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Speaker: Honourable Wade Verge, MHA

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The House met at 2:00 p.m.

MR. SPEAKER (Verge): Order, please!

Admit strangers.

Today I would like to welcome to the public gallery Ms Jenny Wright, executive director of Marguerite's Place, St. John's Women's Centre.

Welcome to the gallery.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: I believe she is also joined by some staff.

Statements by Members

MR. SPEAKER: Today we have members' statements from the Members for Conception Bay South; Fortune Bay – Cape La Hune; Bay of Islands; St. John's North; Mount Pearl South; and Bonavista South.

The hon. the Member for Conception Bay South.

MR. HILLIER: Mr. Speaker, today I rise to congratulate twenty-three young adults from Queen Elizabeth Regional High school in my district who recently achieved the Duke of Edinburgh silver medal award. I also want to acknowledge their mentor and teacher Mr. Jim Butler and guidance counsellor Ms Denise King for their dedication to the students and to the Duke of Edinburgh program.

Queen Elizabeth has always placed a great emphasis on high achievement for their students. This initiative has been no different and it is why during this presentation, these twenty-three students made up one-third of the awards given out for the region. A tremendous accomplishment!

Mr. Speaker, these students and mentors have committed a tremendous amount of time toward achieving the silver medal. From physical fitness, volunteer work, building survival skills and adventure hiking these students have succeeded in the program of self-improvement.

It is also important to note, that thirteen of the students have now completed the requirements for the Duke of Edinburg gold medal.

I ask all members to join me in congratulating the students of Queen Elizabeth Regional High school, Mr. Butler and Ms King on their achievement.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

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

MS PERRY: Thank you, Mr. Speaker.

I rise in this hon. House today to deliver accolades to Sandra Dominie, Harbour Breton's Citizen of the Year for 2014.

Sandra is an energetic and committed volunteer who gives wholeheartedly of her time and talent to help others in the community. Along with a very busy schedule as a public health nurse and a mother of two, Sandra coaches the senior girls at King Academy, and is a member of the town's Age Friendly Program and Emergency Planning Committee. She is also a Community Youth Network board member, and plays a very active role in the South Coast International Women's Day Committee.

In 2012, Sandra, her partners and her students established Avere's Garden, an organic garden project at St. Joseph's School. This project teaches students how to be self-sustaining and grow their own vegetables while being active and involved in the community.

Mr. Speaker, I ask all members of this hon. House to join me in congratulating Sandra Dominie for her dedication to her community and for being an excellent role model to others. We look forward to her continued commitment for years to come.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. JOYCE: I rise in this hon. House to recognize Scott Blanchard of Gillams.

Scott is known throughout the region for his musical talents and has released a number of CDs. Scott's most recent CD, called *Son of a Son*, is extra special for him as he lost his dad, Bernard Blanchard, in a terrible boating accident last summer. Bern was known for his accordion playing and was featured on every recording Scott made and played at many benefit concerts.

The music part of Scott's latest CD was completed a couple of weeks before his father passed away, but other studio work needed to be completed. As difficult as it was, Scott returned to the studio in the late summer to finish the project which included an instrumental jig that he and his dad wrote together.

On January 31, a CD release party was held in Gillams, with other local entertainers invited to take part. The evening was a tremendous success, with all monies raised being used to purchase a music system for the Gillams community hall in Bern's memory.

I ask all members to join with me in extending congratulations to Scott on his new release and wish him continued success in the future.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. KIRBY: Mr. Speaker, I stand in the House today to celebrate the life of my friend, Wayne Rodgers. While many knew him from his work as a realtor, many of us knew Wayne because of his contributions to our community, especially Leary's Brook Junior High.

It is not difficult to find good things to say about Wayne, the difficulty lies in condensing everything that should be said about this man in one statement. There are a good number of ways to describe his qualities: devoted dad, opinionated, outspoken, passionate, community-minded, witty, and sometimes 'comedically' humorous.

I met Wayne through the Leary's Brook Junior High breakfast program where he was involved for eight years, feeding hundreds of students each week. In addition to the breakfast program, Wayne loyally contributed his time to landscaping and beautifying the school grounds.

In a fitting tribute, I understand that Leary's Brook will be honouring Wayne by naming the space where the school breakfast program is held after him. There will also be a garden planted in memory of his contribution to the school grounds.

I ask all hon. members to join me in honouring Wayne's life and his volunteer contributions. He was truly one of the good guys.

Thanks to Wayne.

SOME HON. MEMBERS: Hear, hear!

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

MR. LANE: Thank you, Mr. Speaker.

It is my privilege to stand in this hon. House to offer congratulations to a group of individuals who have made a significant contribution to sport in my community. The Mount Pearl Sports Hall of Fame was founded in 1995 by the Mount Pearl Sport Alliance and, since that time, has inducted seventy-six tremendous individuals.

Today I would like to acknowledge the achievements of three others who have been inducted in the builder category this year. Ed Evely has been inducted for his tremendous contribution to swimming; Walt Mavin for his many accomplishments in the sport of soccer; and the late Jim Grant for his dedication and commitment to minor hockey in Mount Pearl. These individuals are a credit to their respective sports and to their community.

I would ask all members of this hon. House to join me in congratulating Ed Evely and Walt Mavin on this significant accomplishment, and wish them all the best in their future sporting endeavours. I would also ask that you join me in expressing Mount Pearl's appreciation for the

family of the late Jim Grant for his significant contribution to our community.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. LITTLE: Thank you, Mr. Speaker.

Honourable colleagues, please join me in recognizing and paying tribute to Marvin Ryder, who was a strong community leader and a highly respected volunteer.

Marvin served as coach, manager, co-ordinator, and President of the Bonavista-Trinity Minor Hockey Association. He also held positions of Vice-Chair and President of Hockey Newfoundland and Labrador from 1998 to 2006. He received many impressive local, provincial, and national awards for his outstanding dedication to the game of hockey.

For his remarkable contribution he received numerous awards, including the Hockey Canada Order of Merit in 2004, the Canadian Hockey Association Outstanding Volunteer Award in 1996, the Bonavista-Trinity Minor Hockey Association Executive Member of the Year, and the federal government's 125th Anniversary Medal for volunteer work in hockey.

In addition to his commitment to hockey, he was a pillar of the community. He was a beloved teacher for twenty-eight years in Catalina, and served on the Bonavista Town Council and various committees. Marvin's amazing legacy lives on as every player in the association bears his name on their jersey as they play in Cabot Stadium beneath his memorial banner.

Please join me in honouring Marvin Ryder who will be remembered as a dedicated husband, father, volunteer, caring teacher, and outstanding member of our community.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Statements by Ministers.

Statements by Ministers

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, I rise in this hon. House today to highlight the Prospectors and Developers Association of Canada's annual international convention and trade show held earlier this month in Toronto. The Premier and I attended, along with Mining Newfoundland and Labrador, department officials, and provincial mining companies.

Despite the recent slowdown of the mining industry globally, we continue to have much success in our mining projects. In fact, Newfoundland and Labrador ranked in the top ten of the most attractive jurisdictions worldwide for mineral exploration investment in the Fraser Institute of Canada's recently released International Mining Survey.

PDAC was the ideal venue to showcase mineral resource opportunities in Newfoundland and Labrador and provide support to local exploration companies and prospectors. The provincial government partnered with industry to feature the redesigned Newfoundland and Labrador Pavilion at PDAC, and to provide funding for prospectors to promote their local properties.

While at PDAC, we met with Vale, Tata Steel and Teck, and we visited many booths of other mining companies exploring in our Province. Tata Steel's high-grade iron project in Labrador's northern Menihek region represents a \$1 billion investment in that area. The Iron Ore Company of Canada is demonstrating its long-term focus with its proposed Wabush 3 project. Mines such as Anaconda Mining and Rambler Metals are securing economic and employment benefits in rural communities throughout Newfoundland and Labrador. Junior companies and prospectors are also to be commended for their mineral exploration work, which represents the potential for new discoveries and the future of the industry.

Mr. Speaker, the enthusiasm and resourcefulness of our mining professionals is driving the industry forward in this Province. More than 6,600 people are employed by the mining industry in many communities throughout Newfoundland and Labrador. The price of nickel remains strong and we are optimistic that the price of iron ore will rebound. We are forecasting \$3.6 billion in mineral shipments in 2015, up from \$2.9 billion in 2014.

We will continue to work together on opportunities for mineral exploration and development in the best interest of Newfoundlanders and Labradorians.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

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

I thank the minister for providing an advance copy of his statement. Mr. Speaker, the Prospectors and Developers Association of Canada is the premier worldwide development organization for prospecting all over the world. It is an absolutely essential conference for anyone to attend. In fact, last year, up to the end of November on the Toronto Stock Exchange, 63 per cent of all equity capital raised globally was raised on the Toronto Stock Exchange.

I do not object to the Premier and the minister going to PDAC. What I do object to is them not having a pavilion for our Province and sharing a pavilion with Nova Scotia and New Brunswick, and a photo op showing Nova Scotia's and New Brunswick's flag over our Premier. Why are we promoting other Atlantic provinces when we have so much mineral wealth here?

What I do object to is 23,500 people went, and the Premier spoke to 300. He spoke to 300, probably at the same cocktail party at the Royal York Hotel that I attended last year when I attended the conference. Now I do not mind him getting away from the bad weather and the bad polls at taxpayers' expense for a little while, but I do mind the missed opportunity not to

secure venture capital for mining in this Province.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

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

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

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS MICHAEL: Government's optimism for the future of the mining industry is all well and good, but people in Labrador West are very worried about their future and the future of their communities. Iron ore prices are very low, as the minister has recognized. The Wabush operation has shut down and plans to reopen do not look promising.

Alderon's Kami project has stalled. IOCC is looking for concessions from workers and cutting back on spending. So I ask the minister: What is government doing right now to help avoid disaster for the workers and the families who are presently being affected?

Thank you, Mr. Speaker.

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

SOME HON. MEMBERS: Hear, hear!

MR. GRANTER: Thank you, Mr. Speaker.

I rise in this hon. House to highlight the success of the provincial delegation that attended Seafood Expo North America in Boston from March 15 to 17.

Mr. Speaker, this expo is the largest seafood trade event in North America, attracting over 20,000 industry representatives from more than 100 countries. In addition to facilitating

hundreds of international trade opportunities for provincial seafood companies, the expo also provided me the opportunity to engage federal and provincial fisheries counterparts and various industry leaders on matters of mutual concern.

Participants including Ocean Choice International, the Newfoundland Aquaculture Industry Association, Northern Harvest, and Whitecap all noted the tremendous networking made possible by the expo, and expressed appreciation for the support they received at the provincial government's Newfoundland and Labrador pavilion.

Our Province continued to be a strong competitor in global seafood markets in 2014 with provincial seafood being exported to more than forty countries. The expo was instrumental in the increasing success of the seafood industry internationally. The United States is our largest export market, representing 37.4 per cent of export value in 2014. These trade achievements, in combination with our government's commitment to research and development, science, marketing, and quality control, set the provincial seafood industry up for future success.

Mr. Speaker, since the early 1980s, delegates have represented Newfoundland and Labrador at Seafood Expo North America and have proudly highlighted the strengths of our Province's fishing and aquaculture sectors. Seafood products from our Province were showcased by local chefs Courtney Ralph and Damien Marner, with industry representatives from around the world interacting directly with those who make a living from seafood farmed and harvested off our coasts.

As one of the largest seafood trade events in the world, the expo is an excellent opportunity for the provincial government to work closely with the industry to strengthen current relationships and foster new ties with international players. This year there was a noticeable increase in the number of international buyers from Asia, who showed interest in Newfoundland and Labrador fresh, live, and shellfish products. Identifying new export markets diversifies the industry and ensures that our seafood sector continues to flourish, creating benefits for families and

communities throughout Newfoundland and Labrador.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. SLADE: Thank you, Mr. Speaker.

I thank the minister for an advance copy of his statement on the Seafood Expo in Boston, formally known as the Boston Seafood Show.

Mr. Speaker, I stood in the House on March 20 last year and responded to the Fisheries Minister's statement on his jaunt to the seafood show. As I repeat that same message, because nothing has changed – marketing is the name of the game in the world seafood market, but nothing this government has done has been significant. This government has not been able to make any significant headway on marketing despite a decade at the helm. This is the same government that sold off the lucrative marketing of FPI and now Highliner is reaping the huge profits.

Again, in 2010 government announced they accepted all of the marketing recommendations of the MOU and still no headway. In 2013, the \$400 million fishery investment fund that was supposed to include support for marketing is off the rails. This is a government that allows our resources to be shipped out unprocessed.

Attending a seafood show is all well and good, as they say, but where is this seafood marketing council this government promised but never delivered?

MR. SPEAKER: Order, please!

I remind the member his time has expired.

MR. SLADE: Thank you.

SOME HON. MEMBERS: Hear, hear!

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

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

I too, thank the minister for an advance copy of his statement. Every year we hear about provincial delegations trip to the Boston Seafood Show and that is not bad, but what has also been going on for years is the call for a Province-wide seafood marketing strategy, and that means more than just going to Boston, Mr. Speaker.

Government has, for many years, lobbied the success of its tourism marketing strategy and has, for just as long, refused to see how the same strategy might work for the fishing industry. Setting up a seafood marketing council is a necessary step for the growth of the fishing industry.

I have to ask the minister: Is this every going to happen, Mr. Speaker?

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. JACKMAN: Mr. Speaker, I rise to recognize March as National Nutrition Month and today, March 18, as Dietitian Day in Canada.

The provincial government is pleased to support Nutrition Month in partnership with Dietitians of Newfoundland and Labrador, other government departments, and many of our community partners. The theme of this year's Nutrition Month campaign is *Eating 9 to 5!* It is intended to inspire us all to eat better at work and to make other positive changes for a healthier workplace.

Mr. Speaker, the Department of Seniors, Wellness and Social Development was created, in part, to bring more focus to government-wide efforts to promote physical activity, healthy eating, and other wellness initiatives. In recognition of this year's Nutrition Month theme, the department is working with the Human Resource Secretariat to promote healthy eating throughout government departments by

promoting *Putting Health on the Agenda, A Model Policy for Healthy Meetings and Events.*

We are also working with regional health authorities to promote this policy, along with our partners in education to promote the School Food Guidelines. Their collective efforts and important work support residents, communities, and families.

Earlier today, I took some time to visit a Nutrition Month Expo held in the West Block. The expo included four exhibitors –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. JACKMAN: Thank you, Mr. Speaker; I know everyone is interested in it.

Eat Great and Participate, the Kids Eat Smart Foundation, the School Milk Foundation, and the Food Security Network. The expo provided a great opportunity to learn more about how these local organizations are helping to support healthy eating in the community.

Dietitians are working throughout the Province to promote healthy eating in our communities and hospitals, rehabilitation centres, and in primary care, long-term care, private practice, government, public health, industry, and educational institutions. They use the evidence-based science of nutrition and promotional efforts to help residents make healthy food choices, separate fact from fiction, and promote healthy eating habits to prevent and manage nutrition-related chronic diseases.

I invite all members of the House to please join me in thanking dietitians throughout the Province for their work and to recognize their contribution to the health of the people of Newfoundland and Labrador.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. HILLIER: Mr. Speaker, I thank the minister for an advance copy of his statement. I am also pleased to join in recognizing the important work that dietitians and nutritionists do to promote healthy living.

Helping people eat healthier requires education about the role a healthy diet plays in health promotion. Mr. Speaker, as an educator, I also recognize that education requires that students eat healthy as well, as many of our school lunch programs show.

Mr. Speaker, it also requires access to healthy food. Due to factors like income and geography, access to healthy food is not equal. Poverty plays a big role in restricting lifestyle choices like diet. We know two litres of milk costs three times as much as two litres of soft drinks.

Mr. Speaker, despite spending more per capita on health than anywhere else in Canada, Newfoundland and Labrador is the worst-ranked Province in the country, scoring a D on a recent Conference Board of Canada health report card. We have the highest rates of type 2 diabetes and prediabetes, as well as the highest obesity rate in the country.

Mr. Speaker, we are paying lip service to nutrition, one Nutrition Month at a time. It is fine to have a plan, but like a lot of the plans of this government, it is not working and needs re-evaluation.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

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

MS ROGERS: Thank you, Mr. Speaker.

I thank the minister for an advance copy of his statement. With the high rates of obesity in the Province and the tsunamic cost of diabetes, government should make sure that dieticians are a part of primary health care teams.

Mr. Speaker, 9.3 per cent of our population has been diagnosed with type 1 or 2 diabetes. This is expected to increase, putting great strain on our health care system.

Beyond encouraging people to eat better between 9:00 to 5:00, we must also remember how important nutrition is for seniors. Food banks, soup kitchens are seeing an alarming increase in seniors who cannot afford to eat well at all. I would like to thank those organizations who are supporting this program.

Thank you, Mr. Speaker.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Oral Questions.

Oral Questions

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

MR. BALL: Thank you, Mr. Speaker.

This government has already committed \$5.39 billion to a \$7 billion Muskrat Falls Project. The generating facility is already 18 per cent behind where government had planned it to be at this point in construction.

I ask the Premier: How did you allow this project to fall so far behind?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, as the hon. member knows, the decision to build Muskrat Falls was one that had to be made in the best interest of Newfoundlanders and Labradorians and in the best interest of securing a reliable future with respect to our electricity needs.

This particular project has been ongoing for some time. It is still early stages, Mr. Speaker, but we have measures in place both through Nalcor, through the Oversight Committee, through the independent engineer to maintain oversight on the progress of the project. As committed to, we continue to make that information available to the public.

With any large project, we have seen it in Vale, we have seen it in Hebron, Mr. Speaker, there are puts and takes. There are things that are happening all the time. The project is still on schedule, and we are still expecting first power in late 2017.

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.

The minister is right, the government is responsible for the Muskrat Falls oversight, but they have repeatedly shown bad management on this oversight. As a result, the generating facility continues to track slower than they planned. The fact that they are bringing in a new project management organization and increase the size of the project team so early in construction is another sign that you did not plan effectively.

I ask the Premier: Many of you have stood in this House on the Muskrat Falls debate and claimed that you had done a significant amount of work in advance, why is this plan failing?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, I would certainly disagree with the hon. member that this plan is failing. Mr. Speaker, we are building one of the largest projects in Canada and the largest projects in our history, and I can tell you, one that all Newfoundlanders and Labradorians will be proud of.

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, like any large project, particularly in start-up and so on, as I said we see it with large projects that are in this Province, there are always changes and things that have to be made through the process. What is good about this, Mr. Speaker, it is recognized early in the process that some changes had to be

made, some mitigating circumstances had to be addressed, and risk has been recognized early. That is what is important. That is what speaks to the management of this project.

If you look at the record, Mr. Speaker, there are some aspects of this project that are well ahead of schedule as well, and I think that is important to point out.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

Well, I think the minister should know that the most complicated, most complex piece of this construction is indeed the generating facility, and for that facility to be falling so far behind early in this project is not a good sign, I say to the minister. Aside from bringing in a larger project team, Nalcor is working with the contractor to increase its concrete pouring capacity, all in an effort to keep the project from falling further behind schedule.

So I ask the Premier: Who is paying for these extra costs, Newfoundlanders and Labradorians or Astaldi?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, the member opposite would suggest that the measures that are being taken to ensure we manage the costs and we maintain the costs, that we build this project in the right way for the benefit of Newfoundland and Labrador – he is making a suggestion, Mr. Speaker, that we should not be doing that. We should not be taking extra measures. We should not be bringing in extra (inaudible) so we can pour the cement in the summer seasons. We should not change out management, or we should not change out workers.

If there is a problem that needs to be addressed, then we fully expect Nalcor to be on the ball and do that, Mr. Speaker, and work with Astaldi to

ensure that what is committed to in this contract will be delivered. So when changes need to be made, we expect them to be made, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

Well, with this minister and the Premier who stood in this House of Assembly and assured people in Newfoundland and Labrador that there was considerable pre-planning done on this project, we see it falling farther behind.

My question to the Premier is: Who is paying for this, Newfoundlanders and Labradorians or Astaldi?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, the work that has been done previously has been highlighted as a part of trying to maintain control of costs and so on of these projects. We can cite many projects that are 50 per cent, 60 per cent, 70 per cent, or 80 per cent over budget. We are not seeing that with Muskrat Falls. Well over half of the engineering was done before the project started.

As I alluded to in big projects on the ground, trying to get things sorted out, making sure the right management and the right people are there, Mr. Speaker, that is always an ongoing process; but, with respect to the contracts, there are varying types of contracts with Muskrat Falls.

I will say in this House that it is my understanding that the Astaldi contract is a fixed price and they are responsible for the cost of this, Mr. Speaker. Just to be sure, I will check and if there is any difference, I will gladly let the member opposite know.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

I assure the minister, if you keep in mind that it is your department and your staff that are part of the oversight committee, you should know that answer, I say to the Premier.

Premier, you don't you answer that question? Who is paying for these extra costs? Is it Newfoundlanders and Labradorians, or is it Astaldi? It is your oversight committee.

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Thank you, Mr. Speaker.

The minister has answered the question and has already advised he would provide the details to the member opposite. I rely heavily on ministers; they lead departments. I have full confidence in their ability to know their departments and be able to articulate matters that are important to their departments and important to people.

I want I remind this House, Mr. Speaker, and remind the people of Newfoundland and Labrador why we are building Muskrat Falls in the first place. I can tell you; just recently, I had the opportunity to meet with governors: US governors, New England governors in the United States. It was a worthwhile venture for me to travel to meet with those governors.

I will give you an example, Mr. Speaker; Maggie Hassan down in New Hampshire, you ask her. She is at 6 per cent renewable electricity in her state. She is looking for a source of renewable electricity, Mr. Speaker. When Muskrat Falls is built, this Province will be at 98 per cent renewable electricity.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The hon. the Leader of the Official Opposition.

MR. BALL: Thank you, Mr. Speaker.

Any governor, any Premier, would take it but not at the price it costs to recover the price of the

project, I say to the Premier. You did not answer that question, did you?

Mr. Speaker, the Premier's mandate letter to the Minister of Natural Resources is clear: Finalize a deal with Statoil by the end of this year. Statoil has said that they will not know if there can be a development at Bay du Nord until May, 2016.

I ask the Premier: Why did you mandate a deal for this year when you will not even know how much oil is in the field until next year?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Thank you, Mr. Speaker.

I will get to the member's question, but to his comment about Muskrat Falls, because you cannot stand up and make comments and not expect to be held accountable to them or for me not to respond to them.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: I do not mind responding to your comments. We hear them from your backbench. We hear them from members opposite. We hear comments sometimes from the Member for St. Barbe, like we heard in January –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DAVIS: – but we never heard any justification for his comments that he made back in January, I say to the Leader of the Opposition.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DAVIS: So, Mr. Speaker, to my comment about governors, because I met with several governors and they have a significant need –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The hon. the Premier, to continue.

PREMIER DAVIS: Thank you, Mr. Speaker.

MR. JOYCE: (Inaudible).

MR. SPEAKER: Order, please!

I say to the Member for Bay of Islands, I have called for order three times.

The hon. the Premier, to continue.

PREMIER DAVIS: Thank you, Mr. Speaker.

Mr. Speaker, when I met with several governors of the United States – and they all have a common problem; they have a need and a desire and a responsibility to move from coal-fired, electrical generation, from nuclear. Mr. Speaker, they want to move off those sources of electricity and move to renewable, clean, green sources of electricity. Newfoundland and Labrador has it.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

I say to the Premier, of course we have it, but do they want to pay the price that it costs to get it there was the question I asked of the Premier.

I will go back to my previous question about the mandate letters. I said the Premier's mandate letter to the Minister of Natural Resources is clear: Finalize a deal with Statoil by the end of this year. Statoil has said they will not know if there can be a development in Bay du Nord until May of 2016.

I ask the Premier: Why did you mandate a deal to be done this year when you will not know how much oil is in that field until next year?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Thank you, Mr. Speaker.

To respond to his question again regarding Muskrat Falls, because you just asked a question, if they are willing to pay for it. I will tell you one thing that the governors of the United States are looking for.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DAVIS: They are looking for an alternative of the monopoly that Quebec holds on power supply to New England, Mr. Speaker. That is what they are looking for. They are looking for an alternative to what Quebec currently has as a monopoly on the supply of clean, green electricity to United States.

We now have that option because we saw the foresight. We had the foresight. We had the ability to build a relationship with Emera, with Nova Scotia, and we now have the ability to supply electricity to the United States, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

I will ask the Premier for the third time today: Why did you mandate a deal for this year on Statoil when you will not know how much oil is in that field until next year?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: So for the first time in his three questions, he did not ask two questions. Now he is down to one. So now I will answer his question, Mr. Speaker. I will answer the question, I say to members opposite.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DAVIS: They should settle down over there a little bit. I will answer the question,

Mr. Speaker. For the first time he has asked a single question.

Mr. Speaker, mandate letters, for the very first time in the history of Newfoundland and Labrador, were put online; therefore, all of the public, and people of the public to see, and that was done by me, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: When I issued mandate letters to our ministers, for the very first time in the history of our Province, they have been made open. We have made it open for transparency. They are put online for the consumption of anybody who wants to see it.

I have directed my minister to engage with Statoil and to carry out the steps that he needs to take to achieve an agreement with Statoil. Mr. Speaker, I tell you what, we will not – because of a mandate letter or otherwise, if it is not a good deal for Newfoundland and Labrador, we will not be doing it, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

Well, yesterday the minister indicated that releasing government's new generic royalty regime would jeopardize any opportunity to have a good deal for the people of Newfoundland and Labrador. A generic royalty regime is designed to be in the public and create some certainty to the industry, and we know the industry is looking for this.

I ask the Premier: Why would you not be releasing the new generic royalty regime to the public? Why not let the people see it, and how would that jeopardize a new deal?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, we have been very clear. I think we have shown and

demonstrated, the Premier has alluded to this, the Opposition continues to ask for information and we continue to put it out there, Mr. Speaker. I can tell you from my department the amount of reports and reviews that we put out, we will continue to do so.

With respect to developments in the offshore, Mr. Speaker, whatever we can put out there, whatever is not commercially sensitive, we will absolutely put it out there. With respect to the generic royalty that this government has been developing for the benefit of development of our offshore, then we will make that available, Mr. Speaker, when it is done, when it is crisp and clean, and when it makes sense out there to do so.

I will say to the member opposite, we are in negotiations with Statoil, and I do not know how you do your business but we do not discuss our arrangements and our negotiations –

MR. SPEAKER: Order, please!

I remind the minister his time has expired.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

Well, my question to the minister is yesterday you said that this would jeopardize, this would be commercially sensitive. How would this jeopardize a deal for the people of this Province? Why would you not want them to know? Why do you feel it is commercially sensitive?

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

SOME HON. MEMBERS: Hear, hear!

MR. DALLEY: Mr. Speaker, contrary to his concern that we might get a deal with Statoil, we are negotiating with a large oil company that has a significant find in our offshore. It is about building a future for Newfoundland and Labrador, the building blocks that helps us deal with the financial situation we are in right now, Mr. Speaker. We are in negotiations. We do not

have a deal, nor will we have one if it is not in the best interest of Newfoundlanders and Labradorians.

Mr. Speaker, we will negotiate with Statoil. We will negotiate in good faith as we have done and showed and proven with other large companies that have come into this Province, companies that have come in and created jobs. We will continue to do so, but I will not do it out in the public.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Mr. Speaker, yesterday the Premier was once again backtracking from comments he made about privatizing pieces of our health care system. While backtracking on health care, he mentioned privatizing pieces of our public college system.

I ask the Premier: What specific pieces of our education system are you considering privatizing?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Mr. Speaker, I do not know, like sometimes the spin that is put on over there is unbelievable.

What I explained yesterday was while I was encouraging people to attend Budget consultations – which I am glad that people from around the Province have engaged in and have participated in – we talked about what the role is of private business in this Province and is there a greater role for business in this Province. I also talked about examples of where currently exist partnerships with private business, where government and business work together, where business provides certain aspects of programs and services, and some places where governments provide it.

Mr. Speaker, I think it is important for all governments to consider options that lay before them and opportunities to develop those programs and do a better job of it in the future

and how that may happen. Those are the discussions that we are having.

SOME HON. MEMBERS: Hear, hear!

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

MS DEMPSTER: Mr. Speaker, after three delays, the RFP to replace the aging vessels on the Labrador Marine Service closed in June 2014. It was scheduled to be awarded before the end of this year. Three months later we are still waiting for the award, despite many promises of coming soon.

I ask the minister: When will you finally award the contract for the fifteen-year operation of the Labrador Marine Services?

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

SOME HON. MEMBERS: Hear, hear!

MR. BRAZIL: Thank you, Mr. Speaker.

This is a very in-depth process that we are using here. This is a long-term investment. We are talking hundreds of millions of dollars to make sure that the service to the people of Labrador is the right service.

We want to look at new, innovative, creative ways to make sure that service meets the needs now and into the future. We are talking a fifteen to twenty-five-year process here, Mr. Speaker, in an investment. We want to make sure that the service is the right one.

My officials are still reviewing it. I am reviewing the RFP process. I have had consultations, as the member opposite knows, over the last number of months with the stakeholders from that area. I want to make sure the service we provide to the people of Labrador is the service that is going to get them to the next two to three decades.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MS DEMPSTER: Mr. Speaker, I am asking about when it is going to be awarded but based on the details in the RFP, our needs clearly are still not going to be met; that is concerning.

The new service was scheduled to start in 2016. With the numerous delays in the award of the contract, the 2016 starting date is in jeopardy.

I ask the minister: What is causing the delays in awarding the contract, and will you honour your promise of a 2016 start date?

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

SOME HON. MEMBERS: Hear, hear!

MR. BRAZIL: Thank you, Mr. Speaker.

As I have mentioned, we have had conversations with stakeholders. We want to make sure this is the right one. We have identified this year alone some of the issues we ran into with heavy ice, stuff that was not forecast in previous years. So, I want to make sure that the capacity of those ferries, the ice class that they will be, the size of the engines, would be adequate.

We are looking at that process. We are looking at the RFP. Our officials are going through the process. Within the next number of weeks, we will be ready to sit down, make a decision, and move forward with this process.

Our intention is to service the people of Labrador. We have made a commitment to them. We are going to live up to that commitment, and the people of Labrador will have the service they deserve.

SOME HON. MEMBERS: Hear, hear!

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

MR. EDMUNDS: Mr. Speaker, we have been waiting almost a year for the RFP of the Labrador marine services to be awarded. Part of this RFP included a provision of marine services

to the communities of Nunatsiavut and Natuashish.

I ask the minister: Contrary to the land claims agreement, why was a qualified Nunatsiavut Aboriginal company excluded from the RFP without any explanation from your department as to why?

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

SOME HON. MEMBERS: Hear, hear!

MR. BRAZIL: Thank you, Mr. Speaker.

As I mentioned earlier, we had a very in-depth process here in the RFP call. We went through the process. We had a fairness monitor – something that is not always done on proposals like this. We had a fairness monitor as part of the process. My officials that come with over 100 years of marine service background assessed it, we went through the whole process, and it was determined then that we wanted to go to a short list.

We went to a short list, Mr. Speaker. Unfortunately, one of the companies was not on that short list. We have gone through that process. We are saying right now we are looking at the service that best serves the people of Labrador. The two proponents that were left, and we went back to a further call on the RFP, are the companies that we feel can best service the people of Labrador with what we need as a service over the next number of years.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. EDMUNDS: Mr. Speaker, the Inuit have been around for thousands of years.

Mr. Speaker, the Inuit land claims agreement was signed in good faith by all three levels of government. In all cases of the legislation, the provisions of the Labrador land claims agreement take precedent. The RFP has clearly ignored the agreement.

I ask the minister: Why have you ignored the provisions of the land claims agreement that clearly state an Aboriginal company shall be awarded contract if their proposal meets criteria?

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

SOME HON. MEMBERS: Hear, hear!

MR. BRAZIL: Mr. Speaker, as I outlined, we had a fairness monitor right through this process to make sure all the integral parts of this RFP was covered. As part of that, we looked at the type of service we wanted and the provider that could offer that service.

As we assessed all of this, what we looked at was the best means of operating a service in Labrador and the best service we could provide. The lands claims issue was not part and parcel of the RFP call there. As a process, we are now down to two companies that we will assess which one is the best provider for the services for the people of Labrador.

SOME HON. MEMBERS: Hear, hear!

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

MR. EDMUNDS: Mr. Speaker, the Nunatsiavut Group of Companies, one of the bidders in the RFP process, has received a letter from the department saying that their proposal was in compliance.

So I ask the minister: Why did he change his mind and, all of a sudden, say that they are non-compliant, when they already addressed the proposal as being compliant?

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

SOME HON. MEMBERS: Hear, hear!

MR. BRAZIL: Mr. Speaker, as what has been outlined in the RFP itself, we were looking for a provider that could offer a service that was going to be able to provide a twenty-five year service based on the principles of what we needed – the type of vessels, the service, the freight abilities. We have gone through that

process again, as I noted, with a fairness monitor in the room, going through it, analyzing every part of it.

Unfortunately, one of those proponents was not at the same level as the other two. A short list was put in place, Mr. Speaker, and as part of that process we have now determined that one of those two proponents in the near future will be assessed and awarded that contract.

SOME HON. MEMBERS: Hear, hear!

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

MR. A. PARSONS: Mr. Speaker, following an agreement between Vale and the Province to provide compensation for the export of material from Voisey's Bay, the Nunatsiavut Government criticized the Province, claiming they were not consulted. The Minister of Labrador and Aboriginal Affairs then told the minister with Nunatsiavut, go ahead and sue the Province; we are going to win anyway.

So I ask the minister: When you made the statement, was it based on a legal opinion from the Department of Justice or Attorney General's office?

MR. SPEAKER: The hon. the Minister of Labrador and Aboriginal Affairs.

SOME HON. MEMBERS: Hear, hear!

MR. RUSSELL: Thank you, Mr. Speaker.

We take our duty to consult very, very seriously, and we are confident in our interpretation of the obligations that we have to consult that are contained in the Labrador Inuit Land Claims Agreement. The amendment in question is about Long Harbour and, in fact, it is a good thing.

What it does, Mr. Speaker, is it keeps the project going, it keeps beneficiaries in jobs, it keeps the benefits flowing from the IBA. If we were not doing everything in our power to keep that project going, they would be complaining about it over there.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. A. PARSONS: Mr. Speaker, I ask the minister: When you made the statement was it based on a legal opinion from the Attorney General's office or the Department of Justice? If so, will you table that opinion here?

MR. SPEAKER: The hon. the Minister of Labrador and Aboriginal Affairs.

SOME HON. MEMBERS: Hear, hear!

MR. RUSSELL: Thank you, Mr. Speaker.

That particular comment was an excerpt of a much larger conversation. It was not about a legal opinion and it was not about anything to that nature. What it was about is that we are confident that we did not violate the land claims agreement and that we should have increased dialogue. We should be sitting and talking as opposed to discussing litigation.

Like I said, it is a good thing for the people of the Province and a good thing for beneficiaries of the land claims agreement to keep them working, to keep the benefits flowing, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. A. PARSONS: Mr. Speaker, I say to the minister and say to the Premier, as a minister of the Crown and in consultation with the Nunatsiavut Government, you asked them to sue us.

Was that based on an opinion? If not, why would you make that comment?

MR. SPEAKER: The hon. the Minister of Labrador and Aboriginal Affairs.

SOME HON. MEMBERS: Hear, hear!

MR. RUSSELL: Mr. Speaker, in my conversation with the minister for Nunatsiavut

Government we discussed many, many topics. It was not to antagonize, it was not to appear arrogant, and it was not to say come out and sue us.

My point was that it is about keeping the project going. Our interpretation of the land claims agreement and our obligations to consult, as per the Voisey's Bay chapter in the land claims agreement, are about mining operations in the Voisey's Bay area.

The conversations we had were about the amendment to Long Harbour, Mr. Speaker. We are confident in our interpretation.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Burgeo – La Poile has time for a quick question.

MR. A. PARSONS: I ask the Attorney General: Do you have a legal opinion on this proposed litigation?

MR. SPEAKER: The hon. the Minister of Labrador and Aboriginal Affairs has time for a quick reply.

SOME HON. MEMBERS: Hear, hear!

MR. RUSSELL: Thank you, Mr. Speaker.

As I said to the member opposite, it was not about a legal opinion. It was not about antagonizing. It is about keeping the project going. We are confident in our interpretation that we did not violate the land claims agreement. It is about keeping the benefits from the IBA flowing to the stakeholders to that IBA.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MS MICHAEL: Thank you, Mr. Speaker.

Yesterday the Premier said privatizing services has been successful, but when the Liberal

government privatized our hospital laundry services in the 1990s, it ended up costing more and the services reverted to the public sector.

I ask the Premier: Will this government learn from mistakes made in the past and not risk public money and safety by privatizing services?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Thank you, Mr. Speaker.

I would suggest to the member opposite, with all due respect, there are many successful stories of, and displays and examples, where private business has done a very good job at providing services and programs to the people of Newfoundland and Labrador.

As I mentioned yesterday, a family doctor operating a private practice in a community is a private business providing a service to the people of Newfoundland and Labrador that is paid for by government, Mr. Speaker. Pharmacists are private business operators who provide services to the people of Newfoundland and Labrador. Dentists are much the same way in health care.

Our ferry services; we have ferry services operated by the Province. We have ferry services operated by private business, and I would suggest there are many examples in the Province where private business has a place and a role, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

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

I point out to the Premier that doctors are part of our public health care system.

The Premier has said that private sector financing and management of road construction has worked successfully elsewhere. It certainly did not in Ontario, where the Auditor General showed that over a ten-year period privatization

cost the taxpayer \$8 billion more than if the projects had been managed by the public sector.

I ask the Premier: On what evidence does he base his claims that privatization saves money?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DAVIS: Well, Mr. Speaker, I just gave some examples. Examples of road construction is a good one, Mr. Speaker, because government does not build roads. We do not construct buildings. We do not do that. Mr. Speaker, we engage with private business in the Province that provides those services to the government, to the people of the Province. It is private business that carries out some of those programs and services.

Mr. Speaker, there are countless examples of where there is a place for private business, but what I had said was it is a valuable discussion for us to have as a government. I think we would be remiss if we did not have it.

SOME HON. MEMBERS: Hear, hear!

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

MS ROGERS: Mr. Speaker, amid rumors, all eight women's centres wrote the minister asking if their yearly grant would be cut. Last week the minister wrote back saying no decision has been made. Their fiscal year ends March 31, yet they still have no idea whether they will be able to keep their doors open or keep their staff who are doing critical lifesaving work.

I ask the minister: Will she guarantee the women's centres across the Province – at least their current level of funding?

MR. SPEAKER: The hon. the Minister Responsible for the Status of Women.

SOME HON. MEMBERS: Hear, hear!

MS SULLIVAN: Thank you, Mr. Speaker.

The work of the women's centres across this Province is something that we, as a government,

have admired and supported for many, many years, and we will continue to do that, Mr. Speaker.

As with any request that comes in involving finances at this particular point in our fiscal year, obviously, that goes through the Budget process. We will take a look at all of the requests that come in and we will make our decisions; but, Mr. Speaker, let it be known that we are very much admirers and supporters of all of the women's centres across this Province.

SOME HON. MEMBERS: Hear, hear!

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

MS ROGERS: Mr. Speaker, the doors cannot be kept open simply on the basis of admiration.

I ask the minister: First you cut the Family Violence Intervention Court and now possibly reduce funding to women's centres, is this your message to women in crisis in our Province?

MR. SPEAKER: The hon. the Minister Responsible for the Status of Women.

SOME HON. MEMBERS: Hear, hear!

MS SULLIVAN: Thank you, Mr. Speaker.

Mr. Speaker, the tone of the commentary from the questioner is really alarming to me. It is absolute fear mongering.

I have no idea that anybody on this side of the House talked about cutting women's centres in this Province. Mr. Speaker, we recognize the wonderful work that they do. We support the work that we do, and we are very, very happy to stand here in this House of Assembly and give accolades for all that they do for women in this Province.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The hon. member has time for a very quick question.

MS ROGERS: Mr. Speaker, during tough economic times, research shows an increase in domestic violence.

I ask the Minister of Justice: Will he reinstate the Family Violence Intervention Court as stated in the Premier's mandate letter?

MR. SPEAKER: The hon. the Minister of Justice and Public Safety, for a very quick reply.

SOME HON. MEMBERS: Hear, hear!

MR. KING: We will give it every consideration, Mr. Speaker, as part of the Budget process.

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

Presenting Reports by Standing and Select Committees.

Tabling of Documents.

Tabling of Documents

MR. SPEAKER: Order, please!

In accordance with section 19(5)(a) of the House Of Assembly Accountability, Integrity And Administration Act, I hereby table the minutes of the House of Assembly Management Commission held on October 22, 2014.

Further tabling of documents?

The hon. the Government House Leader.

MR. KING: Thank you, Mr. Speaker.

I am pleased to rise today to table the strategic plan for the Department of Business, Tourism, Culture and Rural Development for the time period 2014-2017.

MR. SPEAKER: Further tabling of documents?

Notices of Motion.

Answers to Questions for which Notice has been Given.

Petitions.

Petitions

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

MR. KIRBY: 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 Newfoundland and Labrador English School District is considering a proposal to bus Kindergarten to Grade 6 students from Holy Family School in Paradise to the former School for the Deaf on Topsail Road in St. John's, twelve kilometres away; and

WHEREAS many parents have expressed concern about the impact of long bus rides to and from school for primary and elementary school-aged children who would otherwise attend Holy Family School in Paradise; and

WHEREAS many parents have asked the Newfoundland and Labrador English School District to consider alternatives to having children from Holy Family School attend school at the former School for the Deaf;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to direct the Newfoundland and Labrador English School District to find a more suitable alternative to the proposal which would see students from Holy Family School in Paradise attending school at the former School for the Deaf.

As in duty bound your petitioners will ever pray.

Mr. Speaker, since this petition was written, the board has come to two options. One is actually busing little kids in Grade 2 up to Grade 6 to the School for the Deaf, forty-five minutes away, or putting more portables at an already overcrowded school.

It was interesting yesterday that the co-Leader of the NDP took a real hard line in the debate and said that she wants to bus these children to Holy Family School, forty-five minutes away. Now, I

do not agree with that. I think we should not get involved in this and let the board of trustees do their job and pick the best option based on feedback from parents. Now as far as I am concerned neither one of these proposals makes any sense at all, either to put something like 1,000 students at a school that went over capacity in 2009, at a school that was built for 600 students or something like that, to put 1,000 students there or bus them across town.

This is symptomatic of the problem that we have had in this Province for a number of years now, this government not planning properly, not accommodating the number of students. So I do not agree with the co-Leader of the NDP on this at all. I think that we really, really – it is a sad thing that we are in this situation and these people have not planned appropriately for kids in Paradise. It does not make any sense, because we have ministers – the Cabinet is full of ministers from Paradise, basically, who represent parts of that town, and it makes absolutely no sense to me.

I offer this on behalf of the parents – 100 of them have signed this. There are more petitions coming. These are parents who are against the busing, but I will present petitions on behalf of the other parents here as well because they deserve to have their opinions heard. This issue should not be determined by anyone here in the House of Assembly, the co-Leader of the NDP or anybody else. This is a job for the board of trustees. They have to make the decision; that is the law.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

Orders of the Day

Private Members' Day

MR. SPEAKER: It now being Wednesday and Private Members' Day, 3:00 p.m., in accordance with our Standing Orders, I go to the Member for Baie Verte – Springdale to begin debate on his private member's motion.

The hon. the Member for Baie Verte – Springdale.

SOME HON. MEMBERS: Hear, hear!

MR. POLLARD: Thank you, Mr. Speaker.

I am certainly pleased to stand in this hon. House today to move this resolution, which was seconded by my colleague for Bonavista South. I appreciate that.

I will read the resolution for the record, although I read it yesterday, but verbatim:

WHEREAS the Northern shrimp fishery is an extremely important fishery in Newfoundland and Labrador; and

WHEREAS both the inshore and offshore sectors have a history in this fishery and are both important drivers of economic activity in the Province; and

WHEREAS the inshore sector is adjacent to the Northern shrimp resource, has been involved in the fishery since 1997, and was given permanent status in 2007; and

WHEREAS the application of the Last In, First Out (LIFO) policy in the face of quota cuts has had an extremely disproportionate impact on the inshore sector; and

WHEREAS Last In, First Out (LIFO) is a policy which is only applied to the Northern shrimp fishery; and

WHEREAS continued application by the Government of Canada of the LIFO policy for Northern shrimp will result in widespread economic ruin for hundreds of rural communities in Newfoundland and Labrador and the thousands of our people who earn their living from the Northern shrimp resource;

BE IT THEREFORE RESOLVED that the House of Assembly urges the Government of Canada to discontinue the LIFO policy and replace the allocation policy for Northern shrimp with a new sharing arrangement that is fair to both valued fleets – the inshore and the offshore.

Mr. Speaker, I am certainly pleased to have some time here in this hon. House to speak in favour of this resolution. All of us here today in this hon. House know the importance of the

fishery to our economy, to our communities, and to our districts for sure. Indeed our Province as it exists today was built upon the fishery. The fishery defines us as a people. It is our culture. It is part of our heritage. It has shaped us as a people, Mr. Speaker.

I remember when I was a little boy, my grandfather Charlie Randell and my grandmother Beatrice, his wife, they earned their living in the fishery, Mr. Speaker. My aunts and my uncles earned their living in the fishery in Hooping Harbour and in Bide Arm.

I am proud of my heritage. I was part of that heritage, Mr. Speaker, although I did not become a fisherperson myself. I do not think I was very brave on the water, so I went on and got a degree in university, but I was very proud of my heritage though, of my relatives. They made a tremendous career in the fishery. My grandfather lived until he was ninety-eight years old. He was on the water probably when he was eighty-four or eighty-five years old.

While the fishery has evolved through time, through new technologies, and ups and downs in the stocks of the various species harvested, it has always remained a part of who we are. It has helped our communities to survive, to thrive, and to be sustainable. Mr. Speaker, it kept food on the table. It kept our families going. Every person here, for sure, in this House of Assembly has been impacted by the fishery in some way, shape, or form, and do appreciate the industry.

The federal government's Last In, First Out policy, known as LIFO, with respect to Northern shrimp says that the last entrance into the fishery are the first ones to go, first ones to be removed. Mr. Speaker, this policy is not applied to any other fishery – not the crab, not capelin, just to Northern shrimp only.

The motion we are debating today calls upon the federal government to eliminate this current policy of Last In, First Out for the allocation of Northern shrimp and to replace it with a new sharing arrangement that is fair to both inshore and offshore shrimp fleets, Mr. Speaker.

I want to point out here this afternoon, nobody here will pit – it is not about pitting one sector against the other. Both sectors will learn to co-

exist. There is room for both, Mr. Speaker. Both fleets are of tremendous value to this Province, to our culture, and to our heritage.

I am looking forward to a spirited and informed debate this afternoon on this issue. I know that members on both sides of this House represent districts that are impacted by the federal government's application of this LIFO policy and the negative impact, the negative effect, it has on the inshore harvesting enterprises, their vessel crews, the processors, and the plant workers who rely on their catch. From my understanding, Mr. Speaker, it might be upwards of 3,000 or 3,100 jobs lost if we lose this.

Let me give you some background, some history, pertaining to this issue as we begin debate on this resolution this afternoon; it would be helpful. We all remember that cod moratorium, I believe, in 1992, what that meant to fish harvesters across this Province, what it meant to rural communities across this Province and our Province as a whole.

It was a dark time in our history, Mr. Speaker. It was filled with uncertainty, fear, a time when many inshore harvesters were left seeking new harvesting opportunities. Their communities were dying. Their families were moving out elsewhere to try to earn a living. Their livelihood was threatened. The community sustainability was threatened. The harvesters were sort of saying to themselves, well, where am I going to go to make a living? Should I stay home? What is my next move? Do we have any hope? They were seeking new opportunities, Mr. Speaker.

Now, back in that time for many, guess what that new opportunity was? That new opportunity was the Northern shrimp. It gave them great hope so they could make a living again and stay home. The federal government back in 1997 initially gave temporary permits to enable these inshore harvesters to harvest shrimp off the Northeast Coast.

Back in 1997, from my understanding, under Minister Mifflin at the time, harvesters were granted access to what we call Shrimp Fishing Areas – SFAs – to SFA 6. A threshold of 37,600 tons was established for the offshore sector at that time, meaning that the offshore allocation

would not go below what they had the year prior to the entry of the inshore.

So they were sort of protected, Mr. Speaker. At that time in 1997 under Minister Mifflin, there were four what we call sharing principles that were adhered to. I would like to mention them briefly. Principle number one was the principle of adjacency. Number two, the Aboriginal people were given priority as well to access. Number three, priority was also given to the inshore fishery below sixty-five feet. The fourth principle was that employment would be maximized both in the harvesting and the processing sectors, where possible.

At that time, I want to point out as well, though, there was no mention of the policy, LIFO – Last In, First Out. The concept of adjacency was identified as one of the fundamental principles, leading to the decision to allow or permit these inshore harvesters into the Northern shrimp fishery.

Now, what does the word adjacency mean to us, Mr. Speaker? A 1997 Fisheries and Oceans backgrounder defined adjacency as “the principle that those who reside next to the resource or have traditionally fished in those waters should have priority access to it.” The same backgrounder stated, “This principle is used throughout the Canadian fisheries and is recognized internationally.”

In 2003, the Integrated Fisheries Management Plan for Northern shrimp states, “One of the principles underlying this sharing arrangement is that those adjacent to the resource should benefit. Therefore, new entrants have mainly been individual core fishers with vessels less than 65 feet in length based in SFA 5 or 6.”

What is the implication here, Mr. Speaker? This implies that DFO recognized that individual core fishers with vessels less than sixty-five feet in length based in SFA 5 or 6 are adjacent to the resource at that particular time. Interestingly enough, like I said earlier, there is no mention of LIFO at that particular time. LIFO is Last In, First Out.

Mr. Speaker, despite the fact that these inshore allocations were deemed temporary at the time, allowing inshore harvesters into the shrimp

fishery generated a great deal of fishing and economic activity over the next ten years. I believe over 3,000 jobs were created. I believe it was twelve or thirteen plants that were established.

Mr. Speaker, the Province saw over – I believe it was \$200 million of private sector investment in vessels and plants at that particular time. I believe, from my understanding, 365 inshore fishing enterprises were licensed at that particular time. Everybody got on board. Everybody was excited. Everything was going okay.

In 2007, the federal government issued regular commercial licences to inshore harvesters after many years of very productive fishing activity, Mr. Speaker. This meant they no longer – and it is very important here – operated with temporary permits. In other words, the inshore fishery understanding was that they are on solid footing. They are equal to the offshore fishery. They were now considered permanent fishers.

Associated with this, the federal government made provisions to enable harvesters to use the licences as collateral as well so they could finance buying and combining quotas. It was the federal government’s own policy that granted permanent licences to these harvesters and then encouraged them to take on more debt to participate in the Northern shrimp fishery.

Inshore harvesters made significant investments in boats and equipment at the time, and they created a significant amount of economic activity in rural and coastal areas through their participation in this fishery that opened up for them. It was a tremendous benefit to them. They employed crews; it could be four, five, or six on a boat, for example.

They created all kinds of employment in processing plants and have contributed both directly and indirectly to their local economies for sure, Mr. Speaker. Plants were opened up; I believe it was twelve or thirteen. In order for a plant to be opened up, it is my understanding that it could be a \$16 million investment initially to open up one plant, Mr. Speaker. That is crucial.

In the application of this LIFO, this policy, over the last few years, fishery science has revealed that Northern shrimp resources off the Province's coast – guess what – have declined. It is not good news, Mr. Speaker. As a result of this decline, the federal government announced a significant quota reduction in the area of the Northeast Coast in April 2014.

Now, we embrace science. We embrace conservation. It is very important, Mr. Speaker, but we also have to conserve as well. So most of the quota cut fell to the small boat inshore fleet, with only a minor reduction to the offshore fleet as a result of the federal government's application of LIFO. You wonder, why did this happen? It is so unfair.

Based on the application of Last In, First Out, the inshore shrimp quota has declined more than 50 per cent from 2009 to 2014. I think, to be exact, probably about 56 per cent, Mr. Speaker. It begs the question: Is this fair? Is this a balanced approach? Who was bearing the brunt of this burden, Mr. Speaker? The answer is obvious; it is the inshore fishery.

Inshore harvesters and processors have seen a return on their significant investments getting smaller and smaller and smaller, diminishing, and causing a significant reduction in the number of licensed enterprises and plant closures. I believe we might be down now to about 250 or so fishing enterprises and four or five plants have closed.

LIFO was not applied to any other fishery, Mr. Speaker. The position of the provincial government, our government, and more recently the All-Party Committee on Federal Shrimp Quota Allocations is that LIFO is simply unfair. On that point, I just want to thank the All-Party Committee for their stellar work. They have represented all the stakeholders across this Province, Mr. Speaker, represented industry, and represented everybody in the Province. They went to Ottawa May 5-6, I do believe, they made their presentation, and I believe that is a good sign that we are pulling together. We are singing from the same songbook, Mr. Speaker, and that is the sign that it is important to all of us as a Province, as a whole.

I will take my seat for now, and I will come back later to clue up. I am interested in hearing some other comments made by my colleagues.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. SLADE: Thank you, Mr. Speaker, for the opportunity to speak on this resolution that will no doubt be supported by all members of this hon. House.

To begin with, this is an absolute honour for me to speak on anything pertaining to our fishery. As a lifelong fisherman, I have a strong appreciation for the value the fishery brings, not just to the economy of our Province and regions but to our culture and to our rural community. Fish is what brought us here many centuries ago, and I am confident that fish is what will keep us here for centuries to come, long after the oil and gas runs out, only if we do two things.

First, we must take care of our resources. In 1992 the moratorium on the cod fishing resource was one of the most devastating things that ever happened in our industry. We had a mass exodus of our people, which is one of the most precious resources we have. This ecological disaster must never, ever happen again, not to any of our fish species or to any future generations of our people.

Secondly, we have to be vigilant in ensuring that the resource we have is shared in a just and equal manner so that the benefit of the fishery gift is shared by all, especially those closest to the resource, which brings me to the resolution at hand, Mr. Speaker. It speaks of our Northern shrimp resource and the need to manage it more fairly and equally among the various participants in that fishery. As we know, our shrimp resource has been declining in recent years, and there is a need for a precautionary approach to managing this fishery – which again, no one would argue against. As I say, we cannot and we must not have a repeat of the 1992 moratorium in our shrimp fishery.

So protecting our stocks is priority one. This private member's resolution speaks to how important the Northern shrimp fishery is to our Province. We have all heard the numbers before, but I think they are worth repeating. Our Northern shrimp fishery on the Northeast Coast and Labrador supports over 250 enterprises; 1,500 crew members; ten shrimp plants; and a 2006 study shows that an average plant processes 10 million pounds of shrimp per year. Each of these plants employs between 100-150 people who support their family on this income. It is not just direct jobs in the fishery; statistics show that for every 100 jobs in the fish harvesting and processing sectors, an additional 1.3 jobs are created outside of it.

If the quota cuts come down, there is a fear that upwards of 750 jobs would be wiped out of our economy, not to mention at least four shrimp plants. These are not good numbers, any way you look at it, for our Province.

Mr. Speaker, I believe the resolution before us is more than a call for a simple policy change. I believe it is a cry from our people to the federal government for a better partnership on the fishery.

As we know, under the Terms of Union in 1949, the federal government agreed to take over management of the fishery. It has been sixty-six years since this momentous agreement, and experience has shown that people in Ottawa are poor managers of our fishery. It is a failed experience, Mr. Speaker.

As one fisherman said to me, the definition of a federal Tory minister is somebody who never, ever wipes salt water from their eyes. This is sad and a stark reality. There is not a year nor a season that goes by that does not illustrate the federal government does not truly understand our fishery, and why it is so important and how it should be managed.

It seems we have to fight with the feds on everything in the fishery in order for them to see how it should be used to the benefit of our Province. It is not good enough, Mr. Speaker. The shrimp crisis we have in our Province today is really a crisis in partnership between the federal and the provincial governments.

Mr. Speaker, failures of the provincial government – and I believe that the current provincial government has to be held accountable for not holding the federal government's feet to the fire on the fisheries file over the years. To begin with, the current Administration has shown little or no interest since the RMS fiasco in our wild fishery. The poor relationship this government had with Ottawa is also another factor of why our fishery is suffering as it is.

This government is not engaged with the fishery, and it is not engaged with the federal government in a proactive and meaningful way to ensure our fishery thrives and not struggles along. I want to point out several areas where this government has failed short on the efforts to press the federal government to come to the table to dialogue about a better way forward for our fishery.

In the federal election of 2011, then Premier Dunderdale wrote a letter to Prime Minister Harper on a number of issues, including the fishery. In his response was, and I quote from the PM: the Province must be given a formal role in the management of our fisheries. A re-elected Conservative government will move forward with legislation in the next Parliament to give the Province a formal role in management of our fisheries.

There has not been any indication that this government held the feds feet to the fire to keep this important promise. This is the same PM who promised custodial management back in 2005. Again, still no indication that the federal government engaged the feds on this promise. The federal government instead reneged on its constitutional commitment to provide the science and more effectively manage our fisheries.

What did the provincial government do? It invested money in the area Ottawa should be funding. While it is a good thing to have our own scientific information, it is not good enough that this government has allowed the feds off the hook with respect to funding obligations. It is not good enough that we do not have a formal process to sit at the table and dialogue about our fisheries issues. It is not good enough to rub shoulders with the federal minister at a trade

show or in the US and talk about important fisheries issues.

After eleven years at the helm of government, maybe if this government did a better job of engaging the federal government, putting their feet to the fire on their promises, we would not be here speaking to this resolution on the fabricated policy called LIFO.

Mr. Speaker, no matter how the current federal minister tries to rationalize her decision, based on the late-to-the-party policy called LIFO, it is flawed. First of all, when the inshore sector was granted an opportunity to participate in the Northern shrimp fishery back in 1997, there was no mention of LIFO, absolutely no mention. LIFO crept into the integral shrimp management plan by 2003. LIFO is an industry driven policy. LIFO favours the offshore. LIFO will destroy rural communities. LIFO is not used in any other fishery.

Now, Mr. Speaker, just to elaborate on this, this is not a battle about the offshore versus the inshore. This is something that our federal government has put those two groups into a fight, and the offshore, as well as the inshore, should be equal partners.

It is simply a policy that the Minister of Fisheries and Oceans has the ultimate discretion to enforce or change. There is no historic significance. There is no precedent. This policy can and should be changed.

It is simply a policy that the Minister of Fisheries and Oceans can, at her discretion, enforce the change. There is no historic significance. There is no precedent. This policy can and should be changed. My concern, Mr. Speaker, is that LIFO in the shrimp sector is just a start. What is it to stop it flowing over into the crab fishery, or any industry for that matter, where our people have made huge investments in boats and equipment?

Mr. Speaker, just to elaborate a little bit on that, I can remember first when I got into the crab fishery when I was fishing, I can remember it came out as a permit. Then after five or six years as a permit, it turned into a licence. That is how we got into the crab fishery. If you can use LIFO on the shrimp, afterwards you can do

the same thing with the crab. So if trouble comes along right now with the crab, I would suggest to you that LIFO could also be used, therefore decimating many, many inshore harvesters. I just want to elaborate a little bit on that with you.

Mr. Speaker, sharing of the resource by the federal government in the past few years during the times of quota cuts, but there are economic fallouts as well. The 2014 inshore quota of shrimp was down by more than 24 million pounds from the 2013 quota. That meant the inshore fishery had to shoulder 27 per cent of the cuts last year, while the offshore took a 3 per cent cut in quotas.

Applying LIFO policy does nothing more than pitting the inshore against the offshore, and that attitude needs to change. That is unfair, unjust, and unreasonable, Mr. Speaker. What is fair and just, Mr. Speaker? It is a long-standing principle that guided fisheries management in our Province called adjacency. The Canadian government used the Principle of Adjacency and community and regional development benefits as criteria in granting offshore licences to community-based organizations on the southeast coast of Labrador in 1978 and in granting similar special allocations to regional organizations on the Northern Peninsula in 1997.

“In 1997 when Minister Mifflin bumped up the TAC (because the shrimp resource was growing and healthy) to increase the opportunity to create new jobs for inshore fishermen and onshore plant workers, he specifically noted that ‘Adjacency’ would be respected.”

I quote Mr. Mifflin: “In regard to the allocation of increases in Shrimp Fishing Areas 5 and 6, which are situated off the shores of Labrador and Newfoundland, I have been guided by the longstanding principle of adjacency,” which will be respected. “Those living closest to this stock will benefit from it.”

In fact, even Prime Minister Stephen Harper in the 2011 election letter to the Province stated that adjacency would be the guiding principle in the management of our fish resource. Maybe it is time to have adjacency legislated. Even though it is enshrined in the shrimp management

plan, it still seems to be overlooked when decisions are made respecting our resource.

Mr. Speaker, I was elected by the people of my district on November 26, 2013. In my maiden speech in December of that year, I stated that I would remain firm and deep in my belief with both rural Newfoundland and Labrador and in the fishery. I stated I would fight tooth and nail for our small rural communities.

I also stressed that I am a firm believer in joint management of our fisheries –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Littlejohn): Order, please!

MR. SLADE: – with all stakeholders and especially with the federal government. I also suggest that our fishery has to manage sustainability sensibly and it must be done in collaboration with all stakeholders.

Mr. Speaker, Members of the House of Assembly have shown a spirit of collaboration. When we got together and formed the All-Party Committee on the shrimp fishery, I was proud to be a part of this important initiative. We showed a similar spirit in collaboration when we headed to Gander earlier this month and attended a rally, held by the FFAW, to show our support for the future of rural communities at that rally.

At that rally I was especially touched by a woman, Heather Sparkes, who is a proud and articulated fisher operating out of Carmanville. She came to share her passion for the fishery and to plea for a better sharing arrangement. Do you know what, Mr. Speaker? Mrs. Sparkes and other fishers like her bring in brand-new dollars into their communities. Their entrepreneurship and hard work will ensure the survival of rural Newfoundland and Labrador communities, and we need to fully support them.

Mr. Speaker, to conclude, this government has spent millions and millions of dollars on award-winning tourism ads showcasing our Province. Most of these ads highlight our wonderful rural communities. Because of our unique communities and our hospitality, good-natured people are drawn. The inspiration to ensure our coastal communities survive is not just for the

tourists to come and visit; more importantly, our inspiration and commitment must be to ensure people stay in our communities and outports and keep our century-old culture and communities alive. Empty outports have been and always will be a crime against our people, Mr. Speaker.

So this PMR is about securing the future of our coastal communities. With the LIFO policy applied to the management of the shrimp fishery, thousands of jobs are at risk due to an unfair sharing of the Northern shrimp resource. It is not acceptable. There has to be a new way forward.

Mr. Speaker, I am sorry I ran out of time. I just had another couple of pages to go, and I would have really liked to get it out.

Thank you very much for the opportunity to speak.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: Thank you, Mr. Speaker.

Mr. Speaker, it is certainly a pleasure to stand and speak to this motion from my colleague for Baie Verte –Springdale. It is a very important motion. I will just highlight several points within the motion itself that speaks to the importance of this actual motion, the importance of the Northern shrimp fishery to the people of Newfoundland and Labrador, certainly to those who are directly involved with it, but certainly to our Province from an economic point of view; to the contribution it makes to many areas of our Province – to all areas – when you look at the distribution, not the direct distribution of wealth from it but the spin-off activities supporting the industry, that is extremely important to Newfoundland and Labrador.

The motion talks, as I just said, it is extremely important to the fishery of Newfoundland and Labrador. Certainly, there is an inshore and offshore component to this industry. As my hon. colleague just suggested, it is not about pitting one industry against another; it is about two very important industries in Newfoundland and Labrador, the offshore fleet and certainly

inshore fleet, and how both of them drive economic activity, provide work, an income for many Newfoundlanders and Labradorians.

It is also about adjacency. When this was originally brought in there was reference to adjacency. Those that have a history in the fishery in Newfoundland and Labrador, that it is recognized and promoted, that those that are adjacent to the resource should have access to it and certainly can reap the benefits from it.

As well, the Last In, First Out policy, as we have known, we have said, certainly the cuts are disproportionate to those who were last in. That is one of the fundamental things we have with the policy and how it is laid out. In 1997, when those involved in the fishing industry were given an opportunity to get into the industry on temporary licences, then in 2007 when the federal government decided to make those permanent, and after having nine or ten years in the industry, certainly from many businesses perspective, from an entrepreneurial perspective, for anybody that is involved in an industry, that gives you an indication that it is permanent. You have invested, to date, on a temporary basis and on from that, you are going to invest because you know you have a livelihood.

You are going to make investments; you are going to need a means to draw down to pay off that investment. That means that it would be a permanent licence, it would be a part of the industry going forward, and you could carve out a portion of that industry going forward that would certainly pay off your debt and provide meaningful income for –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. HUTCHINGS: – your enterprise, for your operations, and certainly for those who you employ. Those spin-off activities in the communities and in the regions would continue.

This, too, is from an industry perspective in terms of species. This is probably one of the few, if not the only, species and a regulatory framework by DFO where this actual LIFO policy applies. It is peculiar indeed in terms if you look back over the history of this policy and

this framework, how it evolved, what the intent was, and where we find ourselves today.

From a very broad-based perspective, this is about sharing the pain. We understand in terms of resource what has happened since 2009 when some of the research started coming in and looked at the Northern shrimp, indications of a downturn in the allocations every year.

The Northern shrimp operates out of eight zones from zero to eight. When you think about it Northern shrimp pushed south over the past number of years down to areas adjacent to Areas 6 and 7 where most of the inshore fishers would prosecute that fishery, most of it in Area 6, but continued to push down. Some would say based on the science that is tied to our ground fishery in terms of when cod especially, predators of shrimp, began to fall off in 1992 when we had the shutdown of the groundfish industry, based on that the Northern shrimp moved further south. Now there is some indication that it could be possible that due to the prevalence of cod coming back that it is having an effect again on the Northern shrimp.

Either way, the issue is science tells us where we are. It is what it is. Now we need to find a way forward that recognizes that science. I do not think anybody is criticizing that science. We recognize it is what it is. Collectively, we need to work with industry. We have done that as a government.

The federal government needs to recognize and the federal minister needs to recognize that a way forward means that we need to share out that pain, as I said, in regard to what we need to do to maintain this industry from an environmental perspective, from a science perspective and how we move it forward to make sure we can secure the future the best that we can for the industry, for the harvesters, for those who work for the harvesters, for the processing facilities, and for all that income and funds that are generated for the companies that support the industry. That is our challenge.

Since 2009-2010, this government has been steadfast in terms of making representation to the federal government, to the federal minister, to step up and recognize what needs to be done

in this industry with the Northern shrimp in regard to the resource tailing off.

Last year, based on the recommendations – certainly as Minister of Fisheries and Aquaculture for the Province, I am quite aware in regard to the research and what was coming forward. I had many discussions with the federal minister and other ministers in regard to the way forward. At that time they announced, roughly, a 20 per cent cut. Almost 90 per cent of that went to the inshore.

That is devastating in terms of the inshore fishers and harvesters and their enterprises. There are about 250 involved directly in that, about ten processing facilities as well. For those facilities to operate they need access to a certain volume of resource. If you do not have volume of resource – it is all a business model, you need it. If you lose it, that means those plants are down, and all of those support services for them and all of those people who were employed with them.

That was last year. This year we move forward. Last year was seen to be an indication that, again, they were expecting this year. Due to the resource, we may see another 20 per cent cut.

So as part of that last year, this government and our Premier took the initiative to strike an all-party committee. He recognized the Leader of the Opposition, the Leader of the Third Party, and members from this side and the other engaged in that committee. We did some very good work. We went to Ottawa. Myself as Chair, and the Leader of the Opposition, and, as well, the Leader of the Third Party. I thought it was some very good dialogue. We represented the Province collectively.

We presented to the Senate Committee on Fisheries and Oceans, as well as the House of Commons committee on fisheries. We laid out for them where we find ourselves in Newfoundland and Labrador in regard to the Northern shrimp industry, why we feel the LIFO policy is prejudice in regard to one sector of it here in Newfoundland and Labrador, and fully recognize that both play a key element in the economy of Newfoundland and Labrador and in the industry.

As I said before, it was not posing one against the other. It was to make sure that collectively we find a way forward. The way to do that was our first recommendation to those committees. It was to peel back LIFO, take it away, take it out and let's sit down and see how we can allocate that resource based on the science, based on the environment that we can ensure a certain level of stability going forward today and in the future, and how we can address that. That is important. That is all we ask for. We recognize, as I said, the science and some of the challenges with that.

The other thing when we met in Ottawa, the All-Party Committee, a very important component of it was dealing with science, and every year ensuring there is a full, comprehensive science review done because that is so important. Right now, the way it works, it is done every second year. If we are going to understand the vast area, we are talking around from SFA 0 to SFA 8 in the south. A broad range of areas, up through the coast of Labrador down along our coast, down to the Avalon and so forth. That is a broad range of ocean and environment. We need good data.

We need to understand the changing environment, as I said before, in regard to groundfish and what we are seeing. That ecosystem is changing. It is not just about surveying or researching one species, it is about the ecosystem. It is about understanding the ecosystem, the interactions of the various species in that, which Northern shrimp is one very large component. We need to understand all of that. Based on that, that provides good, sound science. From there we can make good public policy, DFO and the Province, to ensure the longevity of the industry for Newfoundlanders and Labradorians and others who avail of that industry.

We also talked about – the All-Party Committee when we met – adjacency, about that fundamental principle, about permanent status in 1997, when they were given temporary access. Those adjacent to the resource should benefit from that resource. That certainly means the harvesting sector; it certainly means the processing sector. That everybody who is adjacent to that in Newfoundland and Labrador can have access to it and see the benefit from it.

I talked about climate change as well, and the ecosystem on the Northern shrimp. It is comprehensive. We need to do more work on that, and we made it very clear to the House of Commons committee and to the Senate committee that that was required. It is fundamental, I think as we move forward collectively, that we have that information and we can rely on it. It needs to be up-to-date, it needs to be comprehensive.

We know the federal government over the past number of years has backed out of science in the groundfish and other areas. Over the past twenty years go back and look at the cuts in DFO in terms of science. As a Province, we stepped in. We did not have to step in but we know how important science is for today and for the future. We have committed to that. We have done it over the past number of years. We continue to do it in the area of groundfish, but as I said, it is the ecosystem as well.

There is integration between groundfish, shrimp, and other species. We need to understand that in this Province we thought it was money well spent. That is why we committed to do it for the industry, for those involved in the industry, for our economy, and for the Province as a whole. That is so important, and we have done that.

Mr. Speaker, as we move forward with this motion it is important to look at where we go from here. My colleague, the Minister of Fisheries and Aquaculture, along with the other members of the All-Party Committee have reconvened and have started that process again of connecting with the federal minister. I understand there have been discussions with her already. I understand they have asked to meet with her and to lay out to her the economic impact of further cuts to this industry.

As it looks now, there may not be further cuts this year. From a science perspective and looking forward, we have to ensure that we have a long-term plan, and as well that the federal government, the minister understands the economic impact of further cuts to the inshore.

We need a collaborative approach where we look at both sectors, we see how we can move them forward until the Northern shrimp stabilize, or we know where it is going on a

long-term basis. We need to do that and we need to make sure it is taken care of.

In 2007, when this access was made permanent, we had a number of processes go on with stakeholders. MOU, industry renewal were processes that were undertaken by the Province, along with the federal government, looking at an industry as a whole and things we needed to do to support the industry and move it forward to support our economy.

One of those things as a Province we have done as well is through our Fisheries Loan Guarantee Program. We knew that – we heard from harvesters and those in the industry. They often need access to capital. Through that program, we expanded it to the amount that a fish harvester could access in terms of buying a licence, in terms of enhancing their vessels.

Through that, and through our initiative and through public funds, like any other industry we often help, we made that available. In good faith those harvesters who saw a future, who had invested to date, they further invested through things like the Fisheries Loan Guarantee Program. I think I read there was over \$200 million of private sector investment.

It was not just public funds, it was private investment that was garnered to build that industry and build the infrastructure. Things like harvesting vessels, processing facilities, all of those are extremely important to the industry and support the industry. We thought it was important to the Fisheries Loan Guarantee Program to make those changes, to make it more accessible to those funds. What we have seen since then is certainly that has occurred.

What the negative effect of LIFO is that those who have invested, done what they needed to do to grow their business, to be entrepreneurial, to hire those on their vessels, all of that is now being challenged by a regulatory provision by DFO and the federal government that does not fit. It should not belong, it should be removed. We have asked that it be removed. It must be removed for the benefit of our industry moving forward – Northern shrimp.

Obviously, Northern shrimp is one species, but as I spoke of there is an ecosystem there with

many variables, many species. We need to continue to grow our industry as we have done and as we continue to do. The federal government needs to recognize the importance of LIFO and what it means if it is going to stay.

I said earlier when I started, there are two industries here. Offshore and inshore play a huge role in Newfoundland and Labrador and the supports. We need to get this changed. I know the Chair of the Committee, the Opposition Leader, certainly the Leader of the Third Party, and others here in the House will work collectively to move this forward, to make the federal government and DFO realize what LIFO is doing and will do in the future if it is not adjusted.

It is so very important to us as a people. We have 400 years of history in terms of the fishery in this Province. That is why all of the harbours and coves were settled here many years ago; it is a huge part of who we are. We have an expansive economy here in Newfoundland and Labrador but let no one think that the fishery of Newfoundland and Labrador is not still important. It is still a priority. It will still drive our economy. It will today; it will for decades to come.

The federal government need to come to their senses, step up, change this policy, and collectively we will move forward together with both sides of the sector to make sure we have a viable Northern shrimp industry for decades to come.

Thank you, 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 the private member's resolution today. I reiterate what the Minister of Municipal Affairs said about the need for collaboration. When you talk about getting effective change, you need to collaborate, you need to have dialogue and discussion with all stakeholders and groups, and really come together to find a common solution.

What the resolution here in the House is stating, it is urging the Government of Canada to discontinue the LIFO policy and replace the allocation policy for Northern shrimp with a new sharing arrangement that is fair to both valued fleets. It is highlighting that there needs to be some form of new agreement that can share the resource in a way that can be a fair arrangement.

What we are seeing and what we have seen last year in terms of shrimp allocation cuts – one of the reasons why the All-Party Committee was formed is because there were significant cuts announced and that had a devastating impact on the inshore fleet specifically.

I have had the privilege on this Committee, along with other members of our party and members of all parties here in this House. I listened to my colleague, the Member for Carbonear – Harbour Grace, who is very passionate about the fishery, has an in-depth knowledge about it, and has spent a career as a fisher. When we look at what is being put forward we have to look at all the areas, the zones, and get a broad understanding of what is actually taking place here.

I am just looking at the numbers – and being the Member for The Straits – White Bay North the shrimp fishery is a very important industry in my district, in particular, and on the Northern Peninsula, given that there are four shrimp plants in the current District of The Straits – White Bay North and St. Barbe, as well as transshipment that takes place there and another plant in Labrador. There are ten overall in the Province, and it certainly creates a significant amount of on-land processing jobs and other economic benefits that were mentioned by other members here in the House.

One of the important pieces, looking at what has been happening under the LIFO policy, is that when you look at zone SFA 7, which was the Bonavista to the east, that area, has been deemed that is not commercially viable any more. So there was a loss of several thousand metric tons there that have an impact over time and now there will be no fishing activity happening there. That is a loss to the region.

In SFA 6, which is the dominant region where most of the activity takes place specifically for

the inshore as well as activity for the offshore – and that is an area that goes from Cape Freels all the way to Cartwright, Labrador. So it is a very big area. There are a lot of players there. Originally in 1996 there was only 11,050 metric tons and that was for the offshore licence holders, which there are seventeen, and eight of them are licensed in Newfoundland and Labrador.

In 1997 there was a real shift where the inshore came in and got 9,050 metric tons, as well as there were a special allocation holder like SABRI added. Then, over time, there were other special allocation holders added and the industry peaked for the offshore and the inshore in 2008-2009 where for the inshore it went up to just under 60,000 metric tons for SFA 6 and 16,600 for the offshore. That number gradually went down for both fleets with a bump up in 2012-2013, but drastically dropped for the inshore to 32,151 metric tons.

Having such a drop has a significant impact on overall operations and being able to sustain fish plants on the ground and communities; it has a significant impact because in 2014 the Northern shrimp quota was 73 million pounds overall down by more than 24 million pounds from the 2013 quota.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. MITCHELMORE: The cuts were a 27 per cent decline, a significant impact on communities. There was a real fear that this trend would continue and the inshore fishery would be slashed by another 50 per cent.

Based on the science and the information that is out there – and we will not argue with science – it is showing that there is a sign of some recovery in Area 6, as well as some possibility to see reinstatement in 5 and increases in 4, which would be more north of Cartwright. That presents some opportunity, I think, when you look at collaboration, when you look at finding a solution moving forward in the industry.

Let's just put into context right now with the inshore. There are about 250 enterprises, the harvesters; over 1,500 crew members; and there

is about \$1.5 million in lost revenue to fishing enterprises that came as a result of the quota cuts. If we look at the impact on municipalities – if you look at the Port au Choix shrimp plant that is there, that pays 53 per cent of all commercial property tax revenue in that town. It is significant to the economy and what it would mean to sustainability of municipalities and what it would mean to the residents if that tax revenue was not there. In Anchor Point it is as high as 89 per cent. In Bay de Verde it is 50 per cent. In Charlottetown it represents 63 per cent. It is real significant when you talk about the people who live in these communities.

The sustainability and survival of most coastal communities is strongly linked to the overall viability of the fishery. We need to make sure that when we are looking at the value of a resource such as Northern shrimp at \$180 million that we look at factors such as the historical attachment and adjacency, and we get a more comprehensive review of science.

The federal government is deviating. In 1997, when the inshore fleet entered the shrimp fishery, adjacency was clearly stated and future allocations of Northern shrimp. We need to make sure that those who live near the resource are going to be able to get benefit from that particular resource. There are significant examples of that.

The communities, the municipalities, in the region have significant landings. The ability to look at and get to the table and actually be able to negotiate is an important aspect when you look at the resource and when you look at coming up with a new sharing arrangement. It is a complex issue. It is not simple, but I think there are solutions and there are ways.

Right now under the LIFO policy the way it works is that if there are future increases, then the inshore gets 90 per cent of those increases, 10 per cent will go to the offshore. The reverse can be said when there are decreases. This is where we are in a very challenging situation for the inshore fleet and what it means for the sustainability of many of the communities that have harvesters who work there, plant workers, the communities are upwards of 100.

Is there a way to get the inshore and the offshore together to maybe renegotiate and come up with a solution where if there are going to be increases in Area 5 and 4 where there is going to be additional millions of pounds of shrimp that can only be caught by the offshore, maybe there is a way to go back and look at coming up with some sort of agreement in Area 6 where there is over 13,500 metric tons, where some of that increase can be shared then to area to the inshore?

There are options and alternatives that are out there. I think that it needs to be done in a way that is negotiated, that has the players at the table with the inshore, the offshore, as well as good dialogue between the federal government and the provincial government. I think that is something that is truly missing here in all of this conversation.

The minister stated previously that I go to the Boston seafood expo and I will probably rub shoulders with the minister and maybe have a conversation about this. There needs to be detailed meetings. We should have a relationship where we can actually sit down and have a conversation, have a meeting from an all-party committee perspective with the Department of Fisheries and Oceans and the minister federally on this matter.

There has to be a new way forward. The job of any government that has an interest in keeping our fishery alive is to really have that permanent table and build that bridge. What we see from this government is that they have no partnership in Ottawa. They cannot get the job done in Ottawa. They have not been able to meet with ministers. They have no interest in moving forward on dialogue.

We have seen many things fall apart. You have a Premier who says that you just cannot trust the Prime Minister. So trying to move forward and negotiate and get any type of deal with the federal government, how does that impact being able to have those meetings and try to get solutions? It is going to have an impact.

The federal-provincial table and having a partner in Ottawa is important. We need to look at how we can renegotiate a new sharing arrangement for Northern shrimp that can be equitable, and a

fair sharing arrangement that for the short and medium term, should the biomass end up being in decline, as the Minister of Municipal Affairs said, that pain can be shared. We want to see where opportunity – where if there is gain, that it can be a balanced gain for both fleets, and so that one does not have to lose for the other to gain. We would like to see a more fair arrangement.

We also need to look at the longer term and how we transition, transition to other species, transition to greater value. The seafood review came out, industry review, and it showed that under this government's watch the fisheries and aquaculture industry lost \$150 million from last year. There were lots of jobs lost in the fishery from last year.

It is a poor track record, and it is nothing to be proud of when it comes to the negotiations that have been happening. We really do need more of a joint approach where, in this Legislature, we are not just speaking about the issues; we actually act to address the issues. We need to see good management. We are not seeing good management from this government.

We need to see the All-Party Committee more active, involved, suppose if we have to send that delegation to Ottawa to talk about these opportunities, because I see a significant opportunity in Newfoundland and Labrador when it comes to our fishery, and what we have – the opportunities. We have great infrastructure in place, like in St. Anthony, with the port infrastructure, in Bay Roberts, in Harbour Grace, in Argentia, when you talk about shipping product to Europe and to the high-end markets, and the value that presents.

As well as the transshipment and offloading ports for the inshore and the offshore, and the processing jobs, and where we can get into more value-added, where we can develop more industrial shrimp at our plants, because the product is getting higher value. So we can find ways to use programs, maybe like the Fisheries Technology and New Opportunities Program to see how we can grow, grow the industry. That is what really needs to happen. We need to see a government that has a vision and has a plan, and is willing to work, rather than just bicker back

and forth and not get any results at the end of the day.

So I have put forward a couple of suggestions. I am not saying that would be the answer to what is on the table right now, but what needs to happen is there really does need to be a negotiated approach or else there will be just chaos in the industry moving forward.

I say, let's keep working together as all parties on this Committee to build a better federal-provincial table, let's work together – not occasionally; let's do it more often, day in and day out. It is really the only way forward. I say, let's move forward, not backward; but, under this government, we have been moving backwards in the fishery.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. LITTLE: Thank you, Mr. Speaker.

I am delighted to speak as the MHA for Bonavista South on this very important motion today. Our district is still one of the largest fishing districts, regionally, in the Province of Newfoundland and Labrador. Every aspect of the fishing industry is vital on how it ties us into the future fishing industry.

It is very important that we look at reality. The fishing industry is a very complex industry. It has grown to be over a \$1 billion industry. It is important that when we make future decisions on the fishing industry that we make the correct ones. That is what this government has been working on in the last number of years, Mr. Speaker.

This industry is a renewable industry that can be sustainable into the future for years and years and years. That is important and we need to keep that in mind. I do not believe that we should be pointing fingers in the House of Assembly at either side on an important issue like the fishery.

Our Premier actually showed some great leadership in relation to the All-Party Committee and putting forward a collective, collaborative, united effort to form the All-Party Committee which was a great move, in my opinion. Our government have made recommendations on numerous occasions to the federal government. That particular issue needs to be outlined, especially when some members are getting up in the House of Assembly making some statements concerning what this government has been doing in the past.

The Member for The Straits – White Bay North and the Member for Carbonear – Harbour Grace made some statements in relation to that.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. LITTLE: I would like to correct those statements, because we are working on behalf of the people in the fishing industry in the Province of Newfoundland and Labrador, Mr. Speaker. This government is engaged with all stakeholders in the industry in relation to the fishing industry.

Mr. Speaker, in the past, the federal government announced quota reductions and again signed most of the quota cuts to the inshore fleet while leaving the offshore fleet relatively unaffected. The federal government justified this with its Last In, First Out policy, which says the last entrants into the fishery are the first to be removed.

This policy created a major impact on coastal communities in Newfoundland and Labrador and caused economic decline, and brought hardship to many fisherpersons in many communities in Newfoundland and Labrador. We realize that, Mr. Speaker. We are in the process of actually putting forward recommendations to the federal government to correct some of those measures.

Ever since these cuts, the provincial government has pressed the federal government at every available opportunity, seeking better ways to share the Northern shrimp resource between the inshore and offshore, Mr. Speaker. Like I said earlier, the All-Party Committee was a very

important move where we as Newfoundlanders, all parties in this Legislature, bring forward concerns united to the federal counterparts in relation to bringing about changes to LIFO.

Since the first application of LIFO in 2010, cuts to the inshore fleet allocation have meant \$100 million in lost GDP product. Economically, this is concerning for the industry and the Province as a whole.

In 1997, when access was provided to the Shrimp Fishing Area 6 for the first time to the inshore harvesters, access was granted on a temporary basis. The adjacency principle, or the principle that those who live closest to the resource should benefit from it, was identified as one of the fundamental principles leading to the decision to allow inshore harvesters into the Northern shrimp fishery.

In 2007, the Minister of Fisheries and Oceans converted all temporary permits to regular licences, meaning that the inshore shrimp harvesters had all the same rights and privileges associated with a permanent licence as the offshore. The federal government also made provisions to enable harvesters to use the licences as collateral so that they could finance buying and combining of enterprises.

Since the inshore harvesters were provided access to the Northern shrimp fishery, we have seen more than \$200 million of private sector investment in both vessels and plants. Trucking companies are involved in this process, Mr. Speaker, and I can go on and on and on, and I will as I speak further in relation to how this ties in to the local economy, in districts like Bonavista South, coastal districts like the Member for Baie Verte – Springdale. He spoke and he actually brought this important motion to the floor. Most people who are speaking here today will definitely support this motion.

I must say, the minister from Ferryland spoke, and spoke articulately about this particular motion, Mr. Speaker. He being a past Minister of Fisheries and Aquaculture, he fully understands and is aware of how these circumstances affect rural coastal communities in Newfoundland and Labrador. If you listen to the points that he made and how he expressed himself and put forward the points here today in

this Legislature, it certainly helps in relation to the cause of bringing about change. That is what this government is all about, Mr. Speaker, bringing about change that will make a difference to coastal communities around Newfoundland and Labrador.

It was the federal government policy that granted permanent licences to these harvesters and then encouraged them to take on more debt, to participate in the Northern shrimp fishery, Mr. Speaker. Now just listen to what I am saying. I say to the Opposition, listen to what I am saying.

LIFO now threatens the very survival of these same harvesters and plants that rely upon them. The plants and harvesters, we are talking about people. We are talking about families, Mr. Speaker. We are talking about my neighbours. We are talking about my friends. We are talking about fisherpeople who are related to all of us in the coastal communities around Newfoundland and Labrador.

This is no joke, Mr. Speaker. This is very serious. This is no joke. I am listening to the other side and I am listening to some comments, but this is no joke. This is a very important motion that is brought forward today and we will continue to speak.

MR. A. PARSONS: A point of order, Mr. Speaker.

MR. SPEAKER: The hon. the Member for Burgeo – La Poile on a point of order.

MR. A. PARSONS: I am unsure what the member opposite is talking about. Certainly nobody on this side finds this to be a joking matter. I think that needs to be quite clear.

MR. SPEAKER: Thank you.

There is no point of order.

The hon. the Member for Bonavista South.

MR. LITTLE: Thank you, Mr. Speaker.

I am not laughing as I speak. I am not laughing, Mr. Speaker. I will continue to speak, and I will express my viewpoints on this important motion, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. LITTLE: There is no laughing matter.

If LIFO continues, more than 100 communities in which inshore shrimp harvesters and plant workers live will be negatively impacted by federal allocation decisions. Between 2008 and 2013, quota reductions for the inshore sector have resulted in a loss of over \$100 million in GDP. Many harvesters have worked in this industry for almost twenty years, twenty years in an important industry, and have invested millions of dollars in their enterprises and are now seeing a diminishing return on their investments. That is why this government on this side of the House takes this issue very seriously, Mr. Speaker.

The inshore fishery currently supports over 250 fishing enterprises and their crews, as well as ten processing plants in the Province of Newfoundland and Labrador. As noted in a recent report by the FFAW, the inshore fish harvesters buy groceries, refuel, and pay for routine maintenance each time they land shrimp. These three expenditures alone amount to over \$11 million that is injected into local economies around the Province of Newfoundland and Labrador. Each and every coastal district, each and every coastal region is certainly receiving economic benefit from the shrimp industry.

Inshore harvesters also have annual expenditures, such as maintenance done at shipyards, and other expenditures that support local and regional economies. Trucking companies transport shrimp products around and outside the Province. They purchase fuel, as does shrimp fishermen to get their product to shore. This is a snowball effect. It is also tied into other businesses around Newfoundland and Labrador. So every time there is an impact or a decline in part of an industry, like the fishing industry, other businesses are impacted as well. It is a snowball effect. This is something that we certainly should consider, and it was outlined by the FFAW.

That report also notes that shrimp plants enhance the economic foundation and regional importance of communities in which they are located. Noting that communities with shrimp plants often have banks, grocery stores, gas

stations. All those industries, companies and businesses that I just referred to actually ties into the shrimp industry.

I am trying to explain the economic benefit. It is just not the shrimp industry. It is an economic benefit that spreads out. It spreads out to many businesses, Mr. Speaker. The economic benefits provided by applying the adjacency principle are not being adequately considered by the federal government. Fish harvesters, plant workers, and communities are negatively impacted.

Through the continued application of LIFO, the federal government is not considering all the economic and the social impacts of its quota allocation policy such as the impacts on jobs, local businesses, and local investment that go along with the inshore fishery. This provincial government, our government, fully recognizes the impact that is happening to the whole economic –

SOME HON. MEMBERS: Hear, hear!

MR. LITTLE: – and the social benefit in this Province, Mr. Speaker, and how this industry ties-in to a sustainable future. It is very important for all key stakeholders to get involved, truly get involved, and truly try to make a difference on this very important motion.

Inshore allocation cuts have led to the closure of shrimp plants, leaving hundreds of plant workers without work and meaning a loss of tax revenue to municipalities. This is another important point, Mr. Speaker. Municipalities, local service districts, towns, communities all over Newfoundland and Labrador, coastal communities are majorly affected by tax revenues that would normally be paid and could be used for infrastructure from a community perspective. That is a very important point as well.

Through harvesting and processing, the inshore sector supports thousands of direct jobs and many more indirect jobs, Mr. Speaker. We must continue to advocate to the federal government and stress how important this particular LIFO policy is, Last In, First Out.

What we need now is federal co-operation, Mr. Speaker. The Minister of Fisheries and

Aquaculture is in the process of working on trying to find solutions. We need to find federal co-operation to end LIFO, to end the Last In, First Out policy that they implemented –

SOME HON. MEMBERS: Hear, hear!

MR. LITTLE: – and to work with us to ensure that the Northern shrimp resource is shared fairly between the inshore and offshore fleets to support a strong future for both sectors in the fishery.

That is what this government is actually working on. Mr. Speaker, I can say without any doubt that we will continue to speak on behalf of the industry and the fisher persons in Newfoundland and Labrador. We will continue to do that. We will work with people, stakeholders, side by side as we move forward to try to bring about changes that will certainly benefit the fishing industry in Newfoundland and Labrador.

Thank you very much for allowing me to speak on this very important matter today.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

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

I am very glad to finally have the opportunity to stand here today and speak to this private member's resolution. It is an extremely important resolution.

As we all know, we have had an all-party committee since last spring. While we had a down period over the summer and the fall things livened up some time ago, some weeks ago when the discussions around the allocation of shrimp for the upcoming season came back on the table.

Throughout the fall I do know that harvesters and plant workers under the leadership of the union that represents them held meetings consistently around rural Newfoundland and Labrador, talking about the whole issue of the

fishery, specifically in the areas where they fish for shrimp. Shrimp was a major discussion.

The people of the rural communities are looking to us here in the House of Assembly to hear what they have to say to us. There were some of us in the House who were lucky enough two weeks ago to be in Gander at the rally where we met many of the workers and many of the harvesters who were present, and to hear what they had to say about the impact of what is going on with the federal government policy of LIFO, the Last In, First Out. I call it their policy, because they are the ones who put it in place. They did it without consultation in a totally non-democratic process, and are using a policy that certainly was not one that was agreed to by anybody or that makes any sense.

For people who may be watching us now who have not been watching all afternoon, I do want to once again read the resolution that is being put forward today with the last WHEREAS. I think the last WHEREAS is extremely important.

It says, "WHEREAS continued application by the Government of Canada of the LIFO policy for northern shrimp will result in widespread economic ruin for hundreds of rural communities in Newfoundland and Labrador and the thousands of our people who earn their living from the northern shrimp resource.

"BE IT THEREFORE RESOLVED that the House of Assembly urges the Government of Canada to discontinue the LIFO policy and replace the allocation policy for northern shrimp with a new sharing arrangement this is fair to both valued fleets."

Now what is so important in that last WHEREAS is the statement that not doing what we are asking the Government of Canada to do will result in widespread economic ruin for hundreds of rural communities in the Province. That was what came out at the rally in Gander. That strong information, that plea from people there at the rally to make sure that this ruin does not happen.

I think it is good for people to recognize that the rural communities we are talking about are not just the rural communities where the fishing

happens from, not just the rural communities where the plants are located, but also the communities that are the service centres for those areas in the Province. I thought it was significant at the rally that you had mayors present, for example the Mayor of Gander speaking, because Gander is a service centre. I think the Mayor of Twillingate was there. It is so important to recognize, for us to recognize and to help the people of the Province recognize how this policy can do as that last WHEREAS says, it can affect the lives of thousands of people in this Province.

Now we already know what has happened to rural Newfoundland and Labrador because of what happened to the fishery in 1992 because of the moratorium. We already know that so many of our communities have been gutted, literally gutted. Some of them have disappeared. Some of them are on the brink of disappearing. We know that the population growth here on the Avalon Peninsula is not because of all the new people who are coming into our Province. It is from people moving to the Avalon Peninsula from rural areas because they had no more hope in their communities.

This is what we are trying to stop here. We are trying to stop continued ruination of rural Newfoundland and Labrador. That is why this is so important. That is why it is so urgent that we do have an all-party committee. That is why it is so urgent that we are asking the Minister of Fisheries in Ottawa, Minister Shea, to meet with the All-Party Committee, to sit down and to seriously look at the facts. The facts are there, studies have now been done.

I know that the Fish, Food and Allied Workers Union have done it; they reported on it at a rally. I know that the minister has made reference to the socioeconomic analysis that has been done by the Department of Fisheries and Aquaculture.

Those studies are the studies we want to sit down and show the minister. Those studies show, without any doubt whatsoever, two things. One, that it is the inshore fishery that is suffering with the policies of the federal government. We are not against the offshore fishery. We want equity.

It is not right that one aspect of the fishery is growing and burgeoning and flourishing while the other one, the one that employs the most people in the community, the one that is most rooted in the communities is where suffering is going on. Not only are the allocations going down, but that is having an impact on the economy of the communities. If things continue the way they continue, we are talking about more death of rural communities in this Province, and we surely do not want that to happen. We want a fishery that is going to grow and to flourish.

It is interesting when you hear some people talk about the shrimp fishery, it is as if – again, I am not saying this to be divisive but you do hear it sometimes. It is as if the offshore fishery has a God-given right to all of the shrimp, and that is not the way it should be. This is what we have to get the federal government to look at and to recognize and to talk about. That is not equity.

When we look at a little bit of the history of the shrimp fishery, we find out it definitely is wrong, and some of that thinking is based on myths and fallacies. The shrimp fishery – it is not easy to say that one – actually started around 1970 in the Province. So it is not an old fishery when you look at the history of the fishery in Newfoundland and Labrador, which was based mainly in cod.

It started around 1970, and it included vessels that were larger than sixty-five feet from the Gulf of St. Lawrence. It is interesting, because when that happened, when those first licences were granted they were granted in order to supplement the supply of shrimp to the inshore based plants in the Gulf of St. Lawrence. Now that included Port au Choix on the Northern Peninsula, and it also included plants in Quebec and New Brunswick. Initially, it was a condition of these licences that at least 50 per cent of the landings were to be taken to one of the Gulf-based plants for processing. That was the main goal at that time, the Gulf-based plants needed more resource.

It is interesting to note that that condition, the condition of 50 per cent of the landings going to one of the Gulf-based plants was eventually dropped, which means that fish allocation policies can be changed. They can be changed

to suit public policy objectives. They can be changed to suit operational considerations. They obviously can be changed to suit what is happening to the resource. There are many reasons for the allocation policies changing. We should be open, and the federal government should be open to change because they created some of the change themselves, and some of it without consultation.

It is interesting to note that back when the shrimp licences were first given out, they were granted to large offshore vessels only at that time. That was because that was the only area where there was evidence of commercial quantities of shrimp. The only area was so far North that the inshore vessels, the vessels known as the wet fish vessels – those who could not keep frozen fish on them, they were small, less than sixty-five feet – that these vessels could not go into the Northern area where the shrimp was.

Where they fish right now, in shrimp fishing area 6, that area at that time, in actual fact, had no shrimp. Even the offshore sector who had access to SF6 for several years had zero landings in most years because there was no shrimp there.

Science says that the reason for shrimp coming to the area was the ongoing ocean cooling. That had made this area become more conducive to the reproduction of shrimp. So, lo and behold, around 1987 we started to get offshore landings happening annually. This is important history, because the reason for small boats, the reason for the inshore boats not being involved initially was not because nobody wanted them involved, it was because they could not be involved because the shrimp was not there where they could fish. Now that is the key thing that the federal government seems to forget. That is an extremely important point.

In 1997, the Department of Fisheries in Ottawa, Minister Fred Mifflin – we all remember Fred Mifflin. When he decided to include them into the fishery it was because he recognized the inequity of the offshore only, and we now had an inshore fishery that had a resource that they could access. It is really important to remember that point, and the fact that the initial Northern Shrimp Integrated Fisheries Management Plan made no mention of LIFO. LIFO was not part of it.

When in 2003 LIFO came into the picture, it was done with regard to access to the fishery and not on the basis of allocations. It was in 2007 that the federal government, the federal Department of Fisheries, tied LIFO to the allocations in a process that was not consultative. Nobody to this day knows what their reasoning was. They have never given a reason to justify that.

The change was made arbitrarily by DFO outside of the consultation process with the advisory committee. They did it, they did not consult, and it has never been transparent. Now, the one thing that this government is doing is choosing to maintain a policy that was never agreed upon by all the partners.

The same thing through that same non-transparent approach, a provision talking about special emphasis to the most adjacent people and communities was dropped. Again, dropped without the consent of the advisory committee. Here you have the federal government without any reasons written down that we can find, first of all saying LIFO was a policy relating to allocations, and then they dropped the whole notion of adjacency from the provisions around the shrimp fishery.

It is interesting to note that in April 1997, which was ten years before they did that, DFO defined adjacency. It said: Put simply, adjacency is the principle that those who reside next to the resource or have traditionally fished in those waters should have priority access to it. This principle is used throughout the Canadian fisheries and is recognized internationally. That is in a DFO document. That is the definition.

Based on that definition, when we sit down with the minister – when the committee that has been chosen from this House sits down with the minister and talks, that is what we will be talking about. The people who live next to that resource, the people who fish that resource in small boats, the people whose livelihood depends on that resource. A principle that their own document said in 1997 is recognized internationally, but now is not recognized by the federal government.

We will be asking the minister, when we get to sit at a table with her, to recognize the historic

reality of why small boats were not involved in the first place, to recognize what this government did in 2007 was wrong. It was ethically wrong. It was wrong that they put in their LIFO policy, and that she cannot continue to ignore the life of the people in this Province. She cannot continue to ignore something that is the backbone of the economy of rural Newfoundland. We will do it with science in place. We are not saying do this without considering the science, but we have to sit at the table, we have to work together, and we have to do what we promised the people at the rally in Gander. We are there for them, we are there with them, and we will keep fighting with them.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. GRANTER: Thank you, Mr. Speaker.

It is a pleasure this afternoon to stand in my place and support this private member's motion that we have been all eloquently addressing here this afternoon, calling for an end to the federal government's LIFO policy in favour of a new quota allocation policy for Northern shrimp here in the Province, with a sharing arrangement that is fair to both valued fleets, Mr. Speaker.

Before I get into my notes this afternoon and my speech this afternoon, I just want to say that, as Minister of Fisheries and Aquaculture for the Province of Newfoundland and Labrador, I am not rubbing shoulders with anyone, as was announced here this afternoon by two members on the floor. What I do, Mr. Speaker, is to try to advocate on behalf of the entire people of the Province of Newfoundland and Labrador and, in particular, in this role I have in Fisheries and Aquaculture, to advocate on behalf of the fishers of the Province, both the inshore and offshore.

I want to be very clear to the people of Newfoundland and Labrador and members on the opposite side, the very first meeting I had with the federal minister in Prince Edward Island last fall, one of the very first words that

came out of my mouth was LIFO and how LIFO was negatively impacting rural communities of the Province, and LIFO had to go. That was my very first meeting with the minister, Mr. Speaker.

Again, last week when I was at the trade show in Boston and had the ear of the minister in Boston, and had a meeting with the minister, I again raised the issue and how important that issue is to be debated and a solution found. I will fill the House in near the end of what I have to say today on my comments and commentary that I had with Minister Shea in Boston this past weekend.

Mr. Speaker, let me say upfront that both the inshore and offshore fleets are indeed a valuable resource to the Province. Our position simply reflects the current inequitable sharing of impacts from quota reductions that have occurred in the last number of years and, in particular, the quota cuts that occurred last year.

I believe, as I do think everyone on this side of the House, and what I have heard from all members on the other side of the House that spoke this afternoon, that a sharing arrangement can be reached that is fair to both the inshore and the offshore. We just need the ear and co-operation of the federal minister to support the harvest of the very important resource in a manner that helps support the long-term sustainability of the resource. That is the key. It is the long-term sustainability of a resource that is highly valuable to the people of the Province and the fishers that harvest that resource because without the long-term sustainability, the debate that we are having today will be mute and futile.

In the opening debate, my colleague from Baie Verte – Springdale outlined some of the history and the background of this issue and, again, all my colleagues on this side of the House and that side of the House this afternoon eloquently spoke on the importance of LIFO and the importance of getting rid of LIFO.

Mr. Speaker, I want to talk this afternoon to discuss how the inshore sector supports the economy and how LIFO has been putting them in jeopardy. I would also like to take some time to discuss alternatives to LIFO, alternatives backed with research that we believe the federal

minister should consider in the coming decision as to what we are going to have as a shrimp quota for this particular year, Mr. Speaker.

The inshore and offshore sectors can coexist without playing one off against the other. I think that was heard unanimously around the floor this afternoon. We believe we have a way, if the federal government has a will. Again, Mr. Speaker, we believe we have a way, if the federal government has the will.

Last year, in response to declines in the stock, the federal government cut shrimp quotas. It is important for Newfoundlanders and Labradorians to note that we have two fisheries departments. We have a fishery department in Newfoundland that has certain control over the fisheries, but as was eloquently mentioned this afternoon, we have a federal Department of Fisheries and Oceans and they have a responsibility as well to the fisheries of Newfoundland and Labrador, as they do for other provinces of Canada, Mr. Speaker.

So when we deal and discuss about fisheries issues, it is not always the provincial Department of Fisheries – sometimes they often come looking to the provincial Department of Fisheries and Aquaculture, but the responsibility falls with the federal department; and the responsibility this time falls clearly and solely with Minister Shea in the federal department. We are advocating as a provincial department, as are the All-Party Committee. We are advocating for the harvesters in the Province of Newfoundland and Labrador, and that is absolutely, critically important.

Mr. Speaker, the vast majority of these cuts last year fell to smaller vessel inshore harvesters, while quota cuts to large vessel offshore operators were very minimal. Ever since, our government has pressed the federal government at every available opportunity seeking a better way to share the Northern shrimp resource between the two fleets – the offshore and the inshore. The federal government, as we all know, as has been reported in the media, will soon be making final decisions on the shrimp quota and the allocations for 2015.

It is important – and this is why this motion today is extremely important – that we all stand

together. The All-Party Committee that I re-enacted there two or three weeks ago with the support of members opposite, we need to stand together as a one, unified voice, and I am hearing the unified voice here on the floor of this Legislature today, Mr. Speaker.

We remain hopeful – in actual fact, I remain determined, and I believe that the All-Party Committee remains determined that the federal minister will move away from LIFO in favour of a new shrimp sharing arrangement.

While we believe that a rollover of last year's total allowable catch in Area 6 is not adequate to address the issues we face, we believe it is warranted and it will allow us time to discuss the alternative options for the future. A short-term solution is okay, but we need a long-term fix. This is what getting rid of LIFO will do. It will give us a long-term socioeconomic fix for the fishers of Newfoundland and Labrador.

At this time, Mr. Speaker, it is vital that we stand together and send a common voice, a common message, to Ottawa about what we expect when it comes to our shrimp fishery, and that is what makes today's resolution incredibly and so important.

There is much at stake, as has been discussed around the floor of this House, much at stake for the rural communities around this Province. Not only the rural communities, but also the urban centres around this Province which rely on the economic driving force of the shrimp fishery.

Between 2008 and 2013, quota reductions for the inshore sector resulted in a loss of over \$100 million in GDP – \$100 million in GDP – and a loss of over \$53 million in labour income – \$53 million in labour income, what impact has that had on the rural regions of the Province? I would say an incredibly huge impact. Over the same period of time, Mr. Speaker, the offshore sector has actually increased by \$25 million in GDP and \$24 million in labour income.

We have \$154 million loss inshore, a \$49 million gain offshore, which is a net loss on the GDP for the entire Province. That number alone clearly indicates to us and to anyone that would look at the economy how important an economic driver the inshore shrimp fishery in the Province

is. The inshore fleet is losing an inequitable share of the shrimp resources based on the LIFO policy.

If I had to sit down here now, with seven or eight minutes left on the clock, what I just said and what the people on the floor have said today should be enough to convince the federal minister that the LIFO policy is just not working for the fishers of Newfoundland and Labrador, Mr. Speaker.

Many harvesters have worked in this industry for over twenty years and have invested millions of dollars in their enterprises. These significant investments have helped grow an inshore fishery that contributes to our Province's economy, helps us support many rural communities, and the individuals and families who call those rural communities their homes, Mr. Speaker.

The inshore fishery currently supports over 250 local enterprises and their crews, as well as ten processing plants throughout Newfoundland and Labrador. Through harvesting and processing, Mr. Speaker, the inshore sector supports thousands of direct jobs and many more indirect jobs. The federal allocation decisions affect more than 100 communities in our Province, communities where inshore shrimp harvesters and plant workers live.

Earlier this month, I had the opportunity to attend the rally organized by the FFAW in Gander. Many members from this House of Assembly attended, as well as members from the All-Party Committee. We stood unanimous. We stood with the leadership of the FFAW and we stood with the leadership here in the Province unanimously rejecting the LIFO policy, Mr. Speaker.

Members of both Opposition parties, community leaders, and representatives of the business community were all in attendance in a show of unity on this particular issue. I want to thank all of them. I want to thank the leadership of the FFAW for organizing that rally in Gander just a little under a month ago. I spoke, as many others did, with a common voice at that rally.

I listened to the speakers. There were some very dynamic speakers, Mr. Speaker, who spoke from the heart. They spoke from the heart because

they were passionate about the work they do and the years of service that they put into a shrimp fishery, building it up, investing in their boats and in their equipment, and servicing the needs of communities around this Province. Listening to those speakers and speaking with people in attendance certainly helped to underscore the importance of the shrimp fishery to so many Newfoundland and Labrador communities.

The economic activity generated by inshore harvesters contributes to a tax base, creates and maintains jobs in rural areas and contributes to the overall success of rural communities. Economic success can only occur when various economic sectors support and build upon each other's strengths.

An active, strong, inshore sector helps to support rural communities and regions. Industrial supply shops, trucking services, general stores and other businesses benefit from the inshore fleet and the processing sector it supplies, Mr. Speaker.

The economic impacts extend to regional economic centres such as Clarenville, Gander, Grand Falls-Windsor, Corner Brook, Stephenville, and many other urban centres including St. John's in the form of new vehicle purchases and the purchases of other goods and services. It is easy to see, Mr. Speaker, that this is not just an issue affecting small rural communities; it is an issue that impacts the broader provincial economy.

The total landed value of shrimp harvested by the Province's offshore and inshore sectors in 2014 was \$210 million – a staggering \$210 million. It illustrates the tremendous economic activity that the shrimp fishery generates within Newfoundland and Labrador, and in particular in the rural areas of the Province.

It also supports our goal of finding a way to fairly share the resource between the inshore and the offshore fleet. If we can find the right balance that ensures the maximum value and viability of both sectors, it holds tremendous potential to remain an important and sustainable contributor to our Province's long-term economic success, Mr. Speaker.

Mr. Speaker, the fish have sustained Newfoundland and Labrador for hundreds of years. It is a solid base and it is the industry that will sustain us for many, many years to come. Through research and reasonable proposals, we have a strong case to present to the federal minister to support our request to discontinue LIFO, to get rid of LIFO now.

Announcing an end to LIFO and introducing a new sharing arrangement for Northern shrimp that is fair to both inshore and offshore fleets is a sure way to support a stronger economy in Newfoundland and Labrador. All they have to do right now, Mr. Speaker, the federal government and the minister, is step up to the plate, come and have the conversation and get rid of LIFO as we speak.

In our letter to Minister Shea, the All-Party Committee requested an alternative allocation method such as restricting shrimp Area 6 to the inshore only, or establishing a permanent allocation percentage with that area. Basically, Mr. Speaker, what we have consistently said is that anything is better than the current LIFO policy.

For the last several years our government emphasized that any decisions regarding shrimp allocation should, first and foremost as was discussed and mentioned on this floor, reflect the principle of adjacency, be applied in a manner consistent with the sharing arrangements established for other fisheries, Mr. Speaker, and avoid pitting the offshore fleet sector against the smaller vessel inshore sector.

SOME HON. MEMBERS: Hear, hear!

MR. GRANTER: Mr. Speaker, the provincial government and the FFAW have gathered information that outlines the economic impacts associated with the Northern shrimp fishery. The FFAW released their report and the provincial government – as I said in the press conference last week we will release our report to the Province and to the media when we present it as an All-Party Committee to Minister Shea. This information confirms that the LIFO policy has a very negative impact on the provincial GDP and that its impact can be reduced by using a different approach.

We continue to press the federal government on the four recommendations presented by the All-Party Committee last year, which in addition to the elimination of LIFO and the establishment of a new sharing arrangement, Mr. Speaker, is consistent with those applied to other fisheries and which considers adjacency. We also recommended immediate full scientific assessment on the Northern shrimp resources, which I am pleased to say has been done, to implement a plan to study the impact of climate change on the ecosystem and the Northern shrimp resource.

My time is running out but I had the opportunity to have a meeting with Minister Shea in Boston this past weekend, a lengthy meeting, which a number of issues were discussed. I am glad to say and I reported to the Leader of the Opposition and the former Leader of the NDP that the federal minister has agreed to meet with the All-Party Committee and we are able either to go to Ottawa to meet with her or she will come to Newfoundland to meet with us. I look forward to that opportunity and the All-Party Committee looks forward to the opportunity to present that report to her.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: It being 4:45 p.m. on Private Members' Day, I ask the hon. Member for Baie Verte – Springdale to close debate.

MR. POLLARD: Thank you, Mr. Speaker.

Since I moved the resolution this afternoon, I get the privilege to close it, so thank you, Mr. Speaker.

First of all, I just want to say a great big thank you to the Member for Carbonear – Harbour Grace, the Minister of Municipal and Intergovernmental Affairs, the Member for The Straits – White Bay North, the Member for Bonavista South, the Member for Signal Hill – Quidi Vidi, and the Minister of Fisheries and Aquaculture, Humber West member. All of whom showed and displayed a lot of passion, conviction, a sense of urgency to the issue with, I might add, eloquence as well.

It was a well-informed debate, very, very impressive. Each member spoke from the heart, and that is very important. Each member gave compelling arguments as to the importance of this fishery in general and for the Last In, First Out policy to be simply put to death and a more balanced approach taken to share the Northern shrimp allocations to both fleets.

Yes, Mr. Speaker, if I were the federal minister, Minister Shea, after hearing all of the informed debate today, I certainly would abolish this policy today for sure.

L-I-F-O, Last In, First Out as we know it, but perhaps it would be more aptly put by the Member for Bonavista North who spoke on this over a year ago when he played with words, and he is good at the acronyms, and this is what he said: L-I-F-O, left inshore fishery out. I thought that was rather good, Mr. Speaker; it speaks to the policy because they certainly did leave the inshore fishery out with this policy –

AN HON. MEMBER: (Inaudible).

MR. POLLARD: I am sorry, the Member for the Bonavista North, yes.

Just to conclude, Mr. Speaker, if the federal government continues to apply LIFO, the long-term impact of this policy could be very devastating for many rural communities, for the Province inshore shrimp fishery for sure and even for various businesses as well, right across the Province. Communities like Black Duck Cove, St. Anthony, Seldom there would be plant closures, and communities would be wiped out for sure, Mr. Speaker. So it would have a devastating effect.

L-I-F-O, LIFO, ignores the principle of adjacency as negatively impacted by rural communities close to the resource. L-I-F-O, LIFO, also ignores the fact that smaller inshore fisheries primarily fish in the two most southern zones, one of which is currently closed, while the large offshore vessels can access all zones.

Why should the inshore fishery have access to only one SFA and then the offshore have access to all of them? It seems unfair to me, Mr. Speaker, a very unbalanced approach. LIFO treats inshore fishery permanent licence holders

as if they were temporary participants, and their investments, well, probably do not even count and very insignificant. That is unfortunate, Mr. Speaker.

The only protection the offshore fleet was promised was that its quota allocation would not fall below what it had in 1996, the year before the inshore harvesters gained access to that resource. Currently, the offshore fleet – as was pointed out here this afternoon – enjoys double that amount right now.

Why was the offshore fleet cut 10 per cent, then the inshore fleet cut 90 per cent? Probably, in the words of former FFAW President Earle McCurdy: Why should corporate interests trump adjacency? That is what he said. No wonder over 400 people rallied in Gander the other day to address this issue. No wonder we got an all-party committee, Mr. Speaker. That is of utmost importance.

We have to work together to end LIFO, Mr. Speaker. Since 2010, our government has been asking the federal government to discontinue this policy, LIFO, with no significant results. Our requests have been fair. They have been reasonable. They have been supported by all parties in this House of Assembly to an all-party committee. We have the data and we have the stats to validate our position, Mr. Speaker. We are not just doing this on a whim.

They have also been ignored by the current fisheries minister and the federal government, Mr. Speaker, and that is very unfortunate. That is why the resolution we are debating today is so important. We need to continue to show that we stand united and that we are firm in our resolve. Show that we mean business, show that we are serious indeed, and we still need action, Mr. Speaker.

LIFO disregards the significant investments that the inshore shrimp sector has made in the past few years – investments that were encouraged, I might add, by the federal government's programs in the Fishing Industry Renewal and Adjustment Strategy. It also disregards the negative impacts on rural communities and the provincial economy, if it continues.

Quota allocations have not been announced for this year. So we must continue to put our case forward to the federal government and to make sure that we speak with one loud, unified voice, Mr. Speaker.

Last week, the All-Party Committee on federal shrimp quota allocations officially outlined its position to the federal minister and presented her with information confirming the negative impact that LIFO has on the provincial GDP.

There are alternatives, Mr. Speaker, to this policy. I remain hopeful that the All-Party Committee will be able to meet with the federal minister in the very near future, to present this information gathered by the Department of Fisheries and Aquaculture.

I am hopeful, as well, Mr. Speaker, that Minister Shea and her officials will listen to what the committee has to say and will review the information they present with an open mind and with a view to finding a new quota sharing arrangement that is both fair to inshore and offshore fisheries.

In a news release last week, the All-Party Committee stated that continued application of the LIFO policy would result in a significant decline in inshore harvesting enterprises, many crew displaced, a loss of five or more shrimp processing plants, several hundred plant workers displaced, and dozens of communities impacted. It does not need to be this way; not at all, Mr. Speaker. There are indeed alternatives, as pointed out by the Minister of Fisheries, as communicated by the committee to the federal minister.

If the federal minister was to roll over the TAC, or the Total Allowable Catch, for shrimp fishing in area 6 for this season, as supported by the All-Party Committee, it would allow both the provincial and the federal governments more time to explore some alternatives. Just to make it clear, though, Mr. Speaker, we feel a rollover is necessary but does not solve our issues. It is not the solution. What we need is rollover, plus a move towards rebalancing the impacts between inshore and offshore sectors.

The time has come to establish a new approach to shrimp quote allocation that stops pitting the

inshore fishery and the offshore fishery against one another and bring fairness to the shrimp fishing industry. This is an issue, Mr. Speaker, that impacts more than 100 communities across the Province, that inshore shrimp harvesters and plant workers really call home.

I urge all hon. members, Mr. Speaker, to unanimously pass this resolution today, sending a unified, strong message to the federal government, to DFO, that we are not going away. This LIFO policy must be abolished.

Let's work together for a better, more balanced, more innovative, fairer way. We owe it to our forefathers. We owe it to my grandfather, Charlie Randell, my aunts and uncles. We owe it to the Wards, the Baths, the Ryans, the Smalls on the Baie Verte Peninsula. We owe it to every person in the Province of Newfoundland and Labrador. We owe it to every district represented by each MHA this afternoon in this House of Assembly. Our culture, our heritage, is at stake. Yes, I say, Mr. Speaker, our livelihood is at stake. We need to work together.

Thank you very much, Mr. Speaker, and I hope that this motion will pass unanimously.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Verge): Order, please!

Is the House ready for the question?

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

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

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

Motion carried.

This being Wednesday, the House now stands adjourned until tomorrow, Thursday, at 1:30 p.m.