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Speaker: Honourable Ross Wiseman, MHA

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The House met at 1:30 p.m.

MR. SPEAKER (Wiseman): Order, please!

Admit strangers.

Statements by Members

MR. SPEAKER: Today we are going to have members' statements from the Member for the District of Virginia Waters; the Member for the District of St. Barbe; the Member for the District of Conception Bay East – Bell Island; the Member for the District of Port au Port; the Member for the District of Bonavista South; and the Member for the District of Cartwright – L'Anse au Clair.

The hon. the Member for the District of Virginia Waters.

MS C. BENNETT: Thank you, Mr. Speaker.

I rise in this hon. House today to recognize MacMorran Community Centre, celebrating thirty years of providing outreach to the surrounding community.

This centre, in its early days known as the Brophy Place Community Centre, was nurtured by many community builders, such as St. Pius X Church and Brother Jim McSheffrey. As a resident of Brophy Place, Brother McSheffrey discovered a small community within St. John's in which residents were mobilized by his genuine care and passion for them.

The most recent building was constructed as a result of partnership between municipal, provincial, and federal governments at the time, more than thirteen years ago. While the building replaced the original blue house, it is the volunteers, staff, board, and families who are the true reflection of the passion for community and home that MacMorran Community Centre has become known for over the decades.

The centre prides itself on five promises for youth: caring adults, safe places, effective education, a healthy start, and opportunities to help.

Mr. Speaker, I ask all hon. members to join me in congratulating the dedicated staff and

volunteers of the MacMorran Community Centre on thirty years, and best wishes for many more.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. BRAZIL: Thank you, Mr. Speaker.

Mr. Speaker, I stand to recognize a group of young men and women in my district who this week will be presented with the First Place Award in the student class category for the 2014 World Oceans Day Art Contest.

Mrs. Brazil's Grade 3 class – no relation – of St. Augustine's Elementary School on Bell Island were selected from the 126 classes who submitted entries. Along with the class award, Grade 3 student Eva Cobb received an honourable mention for her art work – out of the 217 entries received for Grade 3 students.

World Oceans Day is a perfect opportunity for the people of Newfoundland and Labrador to reflect on what the ocean really means to this Province.

There was a great response from students from Kindergarten to Grade 6 to the annual World Oceans Day Art Contest. This year, students were asked to draw a picture that best illustrates the 2014 theme: What do you love about the ocean?

Mr. Speaker, I want to congratulate Mrs. Brazil's Grade 3 class students, consisting of: Riley Bickford, Spencer Cimbron, Eva Cobb, Olivia Durdle, Emma Hawco, Jennae Hussey, Tyler Kent, Kianna McGrath, Brady McLean, Chenille Mitchell, Megan Parsons, Ashton Power, Malachi Sheppard, Cole Whalen, Ryan Whelan, and Hope Young.

Please join me in congratulating St. Augustine's Grade 3 class on their award.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. CORNETT: I rise today in this hon. House to recognize and congratulate all of the Level III students in the District of Port au Port.

Mr. Speaker, during the past three weeks, the graduating students of Stephenville High, Piccadilly Central High, and École Sainte Anne have had the opportunity to celebrate the many years of memories and experiences that moulded their lives. This is an important milestone – one that will lead them to new and exciting experiences as they prepare to either enter the workforce or continue on to post-secondary studies.

Mr. Speaker, these schools have prepared the students well for a world of opportunities – and as it turns out, many of those opportunities are right here in Newfoundland and Labrador. The Government of Newfoundland and Labrador recognizes the value of post-secondary education for students, their communities, and the economy of the Province. Our goal is to have more students pursue a post-secondary education and encourage them to stay here in Newfoundland and Labrador, where their talents and skills will play a role in the Province's future success.

Mr. Speaker, I ask all hon. members to join with me in congratulating these leaders of tomorrow and wish them good fortune with their future endeavours.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. CROSS: Thank you, Mr. Speaker.

I am proud to stand in my place today and thank the classes of 2014 at Riverwood Academy in Wing's Point, and Pearson Academy in New-Wes-Valley for their gracious invitations to share in their ceremonies.

Both gymnasiums were exceptionally and thematically transformed to: A Moment Frozen

in Time and An Evening in Paris, respectively. Both ceremonies were precluded by an inspirational ecumenical service in churches filled to the maximum capacity as their communities expressed collective support.

Student tributes were filled with thanks for the supporting roles of educators, parents and the community as a whole, which lends credence to the African proverb: It takes a village to raise a child. The ceremonies were exuberant with thanksgiving and confident of future success.

In his valedictory address, Pearson Academy's Douglas Gibbons quoted Dr. Seuss "You have brains in your head. You have feet in your shoes. You can steer yourself in any direction you choose". His thesis recognizes the cumulative efforts of student, parent, teacher and staff members to prepare our graduates for the challenge of life.

Let me express our united wish for the graduates of Riverwood and Pearson Academies and, of course, all Newfoundland and Labrador graduates this year from Cape Chidley to Cape Race and Cape Ray, that success follows them regardless of the direction they choose.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. J. BENNETT: Thank you, Mr. Speaker.

I rise today to pay tribute to Shirley Montague, one of our finest musicians, and the driving force behind the renowned Trails, Tales and Tunes music festival held every May in Norris Point, Gros Morne National Park.

Shirley, who describes music as second nature in her family originated from North West River, Labrador. Shortly after moving to Norris Point with her husband, Dr. Terry Delaney, Rural Physician of the Year for 1998, she automatically became actively involved in the community.

One such contribution, beginning in 2007 and still going strong, is Trails, Tales and Tunes, a

music festival created, in part to jump start the tourist season and showcase the culture and beauty of Gros Morne. Serving as artistic director, it was no surprise that Shirley, who credits her committee members with its success, was one of the key players.

Although she plans to remain involved, Shirley has asked to be permitted to retire as artistic director, and is thrilled to be succeeded by musical genius, Daniel Payne.

Mr. Speaker, I ask all members of this hon. House to rise and join me in paying tribute to Shirley Montague.

SOME HON. MEMBERS: Hear, hear!

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

MS DEMPSTER: Mr. Speaker, I rise in this hon. House today to recognize Olive Penney of Charlottetown, a woman who had a dream and a passion to help people. When she was nineteen years old she did a short course in Swedish Massage Therapy through Public Health. This sparked her interest in this field. However, it would not be until more than two decades later that she would realize her dream.

In 2011, after being out of school for twenty-four years, she packed up her family of six and relocated to St. John's for post-secondary schooling. She worked extremely hard, and received the Most Outstanding Student Award, and is now a registered massage therapist. In March, Olive opened the doors of Pathway to Healing.

She is the only registered massage therapist in the District of Cartwright – L'Anse au Clair. The response is excellent; people are elated to choose this form of therapy over pills and other medicine where possible.

If you are in the area this summer I encourage you to get off the Trans-Labrador Highway and get on the pathway to healing, you will be happy you did.

Mr. Speaker, I ask all hon. members to join me in recognizing Olive Penney of Charlottetown, a

shining example that you are never too late to pursue your goals.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Statements by Ministers.

Statements by Ministers

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

SOME HON. MEMBERS: Hear, hear!

MR. O'BRIEN: Mr. Speaker, I rise today to speak about the Kami Iron Ore Project in Labrador West, and provide detail on how the project's landmark benefits agreement supports employment and training of apprentices.

In 2014, we are training and advancing more apprentices to become journeypersons than ever before. Since 2007, we have more than doubled the number of journeypersons certified annually – in 2013, 734 journeypersons were certified and we are well on our way to exceeding that number for this year.

This partnership commits to 15 per cent of the skilled trades workforce to be apprentices during construction and 25 per cent to be apprentices during the operations phase. This will have a significant impact on our advancement of apprentices in the coming years. Kami project employment and training opportunities will also assist in ongoing efforts to support displaced workers impacted by the idling of the Cliffs Natural Resources mine in Wabush.

Increased opportunities for apprentices from the Kami project also support the Atlantic harmonization of apprentices' initiative, which took another step forward with the signing of a Memorandum of Understanding by the Council of Atlantic Premiers on May 26. When completed, this project will help harmonize training, certification and standards throughout the Atlantic Provinces, leading to increased availability of training, higher apprenticeship completion rates, and increased labour mobility for apprentices within the region.

Mr. Speaker, the Kami project benefits agreement builds on our continuing success and support for apprentices as they advance on their path to becoming journeypersons. This government has been preparing and investing for several years to meet the growing demand for skilled labour. The Skills Task Force Report, *All the Skills to Succeed*, released in May 2007, provided guidance in meeting the skill requirements of our current and future large-scale development projects and in improving apprenticeship programs and journeyperson opportunities. To date, the provincial government has committed over \$100 million in funding to support initiatives outlined under the Skills Task Force Action Plan, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MS DEMPSTER: Thank you, Mr. Speaker.

I thank the minister for an advance copy of his statement. While we have yet to see the benefits agreement for the Kami Iron Ore Project, we are encouraged by Alderon's commitment to having 15 per cent of the skilled trades workforce be apprentices during construction and 25 per cent during operations.

For years now, our apprentices have been stalled in their plans of training. One of the glaring gaps in opportunities has been including a provision for apprentices in these and other projects. Alderon has also set employment equity targets and these targets, as well as those around apprentices, have to be monitored closely, Mr. Speaker, to ensure targets are being met.

Mr. Speaker, I can speak to what is happening on the ground in my district. Muskrat Falls is being touted as a project that will benefit the people of Labrador providing 5,400 person years of direct employment in Labrador during construction, yet people in my district are with skills but are without work. I hear from them every single day.

The lack of employment counselling, particularly in rural and remote regions, is a major barrier to finding work on such

megaprojects. There are many pieces to this puzzle and employment target monitoring in conjunction with employment counselling are crucial.

In closing, we look forward to reading the benefits agreement, as we also look forward to updated labour market projections to replace government's current outdated information.

Thank you.

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

SOME HON. MEMBERS: Hear, hear!

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

I, too, thank the minister for the advance copy of his statement. As we said the other day when we had the announcement with regard to the agreement between government and Kami, that I am delighted to see what is being done to advance more apprentices to journeypersons. I am very pleased with where things have gone at the moment, there is no doubt.

We do have a challenge to make sure that we are getting a wider diversity of young people into school and training so that they can become apprentices and enter into the program. It is now time for government, I think, to revisit their short-term brutal budget cuts in 2013 to the college system, which has done great damage, and to really evaluate what is going on with regard to our ability to train younger people in skilled trades.

I would like to see a more formalized plan from government to know how they are going to move forward with regard to that training so that these younger people can enter into apprenticeships and then on to being journeyed. There is plenty of time, Mr. Speaker, since Alderon does not even have its funding in place yet.

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

SOME HON. MEMBERS: Hear, hear!

MR. KING: Thank you.

Mr. Speaker, I rise today to acknowledge the provincial government's continued support for a program which, for thirty-two years, has provided thousands of young Canadians, including those from Newfoundland and Labrador, with a unique and exciting opportunity to learn about their country.

Encounters with Canada, is our country's largest national youth forum. This bilingual program gives youth aged fourteen to seventeen, from different backgrounds and regions, the opportunity to travel to the Terry Fox Canadian Youth Centre in Ottawa, where they get to know one another, discover their country, and gain a better understanding of Canada's institutions.

Mr. Speaker, from September to May of each year, about 3,000 students from across the country participate in this program. They spend a week in the nation's capital, experiencing a number of activities that promote youth leadership, citizenship, and engagement. They participate in hands-on workshops and presentations, get the opportunity to meet famous and accomplished Canadians, and explore future career options.

This year, the Department of Education is providing \$21,200 to enable 212 high school students from Newfoundland and Labrador to participate in Encounters with Canada. We are proud to continue to support a program that not only enhances the curriculum in our schools, but it opens minds, inspires leadership, and presents new opportunities to young Canadians.

Mr. Speaker, over the past thirty-two years, 96,000 young Canadians have participated in this exceptional learning experience, and I have no doubt the students from this Province who participate in Encounters with Canada during this coming school year will come home describing it as an unforgettable and rewarding experience.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. KIRBY: Thanks to the minister for an advance copy of his statement.

I am happy to stand in response to the minister's statement, and not just because I am his official critic. It is also because I am one of the 96,000 Canadians who have participated in the Encounters with Canada program. So I have some first-hand knowledge about how unforgettable and rewarding this program is for its participants. The week I attended, back in 1987, the theme was science and technology, and over that week we were introduced to some of Canada's foremost scientists in the areas of chemistry, physics, and other areas.

One of the days, we had front-row seat to an introduction to how Canadian achievements in robotics and technology had propelled the Canadarm into space as part of the US Space Shuttle program. We visited Parliament Hill, our Supreme Court, the Canadian Museum of Civilization, and learned a lot about our shared history, culture, and language in Canada. During our stay at the Terry Fox Youth Centre in Ottawa, I gained a new-found appreciation for how a young man with critical illness could raise us all up above our petty differences so that we might see our common good.

There is a lot more I could say about the Encounters with Canada program, and it is all good, Mr. Speaker. I applaud government's continuing investment in the young Newfoundlanders and Labradorians who have the good fortune to take part in it.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

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

I, too, thank the minister for an advance copy of his statement. It is wonderful for these 212 students to be involved in this national program, and I commend the many retired teachers who have donated their time and skills to accompany the students to Ottawa over the years. It certainly is a worthwhile investment for this

government to be making, and I would hope that we would continue doing it.

It is truly a once in a lifetime opportunity for students to visit Parliament and museums, tour the national capital, and the ten cultural events. They also received educational modules on topics such as official languages, youth engagement, peace in Canadian history, as well as a career exploration program. The Encounters with Canada organization encourages schools to provide opportunities for returning students to share their experiences through assemblies, class presentations, and so on. No doubt, some schools do that, and I hope they all do, Mr. Speaker.

Thank you very much.

MR. SPEAKER: Oral Questions.

Oral Questions

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

MR. BALL: Thank you, Mr. Speaker.

The levels of ice blocking fishers from harvesting the resource this spring is unprecedented and many families are now struggling with limited income. We have been asking this government to take action on this issue for months, but we have yet to see any results. The federal Minister of Fisheries has failed to get involved.

Now that the Premier is seeking a meeting with the Prime Minister, I ask the Premier: Will you get the Prime Minister involved in this issue?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER MARSHALL: Mr. Speaker, I am certainly prepared to ask the Prime Minister to get involved in this issue. I cannot get him to get involved. The federal government has their jurisdiction under the Constitution of Canada. It is easy to get up and say that they should be doing their job better, but we have to concentrate more on what is under our jurisdiction and do the things that we can do.

I have asked to speak to the Prime Minister on the shrimp quota issue. I will certainly be happy to raise that with him. I also want to talk to him about marine safety, and I want to talk to him about a commission looking into Aboriginal women and girls. They are the topics I want to raise with the Prime Minister.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

Well, this is a growing concern in many of our rural and coastal communities right now. Time is extremely important right now.

I ask the Premier: Will you at least get your own provincial department involved so we can get some aid to those many families who are in dire conditions right now?

MR. SPEAKER: The hon. the Minister of Fisheries and Aquaculture.

SOME HON. MEMBERS: Hear, hear!

MR. HUTCHINGS: Thank you, Mr. Speaker.

Mr. Speaker, we continue to monitor this very important issue in regard to those families who are affected by this. It is certainly unprecedented; it has been over twenty years, I think, since we had ice conditions similar to what we are seeing this year.

Again, we want the federal government to engage here, to get involved in regard to helping out as they did in 1999 and 2007. There is an obligation on them to do that. As the Premier has indicated, he is following up with the Prime Minister to certainly see that we get this and other issues that are so important to us in relation to the fishery resolved, and resolved very quickly, Mr. Speaker.

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

MR. BALL: Thank you, Mr. Speaker.

Well, I will say to the minister that monitoring this issue is really not paying the bills of the families who are facing such financial crisis right now.

Mr. Speaker, one of the government's main arguments about the Muskrat Falls Project was the closure of the Holyrood Generating Station in 2020; however, last month the Premier would only say that it would be closed in a reasonable time. We know that Nalcor is doing a life extension study on the plant.

I ask the Premier: If you plan to close the plant by 2020, why is Nalcor currently doing a life extension study?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, it has always been a part of the plan as we develop Muskrat Falls – a very important project for the future of Newfoundlanders and Labradorians and particularly around the supply of energy, but built into that obviously a transition period as well.

Mr. Speaker, part of that transition period will be the evaluation of current assets. Built into that will be current asset management as well so that as we move from an isolated system to an interconnected system, we want it to be seamless; but at the same time to ensure that the new system is fully functional, operational, and meeting the requirements as expected.

Through that whole process, it will be imperative that Newfoundland and Labrador Hydro and Nalcor ensure that the people of the Province still have power and that part of that power will be supplied by Holyrood. It is important that we make sure that will be available for the transition.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

Despite the fact that government says that it will close the Holyrood plant in six years, Nalcor has now hired a consultant to review the plant's fuel system and equipment design. The report is due at the end of this year and comes after Nalcor is already on the record as saying that they received poor quality fuel in January and February of 2013. This dirty fuel has caused at least \$1 million in damage.

I ask the Premier: Since the dirty fuel was discovered in early 2013, will you now have a plan to put in place by the end of this year? Why is it taking almost two years to get this plan in place?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, it has been acknowledged by Newfoundland and Labrador Hydro and it has been submitted to the Public Utilities Board, the issue around the fuel – Newfoundland and Labrador Hydro became aware of it some time ago on the initial shipment of fuel. They have been in consultation with the company and working out the issues around the specs of the fuel.

Broader than that, Mr. Speaker, we have had much discussion in the House about what is happening today with our power system as we move from isolated to interconnected. There is a transition period. We also have the next two or three years in which there is a tremendous responsibility on Newfoundland and Labrador Hydro. They take that seriously. I think we are seeing a number of initiatives – very important initiatives to ensure that we can avoid what took place in January. That is all a part of the process.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

No matter what you are, if you are going to buy or purchase anything, part of your plan should always be that you get quality in what you do. Nalcor is already on record as saying they have accepted poor quality fuel.

To ensure that we do not experience another DarkNL this winter, Nalcor is in the process of installing a 123 megawatt generator at Holyrood at a cost of \$119 million. However, they decided to go to the grey market to secure this aftermarket unit.

I ask the Premier: Why are you buying an aftermarket generator for the project, and where is it actually coming from?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, it has always been a part of the plan as we develop the new system with Muskrat Falls, that there will be times, particularly during peak times, critical times like we have seen this past January, peak times where demand will be high and how best to address that. It is always built into the plan that we would look at a combustion turbine.

Certainly, during the events of January there was a strong commitment by Newfoundland and Labrador Hydro, in consultation with, obviously, the PUB, Mr. Speaker, and the other utilities, that we want to do all we can. They are totally committed to do all we can, that we do not go back to the situation we had in January. Part of that is to advance the installation of a new combustion turbine, Mr. Speaker. There was a real opportunity on the market and they are taking advantage of it for the best interest of the ratepayers of the Province.

MR. SPEAKER: Order, please!

The hon. the Leader of the Official Opposition.

SOME HON. MEMBERS: Hear, hear!

MR. BALL: Thank you, Mr. Speaker.

The minister talks a lot about planning; the planning did not include a 123 megawatt

generator. It was actually one that was much smaller than that when you look at the forecast.

What I ask the minister is: This is actually an aftermarket, or a grey market unit, where is the unit coming from?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Just to clarify, Mr. Speaker, the original plan for the size of the generator has shifted somewhat because in terms of looking at measures – again, a part of the whole process and the consultations that have been done with outside experts and so on, Mr. Speaker, and looking at load forecasting, the number changed a little bit but the reality is the opportunity that was on the market for a new generator that has not been used came forward, so that we could have an opportunity for near the same price, or the exact same price, remains to be seen, but from a sixty watt to 100 watt.

As a result, a good deal for the people of the Province. It will enhance the system, Mr. Speaker, provide more power in peak times, and that is an obligation and responsibility of Newfoundland and Labrador Hydro. Exactly where it is coming from, Mr. Speaker, I would have to check and report back to the member.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Usually, when you have a good deal and it is worth about \$119 million, you know where your purchase is coming from.

Mr. Speaker, the impact and benefits agreement that government signed with Alderon Iron Ore last week is still not publicly available. This could be added to a growing list of documents that this government has yet to publicly release; therefore, keeping those secrets from the people. That includes the power purchase agreement that we have asked for with Muskrat Falls, signed last November, the contract with SNC-Lavalin, letters and documents related to Humber Valley

Paving, and now the Alderon benefits agreement.

I ask the Premier: Since you still claim to be open, why are you keeping all of those documents secret? When will you release the impact benefits agreement?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, I answered the question here in the House on Thursday, the same question. We are very open, Mr. Speaker. We want to get that benefits agreement out. We believe it is a tremendous agreement for the people of Labrador and the people of the Province. A firm commitment, Mr. Speaker, a principle that we have been guided by is that we develop our resources to the maximum benefit for the people of Newfoundland and Labrador, and this agreement will show that.

We are looking forward to making it public, but as I indicated Thursday, and as was indicated to the member in the briefing this morning, there are a couple of issues there that directly impact the company. We are working with the company to resolve those so that we can make it public. There is some negotiation going on with the company, not with us, but outside, and they want to protect that interest and we support them in that. Once that is resolved, Mr. Speaker, we will absolutely make it public.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

When you negotiate through a final agreement, usually those sensitive negotiations are already completed. That is the reason why they call them final.

Mr. Speaker, the original Hatch Mott MacDonald report showed a 7,000 square foot child care centre as part of the new design at the Western Memorial Regional Hospital. The Stantec report did not mention a child care

centre. So seeing that the child care centre was such a big deal in the Alderon benefits agreement, why have you dropped the child care centre from the Corner Brook hospital?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER MARSHALL: Mr. Speaker, the final functional plan is distributed to the stakeholders at Western Memorial Regional Hospital for consultation and discussion. It has not yet been brought to government for final approval.

I can also tell you that the plan did not include a plan for radiation units in that hospital, and it will now.

SOME HON. MEMBERS: Hear, hear!

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

MR. JOYCE: Mr. Speaker, there are currently six ultrasound units in the health care facility in Corner Brook. The new facility will have three. The wait time for ultrasounds today is 147 days. With the new facility, the wait time will be over 300 days.

I ask the minister: How can you say that you are improving health care on the West Coast when you are doubling the wait time for ultrasound services?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER MARSHALL: Mr. Speaker, as the hon. member knows, for some time they have been working on what is called a functional program. In the functional program there was a draft, a draft that was really a discussion paper, and now there is a final functional plan that has been distributed, I understand, amongst the stakeholders at Western Memorial. When that is agreed upon, it will then come to government for a decision. That has not taken place as yet.

SOME HON. MEMBERS: Hear, hear!

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

MR. JOYCE: I can assure the Premier that the people in Corner Brook have been told it is cut from six to three, I say, Mr. Speaker. So, you should check that out.

Mr. Speaker, there are currently over 200 long-term care beds in the Corner Brook area. The new hospital will contain an additional 100 long-term care beds. Doctors say that those beds will be filled the minute the facility opens, like the last long-term care facility.

I ask the minister: What rationale and numbers did you use to limit the number of long-term care beds to 100, and will you table those documents?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER MARSHALL: Mr. Speaker, we obviously have to rely on the experts to tell us what services are needed, what services ought to be put in place for the people of Newfoundland and Labrador, and the people of Western Newfoundland and Labrador.

In terms of the number of beds, I do now know who is telling the people this, but I understand that actually there will be more long-term care beds than that. Again, the functional program, as I said, the final draft has been shared with the stakeholders, they are having discussions; and when they come with the recommendations, it will come back to government to make a decision. That has not happened yet.

Also, with respect to the ultrasounds, you are talking about rooms, not machines – there is a difference.

SOME HON. MEMBERS: Hear, hear!

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

MR. JOYCE: Mr. Speaker, I say to the Premier, it is the same people who told me the numbers do facilitate a radiation unit, which you finally agree after two years, Mr. Premier.

MR. SPEAKER: I ask the member to direct his comments to the Chair.

MR. JOYCE: I ask the Premier: Will you commit to having a public consultation with the people in Corner Brook when the final design is completed for the new regional facility in Corner Brook?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER MARSHALL: Mr. Speaker, the final design for the hospital in Corner Brook naturally will be shared with the people of Corner Brook and the people of all Western Newfoundland, and indeed the people of all Newfoundland and Labrador.

Mr. Speaker, we have to rely on experts; we have to rely on professionals – people who know what they are doing – to tell us what is needed. That information will come to us. Government considers the information, government may seek additional information, and then government will make a decision. Again, it has to be brought to government. You are hearing rumour. You are hearing innuendo. I do not know where you are getting it from. I can tell you that when the functional program – there are two functional programs. There is the main one, and there is also a new one being done. A contract has been awarded for a new functional program to put the radiation units in. They will match up, the two will match up, but it will come to government for a decision. That is when the decision will be made, and not until then.

SOME HON. MEMBERS: Hear, hear!

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

MR. KIRBY: Mr. Speaker, it has been fourteen months since this government created the new Newfoundland and Labrador English School District. Now, the minister at the time said the appointed board of trustees would serve only until a promised election in 2014. Eight months ago, that minister said an exact date would be determined in consultation with the board Chair and the School Boards Association.

I ask the Minister of Education: When will you see fit to call an election for the Newfoundland and Labrador English School District and return open, democratic, local school governance to this Province?

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

SOME HON. MEMBERS: Hear, hear!

MR. KING: Mr. Speaker, to be clear, all of the members who currently serve on the new Newfoundland and Labrador English school board are democratically elected. They were democratically elected in their own zones when they were on the previous boards. They are only appointed now on an interim basis, but they were appointed by the fact that they were first elected. There is nothing undemocratic about the members who currently serve.

Secondly, Mr. Speaker, I will endeavour to set a date in the near future. I do not have a date set at this point in time. One of the reasons for that is that by law the school board is required to have their constitution developed and zones established that will be part of the new representation and the number of trustees required for an election. I cannot set an election until that piece of work is completed.

SOME HON. MEMBERS: Hear, hear!

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

MR. KIRBY: Hopefully, Mr. Speaker, the minister's appointed trustees will get through that work in a relatively short period of time. For quite some time now, the new English school board has advertised on its Web site that the role of the Newfoundland and Labrador School Boards Association is under review. Given that there are only two school boards now, we have cause to question the role and of course the costs of operating such an association.

I ask the minister: Has a decision been made on the future of the association? If not, why is it taking so long to make these sorts of basic decisions at the new school board?

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

SOME HON. MEMBERS: Hear, hear!

MR. KING: Thank you, Mr. Speaker.

I think the member is right, my elected trustees are volunteer trustees and they are working very hard. I am sure that when they get time in their volunteer duties to complete that piece of work, they will. I remind the member opposite that while we sometimes tend to slander the members who sit on the school board, they are volunteers who were elected by their constituents in their local zones. We ought to be very proud that they are providing good public service to the people of the Province, Mr. Speaker.

The second point on the whole issue of the School Boards Association, Mr. Speaker, I encourage the member to direct his question to the two school boards. Government does not have the mandate or the authority to establish the School Boards Association or engage in any way, shape, or form. It is not a decision for us to make as to whether that organization will continue to exist or cease to exist.

SOME HON. MEMBERS: Hear, hear!

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

MR. LANE: Thank you, Mr. Speaker.

Mr. Speaker, summer is almost upon us and children will soon be out riding their bicycles in full force. Unfortunately, Newfoundland and Labrador is one of the three provinces without bicycle helmet legislation. The minister has said responsibility of regulations lies with our municipalities; who, by the way, are tired of having services downloaded upon them.

I ask the minister: Why are you choosing to pass the buck and ignore bicycle helmet legislation and injury prevention?

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

SOME HON. MEMBERS: Hear, hear!

MR. CRUMMELL: Thank you, Mr. Speaker.

Mr. Speaker, first of all, we encourage everyone to use bike helmets when they are cycling, no matter where they are and no matter what municipality they are in, in rural and urban Newfoundland and Labrador. Right now, we have at least 50 per cent of the municipalities in Newfoundland and Labrador that have bylaws which are enacted that allow for prosecution for not wearing helmets, Mr. Speaker. We think municipalities are doing a good job around this.

Saying that, Mr. Speaker, it was brought to my attention; it was one of the first questions actually in the House here last fall. I have asked my officials to look into what is going on in other jurisdictions. We have done some work on that. We are looking at it very seriously. We looked at what is going on in municipalities here in Newfoundland and Labrador. There are different bylaws and regulations in place, and we hope at some point –

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

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

MR. OSBORNE: Thank you, Mr. Speaker.

Newfoundland and Labrador Housing units in this Province are boarded up and vacant waiting repairs. There are tenants who are living in unacceptable living conditions and they are still not getting the necessary repairs completed.

I ask the minister: Since government themselves are responsible for the Landlord and Tenant Relations Agency, why is there a double standard? Why are you forcing tenants of government housing units to live in such conditions?

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

SOME HON. MEMBERS: Hear, hear!

MR. O'BRIEN: Mr. Speaker, when we took government in 2003, we found the units that we had across this Province in the stock of

Newfoundland and Labrador Housing to be in deplorable condition. The member across the House certainly knows that. He also knows that we have invested millions and millions of dollars in regard to retrofitting and renovating those particular units.

Here in the City of St. John's we have about 3,000. There are probably 300 to 500 that are retrofitted in the exterior every single year, and about 70 per cent to 85 per cent of them are actually totally retrofitted and of a good standard at this particular time.

In the meantime, Mr. Speaker, we do have some units out there that we are endeavouring to do work on. It has to be mutually agreed by the tenant and also Newfoundland and Labrador Housing in regard to setting the time to get that done. Sometimes that is a challenge for us, but we will continue to work with the tenants in regard to addressing the issues and retrofitting all of our stock, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. OSBORNE: Mr. Speaker, there are housing units in need of significant repairs, and the minister's comments are cold comfort. For example, there is wood around windows that is completely rotted, water leaking inside the walls, causing even more damage and more cost to government. There are units that were scheduled for repair this summer, and only two months into this year's Budget, Mr. Speaker, people are being told the repairs will be delayed until next year.

I ask the minister: Why is the budget allocated for housing repairs not adequate to properly maintain those units?

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

SOME HON. MEMBERS: Hear, hear!

MR. O'BRIEN: Mr. Speaker, we try to endeavour to do a lot of work in regard to our stock across this Province. As a matter of fact, sometimes there are challenges in regard to

construction companies and companies that want that kind of business to actually respond to a tender. As a matter of fact, we had a tender out only a couple of weeks or so ago on the West Coast and we had nobody respond to that particular tender.

We have created a vibrant economy. Certainly, it is sometimes hard to get the work done, but my staff at Newfoundland and Labrador Housing will continue to endeavour to get that work done. I do recognize, yes, we have some units in the City of St. John's that need repair and hopefully we will get them done over the next few months or so.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Virginia Waters.

MS C. BENNETT: Thank you, Mr. Speaker.

This government has taken a passive approach to recruiting and retaining immigrants despite the role they play in our much needed population growth. Immigration is about people, their family and their lives. Rather than bolstering support services for organizations, government cut the office of Immigration and Multiculturalism by 45 per cent over two years.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS C. BENNETT: I ask the Minister of Advanced Education and Skills: How do you expect to recruit and retain immigrants and their families when you have cut the very people and organizations that are central to their settlement here?

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

SOME HON. MEMBERS: Hear, hear!

MR. O'BRIEN: Mr. Speaker, it is interesting that the hon. member believes the answer to everything is just throwing money at it. As a matter of fact, in regard to that particular division, we have seen results unprecedented in

this Province in regard to attracting and retaining immigrants.

As a matter of fact, we have now – it is probably going to hit a total of over 1,000, which was down about 300 or 400 in years previous, Mr. Speaker. The staff are actually working very well in regard to the PNP process, and also with our federal counterparts in making sure that immigrants have every opportunity to make this their home.

I will continue to work, as the Minister Responsible for Immigration, with my counterpart, federal ministers as well, to make sure that happens, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

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

The Public Utilities Board have noted their concerns about Hydro as being able to effect repairs before winter closes in again. Friday we learned more details of a major problem with the Holyrood Thermal Generating Station, poor quality fuel causing equipment failures.

I ask the Premier: Can he give this House a detailed update of what Nalcor is doing to ensure people will not be in the dark and cold again next winter?

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, it is interesting they found out Friday there was a fuel issue because it has been talked about in this House months ago. It has been recognized right from the initial shipment from the supplier. Newfoundland and Labrador Hydro has acknowledged that and is providing information to the Public Utilities Board on that issue, and working to correct any issues around the supply of fuel and the quality of fuel.

Beyond that, it is fully recognized, Mr. Speaker, that we had a difficult time in January. There is a strong commitment from our utilities, particularly Newfoundland and Labrador Hydro, in working with the Public Utilities Board to put a plan in place, to implement that plan to do all we can around asset management, around resources, and around ensuring that we do not get in a situation like we did in January. There were numerous consultations, and we are certainly effecting that plan, Mr. Speaker.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

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

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

I point out to the minister I used a very important word, it was more details. The details we got on the report that came out on the weekend was the fact that the contract with the supplier did not even specify any details around the quality of the fuel.

I am asking the Premier: Why was due diligence not done on checking the quality of fuel from the new supplier?

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, I do know that Newfoundland and Labrador Hydro has been very clear publicly about the issues around the fuel, particularly around aluminium and silicone content, as well as acknowledging that there have been no set specs within industry. They continue to work with the supplier to rectify that and to identify specs. They have clearly acknowledged that with the Public Utilities Board.

For the member opposite, we may be able to get some more details from Newfoundland and Labrador Hydro, but the reality is they have

acknowledged there is some issue, Mr. Speaker. They are working on it and working on it very publicly, which is important for the people of the Province.

Again, I reiterate the fact that there have been numerous reports commissioned and numerous recommendations coming forward to improve our system. Nalcor and Newfoundland and Labrador Hydro are firmly committed to that, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

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

Muskrat Falls power is several years away. In the meantime, people have to rely on Hydro to keep the lights and the heat on while we are being told that there could be a shortage of appropriate fuel required by Holyrood worldwide.

I ask the Premier: Will he fully inform the people of the Province regarding Hydro's ability to provide power next winter so they can have some time to prepare for being without heat and light?

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, this past year there were some generation issues. There were a number of issues and factors unique. It has been fully disclosed, discussed, and outlined by Liberty, by other reports, and there is a list of recommendations of priority actions that need to take place between now and next year.

One of them is to provide more generation during peak time, which is why they are actively right now seeking the combustion turbine; and there are a number of other issues in which they are firmly committed to work with the utilities, they are firmly committed to work with the

Public Utilities Board, to ensure that we do all we can around power supply and generation, particularly as we move from today's world of utilities in from an isolated system to an interconnected system. They are following those priority actions, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MS MICHAEL: Thank you, Mr. Speaker.

I ask the minister: How can people have confidence in what he is saying that Nalcor and Hydro are going to do when they cannot even secure an appropriate fuel deal for a facility they have been running for half a century?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, the people at Nalcor and the people at Newfoundland and Labrador Hydro are Newfoundlanders and Labradorians. They have been running the system for years, Mr. Speaker – and, no question, everybody acknowledges there were challenges in January, but I am not prepared to stand on the floor of the House and criticize the people of Newfoundland and Labrador Hydro, and criticize the people of Nalcor, and criticize the people of the PUB who make approvals for requests that come from Newfoundland and Labrador Hydro.

There is a firm commitment from these companies to take the priority actions, to commit to provide the power to the people of the Province. Mr. Speaker, I believe in the people of Newfoundland and Labrador Hydro and Nalcor, and they will work with the PUB and we will have power. I say to the opposite member, maybe you should join in the parade about Muskrat Falls because that is going to make the difference for the people of the Province.

SOME HON. MEMBERS: Hear, hear!

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The hon. the Member for St. John's East.

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

The problem of uninsured drivers in this Province reared an ugly head in the media again last week –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. MURPHY: – when a house on Blackmarsh Road was struck and severely damaged by an uninsured driver. The problem is easily solved, Mr. Speaker. Insurance companies could report to DMV any driver that is in default, but why does government not make it mandatory for insurance companies to report those in default?

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

SOME HON. MEMBERS: Hear, hear!

MR. CRUMMELL: Mr. Speaker, we are aware of the issue the other week, and it is a concern. Certainly, uninsured drivers in this Province – nobody likes to see that. Unfortunately, there is an element out there that is not following the rules of the road. We are doing our very best through enforcement to make sure that we take these drivers off the road.

Just commenting on what the member opposite is suggesting, it is a bit more complicated than what he suggests. We have talked to the insurance companies about doing similar types of things. Right now they are not set up to communicate with each other or communicate with MRD, or with the RNC or with other police forces. It is a very difficult process.

So, Mr. Speaker, if it was that simple it would have been done; but right now our focus is on getting these uninsured drivers off the road where possible.

Thank you.

MR. SPEAKER: I ask the member to pose a very quick question, without preamble.

MR. MURPHY: Mr. Speaker, what changes are government looking at to take the problem of uninsured drivers off the road?

MR. SPEAKER: The hon. the Minister of Justice, for a quick response.

SOME HON. MEMBERS: Hear, hear!

MR. FRENCH: Thank you, Mr. Speaker.

Mr. Speaker, obviously this government is very concerned about people who break the law in this Province. That is why we have invested 50 million new dollars since 2004 into policing in this Province. That is why we have 145 new officers on the streets today since 2004. Plus, Mr. Speaker, we will have twenty new recruits by 2015-2016.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The time for Question Period has expired.

Presenting Reports by Standing and Select Committees.

Tabling of Documents.

Tabling of Documents

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

MS JOHNSON: Thank you, Mr. Speaker.

Mr. Speaker, pursuant to section 26.(5)(a) of the Financial Administration Act, I am tabling one Order in Council relating to funding pre-commitments for the 2015-2016 and 2016-2017 fiscal years.

MR. SPEAKER: Order, please!

Pursuant to sections 8 and 10 of the Public Tender Act, I hereby table the reports of the Public Tender Act exceptions for the month of March 2014, as presented by the Chief

Operating Officer of the Government Purchasing Agency.
Presenting further reports?

Notices of Motion.

Notices of Motion

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

MR. VERGE: Thank you, Mr. Speaker.

I give notice that I will move, seconded by the Member for Conception Bay East – Bell Island, the following private member's resolution:

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

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

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

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

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

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

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

Thank you, Mr. Speaker.

MR. SPEAKER: The hon. the Minister of Service Newfoundland and Labrador.

MR. CRUMMELL: Thank you, Mr. Speaker.

Mr. Speaker, I move, seconded by the MHA for Labrador West, that Bill 22, An Act To Amend The Labour Relations Act, be read a second time.

AN HON. MEMBER: You have to wait for that one.

MR. CRUMMELL: Do I have to wait for that?

MR. SPEAKER: Sorry, we are not at that motion –

MR. CRUMMELL: Read a first time. I am sorry, Mr. Speaker.

MR. SPEAKER: You are at the wrong spot in the Order Paper.

MR. CRUMMELL: Okay.

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

MR. KING: Thank you, Mr. Speaker.

First of all I give notice that the private member's motion just presented by the Member for Lewisporte will be the one the House will debate this coming Wednesday.

MR. SPEAKER: Further notices of motion?

MR. KING: Yes, Mr. Speaker.

I also give notice under Standing Order 11, that the House will not adjourn at 5:30 p.m. on Tuesday, June 3, 2014.

Further, I give notice under Standing Order 11, the House will not adjourn at 10:00 p.m. on Tuesday, June 3, 2014.

MR. SPEAKER: Answers to Questions for which Notice has been Given.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: I have not said it.

Petitions.

Petitions

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

MR. JOYCE: Sorry, Mr. Speaker, I am just anxious because I heard some of the comments that the Premier made today.

I have a petition made concerning the new hospital in Corner Brook:

WHEREAS we wish to raise concerns regarding the recent delays of construction of the new hospital in Corner Brook;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge Newfoundland and Labrador to commit to the planning and construction of a new hospital in Corner Brook as previously committed to in a timely manner as originally announced without further delays or changes.

Mr. Speaker, the petition here today is again from people all around Corner Brook today; one in Curling, Bell's Road, Humber Road, and Park Street. Mr. Speaker, I just want to speak on the questions I asked today, and the petitions.

I was shocked, Mr. Speaker, absolutely shocked when the Premier of this Province would say they are cutting a number of rooms. I stood in this House for two years on the radiation unit. The information I am getting are from people from the hospital who are too scared to speak out. I can assure the Premier – Premier, I was proven correct. You moved the Minister of Health out of it because you had to do what was

correct. You knew the numbers were correct, Mr. Premier.

Mr. Speaker, what is happening – trust me on this, trust me. There are six ultrasound units in Corner Brook. They are cutting it down to three. It was down to two, they have it up to three. I heard the Premier say they are cutting just the rooms. Can you imagine? I am being honest on this because this is – when I said the same thing to the Premier, this is what I was told by the radiologists in Corner Brook. Can you imagine, a person over here getting an ultrasound who is pregnant and then in the next bed is a man. It just does not work.

Mr. Premier, they are not cutting the rooms. Mr. Speaker, they are not cutting the rooms. They are cutting the machines, trust me on it. Once again I am going to be proven right. Unless this government makes changes as of today the wait times will go up, which are 147 days now to 300. I can assure you, if we do not get changes that is what is going to happen.

Now, to solve this, Mr. Speaker, the Premier should stand sometime today and say there will be six units at the hospital in Corner Brook, end of discussion. I would say thank you, Mr. Premier. Thank you very much; but, Mr. Speaker, not one person in this government, the former Minister of Health, the current Minister of Health or the Premier stood and said there will be no reduction in machines. Not one person in government said that, because as we speak there will be a decrease in machines.

We did it before in this House, Mr. Speaker. Here is a chance for the Premier; we will give him leave on this side of the House. I am sure we will, Mr. Speaker.

MR. SPEAKER: Order, please!

The member's time has expired.

MR. JOYCE: Thank you.

I will be back again.

MR. SPEAKER: The hon. the Member for the District of Signal Hill- 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 of Newfoundland and Labrador humbly sheweth:

WHEREAS strikes and lockouts are rare, and on average 97 per cent of collective agreements are negotiated without disruption; and

WHEREAS anti-temporary replacement workers laws have existed in Quebec since 1978, in British Columbia since 1993, and successive governments in those provinces have never repealed these laws; and

WHEREAS anti-temporary replacement workers legislation has reduced the length and divisiveness of labour disputes; and

WHEREAS the use of temporary replacement workers during a strike or lockout is damaging to the social fabric of a community, the local economy, and the well-being of its residents, as evident by the use of temporary replacement workers currently or in the past by Labatt's and in past years by both Ocean Choice International and Vale in Voisey's Bay;

WHEREUPON we, the undersigned, petition the House of Assembly to urge government to enact legislation banning the use of temporary replacement workers during a strike or lockout.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, I am very pleased to stand on behalf of the petitioners of this prayer to present this because of the experiences we have had in this Province with regard to extended lockouts.

Last week, I was able to meet with workers who had been on the picket line with regard to Voisey's Bay for eighteen months, Mr. Speaker, and who want more than anything to have legislation that would stop that from ever happening again. Some of those people have signed this petition, along with people from different parts of the Avalon Peninsula, from Labrador, from Holyrood, and from Random

Island. Everybody whom I met with last week were so concerned about what happens in the workplace because of these extended strikes, what happens to the workers and what happens to their families.

I know the last time I asked in this House, to the then Minister of Justice, about anti-scab legislation, his answer was that government had no intention of ever bringing in this legislation. They have a new Minister of Justice now and I am hoping that maybe he will be open to talk about something that will make for fairness and justice in the workplace, because not having anti-scab legislation makes for a completely uneven relationship between the workers and the employers.

We know the Commission's report that was done after that terrible Voisey's Bay strike and that eighteen-month strike; we recommended that this government study carefully anti-scab legislation.

I am very happy to place this in front of the House, Mr. Speaker.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

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

I stand today with a petition. To the hon. House of Assembly, the petition of the undersigned residents humbly sheweth:

WHEREAS the residents of Burgeo, Ramea, Grey River and François, of the Province of Newfoundland and Labrador, must use Route 480 on a regular basis for work, medical, educational and social reasons; and

WHEREAS Route 480 is in deplorable condition, such that the shoulders of the road continuously wash away and there are huge potholes on the road; and

WHEREAS the condition of Route 480 poses a safety hazard to residents and visitors to Burgeo, Ramea, Grey River and François; and

WHEREAS the Department of Transportation and Works is responsible for the maintenance and repairs in the Province of Newfoundland and Labrador; and

WHEREAS the local division of the Department of Transportation and Works does make periodic repairs to this route but these are only temporary patchwork and the road needs to be resurfaced;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House to urge the government to support the users of Route 480 in their request to have Route 480 resurfaced.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, this is a petition I have entered on numerous occasions. I bring it up again today because as we move into the summer season after a very rough winter, this road is in even worse condition than it usually is.

I have directed all the people who call my office and send me pictures of their beat up vehicles to send them to the minister's office so that he can see. Again, I speak not only on behalf of the residents of my district, but also the adjacent district as well, whose residents also call me and must use this district. I think it is Fortune Bay – Cape La Hune, I am getting calls from them as well. They have to use this road and it is absolutely unfit.

One of the things we have talked about in this House on a number of occasions is paving. The problem we have, as reported in *The Gulf News* today, is that there are contracts put out for paving but the paving never happens. That is one of the problems here. It is put out there but we never see it.

Last year, to the minister's credit, there was a washout. The previous minister did not do a thing to get it fixed. I guess it was not a priority. At least that minister got it done, but it took begging and cajoling to actually get that done. We had another washout this year. The staff are doing what they can to fix this, but these are long-term fixes. It is the same thing, short-term patchwork. The staff are not allowed to do what needs to be done.

Again, I call on this government to do the right thing before somebody gets killed on this absolutely unfit, horrible piece of road that deserves some attention. Hopefully, they will do the right thing and make sure the paving gets done and not another case of just the contract put out but never followed.

Thank you, Mr. Speaker.

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

MR. J. BENNETT: Thank you, Mr. Speaker.

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

WHEREAS oral health is intrinsically linked to overall health and health care is universally covered in our Province; and

WHEREAS many Newfoundlanders and Labradorians have been forced to wait for a year or longer for much needed oral surgeries; and

WHEREAS residents with emergency cases and others who need oral surgery must seek medical attention in other provinces; and

WHEREAS the cost of access to oral surgery outside the Province is prohibitively expensive for many Newfoundlanders and Labradorians; and

WHEREAS the Government of Newfoundland and Labrador covers only 50 per cent of travel costs and requires a \$400 deductible; and

WHEREAS this financial burden and lack of adequate oral surgery services in Newfoundland and Labrador is creating a two-tier system within the health care system;

WHEREUPON the undersigned, you petitioners, humbly pray and call upon the House of Assembly to urge the government to ensure that a more adequate level of access to specialist primary care based oral surgery and oral surgical procedures is provided in Newfoundland and Labrador.

We further call upon the House of Assembly to urge the government to review the level of financial assistance currently provided through the Medical Transportation Assistance Program to residents who must leave the Province for oral surgeries.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, the very beginning of good health is diet and people with proper eating habits. It is well established and well known that all sorts of medical problems result when people do not have proper dental care and have poor oral health. It is absolutely critically important that people who require oral surgery and dental health procedures be treated no differently than people in the Province who are able to receive this type of benefit.

Mr. Speaker, it is very unfortunate to introduce a program and say this is the program and we pay for it, but we only pay for half of the travel and we take a \$400 deductible from that travel. This is a request from residents primarily of Harbour Main, Chapel's Cove, Long Harbour, and other communities in that area.

Thank you, Mr. Speaker.

MR. SPEAKER: The hon. the 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 of Newfoundland and Labrador humbly sheweth:

WHEREAS the Family Violence Intervention Court provided a comprehensive approach to domestic violence in a court setting that fully understood and dealt with the complex issues of domestic violence; and

WHEREAS domestic violence continues to be one of the most serious issues facing our Province today, and the cost of the impact of domestic violence is great both economically and in human suffering; and

WHEREAS the Family Violence Intervention Court was welcomed and endorsed by all aspects of the Justice system including the police, the courts, prosecutors, defence counsel, Child, Youth and Family Services, as well as victims, offenders, community agencies and women's groups; and

WHEREAS the recidivism rate for offenders going through the court was 10 per cent compared to 40 per cent for those who did not; and

WHEREAS the budget for the court was only 0.2 per cent of the entire budget of the Department of Justice;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to reinstate the Family Violence Intervention Court.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, this is not my petition; this is the petition on behalf of people of Newfoundland and Labrador who want to see this valuable, this critical, this crucial program reinstated. So far, we have heard no reliable reason for closing the court. The Premier last week said that he was concerned because it only served the people of St. John's. I am concerned about that, too, because this court can be expanded. We know previous Ministers of Justice have said the court was doing what it was supposed to do; it was effective. Let us expand it.

As the Premier had said in the previous Budget, we are in a golden age. We can afford this; \$500,000 for this part of the Province, for St. John's. It can be expanded. Everything that is needed is in place. There is a judge in place in every courthouse, there are Crown prosecutors, there is legal defence, and there are police. All it takes is political will and some training, and assigning a few hours once a week to all of these already existing infrastructure to provide this service.

The people across the Province want it. The Premier had said he was not hearing from them.

I know for sure, Mr. Speaker, that the Premier is now hearing from women's groups, anti-violence groups across the Province. I have 400 signed letters, petitions to the Premier that I am going to be so happy to give to him where people are asking for him to reinstate the court, the court that was instigated under his careful leadership.

Mr. Speaker, I look forward to presenting the voice of the people in this House again.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

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

MR. KING: Thank you, Mr. Speaker.

As per Standing Order 32, I move, seconded by the Member for Baie Verte – Springdale, that we move to Orders of the Day.

MR. SPEAKER: It has been moved and seconded that we now do move to Orders of the Day.

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

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

Motion carried.

Orders of the Day

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

MR. KING: Thank you, Mr. Speaker.

At this time I go to Order 5, moved by myself, seconded by the Minister of Finance and President of Treasury Board, to ask leave to introduce a bill entitled, An Act To Amend The Mineral Act, Bill 15, and that said bill be now read the first time.

MR. SPEAKER: It is moved and seconded that the hon. the Minister of Natural Resources shall have leave to introduce a bill, An Act To Amend

The Mineral Act, Bill 15, and that the said bill be now read a first time.

Is it the pleasure of the House that the minister shall have leave to introduce Bill 15?

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

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

Motion carried.

Motion, the hon. the Minister of Natural Resources to introduce a bill, "An Act To Amend The Mineral Act", carried. (Bill 15)

CLERK: A bill, An Act To Amend The Mineral Act. (Bill 15)

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

When shall the bill be read a second time?

MR. KING: Tomorrow.

MR. SPEAKER: Tomorrow.

On motion, Bill 15 read a first time, ordered read a second time on tomorrow.

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

MR. KING: Thank you, Mr. Speaker.

I move, seconded by the Minister of Service Newfoundland and Labrador, to ask leave to introduce a bill entitled, An Act To Amend The Labour Relations Act, Bill 22, and that the said bill be now read the first time.

MR. SPEAKER: It is moved and seconded that the hon. the Minister of Service Newfoundland and Labrador shall have leave to introduce a bill, An Act To Amend The Labour Relations Act, Bill 22, and that the said bill be now read a first time.

Is it the pleasure of the House that the minister shall have leave to introduce Bill 22, and that the said bill be now read a first time?

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

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

Motion carried.

Motion, the hon. the Minister of Service NL to introduce a bill, "An Act To Amend The Labour Relations Act", carried. (Bill 22)

CLERK: A bill, An Act To Amend The Labour Relations Act. (Bill 22)

MR. SPEAKER: This bill is now read a first time.

When shall the bill be read a second time?

MR. KING: Tomorrow.

MR. SPEAKER: Tomorrow.

On motion, Bill 22 read a first time, ordered read a second time on tomorrow.

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

MR. KING: Thank you, Mr. Speaker.

Right now I call from the Order Paper, Order 3, second reading of a bill, An Act to Amend the Income Tax Act, 2000 No. 2, Bill 20.

It is moved by myself, seconded by the Minister of Finance and President of Treasury Board, that the bill be now read the second time.

MR. SPEAKER: It is moved and seconded that the said bill be now read a second time.

Motion, second reading of a bill, "An Act To Amend The Income Tax Act, 2000 No. 2". (Bill 20)

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

MS JOHNSON: Thank you, Mr. Speaker.

Mr. Speaker, I am pleased to rise today to speak to amendments to the Income Tax Act, 2000, Bill 20. The purpose of these amendments is to allow for the implementation of a venture capital tax credit to complement the Venture Newfoundland and Labrador Fund by encouraging private sector investment. Tax credits help mitigate the financial risk to investors and thereby provide an incentive for them to put their money into companies that are in need of start-up or expansion funds.

As was announced in Budget 2014, our government will invest in two venture capital funds with \$10 million to support Build Ventures and a commitment to establish a Venture Newfoundland and Labrador Fund.

The Newfoundland and Labrador fund will focus on developing and providing assistance to Newfoundland and Labrador-based early-stage technology companies, as well as start-up enterprises in emerging and growth sectors.

Mr. Speaker, while the details of the venture capital tax credit has not yet been determined, this legislation will provide the legislative authority to provide the tax credit and to make regulations governing the tax credit. The regulations will set out all required details for the tax credit, including the credit rate and program parameters.

I know that is one of the questions that came up out of the briefing that the Member for Virginia Waters attended. This is to provide the legislative authority currently, and those details, in terms of the tax credit, will be worked out in very short order. I expect an announcement coming from the Minister of Innovation, Business and Rural Development on this very unique, made in Newfoundland and Labrador fund, very soon.

The Newfoundland and Labrador fund is expected to focus on strategic sectors, improve access to larger venture capital pools, and leverage private sector investment. The Venture Newfoundland and Labrador Fund will be in partnership with GrowthWorks Atlantic Ltd., the Newfoundland and Labrador Angel Network, and other investors. The Province has a growing technology industry that is on par with our Atlantic counterparts and are used to competing

nationally and internationally for market share. The main issue, though, is that many are undercapitalized.

In my short time in IBRD, Mr. Speaker, I did attend a conference in Ottawa. One of the things I frequently heard is, first of all, when are you going to be a part of the Atlantic Canada fund? Secondly, what are we doing here to help our early venture capitalists and our early technology companies get up and running and assist them in those early stages?

We are very proud of this fund. On Budget Day when we did our briefings with the various sectors, the business community was very excited about this piece, as I am sure my colleagues in the House share that excitement tonight. I know it is something the Member for The Straits – White Bay North has talked about for some time.

By investing in these two funds, we will be putting Newfoundland and Labrador on level playing fields with other provinces in Canada and advancing our promising technological and emerging sectors. We only have to look closely at the ocean sector and the Arctic sector. Mr. Speaker, we are certainly leading the country and the world when it comes to that, having hosted ATC here and Oceans' 14 coming up in September. So, the world is certainly setting their sights on Newfoundland and Labrador in all the things that we are doing around these emerging technology industries.

Venture capital brings with it leveraged investment, as well as strong mentorship, all to support success. We are currently in discussions with the proponents of the fund, along with other investors. As I said, we will be rolling out the fund in the very near future. My colleague, the Minister of Innovation, Business and Rural Development will do that.

It is very simple. We are looking for the legislative authority to do this piece of work so that we can rollout the fund in the upcoming weeks or month ahead. The details are yet to be worked out. We did share that, as I said, with the Opposition members, but we would certainly appreciate the support of all members of the House today to approve this legislative amendment so that we can move on with this very exciting venture capital Newfoundland and

Labrador fund, and to move on with the tax credit that comes along with that.

That is all I have to say. If there are any questions in Committee I would certainly be happy to answer those.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Virginia Waters.

MS C. BENNETT: Thank you, Mr. Speaker.

I am happy to rise in this House today to speak to Bill 20, An Act To Amend The Income Tax Act.

I am pleased to inform the minister that the Official Opposition, certainly in principle, supports the changes that really are about legislation being enabled to implement these funds. I guess it is a long time coming.

The minister mentioned that this will now put Newfoundland and Labrador on a level playing field. There have been many stakeholders who have been lobbying hard for a level playing field for a number of years, particularly as we compete for investment money throughout Atlantic Canada. We see the progress the other three Atlantic Provinces have made, particularly around venture capital, as well as other streams of capital for start-ups and new entrants to the market.

She spoke as well about the need to continue to support and grow our technology industry. I would certainly agree with her comments there. I had a great meeting and briefing with NATI, an organization I have had a relationship with for many years. Certainly, they, as champions for the technology industry in Newfoundland and Labrador, recognize the importance of having investment at the right time in the right place with the right mentorship so that companies can grow; and we can sell, not only what we have in our resources, but we can sell, really, the skills and talents of those people who work in the technology industry.

As we look to continue to diversify that, I would certainly challenge the current government to

look at ways of including technology as part of their benefits agreements. That might also inspire some additional investment in the technology industry.

Besides technology, other sectors will be interested and look for taking advantage of these venture capital funds, both the Atlantic Canadian fund, as well as the Newfoundland fund. I would suggest the Newfoundland fund is certainly something that other provinces have done. It is nice to see we are finally, after many, many years of hard lobbying by a number of individuals and organizations who see capital as being an issue and restriction on growing some of our small businesses, it is nice to see that this is the beginning of that change.

When we think about the growth of small business in Newfoundland and Labrador, and we have seen a decline in the portion of GDP that small business actually garners to somewhere around the lowest in Canada, initiatives like this are going to help that and I am going to look forward to seeing the impact.

One of the questions – and the minister referenced this already – was the details around the tax credit. It is my understanding, as she said discussions are ongoing with key stakeholders. The learnings from some of the more experienced funds in Atlantic Canada, and some of the more experienced investors, I would certainly encourage her to continue to listen and weigh the pros and cons of the ways to set up the details around the tax credit as we go forward.

Ultimately, having tax credits related to venture capital is really about keeping money here in our Province and making sure that companies, and small businesses in particular, that want to grow and are short on capital have access to the capital when they need it. It is going to be extremely important that those announcements the minister referenced come soon. July is the middle of a tax year and those businesses that are currently waiting for clarity on where these investments may benefit them are anxious to grow their market share, grow their business, and would certainly look forward to those announcements sooner than later.

From this side of the House, we will be very interested to see the details of the tax credit

when the minister is able to provide that information – I assume once the House closes. With that said, we look forward to discussing the bill and having more discussions and asking some more questions as we go through the afternoon.

Thank you, Mr. Speaker.

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

SOME HON. MEMBERS: Hear, hear!

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

Mr. Speaker, I am really happy to be able to get up and talk about Bill 20, An Act To Amend The Income Tax Act, 2000.

Certainly, we all recognize that Newfoundland and Labrador is amongst the fastest growing economies in Canada. As a direct result of the strength of the economy as a Province, we have experienced extraordinary growth in employment, personal and disposable income, retail sales, capital investment, mineral shipments, and so on.

In fact, this morning, Mr. Speaker, I had the privilege of being with the regional airport authority and with the Vice-President of Air Canada. Many of them talked precisely about that, about the growing economy here in Newfoundland and Labrador. This morning we were thrilled to hear that as they see our economy growing and diversifying, they are now offering three full-service flights per week, year-round to London, to Heathrow. That is another sign of how this economy is growing.

We are really poised, I believe, to leverage even more successes. We are certainly committed to diversifying our economy as a result of being able to see the successes and knowing how it is that we need to invest to ensure even further investment in this Province.

It should come as no surprise here, Mr. Speaker, to anyone that the Conference Board of Canada recently gave Newfoundland and Labrador an A+ rating for real GDP –

MR. SPEAKER: Order, please!

I remind the minister the issues around the economy are not the subject of the bill. This is a very specific amending bill. I would ask the minister to confine her comments to the amendments to the bill.

MS SULLIVAN: Thank you, Mr. Speaker.

I just get so excited about all that is happening here that it is hard not to bring it up. I will be happy to go right into the piece around venture capital, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MS SULLIVAN: Mr. Speaker, venture capital is an area that we are really happy now that we are moving into this Province. I know that many people from Newfoundland and Labrador have spoken to me and have said we hear some talk about venture capital, but specifically what is that about?

Mr. Speaker, I think it is only helpful for those who are viewing at home and those who are listening that we talk a little bit about what it is. It is basically a start-up or an early or mid-stage investment of a business growth. It is usually provided to help businesses expand and compete in a global economy. We all know the global competitiveness that exists out there today, so venture capital funds really do help our start-up companies, particularly, and our earlier mid-stage companies to succeed in those markets.

Start-up or seed financing is really that initial funding that is used to start their businesses. It often comes from founders, from angel investors, and from venture capital funds or government programs. It is generally less than \$1 million in total, Mr. Speaker. Our early stage capital for companies that have some sales but are likely not profitable at that point typically come from venture capital funds that range from about \$1 million to \$3 million. Our mid-stage capital for companies that have some proven success and where demand is expanding can come from venture capital or private equity funds of course. That ranges anywhere from \$3 million to \$15 million.

The funds are managed, Mr. Speaker, by professional fund managers who take a really

active role in advising and mentoring the company. They assisted in raising the capital in the first place. They provide access to the networks of customers and strategic partners. They help address operational and management issues and so on.

Mr. Speaker, one of the things that we often hear about, particularly with new companies, those that are not gone to commercialization stage yet, is that they also could avail of mentorship. Through venture capital, particularly when we use such investors as the Newfoundland and Labrador Angel Network, for example, those people are also very giving and very willing to help out in terms of mentorship with those initial companies and start-ups.

I know that one of our members opposite has been in the past very involved. That is a very good thing and has proven to be a very, very good thing for people here in Newfoundland and Labrador. It is a very tangible example of how success can happen. We have seen that with many of our companies here. I could speak to Verafin, for example, and the success that they saw as a result of venture capital and using the Newfoundland and Labrador venture fund.

Our fund will focus on strategic sectors such as information, ocean technology, green technology, among others, to improve access to larger venture capital pools and encourage more private sector investment. It will be a partnership, and the partnership will include the Government of Newfoundland and Labrador, again the Newfoundland and Labrador Angel Network that I mentioned, and other institutional and private investors. It will be managed, of course, by GrowthWorks Atlantic.

Again, we believe that we will see leveraged investment as a result of the strong mentorship and the strong support that will be found as a result of the engagement of venture capital. We are currently in discussions with proponents of the funds along with other investors and we will be rolling out that fund very soon, Mr. Speaker.

If I were to just sum up briefly and talk about the benefits of venture capital funding, we are talking about addressing gaps that are identified when it comes to the financing and the development of start-up companies and early-

stage technology companies, in this case; be able to improve the success of young entrepreneurs with mentorship, as I said, and I believe that is so important; and also supporting innovation – and the member opposite spoke about that in technology, in particular – in our post-secondary institutions, which really support the creativity of our young entrepreneurs. They inspire that innovation in their graduates and they will also see some real benefit from these funds.

Certainly the bottom line is, I believe, we are going to create a more competitive environment for our businesses, our start-up businesses, our early and mid-stage businesses as a result of this business-friendly fund that we will set up. We will allow companies to mature so that they are more competitive. In the global world in which we live today, that competitiveness is so important, Mr. Speaker.

In conclusion, the amendments to the Income Tax Act will allow for the implementation of a venture capital tax credit to complement our Venture Newfoundland and Labrador Fund, and I believe that will certainly encourage private sector investment. I would encourage all members in this House to support this amendment because by supporting the amendment, what you are doing is you are supporting innovation, you are supporting creativity, you are supporting that entrepreneurial spirit, and you will certainly help encourage all those eager university students that I have been meeting over the last couple of weeks, like the owners of Verafin, to create and establish companies in Newfoundland and Labrador that will, I believe, one day be real, serious players on the world stage.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Verge) : The hon. Leader of the Third Party.

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

I am glad to stand today and be able to speak to Bill 20, An Act to Amend the Income Tax Act. I know my colleagues have given some details,

but since I am standing myself I will put out what I understand the bill to be.

Of course, the major piece is that it is dealing with venture capital through two funds; one of the funds being an Atlantic fund called Build Ventures Fund, and the second one is a provincial venture capital fund. The bill deals, obviously, with the Province being involved in both of these funds. It also deals with tax credits for people who invest in these funds and giving power to the minister to prescribe the tax credit. Then it also deals with the regulations, providing for the Lieutenant Governor in Council to make regulations and to set the guidelines and the details with regard to the fund.

While the various subsections of the bill, 46.2, outline what regulations might cover, we do not know what the regulations are because, of course, regulations do not get approved in the House of Assembly. So, consequently, there is a lot of detail that we do not know. It is just the basic framework for our putting money into the Build Ventures Fund, the Atlantic Canadian fund, and then also putting money into the provincial venture capital fund.

I find it interesting that the government is talking about this as if this is something they are doing for the first time. It is in terms of putting the money into these funds; but in terms of looking for people, looking for business to come into the Province and to bring their ideas to the Province and to set up in the Province, this something that the government was trying to do for a long time. For a numbers of years at Estimates, I would ask questions about the \$15 million in the investment attraction fund that government had, which did not attract investment.

So, I find it very interesting that government now wants us to get excited about this Build Ventures Fund and the provincial ventures fund and that this is going to mean great support of entrepreneurship and we are going to have all of these wonderful new businesses and ideas coming to the Province, when they did not do it before and could not do it before. I am not sure that we have any real reason to think they are going to be successful in doing it now.

When we look at the Build Ventures Fund, for example, it is an Atlantic Canadian fund, and it

is a fund that, it is true, it is at arm's length and it is independent and it will make independent decisions without any politics involved, but the problem is, too, it means that we are out there with the other Atlantic Provinces – and whether or not we will ever get chosen as a place where an investor wants to come, will depend on the competition. When we could not do it before by ourselves as a Province, why are we so sure that we are going to be able to attract investors now when we are in competition with the other Atlantic Provinces?

So we have \$10 million going into that fund with the hope that it is going to result in getting some new businesses here, and we have \$10 million going in the provincial venture capital fund, which is the fund that we know nothing about. It is going to be handed over to a privately-managed venture capital initiative who will run the fund, but we have precious little detail at this moment. The government plans on the privately-managed venture capital initiative providing financing, as well as access to necessary mentoring and business expertise to ensure companies have the resources to succeed in national and international markets.

They do not talk about who is going to do this – I put this question out, and the minister can probably speak to it: Are the hands in which the fund is going to be put, are they going to be the ones who are going to provide the mentoring? Are they the ones who are going to provide the business expertise to companies who want to succeed? Who is going to do that? Is government going to have any involvement in that? We know that we do have technologies going on here in Newfoundland and Labrador in areas of research that should be of interest, and that could improve global competitiveness of companies operating in those areas here in the Province, but it has not happened up to now.

So, that is my concern. We are giving \$10 million into one fund that is going to be highly competitive for us, and then \$10 million into another fund that we have very few details about. Government is saying that there will be no political interference – which is fine, and I am glad about that, but even when the government had money there in the investment attraction fund we still could not get anybody.

Am I excited by this? No, I am not excited. They are hoping that perhaps they are going to attract new business, and we know that we need new business; we know that we need to start businesses so that we are not just dependent on the resource development sector. Yet, the businesses that would be getting money through these funds, would they be businesses that would be large enough to really help our economy? I guess my answer is a lot of small businesses can do a lot of good for an economy, but I do not have any detail from government that makes me think that they are going to be, or we are going to be any more successful in attracting the investment.

No, I am not excited. They did not prove to me before that they knew how to do it and we certainly did not gain all kinds of people because of money that government gave. We have examples of where government gave money to industries in this Province where we got nothing back for the money, companies that did nothing with the money.

I am not excited about it. I hope it is not wasted money and I suppose I can look at the Atlantic Canada one and say: Well, we put \$10 million in and PEI benefits from it, or a business in PEI benefits from it, we should be happy. I would be happier if the businesses are going to be helping us benefit from it here in Newfoundland and Labrador.

I guess whether it is \$10 million in each of the funds or \$20 million into the provincial fund, it really would not matter because we had \$15 million in the investment attraction fund before and, as I said, never did anything with it.

I sort of see this bill as much to do about nothing. It cannot be harmful, but I would be delighted if I saw something come from it.

I think that is all I need to say to it, Mr. Speaker.

Thank you very much.

MR. SPEAKER: If the hon. the Minister of Finance speaks now, she will close the debate.

The hon. the Minister of Finance.

MS JOHNSON: Thank you, Mr. Speaker.

Well, we do share the excitement of our colleagues, at least from the Opposition, Mr. Speaker, and the Leader of the Third Party spoke for herself and her party that they are not excited. I certainly invite her, on behalf of the Minister of Innovation, Business and Rural Development, to the press conference when they do launch this new fund because she then will see the excitement that has circulated around this particular fund, Mr. Speaker.

I know the Member for Virginia Waters and the Member for The Straits – White Bay North have spoken about this in the past. I can tell you the excitement that I saw in the faces of many businesses on Budget day when we had our lockdowns with the various stakeholders, Mr. Speaker.

She talks about we are now doing this with Atlantic Canada. We are very proud of the fact that we are sharing with our Atlantic counterparts and working with them to draw people to the Atlantic region. It is very competitive out there. I can certainly assure her that many businesses are knocking on our door and are so excited to see that we are part of the Build Ventures Fund and that we are having our own fund because they are looking for a way to invest in the innovative, creative talent that we have here in this Province, Mr. Speaker.

I went around the Province and talked to some of the businesses – and in Clarendville SubC, two young men from rural Newfoundland, I do not even think they were twenty-five years old, Mr. Speaker. It is companies like that which are working in innovative, very unique niches in technology. Those are the types of companies that we want to help get started up.

I want to share our excitement about it and I see that from the Opposition. Time will have to tell for the Leader of the NDP. We invite her to that launch because there is going to be a lot of excitement when this unfolds.

I thank the Opposition for their support for this to have the legislative authority to do this piece of work so that we can announce the details of this in the very near future. On that note, if there are any specific questions in Committee I would be happy to assist.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Is it the pleasure of the House that the said bill be now read a second time?

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

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

Carried.

CLERK: A bill, An Act To Amend The Income Tax Act, 2000 No. 2. (Bill 20)

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

When shall the bill be referred to a Committee of the Whole House?

MR. KING: Today.

MR. SPEAKER: Today.

On motion, a bill, "An Act To Amend The Income Tax Act, 2000 No. 2", read a second time, ordered referred to a Committee of the Whole House presently, by leave. (Bill 20)

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

MR. KING: Thank you, Mr. Speaker.

At this time, I call from the Order Paper, Order 2, second reading of a bill, An Act To Amend The Dispensing Opticians Act, 2005, Bill 19.

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

SOME HON. MEMBERS: Hear, hear!

MR. DAVIS: Thank you, Mr. Speaker.

I move, seconded by the Minister of Municipal and Intergovernmental Affairs, that Bill 19, An Act To Amend The Dispensing Opticians Act, 2005, now be read the second time.

MR. SPEAKER: It has been moved and seconded that Bill 19 entitled, An Act To Amend The Dispensing Opticians Act, 2005, be now read a second time.

Motion, second reading of a bill, "An Act To Amend The Dispensing Opticians Act, 2005". (Bill 19)

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

SOME HON. MEMBERS: Hear, hear!

MR. DAVIS: Thank you, Mr. Speaker.

I rise before this House today to introduce in second reading a bill entitled, An Act To Amend The Dispensing Opticians Act, 2005.

Mr. Speaker, the Dispensing Opticians Act, 2005 regulates the practice of dispensing opticians which involves the dispensing of optical appliances such as eyeglasses and contact lenses which are required to correct an individual's vision. There are 115 dispensing opticians registered with the Dispensing Opticians Board of Newfoundland and Labrador.

Mr. Speaker, the dispensing of contact lenses is an area that receives special attention. Not all dispensing opticians are qualified to fit a person with contact lenses. Unlike eyeglasses, contact lenses are designed to sit directly on the cornea of the eye; therefore, in order to fit contact lenses, dispensing opticians require specialized training.

A dispensing optician who has completed the required extra education and training may be certified by the Dispensing Opticians Board as a contact lens fitter. Of the 115 dispensing opticians registered by the board, forty-four are also certified as contact lens fitters.

Mr. Speaker, in accordance with section 32 of the act, dispensing opticians must only dispense optical appliances in accordance with the prescription of an optometrist or an ophthalmologist. Section 33 of the act further states: contact lens must only be dispensed by a dispensing optician who holds a certificate from a Dispensing Opticians Board authorizing him

or her to fit contact lenses; where it is done under the direction of a licensed medical practitioner or registered optometrist and where the prescription of the optometrist or ophthalmologist specifically prescribes contact lenses.

This bill amends the Dispensing Opticians Act, 2005 to remove the requirements that contact lenses must only be dispensed under the direction of a licensed medical practitioner or a registered optometrist and that all prescriptions from a licensed medical practitioner or registered optometrist must specifically prescribe contact lenses before contact lenses may be dispensed.

Mr. Speaker, currently when a contact lens fitter receives a contact lens specific prescription from an optometrist or an ophthalmologist, he or she is required to conduct a thorough assessment of the individual's eyes before dispensing the contact lenses to ensure the individual is suited to wearing contact lenses even though the optometrist or ophthalmologist would have already conducted an examination. The contact lens fitter also provides information regarding the handling and care of contact lenses to prevent injury to an individual's eyes from wearing contact lenses.

These requirements are part of the professional standards of practice of dispensing opticians who hold a special designation of contact lens fitter. In some cases, even though an individual may have a contact lens specific prescription from an optometrist or ophthalmologist, a contact lens fitter may determine not to dispense contact lenses to the individual. This can happen, for example, where the individual suffers an eye injury in the intervening time between when he or she receives the contact lens specific prescription, and when they see the contact lens fitter to be fitted for the contact lenses.

Mr. Speaker, we have received information from the Dispensing Opticians Board that contact lens fitters are often faced with situations where an individual who wants contact lenses only has the basic eyeglass prescription and attends an optical business to obtain contact lenses. In these circumstances, under current legislation, the individual may not be aware that the specific

prescription for contact lenses is required. He or she may have forgotten to ask an optometrist or ophthalmologist to include contact lenses on the prescription, or the individual may have decided at a later date that he or she now would like the option of contact lenses.

Mr. Speaker, currently in these cases the contact lens fitter must inform the individual that he or she must return to the optometrist or ophthalmologist to obtain a contact lens specific prescription. This results in extra time, extra effort, and quite often extra expense expended by the individual client, the optometrist or ophthalmologist, and the contact lens fitter before the individual may receive contact lenses.

Mr. Speaker, Newfoundland and Labrador is the only jurisdiction in Canada which limits the scope of practice of contact lens fitters by imposing these requirements. In other jurisdictions, there is no such thing as a contact lens specific prescription. This bill makes our legislation consistent with legislation across the country with respect to the scope of practice of dispensing opticians who have the contact lens fitter designation.

The amendment to this act will enable an individual who has a basic glass prescription from his or her optometrist or ophthalmologist to go to a contact lens fitter to be fitted for contact lenses. An eyeglass prescription includes the values of the various parameters that are necessary in order to dispense these corrective lenses to an individual. Using these values, a contact lens fitter is qualified to do the necessary calculations to convert the values from an individual's eyeglass prescription to determine the values and strength of the contact lenses for that particular individual.

When an individual with a basic eyeglass prescription visits a contact lens fitter, the contact lens fitter will conduct an assessment of the individual's eyes and ask him or her various questions related to his or her eye health. Using this assessment, the contact lens fitter will determine whether or not the person is suited to wearing contact lenses.

While contact lens fitters are not authorized to diagnose any disease or condition of the eye – that falls within the exclusive scope of practice

of optometrists and ophthalmologists – their education and training enables them to recognize when such diseases or conditions may be present. They are also aware of the contradictions to wearing contact lenses and are qualified to identify those upon assessing in individuals.

Mr. Speaker, if a contact lens fitter determines that an individual should not wear contact lenses, he or she will not dispense the lenses and in appropriate cases will refer the individual back to his or her optometrist or ophthalmologist for appropriate follow up. Contact lens fitters also provide individuals with valuable information and instruction regarding the use and care of contact lenses in order to prevent any infection or injury which may be caused by wearing contact lenses.

First-time contact wearers must also attend follow-up visits with the contact lens fitter in order to ensure the contact lenses continue to fit properly and there are no negative side effects with the use of contact lenses. In jurisdictions elsewhere in Canada, the decision to fit and dispense contact lenses is made by the contact lens fitter everyday as part of their scope of practice. Mr. Speaker, it is within the scope of practice of contact lens fitters in this Province to dispense contact lenses based on the value set out in the eyeglass prescription.

The proposed amendment to the act will ensure that contact lens fitters are able to work to their full scope of practice. The amendment will remove the requirements that contact lenses may only be fitted under the direction of a licensed medical practitioner or a registered optometrist and that the prescription states specifically that it is for contact lenses. Contact lens fitters will still require direction from an optometrist or an ophthalmologist in the form of a prescription, but this prescription will now be for basic eyeglass prescription. Contact lens fitters will then use the information in the eyeglass prescription to fit contact lenses in cases where it is appropriate to do so.

Mr. Speaker, this bill will not only allow contact lens fitters in the Province to work to their full scope of practice, it will also make it easier for individuals to obtain contact lenses from their chosen service provider without having to go to

their optometrist or their ophthalmologist to get a specific contact lens prescription.

Mr. Speaker, this bill is a relatively small amendment. I believe it will be important to people in Newfoundland and Labrador who choose contact lenses. It will bring our legislation in-line to be consistent with other jurisdictions in Canada. I look forward to the debate this afternoon and comments from members of the House of Assembly.

Thank you.

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

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

I am happy to stand and speak to Bill 19, An Act To Amend The Dispensing Opticians Act, 2005.

It is certainly not riveting stuff. It is very much a requested housekeeping piece of legislation. Contrary to what the minister said, I do not think there will be much debate on this today because it is something that I think is needed. Importantly to me during my briefing with the department was the fact that this was requested by the industry.

Again, speaking first, I would like to first thank the members of the minister's department who took the time to meet with us and brief us on this piece of legislation. I know it takes them some time to do that, and I appreciate them doing that.

The second part, it is a very small amendment here in the sense that section 33 of the Dispensing Opticians Act, 2005 is repealed and the following section 33 is being substituted in. There are just two sub-clauses to it. One is contact lenses shall only be fitted by a dispensing optician who holds a certificate from the board authorizing him or her to do so. Number two, notwithstanding 32.(1), a dispensing optician who holds a certificate from the board authorizing him or her to fit contact lenses may convert a prescription for the purposes of fitting, dispensing or supplying contact lenses.

It seems very straightforward, and I did not actually have many questions during the briefing. One of them was: why is this done?

There are so many pieces of legislation. The individual doing the briefing said this is not something we would have thought of. This was something the industry requested. I am happy to see government respond to professionals when they come forward with legislation that is necessary. We all know that is not always the case, but in this case the department was contacted and they took the necessary steps.

I do not think there is a need to go into all of the details. I think the minister did a good job of explaining certain parts. Things I did not know prior to this, the fact that there are 115 dispensing opticians in the Province and of those, forty-four have undergone the additional training to be able to fit contact lenses for people.

The purpose of this today is we are removing the restriction that a dispensing optician may only supply contact lenses where a prescription specifically indicates that it may be supplied. It sounds like a small thing but it really was a hindrance getting in the way, so that is being taken care of. It also clarified the dispensing optician who is authorized by the board may convert this prescription.

What we are actually doing here, and I agree with this, is we are simplifying the procedure. I would assume there are savings that will be realized by this in a sense that you do not have to go back and forth to these professionals. We are making people's lives easier.

There is a Dispensing Opticians Board in this Province, and it is legislatively required to have five people who are elected from and by dispensing opticians in accordance with the bylaws; two people appointed by the minister who are the laypersons, who are there to represent the public interests, very similar to other regulating boards to take care of their own.

It is a necessary piece, and the reason I say necessary is on the assurance by the department that this was industry driven. That is what my comments are based on here today. I have not had a conversation with a dispensing optician when it comes to this. I have had other conversations with optometrists and other eye professionals. That is something I will bring up on another occasion.

Again, this is being done at the request of the board. It acknowledges and recognizes the scope of practice for opticians who have done the additional training. There is obviously no harm to people's safety. We are making the practice better and more inclusive.

I am assuming that if the board brings this forward, then the board is speaking on behalf of their members, and that is necessary. We have talked in the past about cases where there was consultation that was supposed to have been done and was never done. I have been assured this is not the case, and happy to see that.

I do not think there is any need to belabour the points. The minister provided a good background to why this is being brought forward. It is important. I am sure we are making the lives better for those individuals who are involved in this practice, and in turn, those individuals who rely on their service. So if we can make life easier, make things better, not harm anybody and maybe have some savings, then I am certainly all for that and would be happy to support it.

In saying that, I will take my seat and maybe have some questions at the Committee stage.

Thank you, Mr. Speaker.

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

MR. GRANTER: Thank you, Mr. Speaker.

It is a privilege this afternoon to stand for a few moments to talk about Bill 19, An Act To Amend The Dispensing Opticians Act, 2005.

I want to specifically focus for a few moments on the scope of practice. As my hon. colleague from across the floor just eloquently referenced, the bill would amend the Dispensing Opticians Act, 2005 to remove the restriction that a dispensing optician may only supply contact lenses where a prescription specifically indicates that they may be supplied. I just realized, reading directly from the bill, I think it is time for me to go get my eyes checked again, Mr. Speaker – clarify that a dispensing optician who is authorized by the board to fit contact lenses

may convert a prescription in order to supply contact lenses.

There are just two changes; actually, one change in the bill, in the act, because section 33(1) is the same as it is there now. "Contact lenses shall only be fitted by a dispensing optician (a) who holds a certificate from the board authorizing him or her to do so". That is the same in the current bill.

The change under section 33(2) is: notwithstanding subsection 32(1), a dispensing optician who holds a certificate from the board authorizing him or her to fit contact lenses may convert a prescription for the purposes of fitting, dispensing, or supplying contact lenses.

I just want to take a few moments of everyone's time, especially the viewers at home, to talk for a few moments about the scope of practice for the dispensing opticians. Mr. Speaker, as alluded to, there are 115 dispensing opticians registered with the Dispensing Opticians Board of Newfoundland and Labrador which is the regulatory body of the profession, and that is important to remember.

Dispensing opticians engage in the practice of optical dispensing, whether it be eyeglasses or contact lenses. Under section 2(g) "optical dispensing' means (i) the supplying, repairing and dispensing of optical appliances, (ii) the interpretation of prescriptions of optometrists and medical practitioners, or (iii) the fitting, adjusting and adapting of optical appliances to the human face and eyes in accordance with the prescriptions of optometrists and medical practitioners".

Mr. Speaker, for the benefit of the people listening and watching at home, optical appliances are defined in the act as "...lenses, spectacles, eye glasses, contact lenses or parts connected or attached to these for the relief or correction of a visual or muscular error or defect of the eyes".

Mr. Speaker, I just want to take a moment or two to talk a little bit about the work of dispensing opticians here in the Province. In order to be registered as a dispensing optician in Newfoundland and Labrador by the Dispensing Opticians Board, an individual must meet

specific education and training requirements. I want to say upfront that they are very stringent here in the Province, as they are across the country.

They must complete a two-year optical dispensing program at an accredited educational institution either in class or through distance education; completion of 500 hours of supervised practice per semester with a registered dispensing optician, and pass a national licensing examination. Just to get to that level there is a two-year program, 500 hours, and a national exam that must be successfully completed.

Mr. Speaker, dispensing opticians dispense optical appliances based on the prescriptions written by an optometrist or an ophthalmologist. It is important to remember it is not within the scope of practice – this is absolutely crucial, Mr. Speaker, under the act. It is not within the scope of the practice of dispensing opticians to diagnose diseases or conditions of the eye.

It is, however, within the training and education of dispensing opticians to recognize when such diseases or conditions may be present and, if necessary, refer the patient back to his or her optometrist or ophthalmologist to receive the medical treatment and the medical care that is necessary. That is important for the listeners at home to understand. It is a team approach to the good health and good eye care of Newfoundlanders and Labradorians.

The Dispensing Opticians Act, 2005 includes provisions for the regulation of contact lens dispensers, which are a specialized subset of dispensing opticians. As was alluded to at least once this afternoon, there are 115 dispensing opticians registered with the board, and forty-four are also registered as contact lens fitters. You have to go through – and I will talk in a minute or two about the extra training that you need in order to become contact lens fitters, Mr. Speaker.

As set out in the act, contact lenses may only be dispensed by a dispensing optician who holds a certificate from the board authorizing him or her to do so, Mr. Speaker. How do you become a contact lens fitter in Newfoundland and Labrador? In order to become registered as a

contact lens fitter, an individual must meet educational and training requirements over and above those required by dispensing opticians, and those are the ones I just spoke about a few minutes ago.

These requirements include completion of accredited two-year contact lens dispensing program – so you have to have a two-year optical dispensing program. That is two years in order to get that. Now you need a two-year optical dispensing program plus two years for a contact lens dispensing program. In total, we are talking four years, Mr. Speaker. Completion of an extra 500 supervised practice hours over the two-year period. Add that to the 500 hours initially for initial training.

We are seeing that it is very stringent, the kind of regulations that are required in order to become accredited with the board in the Province. You have to pass a separate national exam so there are two national exams that you have to pass in order to get to a level where you are one of the current forty-four in the Province, Mr. Speaker, to be able to be registered as a contact lens fitter.

The point here as I say to the viewers at home, to the people of the Province, and people listening at home is that it is a very stringent process. When you go into these dispensing opticians and contact lens fitters be assured that the quality and care of the eye care that you are receiving is second to none in the Province and second to none in the country, Mr. Speaker. That is quite important for all of us to remember.

The Dispensing Opticians Act, 2005 currently requires not only that contact lenses be dispensed only by registered contact lens fitters, Mr. Speaker, but also that contact lenses only be dispensed by a contact lens fitter where a prescription from an optometrist or ophthalmologist specifically prescribes contact lenses. Again, it is important for viewer to know that this requirement is not consistent with the scope of practice of contact lens fitters who are educated and trained to be able to dispense contact lenses using a basic eyeglass prescription.

Newfoundland and Labrador is currently the only jurisdiction in Canada that requires contact

lens fitters to dispense contact lenses only when specifically authorized to do so with that prescription, Mr. Speaker. The amendments that are proposed in Bill 19 will allow contact lens fitters to fit contact lenses without the requirement that the prescription specifically prescribed contact lenses. Important for all of us here on the floor as well as the residents of Newfoundland and Labrador listening at home, a prescription will still be required – you cannot go in without a prescription. So obviously, a prescription will be required; however, the requirement that the prescription states specifically that it is for contact lenses, Mr. Speaker, will no longer be present in the Dispensing Opticians Act, 2005.

Instead, contact lens fitter will be able fit contact lenses using a basic eyeglass prescription. So, a contact lens fitter is able to use a basic eyeglass prescription and perform certain calculations to convert the values from an individual's eyeglass prescription to determine the values and strength of contact lenses for that individual, Mr. Speaker. Actually, some people can go online, if you want to, and you can actually see that there is a conversion process there – but I would not want people to be doing that, Mr. Speaker; leave it to the professionals that we have in the Province and at their clinics.

Contact lens fitters also provide information and instruction to individuals regarding the use and care of contact lenses in order to prevent infection or injury which may be caused by wearing contact lenses. So that is important to remember. As I conclude here, it is important to note that this amendment will bring the scope of practice for our dispensing opticians and contact lens fitters in Newfoundland and Labrador in line with the rest of Canada and all of the other provinces.

The amendment outlined in Bill 19, as recognized by the hon. Member for Burgeo – La Poile, and as outlined by the minister earlier today, was requested by the Dispensing Opticians Board of Newfoundland and Labrador, and it is always good for us as legislators in the Province to be able to accommodate the requests that come in, from people who are making a request in the Province in a specific industry.

So, Mr. Speaker, I would ask all members to support the amendments to this bill.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

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

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

I am quite pleased to stand today and speak to Bill 19, An Act to Amend the Dispensing Opticians Act, 2005. I have to say that I am quite pleased, actually, to see this bill. In some ways, it is a minor bill, but I do not think it is minor for the opticians in the Province who recognize their skills and recognize their expertise – and I am talking specifically about the opticians who are certified contact lens fitters, that they have the education.

I am very pleased for them that they now will be able to have their expertise recognized and not be part of a bit of a paternalistic system whereby before, while they could fit for contact lenses, they had to do it under the direction of an optometrist or ophthalmologist. In a sense, that was really a bit of an insult to the opticians, because opticians who were allowed to do the fitting, in actual fact, had the training and the expertise to do it.

In Canada, an optician goes through a two-year program at an accredited institution and that also includes 500 practice hours. Then if they want to become qualified to fit contact lenses, they go through two more years of training. The opticians here in our Province who were qualified to fit the contact lenses had that training, but they were only allowed to do it under the eye of an ophthalmologist or an optometrist. So, it was a pretty paternalistic system that we had.

Finally, as the minister has said and my colleague for Humber West, we now are coming into line with other jurisdictions in Canada. We should almost be a bit ashamed that of the fact that it is only now we are getting to it. The minister said that the department never really thought about it and it was the opticians

themselves, through their association, who came to the department with the suggestions.

I am glad that the Dispensing Opticians Board realized that it was up to them to make something happen. I would like the government to think about that because we have other groups that are telling government that they should be able to operate to the maximum of their expertise and training as well – for example, the pharmacists.

I encourage the Minister of Health and Community Services to start looking at what the pharmacists are saying about operating to the full extent of their training and expertise, because that certainly should be our goal. If somebody is at a point where there are things under their training that they should do, we should be freeing up people in other areas, professionals in other areas, so that they can do what they are trained to do. By allowing opticians to deal with this, we are now freeing up the optometrists the ophthalmologists to do what they are trained to do that the opticians are not trained to do.

It certainly is something that I support and would hope government will broaden its thinking around this. We also have the same kind of discussion with midwives. I know government has started a process with regard to having midwives recognized, but it is a very slow process. I would love to see it speeded up, especially because the midwives has been many years now trying to communicate with government about the expertise they have and how that will help the health care system. So anything that we can do in the health –

MR. SPEAKER: Order, please!

I remind the member to make her comments relevant to the bill.

MS MICHAEL: Thank you, Mr. Speaker.

I am speaking to how happy I am about the fact that this bill recognizes the use of our professionals to the full degree of their expertise. For that reason, I will be pleased to vote for this bill; the minister will be happy to know. I would be sort of stupid not to; it is a bill that is for the good of the people of the Province, for

the good of our health care system, and I think we should be proud of recognizing the expertise that opticians have.

I think what could happen as well, which would be a spinoff of having the bill in place, is that we might see more dispensing opticians who will be encouraged by this bill to get the extra training as fitters of the contact lens. That would be good because the more of them who have that training and the more who do it, again, the more that optometrists and ophthalmologists are being freed up to do the work that they are trained to do.

Having said that, Mr. Speaker, I am very pleased to say that we will support this bill.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: If the hon. the Minister of Health and Community Services speaks now, he will close the debate.

The hon. the Minister of Health and Community Services.

SOME HON. MEMBERS: Hear, hear!

MR. DAVIS: Thank you, Mr. Speaker.

Thank you very much. I want to thank members for their input on this, this afternoon. They are correct in the comments that it is not a significant change in legislation; however, from time to time it can have a positive impact on people who visit optometrists or an ophthalmologist, and then the optometrist or ophthalmologist under current legislation has to ask or endeavour if the person is looking to have authorization for a contact lens fitting as well. If they do not do that, if they do not have that conversation, or if the patient does not ask for it or if the optometrist or ophthalmologist does not offer it up and they leave and decide at some point later that they want to take advantage of the opportunity to get contact lenses, then it is a bit of work for them where they would have to go back to their optometrist or ophthalmologist to get a prescription that specifically allows for contact lenses.

That is, in essence, what this bill is. It removes that requirement that the optometrist or ophthalmologist specifically state that the prescription will be included for contact lenses and allows then the patient, the customer, the consumer, in consultation with their optician, the opportunity to consider contact lenses.

I can tell you, I have worn them for many years. I remember the first time I wore them. They do not work so well for me now at my age, but they were quite advantageous for me during many years in my life that I wore them on a regular basis. It was much better to have them. As you get older, they do not work as effectively as they did when I was younger, so I still have to use glasses most often now.

Anyway, Mr. Speaker, I thank again the members on both sides of the House for their debate this afternoon. I look forward to them supporting this bill.

MR. SPEAKER: Is it the pleasure of the House that Bill 19 now be read a second time?

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

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

Carried.

CLERK: A bill, An Act To Amend The Dispensing Opticians Act, 2005. (Bill 19)

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

When shall the bill be referred to a Committee of the Whole House?

MR. KING: Today.

MR. SPEAKER: Today.

On motion, a bill, "An Act To Amend The Dispensing Opticians Act, 2005", read a second time, ordered referred to a Committee of the Whole House presently, by leave. (Bill 19)

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

MR. KING: Thank you, Mr. Speaker.

At this time I call from the Order Paper, Order 1, second reading of a bill, An Act To Amend The Income Tax Act, 2000, Bill 13.

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

MS JOHNSON: Thank you, Mr. Speaker.

I move, seconded by the Minister of Education, that I now do second reading of Bill 13.

MR. SPEAKER: It is moved and seconded that Bill 13 now be read a second time.

Motion, second reading of a bill, "An Act To Amend The Income Tax Act, 2000". (Bill 13)

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MS JOHNSON: Thank you, Mr. Speaker.

I am pleased to rise today to speak to amendments to the Income Tax Act, 2000 to implement changes that we announced in Budget 2014. This is Bill 13 and, in particular, this amendment will allow for the following changes, Mr. Speaker, that I will read into the record: firstly, to reduce the small business corporate income tax rate to 3 per cent, this will bring us down to the lowest small business corporate income tax rate in Atlantic Canada tied with Nova Scotia; also, with respect to the low income tax reduction, increase the beginning phase-out income thresholds by \$1,000 for single individuals and \$2,000 for families; and with respect to the dividend tax credit, reduce the rate for non-eligible dividends to 4.1 per cent, and reduce the rate for eligible dividends to 5.4 per cent.

In addition, Mr. Speaker, while not part of amendments to the act, changes to the regulations will allow for an increase in the Seniors' Benefit to \$1,036. I will speak briefly to each of these changes.

With respect to the small business corporate income tax rate, effective July 1, 2014, the small business corporate income tax rate will be decreased from 4 per cent to 3 per cent. As a

result as I said, this Province's small business tax rate will be tied with Nova Scotia for the lowest rate in Atlantic Canada. This initiative will put \$4.5 million annually back into the hands of approximately 6,000 small businesses in the Province. The reduced tax rate for small business is available to corporations that qualify for the federal small business deduction. To qualify for the small business deduction, the taxpayer must be a Canadian controlled private corporation throughout the tax year and have income from an active business carried on in Canada.

With respect to the low income tax reduction, this reduction is a provincial personal income tax reduction for low-income individuals and families provided under section 21.1 of the Income Tax Act. Budget 2014 provided an increase to the beginning income thresholds beyond annual indexation. Effective for the 2014 taxation year, the low income tax reduction income thresholds will be increased from \$17,547 to \$18,547 for individuals, and from \$29,362 to \$31,362 for families. For a family with an annual income of \$32,000, this means a savings of \$463, Mr. Speaker.

The credit will eliminate the provincial income tax for individuals with net income up to \$18,547, and for families with net income up to \$31,362. Partial tax reductions will be received by individuals with net income up to \$22,815, and for families with net income up to \$38,006. These changes will cost approximately \$4.5 million annually, bringing the total estimated cost of the low income tax reduction to approximately \$11.1 million back into those taxpayers' hands, Mr. Speaker.

On the dividend tax credit rate, dividends paid by a small business corporation are essentially taxed twice. First, corporate income tax is paid by the corporation, and then personal income tax is paid when the dividends are received by the shareholder. For small businesses, personal income tax and corporate income tax are generally paid in the same province.

The dividend tax credit exists to integrate the corporate and personal income tax systems for small businesses. The purpose of integration is that the combined corporate income tax and personal income tax burden on the company and

shareholder should be the same regardless of how the income is taken, ensuring that the salary versus the dividend decision is tax neutral.

The dividend income is grossed up by a set percentage to estimate the pre-tax income of the corporation, and the dividend tax credit is the mechanism to give the shareholder a credit for the corporate income tax paid by the corporation. A dividend tax credit is provided by the federal government to reduce federal tax payable, and similarly all provinces provide dividend tax credit to reduce provincial tax payable.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS JOHNSON: Budget 2014 announced a reduction in the provincial dividend tax credit rates. For dividends paid on or after July 1, 2014, the dividend tax credit rate for non-eligible dividends will be reduced from 5 per cent to 4.1 per cent, and the dividend tax credit rate for eligible dividends will be reduced from 11 per cent to 5.4 per cent. This change will restore integration for non-eligible dividends and will also ensure that the effective tax rate on eligible dividends is equivalent to the effective tax rate on non-eligible dividends.

Finally, Mr. Speaker, but really important, is the Seniors' Benefit. The Newfoundland and Labrador Low Income Seniors' Benefit is a refundable tax credit for low-income seniors who are at least sixty-five years old at any time during the tax year. Even if an individual has no tax payable and meets the eligibility requirements they will receive this benefit. The benefit is paid automatically in October each year and is based on family net income from the previous tax year.

Budget 2014 includes an increase beyond the increase for annual indexation to the Low Income Seniors' Benefit. As a result, the maximum payment seniors will receive in October, 2014 will be the highest ever at \$1,036, up from \$971 in 2013. Approximately 42,000 seniors will benefit from the program in 2014, at a total estimated cost of \$40.4 million.

Mr. Speaker, that is it in a nutshell in terms of the amendments to the Income Tax Act. I look forward to answering any questions that members may have on these amendments and I certainly thank them for their support on these very worthwhile changes to the Income Tax Act.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Virginia Waters.

MS C. BENNETT: Thank you, Mr. Speaker.

I am happy to rise in the House today and speak to the bill that would amend the Income Tax Act, 2000, specifically with reference to the three main themes that are in the bill.

Certainly, in an economy where individuals are continuing to be challenged by ever-increasing costs, taking a look at tax rates for low-income earners as well as seniors is an important activity for government to do. Part of this bill - there is a tremendous amount of things happening in the bill besides the reductions for seniors and low-income earners, and that is specifically around the changes to the small business tax and the dividend tax credit.

I would like to thank the minister and her staff for the time they spent - particularly her staff spent - on providing a briefing. Some of the questions we were able to ask in that briefing certainly helped clarify some of the things we had concerns with. Certainly admirable in the bill is the reduction in taxes related to the low-income earners and seniors, as I have already said.

When you look at the small business corporate tax rate that is going to bring us - I believe she said it is going to bring us in line with being the lowest in Atlantic Canada, along with Nova Scotia. One of the things small businesses are also affected by is regulations and increasing costs. While this step to lower the corporate tax rate for them is a step in the right direction, the increase in costs, particularly related to large-scale projects in their area of the Province, are certainly going to eat into those savings fairly quickly.

We have small businesses under severe pressure in parts of the Province, including Happy Valley-Goose Bay. Those small business operators are having difficulty competing with the large-scale projects, competing for staff, competing for resources, competing for a number of things. We have seen the impacts of the large-scale projects being detrimental towards some small businesses ability to take advantage of the growth opportunity. Reducing the small business tax credit allows them to potentially be even more competitive.

Small business is a factor. GDP has declined by about 2 per cent over the last five years. I think as a percent of our GDP, small businesses now represent 20 per cent of our overall GDP, which is the lowest in Canada. It is responsible of government to look at any and all initiatives that it can to support small business. So from this side of the House you are certainly going to get support on that piece.

When it comes to the dividend tax credit, from what I understand the dividends, as the minister had referenced, are payments that an investor or owner of the shares receives as a share of the corporation's earnings and profit. Shareholders pay those taxes on the dividends because they are investment income. Some of the dividends may be eligible dividends, while other may be called ordinary or non-eligible dividends.

The type of dividends an investor receives has an impact on the investor's tax return. Corporations decide what will be paid out, whether the dividend will be eligible versus ineligible. However, the shareholder is the one who is impacted. The corporation has a duty to notify an investor that it is going to issue eligible dividends. An eligible dividend is simply one that has been given the status of eligible by the corporation that issued it.

Dividends increase taxable income. This increase to taxable income therefore increases the amount of tax that one is required to pay. While I believe the intention – the minister can clarify this when she speaks to this later on this afternoon. I believe, Mr. Speaker, the intention is here to have a blend, which would in essence be net zero effect on the small business operator. Some would argue this combination of small business tax credit coupled with a dividend tax

credit at the same time would not necessarily provide a net zero perspective, depending on the blend of investments an individual may have, particularly a small business operator who in essence is investing in their own business.

The dividend tax credit, as was mentioned, is a non-refundable tax credit that applies when Canadian dividends are included in income. As it is a non-refundable tax credit, it means it can only be used to reduce federal or provincial or territorial taxes to zero. Obviously, foreign dividends do not qualify for the dividend tax credit and will not be affected.

This year's Budget saw a decrease in the eligible dividend tax credit rate from 11 per cent to 5.4 per cent effective July 1. This change is intended to reset the effective tax rate on eligible dividends equivalent to the tax rate on non-eligible dividends. The bill also decreases the non-eligible dividend tax credit, I think to about 4.1 per cent, effective July 1. Each year government reviews the federal and provincial taxes, and I guess the integration of these tax rates. The key is when the tax rates integrate that you do not create a situation where there is a disadvantage.

As I mentioned earlier, supporting small business in our Province is extremely important, particularly considering that we have the lowest rate of small business participation or make up of our GDP. It requires us to look at things like rules and regulations, particularly in the tax structure, to ensure that small businesses are able to continue to hire individuals and thrive in places of the Province where employment may be challenged. Those businesses, as I mentioned earlier, that are operating in markets in our Province where the labour market is overtaxed, they are fighting increasing costs, not only of the costs they have in their own business, but certainly the cost of services that they may buy. I believe the Minister of Advanced Education and Skills even referenced it earlier today about the increasing costs that government has when it is trying to do work, and those challenges continue to face small business operators throughout the Province.

Mr. Speaker, I will go back to the beginning, which again is why the bill is important. Reducing personal income tax, especially for

low-income earners who are equally challenged by the increasing costs in our Province whether it is the cost related to their electricity, their food, the other things that they have to decide what to buy and what not to buy, lowering the personal income tax for those individuals is certainly important and it is one of the reasons why we will be supporting this bill.

I look forward to asking some more questions of the minister when we get into Committee, particularly around the amalgamation of the small business tax as it relates to the dividend tax credit and if she anticipates any small business owners who might be sadly disappointed when they do their personal income tax after they do their corporate income tax return next year.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. K. PARSONS: Thank you for the applause over there.

Mr. Speaker, this is a very important bill. I am just going to mention a couple of areas of the bill that are very important to all of us here in Newfoundland and Labrador. When you look at what small business does for Newfoundland and Labrador – and as the hon. Member for Virginia Waters just mentioned that time, she talked about areas of the Province where we call it a boom and, I guess, you would look at St. John's area, Labrador, and there are all kinds of areas all over the Province.

This is a very important tax for rural Newfoundland. If you look at it, Mr. Speaker, there are 6,000 small businesses that are going to be affected by this, reducing their tax rate. Again while in St. John's, there is a lot of competition and in areas where there is a boom, there are lots of competition; but in rural Newfoundland where the economy is probably not as good as what it is in other parts of the Province, this is very important that we do this investment and make sure that small business

owners receive the benefits of everybody. This is going to help them. It may help them keep an employee. It may make them want to hire a new employee, but the savings goes right back into rural Newfoundland.

As a Newfoundlander and Labradorian, I know we all try to take care of each other. It was a great example the weekend, on Sunday, watching the telethon. If you look at all the different areas of the Province, everywhere in this Province you would see donations from one part to the other and that is what this bill – we are ensuring that rural Newfoundland and business in rural Newfoundland survive. By reducing taxes from 4 per cent down to 3 per cent, I hope it helps and I hope that it makes a difference for a lot of small businesses.

Like I said, there are 6,000 small businesses that will be affected by this. Again, they are small businesses. While we have businesses all over this Province that are competing internationally and right across Canada, all over the world, and doing very, very well, we have a lot of small businesses that are the reason why rural Newfoundland continues to grow and continues to survive. It is very important that we invest in small business. This is a great example of what we are doing to make sure that these businesses – help them to survive.

The other part of this, any time that we can put – I know people will look at it and say well, \$65. Sixty-five dollars in a senior's hand means a lot. It means a lot to the senior. I know I am not a very good fellow to be talking, but I know my mother and father used to be able to make a dollar go a long ways.

I know a lot of seniors in this Province are doing the same thing every day. They know how to spend a dollar. They are not like us fellows sometimes and the younger people, even I say about my two. To seniors in this Province, \$65 is very, very important to them.

Mr. Speaker, when I look at \$65, this benefit is going to affect 42,000 seniors in our Province. Now while I say it is \$65, if you look at the cost, the cost is \$40.4 million. It is a large cost, but it is well worth it. Any dollar that we can put in seniors' hands to help with them in any way at

all – so I just want to touch base today just on those two very important parts of the bill.

I know there are another couple of sections of the bill, but I just want to touch base because I really think we do have to invest in our small businesses. It is a very important part of our Province. Rural Newfoundland small business will benefit from this. I hope it helps them make business better for them. I hope it helps them survive. I hope it maybe keeps an employer, or maybe gets another employee in their business, and maybe make it more profitable.

I think they are great investments that we are doing. Any time, Mr. Speaker, we put dollars in our seniors' hands, I applaud it because it is a great investment in the people who built Newfoundland and Labrador.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. MITCHELMORE: Thank you, Mr. Speaker, for the opportunity to speak to this piece of legislation, An Act to Amend the Income Tax Act, which has a few pieces in it. One that is of great interest to me is looking at the reduction in the small business corporate tax to 3 per cent down from 4 per cent.

As a former small business owner in the Province of Newfoundland and Labrador, we need to look at the regulatory regime that we have in place and look at the overall affordability of ways to – businesses are faced with incredible regulatory burden and they also pay an incredible amount of tax, especially small business owners. There are a lot of administration that they have to do, different forms, different pieces that take up time.

So, when we look at creating a balance in the economy and we look at the makeup of the economy of small business owners that exist in the Province, you need to find that balance if you are looking at raising minimum wage, for example, which becomes very difficult for a number of small business owners. Reducing the small business tax does help on a level to offset

other increases that may be put in place by the current government, as well as allow them to invest and innovate in terms of their company.

The Member for Virginia Waters talked about a very real concern. When we look at wealth management of a company, and we look at dividends and how they are administered, you may end up seeing where people are not getting the overall benefit of the intent because of the mix of dividends and the tax reduction.

One of the things we need to look at as well is that the small business tax is quite lower in other provinces, especially to the West. If we look at economic diversification of an economy, and we look at that through fostering a strong small business community, then we need to look at having those conversations with small business owners and the stakeholders that are affiliated as to what else needs to be done when it comes to building stronger communities, networks, and clusters.

I think this is a positive step forward by cutting the small business tax, and certainly something that I support and have spoken about in the House of Assembly on numerous occasions. I have written the former Minister of Finance on this asking for the tax reduction, when is it going to be implemented. I put forward the questions on the Order Paper, received feedback that we have a very competitive tax regime, and highlighted the other areas, but no indication that this reduction would happen. I am pleased to see that happening.

As for the low income tax reduction, the threshold, certainly when it comes to consumers, especially those who are in a low-income area, if you can end up putting more dollars back in the pockets of people then that is a positive thing. Those people, the people who are at a very low-income threshold, additional dollars certainly help. The cost of inflation, the cost of goods and services, commodities, are rising, and we need to be able to ensure that they have adequate funds in place so that money can be reinvested, they can pay for heat and light, as well as groceries, and also have some additional money to invest within their local business community. It gets recirculated and ends up where the Province will benefit. So, it is all about striking a balance when it comes to looking at the

refundable and non-refundable tax credits, when it comes to business tax credits and business tax reductions that are offered.

I think striking a good balance is a progressive approach and that is what we ideally need to get to. I think that I will have some additional questions maybe in Committee, but I certainly thank you for the time to speak to this piece of legislation and it seems that it is something I certainly can support.

Thank you, Mr. Speaker.

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

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

Again, I am happy to stand and speak to Bill 13, An Act to Amend the Income Tax Act, 2000. Of course, this bill deals with changes that are required because of the Budget decisions that the government made this year, all of which are fine decisions. The items in the Budget that require this act, the first one has to do with dividend tax credit, reducing the rate for non-eligible dividends and reducing the rate for eligible dividends. I am not going to go into the details on that yet

The second change, because of a decision in the Budget, has to do with the low income tax reduction and increasing the beginning phase-out income thresholds by \$1,000 for single individuals and by \$2,000 for families; and the third Budget decision, reducing the small business corporate tax to 3 per cent.

I think I am going to start at number three and work backwards. The reason why I am pleased to speak to this bill is because some of the bill relates to things that we, as a party, supported in 2011, that were actually part of our platform. I am very happy to see the government recognizing the wisdom of what we had in our 2011 platform when it came to small business tax rates. Because in our platform in 2011, we said that we would, in the first year as government, reduce the small business tax by 1 per cent.

This government obviously has seen the wisdom – and it is interesting that they have seen the wisdom over a period of time because we brought a private member's motion to this floor committing government to doing exactly what they have done in this Budget, and at that time the government amended the private member's motion. They committed only to considering the reduction in the small business tax rate and, then, only when government was in a surplus Budget position.

So, what a surprise for us when just two years later, in this past Budget, we see government dropping the rate from 4 per cent to 3 per cent in the same Budget where they announced the Province's forecasting of a \$537.9 million deficit. They have really done an about-face.

Now, I am glad for the sake of small business that they have done the about-face because it is absolutely essential, I think, to our economy here in Newfoundland and Labrador that we start recognizing the need to give bigger help to small business, which is the backbone of our economy.

When we look across the country, by going down to 3 per cent, which is what the Budget is now doing, we are falling more in line with some of the other provinces across the country that are doing well for small business. Of course, the one that does the best is Manitoba, where they have absolutely removed corporate income tax for small business, which would be my goal. I would like to think that the government, if it continues, would see it as a goal, but it is certainly something I am going to continue pushing, that we should move down to zero per cent for small business. It actually does not cost a lot of money.

When we put it in our platform in 2011, we did the costing and we saw that it really was not much when it came to the overall budget. So, the loss to government is a small amount, but the gain to the small business is large.

I am very glad to see that government has seen the wisdom of supporting small business in a very concrete way. Of course, I like to tie that to something that government does not support and that is making sure that the minimum wage is kept in line with the CPI, the Consumer Price

Index, and help people who are on minimum wage live above the poverty line and be able to live with the increase in expenses that they have. By reducing the small business tax you are helping small businesses be able then to also help their workers by having a higher minimum wage. Government needs to look at bringing more of its policies together, not seeing each policy separately all by itself.

In the meantime, since they finally have seen the light with regard to small business, I am very, very happy that this is one of the changes in the Budget, and a change that needs to be made to our Income Tax Act. As I said, this bill has three parts to it, neither part is related to the other, but they are all tax issues that are part of the Income Tax Act. Naturally, government has put them all in one bill. That makes sense.

The second piece that I want to speak to – let me get my pages straight here – is “...increase the beginning phase-out income thresholds by \$1,000 for single individuals and by \$2,000 for families”. Again, this is something which is in the spirit of what we stand for and what was in our platform as well, and that is finding ways to help low-income families in our Province.

By increasing the thresholds, low-income families are going to gain. They do not gain a lot, probably a few hundred dollars, but when you are low income a few hundred dollars is a lot of money. I would encourage government to continue – if they continue as government – looking at how we help low-income families. This is one way to do it.

What will happen is that the low income tax reduction income thresholds will be increased, eliminating the provincial income tax for individuals with a net income up to \$18,547, previously it was \$15,911; and for families with a net income up to \$31,362, and previously it was \$26,625. I think we all know as people who try to live in our community – whether we do it as individuals, or do it as members of a family, or as leaders in a family – that it is getting very, very difficult to live and have a worthwhile existence with the cost of food, the cost of heating, and the cost of gas. It is becoming more difficult for people to be able to make ends meet. Everything that can be done to help them make ends meet is extremely important. It is

something I have said many, many times in this House over the last years.

Every time the government talks about poverty reduction, my position has always been a social program is not poverty reduction. It helps people who may be suffering because of poverty, but putting money in the hands of people is poverty reduction. So making a change to the threshold for income tax is putting money in the hands of low-income people. That does help with reducing poverty.

I mentioned minimum wage when I talked earlier and I will say it again, government needs to recognize all the ways in which it has to help with reducing poverty by putting more money in the hands of people. By paying attention to the recommendations that were made by its own appointed commission with regard to the minimum wage, which I continue to urge them to do, would be a way of helping people. It would also be a way of helping the economy, because with low-income people even a few hundred more dollars is still money that is going to be spent, because they have so little that everything they earn goes into making ends meet. If you put another \$300 in their hands, that is \$300 more into the economy.

It is something I do not understand about government. They are not losing revenue. Like with the small business tax they are actually losing revenue. It is minimal; it is actually minimal. Some millions of dollars is a small amount. Minimum wage, government does not lose any revenue at all. I find it hard to understand their attitude when it comes to people on low-income and not recognizing the need for a minimum wage that helps them deal with things on a regular basis.

MR. SPEAKER: Order, please!

MS MICHAEL: Yes, Mr. Speaker.

MR. SPEAKER: I would ask the member to make her comments again relevant to the bill. I have given some leeway with it. Sure it is a discussion of minimum wage but the bill is not about the minimum wage.

MS MICHAEL: Thank you, Mr. Speaker.

MR. SPEAKER: The hon. the Leader of the Third Party, to continue.

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

Yes, I am very pleased with the decision by government to raise the threshold. Raising the threshold is essential. It is a second part of this bill. The first part is reducing the tax on small business, the second part being raising the threshold for low-income people so that they will not have to pay income tax. The more of that, that we can do with our taxation system for low-income people, the better it will be.

I would like to think that we would be able, as a Province, to raise that threshold even further. I think we are going to have to because every year we see an increase in the cost of living. We see the CPI going up, so I think we are going to have to continue looking at raising that threshold. I think there are other things with the income tax system that we can do to help low-income people.

The other piece, Mr. Speaker, of this bill has to do with actually small business owners. Again, it is something that I am very pleased to see. Now, this one is more of a housekeeping thing, Mr. Speaker, it is not so much a policy. It is a housekeeping thing, because basically what we have are owner-operators of small businesses, people who own and operate their own businesses, can earn money from their business in one of two ways. One is to take a salary out of their business; another way is to earn dividends from the business.

A basic premise of our income tax law is that no matter which way the owner-operator takes money from the business, one way should not be more beneficial than the other. In other words, they should be neutral. That if I draw a salary or if I get dividends, basically the income tax that I will pay will be the same.

Now, what happened is, with the decision to drop the small business corporate income tax rate to 3 per cent from 4 per cent, it actually affects our system when it comes to keeping that neutrality between the two ways of earning money from your business. So, government had

to look at that and had to reduce the rates for people.

For example, with respect to the dividend tax credit, there is a non-eligible dividend, and the rate for that is now 4.1 per cent. The rate for eligible dividends is now 5.4 per cent. Without working out all the mathematics for people, which we would all find very boring, what it basically means is the rates have changed with regard to this rule around dividends. It has changed so that now the income tax on small business is lower. This change in rates means that whether a person takes a salary or takes dividends, the neutrality is still there. They are not benefiting by getting away from paying less income tax.

All three of these have to do with income tax. The first one is specific to owner-operators of small businesses. The second one is specific to low-income individuals and families. The third one is, again, specific to small business and it has to do with their income tax being reduced.

So, I certainly support all three of these changes, Mr. Speaker. The two Budget changes, as I have said, lie right in with the policies that our caucus and our party stand for. The first one, the one around the dividends, was necessitated by the drop in the small business tax. I will be very happy to stand and, as we will here in this caucus, support this bill.

Thank you very much.

MR. SPEAKER: If the hon. the Minister of Finance speaks now, she will close the debate.

The hon. the Minister of Finance and President of Treasury Board.

MS JOHNSON: Thank you, Mr. Speaker.

Thank you for those who spoke to this bill and these amendments at this time. Just to recap, there are three changes to the Income Tax Act but also the piece around the Seniors' Benefit. I am sure the Leader of the Third Party would support that one as well, to allow for an increase in the Seniors' Benefit. As well, we see reductions here to the small business corporate income tax rate. We see improvements to the taxes in terms of a reduction in taxes to people

with low incomes, and we see changes to the dividend tax credit.

The Member for Virginia Waters asked a question about the dividend tax. The change in the dividend tax will result in increased personal income tax to small business owners. It is up to the small business owners how they distribute income to their owners, whether it is in the way of salary or dividends but the purpose is to ensure that it is tax neutral. This is necessitated by a change the federal government did and this is to follow suit as other provinces have done to ensure that whichever way you take the income, whether it be salary or dividends, that it be tax neutral.

It was interesting to hear the Leader of the Third Party talk about the small business tax and how this was their platform. So I am sure we will certainly see their support for the Budget then if that is the case.

Mr. Speaker, the reality is this is one of many tax reductions that we have done since we have been in power in 2003. We have done so much that people often forget. When you think back, I bet a lot of people forgot there used to be tax on insurance when you purchased your car insurance, and that is now eliminated.

Look at all of the reductions we have done in personal income tax. We are now the lowest in Atlantic Canada. Look at the benefits we have done for seniors in the Seniors' Benefit. Look at just recently how we eliminated the HST on the home heating fuel for heating people's homes – the HST portion, the provincial portion. The small business tax is just another tool in our suite of tools that we have done to improve the situation for Newfoundlanders and Labradorians, whether they be individuals or businesses, Mr. Speaker.

I hope that clarifies the question the Member for Virginia Waters had. When we go to Committee if there is any further clarification needed at that time, we will do it then. I thank the members for their co-operation.

Thank you.

MR. SPEAKER: Is it the pleasure of the House that Bill 13 be now read a second time?

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

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

Carried.

CLERK: A bill, An Act To Amend The Income Tax Act, 2000. (Bill 13)

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

When shall the bill be referred to a Committee of the Whole House?

MR. KING: Now.

MR. SPEAKER: Now.

On motion, a bill, "An Act To Amend The Income Tax Act, 2000", read a second time, ordered referred to a Committee of the Whole House presently, by leave. (Bill 13)

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

MR. KING: Thank you, Mr. Speaker.

I move, seconded by the Minister of Finance and President of Treasury Board, that the House do resolve itself into a Committee of the Whole to consider Bills 20, 13, and 19.

MR. SPEAKER: Did you say Bills 20, 13, and 19?

MR. KING: Yes.

MR. SPEAKER: It has been moved and seconded that the House resolve itself into a Committee of the Whole to consider Bills 20, 13, and 19, and that I do now leave the Chair.

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

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

Carried.

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

Committee of the Whole

CHAIR (Littlejohn): Order, please!

We are now debating Bill 20, An Act To Amend The Income Tax Act, 2000 No. 2.

A bill, “An Act To Amend The Income Tax Act, 2000 No. 2”. (Bill 20)

CLERK: Clause 1.

CHAIR: Shall clause 1 carry?

The hon. the Member for Virginia Waters.

MS C. BENNETT: Thank you, Mr. Chair.

Just a point of clarification about my earlier comments for the minister, I am certainly supportive of the intent of the legislation, but I just wanted to highlight again concerns that the details are not available. I understand the minister has said that her department is working on those details and they will be released soon.

When the details are announced in the coming days, I certainly hope the advantage the venture capital funds will provide is not eroded by not being competitive around the rules and regulations around the investments. I just would ask, in conclusion, if the minister is able to clarify when exactly those details would be available.

CHAIR: The hon. the Minister of Finance.

MS JOHNSON: Thank you, Mr. Chair.

Mr. Chair, this will go to regulation. That is normal practice for legislation and regulation changes to any tax provisions that we bring in. Just for clarification, I did not say in the coming days, I did say in the coming weeks or a month or so.

While we will work very quickly on this – and I am sure the Minister of IBRD is anxious to get this out – I do not expect it will be in the coming days, we will likely still be in the House in the

coming days. In very short order these details will be out. I am sure the member will be pleased, as well as members of the board of trade and others in the industry who we have talked to.

Thank you.

CHAIR: The hon. the Member for Virginia Waters.

MS C. BENNETT: Thank you.

That certainly clarifies some of the questions I had. Just one last question, Mr. Chair, with your permission; I would ask the minister if she could clarify the engagement process for those organizations that may have information around how the regulations may need to look. Hopefully she or the Minister of Innovation, Business and Rural Development might be able to answer that just to get clarity on who and what stakeholders will be involved and consulted as part of the creation of those regulations.

Thank you, Mr. Chair.

CHAIR: The hon. the Minister of Innovation, Business and Rural Development.

MS SULLIVAN: Thank you very much, Mr. Chair.

It is a very good question. Obviously, we would involve the stakeholders with whom we have been working right from the start on this. The Newfoundland and Labrador Angel Network would be involved, the board of trade, people of that nature who have come to us with the request. I can get you a full list, if you would like that, at some point in time. I will get the list for you and provide that here.

CHAIR: Shall clause 1 carry?

All those in favour, ‘aye’.

SOME HON. MEMBERS: Aye.

CHAIR: All those against, ‘nay’.

Carried.

On motion, clause 1 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: A bill, An Act To Amend The Income Tax Act, 2000 No. 2.

CHAIR: Shall the 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 the bill 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: Order, please!

We are now considering Bill 13, An Act to Amend the Income Tax Act, 2000.

A bill, "An Act To Amend The Income Tax Act, 2000". (Bill 13)

CLERK: Clause 1.

CHAIR: Shall clause 1 carry?

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay'.

Carried.

On motion, clause 1 carried.

CLERK: Clause 2.

CHAIR: Shall clause 2 carry?

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay'.

Carried.

On motion, clause 2 carried.

CLERK: Clause 3.

CHAIR: Shall clause 3 carry?

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay'.

Carried.

On motion, clause 3 carried.

CLERK: Clause 4.

CHAIR: Shall clause 4 carry?

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay'.

Carried.

On motion, clause 4 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: A bill, An Act To Amend The Income Tax Act, 2000.

CHAIR: Shall the 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 the bill 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: Order, please!

We are considering Bill 19, An Act to Amend the Dispensing Opticians Act, 2005.

A bill, "An Act To Amend The Dispensing Opticians Act, 2005". (Bill 19)

CLERK: Clause 1.

CHAIR: Shall clause 1 carry?

The hon. the Leader of the Third Party.

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

I just have a question I would like to put to the minister. While I am obviously supporting this bill, some concerns have been raised by some of the professionals in the field with regard to supporting this piece and what this bill is about, giving opticians the ability to do fittings of contact lenses. They are concerned about how far things have gone in one province in particular, and that is in British Columbia.

In British Columbia they have completely deregulated the fitting of both contact lenses and glasses. People can actually go online and order contact lenses and glasses. I know that there are some individuals in the professions who are very concerned about going too far with the whole issue of both fitting glasses and contact lenses. In actual fact, though people probably do not see it this way, having good eyesight is all part of good overall health, too. Especially with contact lenses, the potential for damage to the eyes is big.

So, there is a real concern, with BC having gone this far – it is the only province that has done it, with total deregulation. I am just wondering if the minister could tell us has this been discussed at all, whether inside the department or with the professionals, all the three different groups; and is this something that they are aware of and can assure us that this is not something that we would be wanting to do in our Province.

CHAIR: The hon. the Minister of Health and Community Services.

MR. DAVIS: Thank you, Mr. Chair.

I can tell the hon. House and the member opposite we do not have any plans to deregulate. We do not have any plans. We have not had any discussion. It is not anything that is on our radar.

CHAIR: Shall clause 1 carry?

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay'.

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: A bill, An Act To Amend The Dispensing Opticians Act, 2005.

CHAIR: Shall the 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 the bill 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. KING: Thank you, Mr. Chair.

I move, seconded by the Minister of Fisheries and Aquaculture, that the Committee rise and report on Bills 20, 13, and 19.

CHAIR: The motion is that the Committee rise and report Bills 20, 13, and 19.

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay'.

Carried.

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

MR. SPEAKER (Verge): Order, please!

The hon. Member for Port de Grave and Deputy Chair of Committees.

MR. LITTLEJOHN: Mr. Speaker, the Committee of Whole have considered the matters to them referred and have directed me to report Bills 20, 13, and 19 without amendment.

MR. SPEAKER: The Chair of Committee of the Whole reports that the Committee have considered the matters to them referred and have directed him to report Bills 20, 19, and 13 carried without amendment.

When shall the report be received?

MR. KING: Now.

MR. SPEAKER: Now.

When shall the said bills be read a third time?

MR. KING: Tomorrow.

MR. SPEAKER: Tomorrow.

On motion, report received and adopted. Bills ordered read a third time on tomorrow.

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

MR. KING: Thank you, Mr. Speaker.

At this time I would like to call from the Order Paper, Motion 1, to move that the House approves in general the Budgetary Policy of the government, the Budget Speech.

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

MR. OSBORNE: Thank you, Mr. Speaker.

Mr. Speaker, I am delighted to have an opportunity to speak to the Budget again. I did want to raise a couple of points. I know during Budget debate we have heard a number of government members criticize members of the Opposition for talking about the numbers that are in the Budget, the reality of what is in the Budget, and the projections of government for next year, the year after, and the year after that.

Government's own numbers, the Budget's numbers do not lie, Mr. Speaker. We are expecting some changes in the economy, some downward numbers and so on. Members of the government have criticized us and taken some pretty heavy shots at us for pointing out those realities.

We have heard government member after government member get up and say how rosy things are going to look into the future. It is their projections under the Budget, Mr. Speaker, that we are talking about. It is their numbers and their projections that we are talking about. They say we are wrong. We are reading the Budget wrong. We are not looking at it properly.

Mr. Speaker, I attended the Atlantic Provinces Economic Council meetings here in St. John's last week. Interestingly enough, they have the same view that government's Budget has of the next two or three or four years. They have the same projections. They point out the same information. I found it quite interesting – very interesting indeed of what is going to happen.

They talk about in here, Mr. Speaker, major projects and the inventory of major projects. Just to point out some of what they say: The

total value of these projects for Newfoundland and Labrador is \$122 billion, up 7 per cent over last year's inventory. That is great news, absolutely. That is great news that we are up this year over last year. The change in total value is largely due to an increase in the newly proposed projects in Nova Scotia, Newfoundland and Labrador, and in the total inventory value for the first time since the 1980s. That includes all of the Atlantic Provinces.

We look at now in Newfoundland and Labrador: major project investment in Newfoundland and Labrador continues to lead the way with \$9.8 billion of major project investment in 2004, up 10 per cent over last year and accounting for 65 per cent of regional totals. That sounds great, and it is, there is no doubt about it.

They say: an increase in spending this year on the \$7.7 billion Muskrat Falls Hydro Project as well as continued strong spending in offshore projects have helped offset the diminished expenditures at the \$4.25 billion Long Harbour nickel processing facility.

They go on to say that total spending in 2014 is dominated by energy-related projects, in particular, Hebron and Muskrat Falls; but they point out very clearly that our economy is benefiting significantly as a result of these major projects, but we are going to see a downturn. The same thing that government's Budget is pointing out and the same thing that members on this side of the House have pointed out, they say that there is going to be a downturn.

There are a few projects which could pull up the investment post-2015, such as the Gull Island Project, Statoil's work on the Flemish Pass, or other development of existing oil fields; however, there are no large projects on the radar to match the \$14 billion Hebron project or the \$6.2 billion Muskrat Falls Project, suggesting an investment gap in the Province is likely to appear later in the decade as these megaprojects move to completion.

Mr. Speaker, that paints a slightly different picture than we are hearing from the other side in the House and in Budget speeches where, what they are saying, you would need sunglasses on with about five filters because it looks so

bright. The reality of what is in the Budget and the reality of what the Economic Council for the Atlantic Provinces are saying are two different things.

Current year spending for Newfoundland and Labrador, the total value of current year spending in 2014 is up 10 per cent. We just talked about that a few moments ago. The largest expenditures in 2014, Hebron and Muskrat Falls, major project spending is expected to drop by 5 per cent in 2015 as work starts to slow on the Hebron project.

It is funny; I did not hear any members opposite talk about that. We did not hear them give those statistics, Mr. Speaker. We did not hear any of the members talk about that. They would like to say – because we are getting close to an election – how rosy things are going to be with them, if they are able to stay at helm. Mr. Speaker, if you read the Budget documents and the projections in the Budget documents for next year, the year after, the year after that, it is a lot different than what we are hearing on the floor of the House of Assembly.

Fiscal deficits and persistent unfunded pension liabilities are pushing up debt levels and debt costs in the Atlantic Provinces. That is all of the Atlantic Provinces. We are no different than the other provinces; there is no doubt about it in that regard.

Newfoundland and Labrador's net debt will increase by \$807 million in 2014-2015, yet it only represents 26.1 per cent of gross domestic product. If the oil and gas industry is excluded from gross domestic product, Newfoundland and Labrador's debt to gross domestic product ratio is 36.3 per cent.

They go on to talk about the unfunded pension liabilities and the fact that they continue to raise debt levels, either through direct borrowing or through higher deficit funding for payments to reduce the unfunded liabilities. They said nowhere in the region is this more apparent than in Newfoundland and Labrador where the unfunded pension liability will increase by \$586 million in 2014-2015. Now keep in mind that is \$586 million of the \$807 million for the Atlantic region.

That is significant, Mr. Speaker. It is a significant concern that the government has not addressed since 2003, the significant unfunded pension liability that this Province faces. It is significant. It is putting a significant toll on the Province's debt. It is putting a significant toll on each and every taxpayer in this Province. It is a significant number.

In 1998, Newfoundland and Labrador introduced legislation committing to make annual payments, special payments, of \$40 million a year to the Public Service Pension Plan beginning in 1999-2000 and that was increased to \$60 million in 2002-2003. Both under Liberal Administrations, Mr. Speaker.

In 1998, under the Liberal Administration, there was legislation introduced to ensure there was a \$40 million special payment every year into the Province's unfunded pension liability and that was increased to \$60 million in 2002-2003; but, Mr. Speaker, in 2006-2007 that special payment was eliminated and that raises concerns.

Now, I recognize, as does every member of this House on both sides of the House, there was a significant one-time investment into the pension fund by government. We recognize that, Mr. Speaker, but why did we eliminate the legislation guaranteeing that each and every year there would be \$60 million put into the unfunded pension liability? Because, Mr. Speaker, that problem is not going away. It is not going away.

Mr. Speaker, a lot of information came out of the Atlantic Provinces Economic Council; very interesting information I will say. Current conditions, after several years of strong growth in Newfoundland and Labrador's economy it is now showing signs of slowing. Employment is up 10 per cent since 2009, but growth stalled in 2013. According to the Labour Force Survey, employment declined 1 per cent year-to-date, as of April.

Now, that is not what we are hearing when members on the opposite stand up to speak to the Budget. We do not hear those statistics. Earnings growth at 2.1 per cent year-to-date to February is barely keeping pace with inflation and has increased only slightly since October. Lower employment and weak earnings caused

retail sales to be relatively slow at the start of 2014. Retail trade grew 3.3 per cent year-to-date to February but total sales have been trending downwards since last May, mainly due to a decline in motor vehicle sales.

The housing market continues to slow with housing starts down 22 per cent year-to-date to March. The decline was led by a sharp drop in rural areas. Urban area starts weakened further in April. Now we did not hear those statistics when everybody on the other side stood to try and convince the electorate of this Province that things are going to be great if they re-elect that bunch over there. We did not hear those statistics. They are written in the Budget documents but the person, who wrote the Budget documents, Mr. Speaker, is not the same person who wrote the speeches we are hearing from the other side. It is not the same person at all.

Mining; production at Scully Mine in Wabush, Labrador has idled since early February, putting about 400 people out of work. Cliffs Natural Resources closed the mine due to iron ore prices declining over the past three years. While mining costs escalated and capital investments remained high, Labrador Iron Mines has also suspended production at the James Mine until external financing has been secured.

Lower iron ore quality and recent substantial capital investment has led to the need for new financing; meanwhile, Teck Resources announced that their operations will permanently cease at its Duck Pond copper mine in Central Newfoundland after current deposits are depleted in early 2015. Approximately 280 people are employed at that mine and its workforce is gradually being reduced.

We know there was a positive announcement last week for Labrador, but these other statistics, I do not hear members opposite when they stand to speak talking about those statistics, and they are startling statistics Mr. Speaker. Job losses from Scully and Duck Pond Mines amount to about 18 per cent of the thirty-eight mining industry employees, according to the Labour Force Survey. Iron Ore Company of Canada hired almost thirty displaced Scully Mine employees.

Mr. Speaker, there is some good news. I will be fair in my comments because there is some tough stuff in the Economic Council's information, but there is some good news as well. I am not going to read out just the bad stuff. I will talk a little bit about the good stuff as well. It would be nice if members opposite, when they stood to speak and talk about all the good stuff, did the same.

Mr. Speaker, last year the Scully Mine shipped about 3 million tons of iron ore out of the Province, a total of about \$20 million. However, the provincial government expects the total iron ore shipments to be higher in 2014. That is good news, no doubt about it.

Tata Steel Minerals Canada is increasing iron ore production at the Elross Lake mine this year, and the Iron Ore Company of Canada is expanding its Carol Lake mine. Further ahead, Alderon expects to have its Kami iron ore production operational by 2016. There is some bright news. It is not all negative for the mining industry. There is a little bit of bright news is what they are saying here. The mine will employ 500 full-time production workers and produce about 6 million to 7 million tons annually.

Mr. Speaker, it further goes on to talk about the Budget. Newfoundland and Labrador projects a deficit of \$538 million in this Budget year. That represents a \$189 million increase over its revised deficit forecast for 2013-2014 as program expenses grew almost twice as fast as revenues.

I just remind people that this is done by economists and accountants. Mr. Speaker. This is not the Opposition's words. The Opposition did not produce this document. It is the Atlantic Provinces Economic Council and it is their 2014 winter spring report.

Mr. Speaker, on the revenue side; higher offshore royalties are partially offset by lower corporate tax and mining revenues with no growth in personal income tax. Offshore royalties, which are fully deductible from corporate taxable income, will increase \$356 million as a result of a 2 per cent increase in oil production in 2014 and a lower exchange rate.

That is positive. There is good news and there is tough news in this report.

The increased tax deduction for offshore royalties is a 1 per cent reduction in small business tax rate and a negative prior year adjustment which will reduce corporate income tax revenues by \$121 million. Mr. Speaker, that has to be made up. That will absolutely have to be made up. The mining tax and royalties will decline by \$58 million due to lower nickel and copper production and lower iron ore prices. There is no increase in personal income tax revenues mainly due to an upward revision to the 2013-2014 revenues and an enhancement of the low income tax threshold in Budget 2014.

While the increase in the threshold is positive news for a lot of people, Mr. Speaker, with declining royalty revenues that money will have to be made up. The number of provincial government permanent employees was reduced by 223 positions over the last year, however, total salary costs – and this is an interesting statistic, there are a number of reasons for this statistic including an increase in wages to public servants and the one-time bonus that was paid to public servants.

There are 223 positions less in the public service. However, total salary costs will grow by 13 per cent in 2014-2015, continuing a steady upward trend.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Littlejohn): Order, please!

MR. OSBORNE: I am hearing a lot of yacking on the side, Mr. Speaker. I thank you for calming them down.

Like I said, there is good news in that and there is bad news in it, Mr. Speaker, and I am giving both. It certainly seems when I am giving the bad news you could hear a pin drop over there, but when you are giving a little bit of good news they are pretty quick to shout out. They only want to hear the good stuff. They only want to talk about the good stuff.

Mr. Speaker, like I said, there is good news and bad news in this document, there is no doubt about it, but the reality is there is some tough

news in the document. The members on the other side would have you believe that we are heading into Utopia. Elect them again and we are going to see a Province of Utopia here.

Mr. Speaker, as an example look at seniors' dentures. If you ask seniors, who are having a tough job getting their dentures – and a six-month wait period because they are understaffed out in Stephenville, and the fact that they can only get either the top or bottom. Ask them if everything is going rosy.

If you ask Income Support clients who are not getting enough rent supplement to pay their rent, a maximum of \$520 rent supplement and they are paying \$1,000 or \$1,200 a month in rent – ask them if the Province is headed towards Utopia, Mr. Speaker. Ask the senior who goes to mall in the winter to stay warm, but yet they go home to a cold house and an empty fridge because they are on a fixed income.

While there are many positive things in the fact that the economy has been strong for the past number of years – property taxes have gone up as a result of property assessments going up – somebody on a fixed income has to struggle with that. It is not easy. While many people have benefited from a stronger economy, Mr. Speaker, the point I am making is that there are positives, but there are people who are struggling as well. There are people in the Province who are struggling.

If you look at the person waiting to get housing for three years, or disabled people who are waiting to get housing for three years because there are not enough disabled units, Mr. Speaker, they will tell a different story than some of the members opposite tell when they get up to speak about the Budget.

If you look at the person waiting in an acute care bed, waiting for a personal care home or long-term care, Mr. Speaker, they are not convinced by the speeches given on the other side while they are waiting on a long-term care bed. If you look at the teacher without a contract, or the people waiting for housing repairs who are being told this year that, yes, you were promised to get your repairs this year, but it is going to be next year now before you see those repairs because we are short on budget. We are only two

months into this year's budget. How can we be short on the housing repair budget already?

Mr. Speaker, if you look at clients of food banks – where we have the highest usage of food banks in this Province and of all provinces in Canada – and ask them if everything is rosy. If you ask people who are going to soup kitchens, they have concerns. If you look at people who are breathing dust, because the Province eliminated the dust suppression program last year, if they are seeing a better tomorrow. You ask them if they are seeing a better tomorrow because they are not.

There are concerns, there are cutbacks, there are people being laid off –

MR. SPEAKER: I remind the hon. member his speaking time has expired.

MR. OSBORNE: Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. O'BRIEN: Mr. Speaker, I am glad to get up in my place in this House today in regard to our Budget 2014-2015.

I just listened to the hon. member in regard to his speech. Absolutely, he reads from economic indicators and the group of economists who put together a document for Atlantic Canada each and every year. I have been in my place in this House of Assembly, and I have often said many, many times I wish I lived in a perfect world. We do not live in a perfect world, and you know we do not.

When I see the member just go through a litany of individual cases that we have to address each and every day, and try to address each and every day – especially through my Department of Advanced Education and Skills. We have recognized many, many times that people have various levels, have various challenges, and we try to assist them. That is the reason why, Mr. Speaker, we brought in our Poverty Reduction Strategy, which this year will see \$173 million

try to address those issues for individuals in this Province.

What the member does is paint a picture going forward. One of the things he leaves out, Mr. Speaker, is the comparison of where we were and where we are now. He absolutely leaves that out as in regard to 2003 and where we are in 2014.

Again, are we living in a perfect world? No, we are not – absolutely not. Each and every day my staff at Advanced Education and Skills, and my staff in Newfoundland and Labrador Housing try to meet those individual needs, Mr. Speaker. Regardless of how complex they are, we try to meet their needs, and we will continue to do that.

As well, he talks about going forward in regard to us having a vision that everything is going to be rosy and absolutely perfect in this Province. This is what he talks about. Every one of these members over on this side of the House absolutely knows that is untrue. They have never stood up in this House and said that this government is everything to everybody at any given day, and that we have cured all their problems, absolutely not. Never have, Mr. Speaker, not one of us.

We recognize the economic indicators, Mr. Speaker. We recognize the areas that will come to fruition, such as Vale out in Long Harbour. Our economy moves. That is the reason why we have the eye on the ball in regard to the future and the bigger projects. That is the reason why we want to diversify the economy where we are not dependent on the resources – our non-renewable natural resources. We want to have an economy that is driven by a renewable energy force. That is our vision going forward, of which they do not have any vision – none.

I bring you back to only a couple of weeks ago where I stood in this House and I talked about three words. I talked about hope, pride, and confidence going forward. That is what we instill. We instill in the people of this Province that they do and did have hope. They have seized pride, and now they have confidence going forward, Mr. Speaker.

What do they have? I will compare the three words: the least, the lowest, and the worst. Now compare those. I ask the people of the Province, I ask them right here in this House: Is that what they want? Is that what the people of the Province want: the least, the lowest, and the worst? Now, is that something to look forward to, in this Province?

He paints a picture as if he is going to take government in regard to the crowd over there wanting to get re-elected. He is going to paint a picture now that he is going to cure all of those individual problems.

I remind the hon. member, he was over here at one particular time and I can guarantee you he left a lot of problems. I will remind him. I will guarantee you that. Absolutely, I will remind him.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. O'BRIEN: They talk about all of these kinds of things.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. O'BRIEN: I hear them rattling now, Mr. Speaker, don't I? I absolutely hear him now rattling off. I have to remind him of that kind of stuff because that does not go over well with this guy over here, I can guarantee you that.

One thing that I have is that when I get up and speak, I speak from truth and I speak from reality, Mr. Speaker. That is what this government is all about, has been all about since the get-go.

I have often said in this House: Have we done everything right? Absolutely not, and I said it like that too: Absolutely, we have not. Because we are all human beings, the same as you, the same as you, the same as you, the same as those people who are probably tuned in to this right now, Mr. Speaker. We are all human beings, so do not let anybody ever tell anybody that they can do everything right because they absolutely cannot.

AN HON. MEMBER: They cannot do it overnight.

MR. O'BRIEN: They cannot do it overnight, absolutely; but we worked hard for ten years in regard to our investments in infrastructure, our investments in the economy, and our investments in the people of this Province, Mr. Speaker.

An individual today makes just about double what they did in 2003. That is how we have grown the economy and given opportunity to people to earn a good living. Families have disposable income just about double what they had back in 2003. That is the reason why we have less people on Income Support than we ever did in our Province, Mr. Speaker. That is why we have more people working today than ever in our Province.

SOME HON. MEMBERS: Hear, hear!

MR. O'BRIEN: Listen to me, members: Do people have challenges in this Province? Is everybody doing well? Absolutely not. Are people born with different abilities? Absolutely. Can everybody achieve the same? No, they cannot. That is the reason why it is so important – and I will get back to the most important plank of this government was our Poverty Reduction Strategy. This year there is \$173 million to support the most vulnerable people in our Province.

SOME HON. MEMBERS: Hear, hear!

MR. O'BRIEN: That is important, Mr. Speaker.

Let's talk a little bit as well in regard to some of the things that he talked about in his stats – and it is fine enough for him to riddle these off in regard to Cliffs, minerals, and other places coming to fruition, and the projects out in Long Harbour coming to fruition so we have less people working on them, Mr. Speaker.

He just lightly talked about the Kami project. He lightly talked about the opportunity on the offshore. He lightly talked about the projects that we could have, such as Gull Island, and this kind of statement in regard to having a vision.

I have not heard any vision whatsoever, as a matter of fact, Mr. Speaker – none, zero. All he talked about is what we have done and what a stat would say in regard to the global economy and everything else. As a matter of fact, Mr. Speaker, talking about the global economy in regard to where we are and where we came from, we weathered that storm just about better than any place on earth. Canada did in general, but Newfoundland and Labrador led the way in regard to that economy.

We are the envy of people all over this world in regard to what we are doing. We have finally not only taken our place in Canada, but we have taken our place in the world. I am proud to be a Newfoundlander and Labradorian. I am proud to say, as I said the other night, that in 1999 I did not think there was either one of my kids going to live in Newfoundland and Labrador; and right now, it looks like the three of them are going to live in Newfoundland and Labrador because there is opportunity, there is confidence, there is pride, and there is hope. That is what it is all about, Mr. Speaker.

In regard to some of the things that the Opposition and the Leader of the Opposition are saying, he is talking about diversifying the economy, and I reminded them of Enterprise Newfoundland and Labrador just a little while ago and what happened to that. Absolutely, fine, in regard to giving it a try, but I will give you another example. The then Minister of Industry and Trade, the hon. Beaton Tulk, did an across-the-Province tour in regard to rural renewal strategy, if I remember it right. As a matter of fact, he did a big show out in Gander in the Gander Hotel. He went around the Province, he consulted, and he spent a pile of money in doing those sessions. It was going to diversify the economy in Newfoundland and Labrador.

Do you know what the result was? Do you want me to tell you what the result was? The result was to diversify government and move some government offices all around rural Newfoundland and Labrador. That was their answer to diversifying the economy. That is exactly what happened.

I will bring it back in time. Then he goes out to the Hotel Gander and he gives that big announcement, hurrah, hurrah, hurrah, this is

what we are going to do. I will say something; this is what they were doing. They were going to diversify the economy on the backs of public servants.

You public servants, who are listening to me here this evening, beware going forward because that is what they are all talking about, diversifying the economy on the backs of public servants. That is what they are talking about, moving public servants all over the Province. That is their idea of diversifying the economy.

We have invested over \$120 million per year in innovation, business, and trade in diversifying that economy, giving Newfoundlanders and Labradorians in rural Newfoundland and Labrador an opportunity to succeed. These are the kind of things – but I say once again, have we diversified the economy so that we are no longer dependent on our offshore? Absolutely not. Would I love to live in a perfect world? Absolutely, I would, but I have not seen one yet.

I have been around for a while; I absolutely have. A lot longer than a lot of other members in this House, I would say. I have been in business for thirty-five years doing business in rural Newfoundland and Labrador, and doing business internationally. Everywhere I went, I never did see a perfect world.

They went around and they gave this vision of a strategy and they are going to diversify. It makes for a great speech. It absolutely makes for a great speech. I bring awareness to the people of the Province in regard to the great speech.

The other piece that I want to talk about as well is the centralization of health care and making centres of excellence. Let us think about that now. That is good. That is great. That is absolutely perfect in a speech. That is perfect in a speech, but I want the people of the Province to think about what was said.

I will tell you what was said; it was said that they are going to move services from certain hospitals to other areas making centres of excellence. In other words I say to my own district, the great District of Gander and the James Paton Memorial hospital, I would be

asking: What services are we going to lose?
That is what I would be asking.

I would be saying in Grand Falls-Windsor: What services are we going to lose in order to create those Centres of Excellence? What cottage hospitals are going to close in Springdale and Lewisporte, Grand Bank, St. Lawrence?

They are going to have to close because they are talking out of two sides of their mouth. They are saying they going to save money in health care but they are going to centralize the services. So it means one thing and one thing only, it means the closure of services in certain areas of the Province.

As a matter of fact, we have been absolutely building on dialysis services all over this Province but you are going to see them close. That is exactly what they are saying. That is what you have to listen to, I say to the public out there, not only the members in this House. I say to the people –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. O'BRIEN: I say to the people all across Newfoundland and Labrador, start questioning the speech. That is what you have to do, start questioning the speech. That is exactly what you have to do is start questioning the speech.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. O'BRIEN: That is exactly what you have to do. That is what you have to do is question the speech. Take every word and look at it, analyze it and think about what they are saying in their speech. You can get up there and go hurrah, hurrah, hurrah. I can tell you that right now in regard to a speech, you might find out something completely different, I say to the hon. member. You know I am right. I have not said one thing wrong yet; I will guarantee you that.

I am going through another little bit of history too, absolutely I will. I have been around a long time. I have seen it all, and I struggled in business. I struggled in business in

Newfoundland and Labrador I guarantee you that, when times were bad. When I see business people in Newfoundland and Labrador, especially here in the City of St. John's, seen the benefit of having 50 per cent of the population living here in the Northeast Avalon and seeing the economic development here, driving decent vehicles and exotic cars.

I was down on Water Street only last night, and to see these kinds of people who are doing well for themselves. Well that makes me proud, Mr. Speaker. I do not have a jealous bone in my body when it comes to that. As a matter of fact, I would love for each and every one of them to be able to drive Ferraris, every single one of them, and have that kind of a life, Mr. Speaker. When I see that it makes me proud to see these people.

The other thing they talked about is that we have wasted the oil money. Now we are going to, pretty soon here now in another little while, go into an election mode, which we are into anyway. We are going through a bunch of nominations and all that kind of good stuff, but this is one guy here who will challenge any candidate that comes forward on a different nomination process than my own, to get up anytime, anywhere, and tell me that the investments in my district were not worthwhile.

The investments we have made in the James Paton Memorial Hospital in regard to the development; the investments we have made in all the equipment, including the MRI, in Central Newfoundland and Labrador. To see that hospital transform from what it was to probably one of the most modern hospitals in Eastern Canada, Mr. Speaker. Was that worthwhile, I say to the people of Gander? Was that worthwhile? It absolutely was.

When I see the investment we made in water treatment in Gander, somewhere around \$9 million, was that worthwhile? It absolutely was. When I see the investment we made in sewer treatment in Appleton and Glenwood was that worthwhile? Absolutely, I would think so.

I say again, what about all the streets in Glenwood that were just like cow paths, they are all just about paved now, was that worthwhile? Absolutely it was. The investments we have

made in Appleton in regard to their water and sewer system was that worthwhile? Absolutely it was. The investments we have made in Benton was that worthwhile? Absolutely it was, in regard to their sewer system and water system, Mr. Speaker, and the streets we have done there.

What about the education system in Gander, Mr. Speaker? I will go into my own district here now if you will indulge me, okay. In regard to Gander Collegiate, it is totally done. Even the parking lot that was deplorable for twenty-five or thirty years, parked in mud. We got it paved, Mr. Speaker, by the then Minister of Education. Absolutely, and the school students out there loved him for it. Was that worthwhile? Was that a waste of money? In regard to the extension on St. Paul's and the renovations that went there, Mr. Speaker, was that worthwhile? Absolutely!

Gander Academy, the largest populated school in Eastern Canada, K-6 school in Eastern Canada, and what did we see to do, Mr. Speaker? It was built in 1957, all kinds of issues with it in regard to meeting the standards of schools today. We have a great number of teachers there teaching the kids of Gander and that kind of stuff, dealing with what they have to deal with any day in regard to the standards. What are we going to do, Mr. Speaker? We are going to build two schools in Gander. We are going to build a 4-6 school, Mr. Speaker, and then we are going to build a K-3 school.

I say to the hon. member, and I ask him to get on his feet and tell me, when his leader is saying we wasted the money and tell me that the arena in Makkovik was not worthwhile. Tell me that. Get up on your feet and tell me that. Then tell me that the \$350,000 that I partnered with the Nunatsiavut Government in regard to addressing home repair issues in Nain and Hopedale is not worthwhile, Mr. Speaker. Tell me that the multipurpose building in Hopedale was not worthwhile. Get up and tell me – tell me.

AN HON. MEMBER: What about the teachers?

MR. O'BRIEN: I will tell you about the teachers. We will negotiate with the teachers. We will be fair to the teachers, just like every

public servant we have had in this Province in regard to any contract negotiations that we have ever had, Mr. Speaker.

MR. SPEAKER: I remind the hon. minister –

MR. O'BRIEN: That is exactly what we will do.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: I remind the hon. minister to speak to the Chair, please.

MR. O'BRIEN: Mr. Speaker, I am trying. I know you are listening to every single word. I wish I had another twenty minutes. I only have twenty seconds. If they gave me leave for about two or three hours, I might beat something into their skulls.

I will tell you right now, Mr. Speaker – well, I will end with this. It might not be a perfect world going forward, but we have a vision. It is much better in 2014 today than it was in 2003. I will end on that.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

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

I am very happy to stand and to speak once again to the Budget. The Budget is one of the main activities of government because it is about how we identify what our resources are –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS ROGERS: – how we manage them, how we share them, and how we make sure that no one is left behind.

Mr. Speaker, I believe it was last week I was at a breakfast with the Religious Social Action Coalition. Our Premier was there at that breakfast as well, and there were a number of

my colleagues here in the House at that breakfast. The Premier made a little speech and I was quite impressed with his speech.

One of the things he said in his speech was, it is our job as government – I am sure that everybody in this House wants to hear this, Mr. Speaker, because these are the Premier's words.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS ROGERS: Thank you very much, Mr. Speaker, I appreciate that.

The Premier at this breakfast that was actually organized by the Religious Social Action Coalition said: It is our job as government that we take wealth that is now generating after hundreds of years of non-wealth that people and seniors are sharing in the wealth. He sees that as his job, Mr. Speaker, and I think that everybody in this House sees that as our job: to make sure that everybody shares in the wealth.

I do not want to poor-mouth, because that is not going to help any of us. What I do want to do is that it is so interesting to hear different people get up in the House and talk about our great prosperity and talk about how our Province has done, but sometimes it is like the *Wizard of Oz*, you have to go back and peel back the curtain and see what is happening back here. That is what I would like to do a little bit. I would like to peel back the curtain here. I have a few minutes to be able to do that.

I would like to talk about our prosperity and, really, what does that mean for all of us. We know that some people are prospering. They are doing very, very well. When you look at our history of hundreds of years of poverty, hundreds of years of people really, really having to work hard to make do – and one of the things in our Province, we also have hundreds of years of community activism where people helped, where people took care of one another, where we built each other's houses, we helped build each other's boats, we fished as teams in each other's boats, we healed our sick, we set up the stores, we taught our children, we did it all. The wonderful thing, too, is that although our population is shrinking, and that is unfortunate,

we have not seen a surge in population growth and that is troubling, but we see more people coming to live in Newfoundland and Labrador from different parts of the country, and that is kind of exciting.

It is about, really, how do we all live together, how do we all thrive, how do we make sure that everybody is going to be okay, because we do have a magnificent Province, filled with magnificent people who really care about each other. I know that everybody here in this House has that same feeling. We are all proud to be here. We are all proud as Newfoundlanders and Labradorians, and we are proud as people who live in Newfoundland and Labrador who may have chosen to live in Newfoundland and Labrador. We are proud of the beauty of our Province, we are proud of our culture, we are proud of our people, we are proud of our prosperity and the progress that we have made, and we are proud of our resiliency; because, by God, Mr. Speaker, we have been a resilient people.

One of the things is that we are also proud of our social justice and our sense of fairness. As Newfoundlanders and Labradorians and people who live in Newfoundland and Labrador, we are proud of fairness because we know that although we sometimes live in a harsh environment, that we live among a people who care.

People who come to visit us talk about that. They talk about how caring the people of Newfoundland and Labrador are.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS ROGERS: Mr. Speaker, when we look at our great prosperity, some of it is Newfoundland prosperity; it did not just fall from the skies. The heavens did not just open and that we had pennies from heaven. That is not how it worked. The reason we have prosperity is because so many people worked so hard. Some people at jobs where they did not get paid a whole lot; some people at jobs where they did get paid a whole lot; some people who took great risks, they were innovative. We have seen some people, Newfoundland families, who have taken great, great risks and families in Labrador as

well building businesses, innovative business, and they have done really well and that is great. That is part of our prosperity.

Our prosperity is because of those who have worked so hard, and it is because of people's hard labour and it is because of people's expertise. We know that small business is among the backbone of our economic diversity here in the Province. Small businesses, whether it is businesses within the fisheries, whether it is retail, whether it is something in the service sector – and we know, all over the Province, that small businesses are often the employers in some of our smaller communities all over Newfoundland and Labrador.

What I want to look at is this current Budget, the Budget for 2014- 2015. Does it really progress us in any way? Does it take us further? Because we know what has happened is it had to mitigate some of the problems that were created, problems that did not exist before but were actually created by the Budget of 2013-2014. We are still reeling from some of those problems that came about from an austerity Budget.

I was speaking with someone today – and I have not had the chance to have this absolutely verified, but I would like to just throw it out there. I was told that the number of public servants who are using the EAP, the Employee Assistance Program, in the Province has quadrupled – quadrupled – since last year's Budget. It has quadrupled as an effect of the 2000 jobs that were lost in the Budget from 2012-2013.

What that means is: (a) people who have lost their jobs – so, some people who had really well-paying jobs, particularly young families, young working families who may have bought houses or who are raising their children all of a sudden their jobs are gone. These were people who were serving the people of Newfoundland and Labrador. They did not expect that. They were dedicated workers and 2,000 jobs just like that, gone, just like that – and we are still seeing the effects of that.

So, it is the people who lost their jobs who are looking for support through counselling and trying to cope with the devastation, the economic devastations in their lives, but it is

also – and this is what I find really interesting – people who remain in the public service. For instance, someone told me of a woman who is now on sick leave because she is now doing the work of three people, because there were so many cuts in her department. She used to do her job really well when she was doing her job, but now because of the cuts she is doing the job of three people. She is now on stress leave.

Now, Mr. Speaker, I am hearing a lot of stories about that, and we are hearing about people who are in positions that they are really not trained for or qualified for, so it is taking them a long time to catch up. Like you would, it is not because they are deficient; it is because the system was really thrown into chaos.

When we look at what happened in the Department of Justice and the reversal that had to be done, that a lot of those mistakes had to be reversed, and that they had to re-inject more funds into the Department of Justice. Now, one of my areas that I am really concerned about was the Family Violence Intervention Court. We know that was a really effective, very effective program within the Department of Justice that our current Premier, he was around; he was one of the people who was a guiding light. He was so innovative, he saw how important a specialized court like that was, and he worked really well with women's groups and with anti-violence groups to establish that court.

What we see in this Budget is – and when the government talks about well, there is more money in housing, or they have raised the cap on the dental program, it is nothing new. What it is, it is mitigating the problems that were created in the previous Budget.

So one would hope, in this time of prosperity, when we have that great big Muskrat Falls Project that is going to cost, I am sure, at least \$12 billion, when we hear about mining, we hear about the big hydro project, when we hear about the innovative things that are happening, one would think that this Budget of this year would actually push us forward, not just mitigate the problems that were created from last year's Budget, but I do not see anything in this Budget to address that. What I see is that either we are holding ground, or trying to catch up, but I do not see anything that is compelling us forward. I

do not see any great, new investment in the people of the Province. That is what one would hope. One would hope that this year's Budget would be better than last year's Budget and would be better than the year before that.

AN HON. MEMBER: It is called progress.

MS ROGERS: That is progress, exactly, as my colleague said. One would think that this Budget would, in fact, contain progress where we could see our prosperity at work. I am not so sure that is what has happened.

For instance, some of the cuts that we say – now, I know the government said that there were no public service jobs cut. Well, I know for sure that fifty were cut when three group homes in Grand Falls-Windsor, in Stephenville, and Burin were closed. They were housed by public sector workers; there are no ifs, ands, or buts about it. They were closed. Those were fifty well-paying jobs, but well-paying jobs not because government just gives money away to people, well-paying jobs because these were people who were well trained, who were experts in their area.

What is going to happen to those jobs? Those jobs, which were so important to the communities, where those jobs were – those people who had well-paying jobs and benefits, Mr. Speaker, which we all know are so important, those jobs are gone and those jobs are going to be replaced by jobs that are going to pay \$13 an hour. Those are not well-paying jobs.

Mr. Speaker, that is not prosperity and, dammit, that is not progress. As a matter of fact, it is regressive. It is taking us further back. It is not progress. One would hope, again, that this Budget would be full of progress but, in fact, it is not.

Now, Mr. Speaker, the other thing that government talked about was an increase to the seniors' tax credit. That increase works out to approximately six cents a day. That is what we had on the dole in the 1930s. Well, Mr. Speaker, that is not progress. That is not prosperity.

I attended a public meeting on fair taxation and sharing prosperity and sharing wealth. Mary

Shortall, who is the President of the Newfoundland and Labrador Federation of Labour, gave a presentation. I was quite moved with how she sort of pulled the curtain aside to look at what is happening behind the curtain.

I would just like to point out a few of the things that she had talked about because, again, we know that unionized workers for the most part have well-paying jobs and great benefits. They are the workers of the Province who keep our Province going, like our public sector workers, like people who are working in all kinds of jobs that keep our Province going, that make sure our children are taught, to make sure that our seniors are cared for, to make sure that those who are sick are cared for by people who are well trained, who are experts in their field. She talked about some of the significant factors about our economy, which I thought were kind of interesting.

Did you know that in Newfoundland and Labrador our economic growth far exceeds the national average? That is something to celebrate; that is progress. It is saying that, in fact –and the government likes to cite this as well – our economic growth is booming. It is a great thing. It is a wonderful thing. That is what we like to see; however, in Newfoundland and Labrador a significantly higher share of the economy, of our economy, goes to corporate profits, a higher percentage than any other place in the country. So, more of our wealth is going to corporate profits than anywhere else in the country.

I am not so sure we can afford that. I am not so sure why we would want to let that happen. How many times has the former Minister of Health stood up and said how expensive our health care is and how much of a proportion of our dollar goes to health care? It is a big-ticket item, big money item; it is a problem. How do we keep up with our health care needs? Well, it is an odd thing to look at the fact that the highest share of percentage of an economy in the country right here in Newfoundland goes to corporate profits. The other thing that we know is that corporate profits do not get re-spent and redistributed to the Province. They get taken out of the Province. That is not good for us.

Another fact that she cited was that, in fact, corporate profits as a percentage of the sum of all the goods and services in the country, the GDP, far exceeds the Canadian average 25 per cent versus 30 per cent. She also said wages as a share of GDP, however, are far lower. Here the percentage of our Gross Domestic Product that are spent in wages are 28 per cent versus 51 per cent as an average in Canada. That is not so good. You would think that we would like to see more of that money going in to the pockets of the people here in the Province and then they can spend that money and then the small businesses can thrive, rather than having that money pulled out of the Province.

She said that tax revenues as a percentage of GDP are the second lowest in Canada. The corporations have the highest percentage of the profits and they are taxed the least in the country as well. If we would move to the Canadian average, that would generate – if we would move, if we would make policy decisions that would up our percentage of GDP in Canada in terms of as tax revenues, that would generate \$600 million more in revenue.

How many Family Violence Intervention Courts could that open? How many seniors could be taken care of by a full comprehensive home care program? How many rent supplements would that help out? How many home assistance ownership programs would that – how many people would it help? How many young working families would that help to help them own their first home?

Six hundred million dollars, not by doing anything extraordinary, simply by moving our tax base on corporate profits closer to the Canadian average. That is amazing, Mr. Speaker. It is not even anything extraordinary; it is simply what happens in the rest of the country.

Consumer spending in Newfoundland and Labrador accounts for 55 per cent of the Gross Domestic Product. It is important to our economy that people have money to spend. If people have money to spend, then everybody benefits. The businesses benefit, our communities benefit.

Moving jobs that are \$23, \$24, \$25, \$26 an hour – wiping out those jobs and replacing them with jobs that pay \$13 an hour is not progress. We all know that; you know that. We all know that is not progress. I do not know why they did that, why the government decided to cheapen out on care for children, Level 4 care. Kids who really need experienced workers, workers who are well trained. This is really tough work. We all know how tough that work is.

Mr. Speaker, I am not going to have much more time to speak. I am sorry about that because I have a whole lot here that I would like to talk about.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS ROGERS: I do know that the austerity Budget that the government brought down in 2013 did not bring us further. It was not progress. What would progress look like? How do we make sure that we are going forward?

Do you know what is happening in my district alone in the wonderful District of St. John's Centre? Holy Cross Elementary School, a neighbourhood school is going to be closed down. There are already two junior high schools in my district that have closed and, by next year, two more high schools in St. John's Centre will close. So, in a very short period of time five schools in my District of St. John's Centre will be closed.

This government committed to a policy of neighbourhood schools. Five schools in the area of St. John's Centre alone will be closed in a period of just a few short years. Mr. Speaker, that is not progress. I would think that in this new Budget that this government would have done something innovative and creative. They are just –

MR. SPEAKER: I remind the hon. member her time has expired.

MS ROGERS: Thank you, Mr. Speaker.

Thank you very much.

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

MR. KING: Thank you, Mr. Speaker.

I think, as per our Standing Orders, we have gone beyond 5:30 p.m. so we will take a supper break until 7:00 p.m. and we will resume at 7:00 p.m.

MR. SPEAKER: This House now stands adjourned until 7:00 p.m.