 70, 72 or something for fire truck applications.

**MR. K. PARSONS:** Seventy-two for the fire trucks?

**MR. JOYCE:** Yeah.

**MR. K. PARSONS:** Okay.

How many fire trucks did we have approved last year?

**MR. JOYCE:** Seven?

**MR. CHIPPETT:** Seven.

**MR. K. PARSONS:** Seven, okay.

Is that a reduction? That's a good reduction though in what we've done in the last number of years, isn't it? With the –?

**MR. JOYCE:** No, the year before we did the same amount, but just two years prior I think there was an increase in funding up to \$5 million to give out 20 a year or something.

**MR. K. PARSONS:** Okay, all right.

The new cost-sharing ratio with the program – like with municipalities, you know how we discussed it before – so under this there are still basically the same amount of applications that we're getting regularly.

**MR. JOYCE:** There's no decrease in the applications and the funding.

**MR. K. PARSONS:** Okay. That's all I have on the line-for-line items.

**CHAIR:** Ms. Rogers.

**MS. ROGERS:** Under 4.1.01, Pollution Prevention, page 17.15, we see a revised reduction in '17-'18 of \$66,000 in Salaries.

**MR. CHIPPETT:** There was a salary continuance for one person, but there were also vacancies that have since been filled.

**MS. ROGERS:** Okay. Thank you.

In Professional Services we see an increase. What kinds of professional services would be included there and what is the big increase expected for?

**MR. CHIPPETT:** The Professional Services here are primarily associated with either a contaminated site assessment or cleanup. In the instance you referenced with the increase to \$518,000, a number of the midline radar sites in Labrador, we're working on a fairly significant intergovernmental agreement with the federal government to clean up those sites. But a prerequisite to that agreement is actually doing formal site assessments on the sites.

You see the \$518,000 in our line item. The federal government has also committed, on their own, to spend another \$500,000. So it's going to be about a million dollars' worth of assessments done which hopefully will contribute to a very successful intergovernmental agreement.

**MS. ROGERS:** Okay. Thank you.

There's a variance there in the provincial revenue. Is that also related to MMSB?

**MR. CHIPPETT:** The revenue here is related to approvals that this division would give to industry primarily, or fees for various services that the department provides. Some examples of that: If you're looking for a property search – you're going to buy a property, you want to know whether or not there's been a spill on it or there are any environmental orders around it – there's a fee for that. For example, the refinery has a five-year certificate of approval and it's renegotiated at the end of the five years. There's a charge for that.

The reason you see the increase in '18-'19 is we're just aware of some significant kind of renewals that are coming up. We predict it will be somewhere in the order of \$263,000 that you see there.

**MS. ROGERS:** What would those be? In what area are the renewals?

**MR. CHIPPETT:** I guess the biggest example would be the refinery. There are other services the department does as part of an intergovernmental arrangement. For example,

we have staff who are accredited from a lab certification perspective. As a part of our involvement in the federal-provincial network, we provide laboratory inspections on behalf of the national accreditation group. I think we do them for the City of St. John's, potentially Nalcor; there are two or three big ones anyway. I think they're \$20,000 each or something like that.

**MS. ROGERS:** Thank you.

Water Resources Management, 4.2.01, under Salaries we saw an increase there of \$249,000 and that's being maintained.

**MR. CHIPPETT:** We spoke, I think, under the financial administration heading earlier, the General Administration heading for the department, that we had re-profiled some funding from there.

**MS. ROGERS:** Yes.

**MR. CHIPPETT:** When I referenced to maintain a position in a different part of the department it was actually in this part of the department. It was geared towards some of the places you'll see increased funding in these line items, primarily toward flood-risk mapping. That's a part of it. There are no vacancies here, so we've filled any vacancies that we've had as well.

**MS. ROGERS:** Great. Thank you.

Under Professional Services we see an increase there. Can you tell me what you expect there?

**MR. CHIPPETT:** Sure.

**MS. ROGERS:** Thank you.

**MR. CHIPPETT:** There are two or three different things going on there. The biggest thing is related to a million dollars for flood-risk mapping for the Lower Churchill River for Mud Lake and Lake Melville. We're working on an intergovernmental agreement with the federal government for new updated flood-risk maps for a couple of significant areas in the province.

We're also working on mapping. We call it inundation mapping. Basically what it is, if a

municipality has a water supply with a dam, obviously, one of the pieces of due diligence you would do is ensure you understood how a failure in the dam could impact the area. This inundation mapping is another project we're working on there. We've managed to obtain some new funding to do those pieces of work.

**MS. ROGERS:** Okay. Thank you.

The \$1 million for flood-risk mapping includes Mud Lake and a few other areas? What were the other areas again?

**MR. CHIPPETT:** Yeah, the other areas are still under discussion with the federal government. We've got a number of proposals with them, but given the priority placed on Mud Lake and Lake Melville, the province is proceeding to make sure that work gets done quickly.

**MS. ROGERS:** What's the timeline expected for that?

**MR. CHIPPETT:** We expect to have it all done within this fiscal year. The goal is to have it done before we get into spring and ice breakup next year.

**MS. ROGERS:** Okay. Thank you very much.

If we moved on to Environmental Assessment, 4.3.01, we see a drop in Salaries of \$92,000. Then there was –

**MR. CHIPPETT:** So the –

**MS. ROGERS:** Sorry.

**MR. CHIPPETT:** The drop in salaries there, you see it went up initially because of salary continuance in the revised number. There was also a fair amount of overtime associated with one of our environmental monitor positions.

One of the things that government stipulated with the third transmission line being built to come into the Avalon was that there be an environmental monitor in place for the part of the construction that occurred within the Bay du Nord Wilderness Reserve. That's why you see it go to the \$973,000.

Then, part of what you're seeing in the '18-'19 number is a reduction in funding associated with a position that was monitoring construction of the Labrador-Island Transmission Link Project. That project now has been completed; there's no need for that monitor right now. But when decommissioning and a few things like that happen, we'll probably put somebody back in. That's why there's a decrease.

**MS. ROGERS:** Were there any reports that came out of that position, in the environmental monitoring?

**MR. CHIPPETT:** There were regular reports. The person spent basically, I would think, a very high percentage of their time on the ground. So there's any number of reports, inspections and so on that were done.

**MS. ROGERS:** Okay.

And those are available in public?

**MR. CHIPPETT:** I don't know if we put them out there publicly, but I don't see why we wouldn't.

**MS. ROGERS:** Thank you.

Transportation and Communications, significant reduction there for the percentage there, in the revised amount.

**MR. CHIPPETT:** I wasn't sure if there was a restatement like in some of the other items; I didn't think there would be. So it was just a reduced amount of travel required.

**MS. ROGERS:** Okay, thank you.

Climate Change, if we can move on to that, 5.1.01 and we see a reduction there of \$206,000 in Salaries.

**MR. CHIPPETT:** I mentioned earlier that Climate Change came into the Department of Municipal Affairs and Environment in August of 2017.

**MS. ROGERS:** Yes.

**MR. CHIPPETT:** The biggest difference in those numbers is the assistant deputy minister

and her administrative support position would actually be up in one of the first headings we actually discussed, which is the Executive Support line. That's why that number is lower; their salaries are moved to that other part of the department.

**MS. ROGERS:** Okay, great. Thank you.

Professional Services, we see nothing estimated for this year.

**MR. CHIPPETT:** There were specific projects that were funded through last year's Professional Services. A couple of examples: We had our climate change projections revised, you do that every so often; we had Engineers Canada run a workshop for engineering professionals in the province to talk about and provide some training on the integration of climate change modelling projections, and so on, into infrastructure design. In our zero-based budgeting we had identified those things the year before.

There's no funding there now but we would look to fund anything specific that came up through savings in other parts of the department, but there's nothing specifically identified right now.

**CHAIR:** Mr. Petten.

The time has expired.

**MR. PETTEN:** Thank you.

Under 4.2.01, Water Resources Management – I'm not sure if my colleague asked this or not, but the Purchased Services line, fluctuation of –

**MR. CHIPPETT:** Purchased Services?

**MR. PETTEN:** It's up to \$825,000 this year, from \$254,000.

**MR. CHIPPETT:** The \$825,500, is that –?

**MR. PETTEN:** Yes.

**MR. CHIPPETT:** The Purchased Services, a couple of things going on there as well. Government announced in February that we had increased the number of monitoring sites on the Churchill River, so a portion of that funding is related to that. Then a portion of the provincial

revenue as well, because Nalcor pays for the stations –

**MR. PETTEN:** Right.

**MR. CHIPPETT:** – but they are run and monitored and the data collected by our staff in Water Resources – not unlike what we do with a lot of other large industrial proponents. There is some operational funding in here as well, in terms of imagery that the department needs to acquire to do flood forecasting and ice monitoring for Lower Churchill. So satellite imagery, for example, from C-CORE, not unlike what we get for Badger – and I think you'd be familiar with the model in Badger. Similarly, we need to be able to acquire that ice imagery from C-CORE for the Lower Churchill River.

**MR. PETTEN:** Okay.

**MR. CHIPPETT:** So that's the increase in that line.

**MR. PETTEN:** So this federal revenue line there, federal and provincial, what's included in these?

**MR. CHIPPETT:** So the federal \$490,000 reference there, that's the anticipated funding for cost-sharing flood risk mapping in other areas. I mentioned on the Mud Lake stuff, given the timelines involved and priority on it, we're doing that one ourselves, but that's to cover half of the flood risk mapping studies and so on that we hope to do on the Island.

**MR. PETTEN:** So the provincial portion is for the same –?

**MR. CHIPPETT:** It's a 50/50 split under the National Disaster Mitigation Program.

**MR. PETTEN:** Okay.

4.2.02, Transportation and Communications – not a big decrease, but is there any reason why?

**MR. CHIPPETT:** So the Water Quality Agreement is what we call a programmed budget area. Basically there has been money moved around in several areas here to line up with the zero-based budget submission for this group. So you can imagine if you're measuring

water quality, supplies, it varies from year to year. You might buy a new piece of equipment one year, from a testing perspective, a higher quality probe; the following year, you wouldn't need to buy it. So it's basically money moved around within that line item.

**MR. PETTEN:** Okay.

And what about federal-provincial revenue there as well?

**MR. CHIPPETT:** So the provincial revenue is primarily driven – I'll start with federal revenue. So water quality is managed, or monitored rather, not only by the department in drinking water supplies, but in a subset of lakes and ponds in the province. So the ambient water quality in those are measured. The federal government is also interested in that data, so they cost share that monitoring with us.

In terms of the revenue from a provincial perspective, it's really 35 stations that we have in various areas of the province to monitor industry. Some examples: Deer Lake Power, Long Harbour, Tata Steel, any mining project, really. This is where, again, we operate and monitor, but they have certain commitments, including financial. So that's the provincial money that comes into the province.

**MR. PETTEN:** Okay.

Purchased Services, what would be included in Purchased Services – this division?

**MR. CHIPPETT:** So Purchased Services – I'll just give you some examples from our zero-based budgeting. Lab analyses – I should have known that without having to look – the lab analyses piece of it. So if you're collecting samples in certain areas or whatever, there are fees in terms of having those samples analyzed at a lab. So that's the majority; there may be rentals in terms of storage units, or boat rentals in a certain area. So basically, your general areas.

I would note there's a training and development component as well. Obviously, staff are working around water and sometimes fast-moving water, so there's a component there for training as well.

**MR. PETTEN:** Okay.

Under 5.1.02 – this is a new section, of course. What are the revenue lines? What is the full – I suppose really the Grants and Subsidies and the federal revenue. What's this? Can you offer some details on that?

**MR. CHIPPETT:** Sure. As a part of the pan-Canadian framework on climate change, the federal government released the details of a low carbon economy fund. There's a base-plus per capita allocation for every province. In Newfoundland and Labrador that allocation is \$44.7 million.

What this is – I will just run down through each line item. In Salaries, the \$300,000 is the per cent we use from that funding to administer the fund. When you include the provincial matching portion over four years, it's nearly \$90 million. So the reason these numbers are not of that scope is because it's the first year of cash flows.

We're working right now to finalize the agreement with the federal government and we've got numerous proposals with them that would target various segments of the population or the economy to assist with transitioning to a low carbon economy.

**MR. PETTEN:** The Grants and Subsidies, who would receive those?

**MR. CHIPPETT:** Without the proposals approved, I'm hesitant to speak to the specifics.

I'm just thinking about the proposals, it could be individuals, it could be companies and the kinds of things we've been talking about, include energy efficiency, obviously, not only from a homeowner perspective, from a transportation industry perspective. So numerous different segments of the population would benefit.

**MR. PETTEN:** 5.1.01, Climate Change. Forgive me if I missed it because I was (inaudible) my colleagues were asking.

Grants and Subsidies, there's a big increase of a million dollars. What is the reason for that?

**MR. CHIPPETT:** This is a program that was announced in October, the Energy Efficiency

Loan Program. This is where people can go to look at energy efficiency upgrades. Really, the primary interest is around heat pumps and so on.

It was launched in October, which was a little bit beyond normal construction season and when people are doing renovations and so on. The uptake was lower than we expected, and we see the \$225,000 that was spent, but we've got the full year now, and there was an increase of a million dollars in the budget.

**MR. PETTEN:** This will be a year-over-year thing, or is that decided each –

**MR. CHIPPETT:** I think it's – how long does the 1.5 continue for, Gerald?

So this year and next year is the time frame so far.

**MR. PETTEN:** Okay, thanks.

**CHAIR:** Ms. Rogers.

**MS. ROGERS:** If we go back to Climate Change 5.1.02. When do you see that up and running?

**MR. CHIPPETT:** Some time this fiscal year.

In terms of the steps we'd have to take, number one is sign the agreement. We've got some basic program design done in terms of the segments of the population we want to target and generally how it would assist in reducing greenhouse gases and so on, but we would have to do the detailed program design, logistics around application processes and so on.

That's the work that remains to be done, but certainly our goal is to get to the point where we're obviously spending some of that money in this fiscal year.

**MS. ROGERS:** Okay, thank you.

For the Climate Change Action Plan, can we get an update on the work that's being done there?

**MR. CHIPPETT:** Sure. The department's been through a significant interdepartmental consultation process, because obviously there will be commitments that pertain to different

areas of operation for government, but also a very significant consultation process with industry. So we anticipate the release of that plan in the fairly near future.

**MS. ROGERS:** Okay, thank you.

And that will also include the province's approach to carbon tax and what we're going to do as a province in that area?

**CHAIR:** Minister.

**MR. JOYCE:** Once again, that's policy. We're going through the budget items here.

**MS. ROGERS:** Okay.

Thank you. I have no further questions. Thank you very much.

Thank you very much for answering the questions we were able to ask, and we appreciate that. Thank you for your time.

**CHAIR:** Mr. Petten.

**MR. PETTEN:** Yes, the same here. I just want to thank you for your answers and the staff for your time.

Thank you very much.

**CHAIR:** Okay. Since there are no further questions, I now ask the Clerk to recall 1.1.01.

**CLERK:** 1.1.01 to 5.1.02 inclusive.

**CHAIR:** Shall 1.1.01 to 5.1.02 inclusive carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, subheads 1.1.01 through 5.1.02 carried.

**CLERK:** Total.

**CHAIR:** Shall the total carry?

All those in favour, 'aye.'

**CHAIR:** Thank you so much.

**SOME HON. MEMBERS:** Aye.

On motion, the Committee adjourned.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, Department of Municipal Affairs and Environment, total heads, carried.

**CHAIR:** Shall I report the Estimates of the Department of Municipal Affairs and Environment carried without amendment?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, Estimates of the Department of Municipal Affairs and Environment carried without amendment.

**CHAIR:** We have minutes from the last meeting that we need to pass.

I call for a motion to approve the minutes from the April 17 meeting.

**MR. WARR:** So moved.

**CHAIR:** Mr. Warr.

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, minutes adopted as circulated.

**CHAIR:** The next meeting for the Social Services Committee will on the evening of April 25.

I now ask for a motion to adjourn.

**MR. A. PARSONS:** So moved.