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HANSARD

*Speaker: Honourable Perry Trimper, MHA*

Monday

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The House met at 1:30 p.m.

Admit strangers.

**MR. SPEAKER (Trimper):** Order, please!

In the Speaker's gallery today I would like to welcome seven guests from the Miles for Smiles Foundation that will be referenced in a Ministerial Statement today, and joining us they are: Tom Davis, Jessica Moriarity, Jillian Hammond, Connie Pike, Kerry Lynn Callahan, Randal Wheeler and Bev Moore-Davis.

Thanks very much for joining us today.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** Also in the Speaker's gallery, I would like to acknowledge friends and family members of Mr. Al Chislett who'll be recognized in a Ministerial Statement today. I'd also like to say, I worked with Mr. Chislett and it's indeed an honour to be here today in this recognition.

Joining us in the Speaker's gallery are Mr. Chislett's wife, Sherry Doyle; his son, Bradley Chislett; daughters, Emily and Rebecca Chislett; sister, Daphne Chislett; brother, Dave Chislett; nephew, Jason Chislett; grandchildren, Julia and Jacob Chislett.

As well, we also have former colleagues and friends of Mr. Chislett: Beaton Tulk, former premier of this province; Norm Mercer, President of Newfoundland and Labrador Prospectors Association.

Thanks for joining us.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** In the Public gallery today I would like to recognize Pegah Memarpour with End Homelessness St. John's, who'll be mentioned in a Member's statement today.

Welcome to you.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** I would also like to thank my fellow Members of the House of Assembly

today who are wearing green and yellow ribbons symbolizing our collective support for the families and communities affected by the terrible tragedy with the Humboldt Broncos. This Legislature joins other Canadians who have come together to similarly pay their respects.

There will also be a Member's statement and a Ministerial Statement dealing with this today.

### Statements by Members

**MR. SPEAKER:** For Members' statements today we will hear from the Members for Harbour Grace - Port de Grave; Fortune Bay - Cape La Hune; Conception Bay South; Placentia West - Bellevue; St. John's Centre.

The hon. the Member for Harbour Grace - Port de Grave.

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

It is with a heavy heart that I stand to recognize the Humboldt Broncos hockey organization, the team which faced the recent unimaginable fatal tragedy in Saskatchewan. There were 16 deaths as a result of the collision between the team's bus and a large semi-truck.

Although so far away, the Humboldt tragedy has a connection to our province. Parker Tobin was one of the junior hockey players who died. His father, Eddie Tobin, is from Bay Roberts, and Parker's mom, Rhonda Clarke grew up in Heart's Content. Many members of the Tobin family still reside in Bay Roberts. Parker was the team's goalie, he was 18.

The municipality, along with surrounding Conception Bay North residents, came together right away and gathered for a vigil at the Bay Arena on Thursday night, and on Saturday night there was a charity hockey game. The Town of Bay Roberts, along with the volunteer firefighters – myself included – took on the local RCMP. It was a full house for both the vigil and the hockey game, raising more than \$8,000 to support Parker's family.

Mr. Speaker, this tragedy has indeed hit close to home. The former member for my district is a childhood friend of Parker's dad.

On behalf of all Members here in our House of Assembly, we extend sincere condolences to all of the loved ones affected by this tragedy.

Thank you, Mr. Speaker.

**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 Boyce Stewart, Harbour Breton's Citizen of the Year for 2017.

Mr. Stewart has been an active member on a number of the Town's sub-committees, including the Beautification Committee, the Sunny Cottage Corporation, Elliot Premises, the local Rod & Gun Club and the Harbour Breton Harbour Authority. Along with his charitable work throughout the community as President of the Harbour Authority, he is held in very high regard by the community and we thank him for his commitment, which has played an instrumental role in completing crucial projects for the town, including: construction of the new wharf on the north side and extension of the fisherman's wharf on the south side; the construction of 12 floating docks; the completion of a breakwater, and many more initiatives that serve to improve our fishery infrastructure.

Mr. Speaker, I ask all Members of this House to join me in congratulating Boyce Stewart for his dedication to his community and the very well deserved honour of Citizen of the Year. We look forward to his continued commitment and initiative for years to come.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

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

**MR. PETTEN:** Thank you, Mr. Speaker.

Mr. Speaker, I rise today to speak about a tireless advocate in my district, Mr. Clayton

Delaney, who suffers from ARVC – a rare heart disease.

Clayton has been a strong advocate for many years for AEDs to be available in all schools and anywhere there's a need. Unfortunately, many members of Clayton's family have been inherited the same medical issue. He has taken this initiative to work with the Heart and Stroke Foundation, community groups, as well as myself, to bring awareness and to ensure no life is needlessly lost.

Since AEDs are now in my most schools, recreation centres and public places, his new initiative is creating a registry. Mr. Speaker, this man is dedicated to the cause. I'm happy to report Clayton has received his heart transplant in Ottawa on March 18 and is doing well. While waiting in Ottawa for his new heart, he asked me to keep advocating for this registry, and I say that's passion, Mr. Speaker.

I ask all hon. Members to keep Clayton in your prayers and to thank him for his commitment to making our world a better place.

Thank you.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The hon. the Member for Placentia West - Bellevue.

**MR. BROWNE:** Mr. Speaker, the best way is the Osmond way, and what a weekend it has been!

A raucous airport arrival, a celebratory Olympic event here at Confederation Building, culminating in hometown celebrations where literally thousands of people came out to meet Kaetlyn, celebrate her accomplishments and watch her skate on her home ice. Her dog Rasquette, and her parents Jeff and Jackie, travelled home too. In fact, in her mother's speech Saturday night she said I was Kaetlyn's number one fan, and I'm inclined to agree.

The entire weekend was fabulous. I thank many of my colleagues for joining me on the Burin Peninsula. And as we mark Volunteer Week, let me say a special thank you to the tireless

organizers who made these events possible. Our hometown pride was at its peak, and it showed.

When asked by a reporter why she lists Marystown as her hometown, she gave the perfect response: “It never really occurred to me to put anything else ... I always say Marystown, it’s where I am from.”

Mr. Speaker, it’s this humble spirit that earned Kaetlyn not only her Olympic and world achievements, but the hero’s welcome she was given. And if I know Kaetlyn, it won’t be long before I rise in my place once again to say: “She’s done it again!”

Welcome home, Kaetlyn!

**SOME HON. MEMBERS:** Hear, hear!

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

**MS. ROGERS:** Thank you, Mr. Speaker.

Last Wednesday night over 100 volunteers met at the Boys & Girls Club in St. John’s Centre to do the second Point-in-Time Count organized by End Homelessness St. John’s. From 9 p.m. to 2 a.m., volunteers spread out across the city counting our city’s homeless population.

The goal was to meet and survey people living on the streets, in parks, in cars, abandoned buildings; in emergency shelters and short-term housing; the hidden homeless couch surfing by staying with friends or relatives; and people accommodated in public systems such as hospitals or correctional institutions who had no fixed address when released. I also went on the Count and was humbled by the resilience of the people that I met.

End Homelessness St. John’s is chaired by the former, amazing MHA Shawn Skinner, coordinated by the amazing Bruce Pearce, and the Count was organized by the amazing Pegah Memarpour, all champions to end homelessness.

Bravo to them and to the incredible, dedicated volunteers.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** Statements by Ministers.

### Statements by Ministers

**MR. SPEAKER:** The hon. the Premier.

**PREMIER BALL:** Thank you, Mr. Speaker.

I rise today on behalf of the Government of Newfoundland and Labrador to offer condolences to the family and friends of those affected by the horrific bus accident earlier this month in Saskatchewan that claimed the lives of 16 members of the Humboldt Broncos hockey team. One of the young men that we lost that day was Parker Tobin, who had ties to this province.

Travelling by bus to sporting events is a rite of passage for young athletes and team officials across the country, including right here in Newfoundland and Labrador. The trips themselves are often memorable, a big part of the fun, sometimes more fun than the games they are headed to. I know these bus rides strengthen bonds and lead to team building. So when tragedy strikes something so innocent, it is difficult to comprehend.

When the news reached Newfoundland and Labrador, I reached out to Premier Moe to express our province’s deepest condolences for the immense loss. I shared with him that this province and its people mourn with fellow Canadians.

Mr. Speaker, what has been remarkable over the past few weeks is the outpouring of support from around the world; the vast majority of which have no direct ties to those involved in the accident. Whether it was through financial donations or by deciding to become an organ or blood donor, people have stepped up in an effort to honour and remember those that were lost.

Mr. Speaker, the victims of this tragedy and those who loved them will forever remain in our thoughts. We also stand with the community of Humboldt and the Province of Saskatchewan as they begin what will be a long healing process.

I ask all Members of this House of Assembly to join me in a moment of silence.

(Moment of silence.)

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

**MR. P. DAVIS:** Thank you very much, Mr. Speaker.

I thank the Premier for the advance copy of his statement today. I also thank him for addressing what certainly has been a heartbreaking experience for all Canadians. Such a loss of 16 lives in our own country hits home for so many.

Mr. Speaker, over the last couple of weeks, during the Easter break in particular, thousands of children travel on buses – not only for sporting events, but throughout the year they sometimes travel for attending field trips and other activities within their community or within their school. It's not uncommon to have families, parents and supervisors following not too far behind by buses. It's all the more reason why this terrible tragedy strikes home to so many, to all Canadians, to all Newfoundlanders and Labradorians.

Mr. Speaker, in small towns it's not unusual for hockey to bind communities. Quite often, hockey is the centrepiece that brings residents together. That's certainly the case for this community.

Just to wrap up, Mr. Speaker, it's worthy of noting, I believe, that sometimes from the darkness of such terrible tragedies that happen, sometimes comes a glimmer of light. Canada has wrapped their arms around Humboldt, around Saskatchewan, around the team, the families and also around the survivors. We'll keep them in our prayers.

Thank you.

**SOME HON. MEMBERS:** Hear, hear!

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

**MS. ROGERS:** Thank you, Mr. Speaker.

I thank the Premier for an advance copy of his statement. We, too, send our condolences to the families and loved ones of the victims of this incomprehensible tragedy. The outpouring of support shows how close we all are and how we, as Canadians, feel such a strong sense of community, even if that community is thousands of kilometres away.

The healing process for all those involved will indeed be long. It is our hope that the support of all Canadians will provide some solace along the way.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** Further statements by ministers?

The hon. the Minister of Natural Resources.

**MS. COADY:** Thank you, Mr. Speaker.

Today, we recognize a life well lived. Al Chislett was a self-reliant man and a visionary whose entrepreneurial spirit improved and enhanced the mining industry in our province.

In 1993, Al Chislett and his partner, Chris Verbiski, were looking for diamonds in Labrador. In mid-September of that year, just as the weather was starting to turn, they made a most incredible discovery.

As they headed back to camp, they spotted something from the air – a thick stripe of rust-coloured rock on a hill above Voisey's Bay. That strip of rock led to the discovery of the world-class Voisey's Bay mine.

Since construction began at Voisey's Bay, the project has generated some 35,000 person years of employment. Mining operations began in 2005 and approximately \$15 billion of nickel, copper and cobalt have been recovered.

Born in Islington, Trinity Bay, Al earned a diploma in business administration Ryerson University and worked in accounting and construction before changing course and pursuing a career in prospecting. Mr. Chislett became the first person in the history of the

province to receive a prospector's grant from government, a program that continues to this day. His company, Eagleridge International Limited, continues to prospect and develop projects in this province.

I ask all hon. Members to join me in recognizing Al Chislett – a true pioneer of the mining industry, a great entrepreneur and a humble man. And to his family, we offer sincere condolences.

Thank you.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The hon. the Opposition House Leader.

**MR. HUTCHINGS:** Thank you, Mr. Speaker.

I want to thank the minister for an advance copy of her statement. On behalf of the Official Opposition caucus, I join with the minister in recognizing the contribution which Al Chislett made on the mining industry and, in fact, our entire province.

Mr. Speaker, Al Chislett was a true entrepreneur. He helped, as we know, discover the Voisey's Bay mine. The discovery of this has seen thousands of Newfoundlanders and Labradorians receive jobs and put us on the world stage. This discovery also sparked remarkable progress in our mining industry and inspired many other prospectors to continue their exploration and to build the industry in our province.

I had the privilege of meeting Mr. Chislett several years ago. I enjoyed hearing his well-thought-out viewpoints and his vision for the mining industry and for our province. He was a true advocate for the development of the industry and a true advocate for our province.

I hope that others in this province are inspired by this accomplished individual and follow in his footsteps. I wish his family our condolences on his passing and his legacy as an entrepreneur, business leader and trailblazer will live on.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

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

**MS. ROGERS:** Thank you, Mr. Speaker.

I thank the minister. Al Chislett was indeed a true pioneer, and his work brought prosperity to many in this province and to many beyond our borders. Chislett may not have found diamonds, but he himself was a diamond in the rough, showing us all what hard work, dedication and a little luck can do. Look what a prospector's grant can reap. There are great mining discoveries yet to be made in this province, and perhaps some in Mr. Chislett's name.

Our condolences to Al's family and friends and colleagues, and bravo to Al Chislett for showing us how it's done.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** Further statements by ministers?

The hon. the Minister of Justice and Public Safety.

**MR. A. PARSONS:** Mr. Speaker, I'd like to recognize April as Child Abuse Prevention Month and advise that starting tonight we will light the Confederation Building blue in recognition. This month, we are raising awareness about the issues facing child and youth victims of violence and drawing attention to the role everyone in the community has in helping keep children and youth safe.

As the Minister of Justice and Public Safety, violence prevention is extremely important and, as a father, I believe keeping children safe is paramount.

Mr. Speaker, in this province between 2006 and 2012 more than 10,000 violent crimes were reported against children under the age of 18. This causes psychological, emotional and physical harm.

It is a top priority for our department and this government to ensure the justice system works for everyone, particularly victims. I'm pleased to

say that our Victim Services program offers extensive support to children and youth victims of violence including referrals for counselling, safety planning, court preparation and assistance with completing Victim Impact Statements.

Mr. Speaker, this month and every month, we are committed to doing whatever we can to prevent child abuse.

Finally, I'd like to thank Ms. Bev Moore-Davis who continues to do outstanding work to help victims and survivors of child abuse with her organization Miles for Smiles. Ms. Moore-Davis knows first-hand what it is like to be a survivor. It takes a lot of courage for her to put herself out there for this extremely important cause and we will do whatever we can to help her address these important issues.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

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

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

I thank the minister for an advance copy of his statement today. As the Official Opposition, we join with the minister in recognizing April as Child Abuse Prevention Month. It's a month to celebrate it, especially in the most recent years, led by Ms. Bev Moore-Davis – a lady who I can tell you I've grown great respect for in recent years of seeing the resilience that she has, the efforts and the work that she leads within Newfoundland and Labrador and also beyond our own boundaries.

I congratulate her. I thank the team that's around her for continuing to work and focus on child abuse and the needs of raising this publicly, and also recognize the benefits to survivors who are looking for support, help and assistance when they're looking to speak out and to deal with their own experiences.

Congratulations to Ms. Bev Moore-Davis and also to her team. I hope she has a good month. I see she has many activities. I encourage people to join them in those activities.

**SOME HON. MEMBERS:** Hear, hear!

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

**MS. ROGERS:** Thank you, Mr. Speaker.

I thank the minister. When travelling around the province, the All-Party Committee on Mental Health and Addictions heard of extraordinarily long wait times for psychological and psychiatric services for children. We also heard from educators about the need for more counsellors in the school system to support our children.

I want to thank Bev Moore-Davis and all the community organizations, Victim Services workers and front-line social workers in child protection who do such incredible work. It is the services to our people, as well as prevention. Bravo!

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** Further statements by ministers?

Oral Questions.

### Oral Questions

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

**MR. P. DAVIS:** Thank you very much, Mr. Speaker.

Mr. Speaker, in Estimates a couple of weeks ago when the Minister of Justice was asked what funding is being provided to the province by the federal government to support the legalization of marijuana, the minister referred us to the Minister of Finance.

I ask the Minister of Finance today: What's the total funding expected from the federal government? Can he table a breakdown and details of that funding?

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

**MR. OSBORNE:** Thank you, Mr. Speaker.

I will say to the Member opposite that I'm not aware of any funding directly from the federal government for cannabis. I can check with the department, but I'm not aware of any funding.

We are anticipated, Mr. Speaker, to generate a revenue this year of \$5.8 million as a result of cannabis. The costs associated with implementation of cannabis are going to be about \$4 million, so it will be net revenue to the province of about \$1.8 million.

**SOME HON. MEMBERS:** Hear, hear!

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

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

I say to the minister: During the Estimates, the department rolled out their expectation. They weren't sure on the current amount, but their expectation built right into their Estimates of \$500,000 from the federal government for offsetting funds.

Minister, are you telling me now that there are no funds that you're aware of that's coming to the province from the federal government to offset the cost of implementation of marijuana?

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

**MR. OSBORNE:** Mr. Speaker, I know that the federal government are giving \$1.9 million in training and I think \$500,000 for ticketing, but nothing directly towards the retail and distribution of cannabis.

**SOME HON. MEMBERS:** Hear, hear!

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

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

No, it's actually the Department of Justice who is offsetting funds, and the breakdown provided to us was: \$100,000 for fines administration; \$100,000 for public prosecutions; and \$300,000 for the operations of provincial court. But, again,

the department couldn't provide details on the revenue and it was only what they were expecting at that point. They didn't know firmly what was going to be received from the federal government.

I ask the minister: Do you have any better idea – I ask the Minister of Finance: When do you expect to know the details of what offsetting funds will actually be received by government?

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

**MR. OSBORNE:** I just outlined that to the Member. It's \$1.9 million, Mr. Speaker, as well as \$500,000 for ticketing and justice related issues.

The first question that the Member asked, I had thought he was talking about the retail distribution of cannabis. There's nothing to go towards the retail distribution but there is funding, Mr. Speaker, for ticketing and other such. It's \$1.9 million and \$500,000; \$2.4 million.

**SOME HON. MEMBERS:** Hear, hear!

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

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

The \$1.9 million, Minister, can you table a breakdown by department of how those funds will be utilized?

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

**MR. OSBORNE:** Yes, Mr. Speaker, I'll be happy to provide that information to the Member. We'll get that information to him.

**SOME HON. MEMBERS:** Hear, hear!

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

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

Nova Scotia Liberal budget outlined and forecast \$20 million in revenue related to the

sale of marijuana. So that's \$20 million in revenue to their budget.

Why does the revenue in our province only budget \$2.2 million for marijuana tax revenue versus \$20 million for Nova Scotia? Can the minister tell us why there's such a significant difference?

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

**MR. OSBORNE:** Thank you, Mr. Speaker.

Our sale and distribution of cannabis in this province goes through the Newfoundland Liquor Corporation and they've provided us with the budget and their estimates, Mr. Speaker, on gross revenue to the province as a result of the sale of cannabis and that's where the numbers are derived.

**SOME HON. MEMBERS:** Hear, hear!

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

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

We know the legalization of marijuana is going to cost the province more than is collected through taxation.

I ask the minister: How much has been budgeted to address the total cost associated with the legalization of marijuana in Newfoundland and Labrador?

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

**MR. OSBORNE:** Thank you, Mr. Speaker.

I did outline in an earlier question from the Member that the revenue is anticipated to be \$5.8 million. The costs associated with the retail and distribution of cannabis through the NLC is roughly \$4 million. So it's a net revenue to the province of \$1.8 million.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The hon. the Member for Ferryland.

**MR. HUTCHINGS:** Thank you, Mr. Speaker.

In *Budget 2018*, government approved a \$20 million transfer to Nalcor to help fund \$28 million in exploration budget.

I ask the minister: Can you advise if funding for exploration has been decreased for this fiscal year?

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

**MS. COADY:** Thank you, Mr. Speaker.

There's been a five-year program for exploration in offshore. This program has yielded great benefits, I say, Mr. Speaker, to the Province of Newfoundland and Labrador and really did unveil our prospectivity. This program, of course, is year over year over year and we continue to do that. Some years are higher amounts funded because you need to do 3-D. Some years are lower amounts funded because you have to do 2-D.

Mr. Speaker, as we move forward this will fluctuate, as it has under the former administration and as it will continue. It depends on what program you're doing in the year ahead and what needs there are based on the prospectivity, the requirements of the program itself, Mr. Speaker.

Thank you.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The hon. the Member for Ferryland.

**MR. HUTCHINGS:** Thank you, Mr. Speaker.

I wonder if the minister can tell us: What's the actual reduction in the program from 2017 to 2018? What's the dollar figure?

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

**MS. COADY:** Mr. Speaker, if you take it just in that particular year. Last year we had the highest program ever for exploration in Newfoundland

and Labrador because we've put an awful lot in the 3-D program, Mr. Speaker.

Last year, I believe, if memory serves me, it was about \$38 million, but that was because it was a 3-D program. It was the highest, the largest 3-D exploration program in the world.

**SOME HON. MEMBERS:** Hear, hear!

**MS. COADY:** This year we're going to continue the analysis of that 3-D seismic program. In addition to that, Mr. Speaker, we're adding new – adding new seismic data to that program for a new seismic program worth about \$20 million.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The hon. the Member for Ferryland.

**MR. HUTCHINGS:** (Inaudible) is the investment in the seismic data and that information. It drives investment and opportunity in our province, and that's what we're talking about.

Is the minister concerned that a cut in exploration funding will lead to a decrease in available seismic information which entitles oil industry investments in our province and as resulted, as she said, in record land sales in prior years?

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

**MS. COADY:** Thank you, Mr. Speaker.

I will provide to this House how much the seismic program has been increasing under this government.

Mr. Speaker, we have been very focused on the development, the continuing development of the oil and gas opportunity off our coast of Newfoundland and Labrador. We will continue to do that.

We've just released *Advance 2030*, which was celebrated really by the entire province, the

industry, people involved in labour, people involved in training. Everybody was very receptive of this program because what it shows is we're going to be developing a program that is going to double – more than double – our opportunities in offshore Newfoundland and Labrador.

Mr. Speaker, we're going to take last year's seismic data, the 3-D seismic data, continue to add to that data and continue to do the results so that we can drive exploration.

Thank you.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The hon. the Member for Ferryland.

**MR. HUTCHINGS:** Thank you, Mr. Speaker.

Mr. Speaker, indeed, oil and gas *Advance 2030* that the minister speaks of envisions 100 new exploration wells drilled, shortened time from prospectivity to production and direct employment of 7,500 people, but Nalcor is cutting exploration budgets.

How can you meet your vision of *Advance 2030* if you're cutting exploration budgets?

**MR. SPEAKER:** The Minister of Natural Resources.

**MS. COADY:** Thank you, Mr. Speaker.

I will help to try and educate the Member opposite of how this program actually works. What happens, Mr. Speaker, is every year we go out, we do some seismic; last year, as I said, the largest 3-D seismic program in the world.

You have to take all that data, Mr. Speaker, take it into a data room, have experts that we have at Nalcor Oil and Gas company and they have to review all that data. While they're reviewing all that data – which is going to take some time because it is 3-D data – we're also continuing the program by investing in 2-D and more 3-D seismic so that we can look at various other areas around offshore Newfoundland and Labrador.

We are really supporting a robust opportunity in offshore Newfoundland and Labrador.

**MR. SPEAKER:** Order, please!

**MS. COADY:** Thank you.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The Member for Ferryland.

**MR. HUTCHINGS:** Thank you, Mr. Speaker.

Mr. Speaker, maybe the minister can educate us on the details of Nalcor's plan for 2-D and 3-D seismic research for this particular year?

**MR. SPEAKER:** The Minister of Natural Resources.

**MS. COADY:** Mr. Speaker, I'd be happy to have that information available to this House. I will confer with the lead at Nalcor Oil and Gas and make sure that we have the full program details. They're still being worked out, as we move forward to look at the various areas that need additional research and development, looking at the information that we currently have and adding to that.

Thank you.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The hon. the Member for the District of Ferryland.

**MR. HUTCHINGS:** Thank you, Mr. Speaker.

The minister wants to educate us but doesn't have the details. Mr. Speaker, the consulting contract exists to support –

**SOME HON. MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order, please!

**MR. HUTCHINGS:** The consulting contract exists to support the C-NLOPB related to seismic-related work.

I ask the minister: Will this cut in budget affect that contract and land sales that are driven by the C-NLOPB?

**MR. SPEAKER:** The Minister of Natural Resources.

**MS. COADY:** Mr. Speaker, if we have a contract in place, then the contract is already in place. This is for future work in making sure that we continue the program that has been under development.

We want to make sure that we have a strong exploration program in offshore Newfoundland and Labrador. Part of that is doing 2-D seismic in the area where land sales are coming up; part of that is doing 3-D seismic to give an even more in-depth detail, Mr. Speaker.

We've consulted with the Nalcor Oil and Gas experts in this; \$20 million is being invested to ensure that we have the details that we need to continue to entice the world to come here to do their exploration, Mr. Speaker.

Everyone is quite excited about our offshore oil and gas opportunity. I'm sure the Member is as well.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The hon. the Member for Ferryland.

**MR. HUTCHINGS:** Thank you, Mr. Speaker.

Mr. Speaker, the Premier stated that a review of the Atlantic Accord has now started and that opportunities would be there to make changes that it reflect the current financial environment of our province.

Premier, what exactly will you be looking for and could you provide an update?

**MR. SPEAKER:** The hon. the Premier.

**PREMIER BALL:** Thank you, Mr. Speaker.

Well, as I think most people in the province would know by now, that we met with the Prime Minister on Tuesday of last week. We had a very good meeting, and, of course, the reason for reaching out to the Prime Minister was the very issue that the Member opposite just raised.

So the Accord, as you know, back in 2005 when the last agreement was struck, made provision for a review of the Atlantic Accord which would have to be completed by March of 2019. Under that review process there are a number of decision areas, or areas that would be open for review, things like – as the Member mentioned – equalization, but also as you compare Newfoundland and Labrador when it compares us to other provinces in terms of financial asperities.

So, Mr. Speaker, it will be a broad discussion. Finance will be involved. Our office will be involved; officials from the Justice department and so on, Natural Resources and others.

Mr. Speaker, right now, all I will tell you is this, is that the Prime Minister was engaged and very anxious to get the review started.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The hon. the Member for the District of Ferryland.

**MR. HUTCHINGS:** Thank you, Mr. Speaker.

Mr. Speaker, in the review that the Premier has referenced, will you be asking for changes to how both renewable and non-renewable resources are recognized in the calculation of revenues as defined in the province's fiscal capacity?

**MR. SPEAKER:** The hon. the Premier.

**PREMIER BALL:** As of today, Mr. Speaker, we are talking to the Prime Minister, something that Members opposite refused to do for many years on this very issue. But I will say, Mr. Speaker –

**MR. HUTCHINGS:** (Inaudible.)

**PREMIER BALL:** Well, I would like to remind the Member opposite, they had the occasion in 2009 and 2014, both of which they decided not to attend.

But, Mr. Speaker, we talk a lot about equalization. We talk a lot about federal transfers, either be it health or social transfers. There's about \$75 billion that goes from the

federal government into the provincial governments now on an annual basis.

Our province, Mr. Speaker, I've said this quite openly on many times, received \$750 million this year. Compared to other provinces, we do believe that that's a disparity. That is one of the reasons why we've reached out and asked for this review, Mr. Speaker, and the review will be started.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The hon. the Member for Ferryland.

**MR. HUTCHINGS:** Thank you, Mr. Speaker.

Mr. Speaker, I remind the Premier, we met with the former prime minister. We weren't afraid to tell him we didn't agree with him.

**SOME HON. MEMBERS:** Hear, hear!

**MR. HUTCHINGS:** Mr. Speaker, Quebec's –

**SOME HON. MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order, please!

**MR. HUTCHINGS:** Thank you, Mr. Speaker, for the protection.

Quebec's billions in revenue from the sale of hydro from the Upper Churchill does not reduce the amount of equalization Quebec is entitled to.

I ask the Premier: Is this an area where you'll make representation for changes?

**MR. SPEAKER:** The hon. the Premier.

**PREMIER BALL:** Thank you, Mr. Speaker.

First of all, like the Member opposite, I remember the TV clipping from this meeting with the prime minister on a cold Friday night that lasted a few minutes when he stepped outside the meeting and said we don't trust that crowd.

**SOME HON. MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order, please!

**PREMIER BALL:** Thank you, Mr. Speaker.

**MR. SPEAKER:** Please proceed.

**PREMIER BALL:** He said we don't trust that crowd.

Well, Mr. Speaker, we had a very good meeting. It's like everyone, when you sit with whoever they are, Mr. Speaker, you must make your points. I will guarantee you, on the meeting that we had with the prime minister, all of these issues, including the Atlantic Accord and many other issues impacting Newfoundlanders and Labradorians, were discussed at that meeting. One of which, as he just mentioned, is indeed the Atlantic Accord.

But keep in mind, Mr. Speaker, the Accord was put in place for one reason: to make sure that Newfoundland and Labrador is a primary beneficiary of our offshore resources. That's the objectives, and that's the one that we'll be reviewing.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The hon. the Member for Ferryland.

**MR. HUTCHINGS:** Thank you, Mr. Speaker.

The prime minister yesterday in talking about the pipeline referenced Sydney to Campbell River, so you might want to mention to him that Eastern Canada exists beyond Sydney and it exists in Newfoundland and Labrador.

**SOME HON. MEMBERS:** Hear, hear!

**MR. HUTCHINGS:** Mr. Speaker, will the Premier have his Minister of Finance release the presentations made over the past three years by the federal government related to equalization and changes we requested?

**MR. SPEAKER:** The hon. the Premier.

**PREMIER BALL:** Mr. Speaker, I take exception to what the Member opposite just mentioned. When he talked about Sydney and Campbell River, he forgot the early part. If he was paying attention to what the prime minister

said yesterday, actually St. John's was mentioned in this comment as well.

So why is it that you would single this out today in this House, knowing full well that you're not really expressing exactly what happened yesterday, or did you deliberately leave that out for political reasons? Mr. Speaker, we are meeting with the prime minister. We are meeting with the minister of Finance, and I watched that very closely what happened yesterday. Obviously, Members opposite did not take the opportunity to be as close to what was happening there yesterday.

What happened yesterday, I believe was good for Canada, Mr. Speaker. There are things that are happening on our offshore which is also good for Canada, but let me tell you this my goal is – who I represent are people of Newfoundland and Labrador and we will not be playing politics with people in our province.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The hon. the Member for the District of Ferryland.

**MR. HUTCHINGS:** Mr. Speaker, I watched the discussion with the prime minister. What he said, he had been in Fort Mac, met with workers there last week and was amazed by all the workers that were involved in the industry from Canada. He said from Campbell River to Sydney. That's what he said. Now, I don't know, Newfoundland is not included in that distance, I don't think, but maybe the Premier can explain that.

He didn't answer the question, so I'll ask the Premier: Can the Minister of Finance release the documents he has sent to the federal government related to equalization and requested changes over the past three years?

**MR. SPEAKER:** The hon. the Premier.

**PREMIER BALL:** Thank you, Mr. Speaker.

As I said a few weeks ago – first of all, I'd like to remind the Member opposite, maybe what he should do, rather than get in this to and fro he should just go back and review the tapes. Our province, St. John's, was mentioned by the

prime minister yesterday. Let's be very clear about that.

Mr. Speaker, what we're into now is a negotiation about the principles of the Atlantic Accord which were put in place in 2005. Equalization, where we fit and how we compare to other provinces, it's part of all of that. What is also part of this is legislative and regulatory changes that would impact future discoveries off of Newfoundland and Labrador.

Mr. Speaker, all of this will be part of the review of where we fit, what is the impact on our offshore, what is the impact of offshore royalties and its impact on equalization. All of that now is open for discussion.

**SOME HON. MEMBERS:** Hear, hear!

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

**MR. PETTEN:** Thank you, Mr. Speaker.

I guess they're not going to release the presentations because there are none.

**SOME HON. MEMBERS:** Hear, hear!

**MR. PETTEN:** Mr. Speaker, last Wednesday the minister indicated he would review the final recommendation of the Independent Expert Advisory Committee regarding targeted soil removal and the capping of wetlands.

I ask the minister: Can he provide an update on his review of this report? Has he actually read it yet?

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

**MR. JOYCE:** Thank you, Mr. Speaker.

With such a serious issue, Mr. Speaker, playing such political points on this – and I remember the Member, how many times did you ask in this hon. House on behalf of the people that you represented, asked the government that went ahead and finally sanctioned Muskrat Falls: Will you start methylmercury limits so we could see the baseline? He asked. It wasn't done once.

I can tell you where it's at. The information has been put in. It is being reviewed, Mr. Speaker.

I have to say – and I always said this when we were in the Opposition – that if the proper work was done before this was ever sanctioned, we would not be in this position. We did not need Muskrat Falls, the biggest tax on Newfoundlanders and Labradorians that any of us are going to see in our life.

**MR. SPEAKER:** Order, please!

**SOME HON. MEMBERS:** Hear, hear!

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

**MR. PETTEN:** Mr. Speaker, it's Question Period. We get up and ask questions and government answers, so I don't know why the minister is getting offended.

As for another point, he's the most political Member on the other side when it comes to questions. We're asking questions. His answers are always political.

**SOME HON. MEMBERS:** Hear, hear!

**MR. PETTEN:** We're asking questions. People deserve those questions and they deserve answers, Mr. Speaker. I'm going to try again.

Minister, this project is underway. A decision is urgently needed. When will you make a decision?

**MR. SPEAKER:** The Minister of Municipal Affairs and Environment.

**MR. JOYCE:** Mr. Speaker, am I political when it comes to the safety that the Member brought up many times? You better believe I am, when he asks those questions over and over and over.

Mr. Speaker, there's one thing that we will do – and I said it when I was in the media – we would review and analyze the report. We would meet with Mr. Reimer – there has been a message gone to Dr. Reimer to have a meeting. Then we would meet with all other groups.

We would not be like the group that sanctioned Muskrat Falls without doing their due diligence, barring the PUB from it, Mr. Speaker, ignoring the joint review panel. That's not what we're all about.

What we're going to do is analyze the report, then we're going to meet with Dr. Reimer and meet with all the groups involved. We're going to do our due diligence, unlike the Members opposite who just rammed it through because it was the right thing to do, they thought.

**MR. SPEAKER:** Order, please!

**SOME HON. MEMBERS:** Hear, hear!

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

**MR. PETTEN:** Mr. Speaker, I hate to keep doing this. I want to remind the minister, the group he refers to is sitting over with him: Minister of Finance, former minister of Finance, Minister of AES. Why don't he go and talk to them? Sure, he got them next to him; he doesn't have to ask us any questions.

**SOME HON. MEMBERS:** Hear, hear!

**MR. PETTEN:** Mr. Speaker, the CEO of Nalcor has said: There is not one documented case that I'm aware of that flooding a reservoir has caused harm due to methylmercury. It's in the environment. It's everywhere.

Has the CEO of Nalcor advocated to you to decide against soil removal and capping?

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

**MR. JOYCE:** Mr. Speaker, I may be political, but the facts are we're spending over \$20 million doing an inquiry because of the boondoggle that this government approved – the previous government.

**SOME HON. MEMBERS:** Hear, hear!

**MR. JOYCE:** That's what this causes, this Muskrat Falls Project, without doing the due diligence.

Mr. Speaker, if you ever went through and you look at the report, if the Member ever took time to read the report, you could see all the experts, they all had a different opinion. There were two who said move it. There were some more who said just parts; some say capping. Mr. Speaker, that is what we're going to be looking at. We're going to be reviewing it all.

And the Innu Nation has a very strong view. So do you just steamroller over the Innu Nation? Do you steamroller over them, or do you just try to get a view and get a consensus, Mr. Speaker?

We're going to consult with everybody involved. We are not going to do what the previous government did and make the boondoggle of Muskrat Falls, Mr. Speaker. We're going to consult and try to come to a consensus for all the people of Newfoundland and Labrador.

**MR. SPEAKER:** Order, please!

**SOME HON. MEMBERS:** Hear, hear!

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

**MR. PETTEN:** Mr. Speaker, all we're asking is: When are you going to make a decision? The people deserve that – it's a simple question. Answer the question. That's all we've done. He's not answering any questions. I'm going to ask one more now.

The CEO of Nalcor has also said – and this is a quote – this has never been done anywhere, so my expectation is this will not be required.

So will your decision be based on the CEO of Nalcor's comments that this isn't necessary?

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

**MR. JOYCE:** Mr. Speaker, again, I'll answer the question. We'll make a decision when we do due diligence and consult with all the groups involved.

Mr. Speaker, once again, the Member opposite obviously didn't read the report because if he read the report and is trying to single out Stan

Marshall or this government, you can see, even in the report, Peter Penashue himself said, the experts even said themselves – now, you can say that Peter Penashue is wrong. You can laugh as much as you like over there, but you stand up and say Peter Penashue is wrong when he said himself that the report shows that this hasn't been done anywhere in the world – anywhere in the world. They're unsure of the consequences. That's what was said in the report.

So this is not Stan Marshall; this is the report. If you feel – if you want to keep laughing, say Peter Penashue don't know what he's talking about and the people who read the report are wrong (inaudible).

**MR. SPEAKER:** Order, please!

**SOME HON. MEMBERS:** Hear, hear!

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

**MS. PERRY:** Thank you, Mr. Speaker.

Members of the local arts community are concerned over a partnership between MusicNL and the federally funded CBC's Studio F, a partnership which the minister has given his blessing on Twitter.

I ask the minister: How can you endorse something which may put local recording studios out of business?

**MR. SPEAKER:** The hon. the Minister of Tourism, Culture, Industry and Innovation.

**MR. MITCHELMORE:** Thank you, Mr. Speaker.

And I thank the Member opposite for the question. We certainly have a very robust music industry here in Newfoundland and Labrador. The industry association is MusicNL. They are an independent entity; they are not part of government.

The local broadcaster that she highlighted is the public broadcaster. It is a federal entity. So any partnership between an industry association and a public broadcaster, which is a federal entity,

has nothing to do with the provincial government.

Thank you.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The hon. the Member for Fortune Bay - Cape La Hune for a very quick question, please.

**MS. PERRY:** CBC receives hundreds of millions of dollars annually from the federal government, Minister, and your department provides funding to MusicNL.

**MR. SPEAKER:** A quick question, please.

**MS. PERRY:** Do you feel is it appropriate that public money may be used to fund a federally funded music studio and put local studios out of business?

**MR. SPEAKER:** The hon. the Minister of Tourism, Culture, Industry and Innovation for a quick response, please.

**SOME HON. MEMBERS:** Hear, hear!

**MR. MITCHELMORE:** Thank you, Mr. Speaker.

And we certainly support both MusicNL in how they advance the music industry in Newfoundland and Labrador to supply programs, to do export development, but also support private business and the opportunities that they have to grow when it comes to the recording that they do and also the connectivity with public institutions or private institutions to do training and other opportunities.

Consultation will take place. That's what MusicNL had said. It is their program. It has nothing to do with the provincial government.

Thank you.

**SOME HON. MEMBERS:** Hear, hear!

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

**MS. ROGERS:** Mr. Speaker, the real unemployment rate in our province is heading for 20 per cent, the highest in the country, and actual employment rates are also going down. There is a looming job crisis and without a proactive strategy there is no immediate relief in sight. The Premier has been in his position now for 2½ years and the job situation has gotten worse under his government.

I ask the Premier: Does he not realize what our people are facing? What is he going to do about it?

**MR. SPEAKER:** The hon. the Premier.

**PREMIER BALL:** Thank you, Mr. Speaker.

First of all, let me begin by welcoming the Leader of the Third Party to her new role. We look forward to working with her.

**SOME HON. MEMBERS:** Hear, hear!

**PREMIER BALL:** Thank you.

To the question that she asked, Mr. Speaker, certainly that is something that's very important to me and our government. It is one of the reasons why we put in place *The Way Forward* in 2016, which is really about growth and sustainability in Newfoundland and Labrador.

I think the Member opposite, too, would know that we're just coming off and finalizing really three megaprojects in our province which is leading to the increase in the unemployment numbers. As a matter of fact, if you look at the rates, they're really back to where they were in 2009 and 2010 levels right now.

As a matter of fact, when you look at *The Way Forward*, as we've been working very closely with industry making strategic investments, it is all about job creation in our province, Mr. Speaker. We are making a difference.

**SOME HON. MEMBERS:** Hear, hear!

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

**MS. ROGERS:** Mr. Speaker, we all knew that those megaprojects were coming to a close, so

that's no surprise. There's been no planning; he's been at this for 2½ years now, his government.

Mr. Speaker, we are all hearing more and more young people say they are leaving the province because they can't find work.

I ask the Premier: What concrete assurances can he give to our young people, and working families who desperately need work and want to stay, that there will be jobs for them?

**MR. SPEAKER:** The hon. the Premier.

**PREMIER BALL:** Thank you, Mr. Speaker.

There are many things that we've been doing as part of *The Way Forward*.

Mr. Speaker, I want to remind the Member opposite, too, when she talks about investments in Newfoundland and Labrador, will she please explain to the people of Newfoundland and Labrador why it is that you refused to come to budget consultations when you were given the opportunity in December to do it? You refused to come. You deliberately stayed out of budget consultations. Why is it you stand in this House today without a plan, without any suggestions for the future of Newfoundland and Labrador?

We have put in place *The Way Forward*, Mr. Speaker. We've met with the tech sector; we've met with aquaculture which she does not support. Agriculture is attracting jobs to Newfoundland and Labrador and we're hoping for some big news in the mining industry as well.

Thank you.

**SOME HON. MEMBERS:** Hear, hear!

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

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

Half a century of royal commissions, task forces and government white papers have recognized that closing the gender wage gap requires universal affordable child care. A gender-based

analysis of the provincial budget would have shown that a child care program is an economic necessity for women.

I ask the Minister of Finance: Why did his supposedly gender-based budget not result in a plan for a universal affordable public child care program?

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

**MR. KIRBY:** Mr. Speaker, the record shows, the only time that the NDP supports child care is times when –

**SOME HON. MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order, please!

**MR. KIRBY:** – we're not required to vote on it in the House of Assembly. For example, when the NDP decided to turn their back on their election promise to support full-day kindergarten, they teamed up with the Progressive Conservative Party to vote against full-day kindergarten. To deny thousands of mothers out there the opportunity to have their children in a better education program so that they wouldn't have to provide child care for half of that day.

So that's what we see from the NDP. When it's election time they support child care; when it's time to vote in favour of child care, they vote against it.

**SOME HON. MEMBERS:** Hear, hear!

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

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

I ask the Minister of Education and Early Childhood Development: When will he act on the evidence that affordable, quality child care is good for the economy and working women and start working towards a public universal child care plan?

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

**MR. KIRBY:** Mr. Speaker, we started to act on that commitment the day that we came into office in 2015.

**SOME HON. MEMBERS:** Hear, hear!

**MR. KIRBY:** We implemented full-day kindergarten against the wishes of the NDP. We introduced an increase in the salaries through the early learning and care supplement for early childhood educators who are dominated by a women-dominated workforce.

We have announced recently the largest investment in early learning and care in the history of Newfoundland and Labrador in this most recent budget, some \$62 million in funding for early learning and care. So we take no lectures from the Member opposite.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** Oral Questions has ended.

Presenting Reports by Standing and Select Committees.

Tabling of Documents.

Notices of Motion.

#### Notices of Motion

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

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

I give notice of the following private Member's resolution on the legalization of marijuana to be debated on Wednesday, April 18, 2018.

It's moved by myself as the Member for Topsail - Paradise to move the following private Member's resolution:

WHEREAS the Trudeau government intends to legalize marijuana in 2018, even though many important questions about the impact of legalization have still not been answered; and

WHEREAS Newfoundlanders and Labradorians deserve answers to such questions prior to legalization;

BE IT RESOLVED that this hon. House calls on the Government of Newfoundland and Labrador to promptly release its analysis on the impacts of legalization on Newfoundland and Labrador including the social, medical, fiscal, economic, legal, penal, educational, residential and cross jurisdiction impacts; and

BE IT FURTHER RESOLVED that the hon. House calls on the Government of Newfoundland and Labrador to urge the Government of Canada to delay marijuana legalization unless both levels of government can assure Newfoundlanders and Labradorians that effective measures are in place to inform people of the impacts of legalization, monitor, evaluate and respond to the impacts in real time, address any social and medical consequences as they arise, protect people from marijuana impaired drivers, protect people from second-hand exposure to marijuana products and compensate our province promptly and fully for any negative fiscal impacts on legalization.

Mr. Speaker, that motion is seconded by the Member for Ferryland.

**MR. SPEAKER:** The hon. the Opposition House Leader.

**MR. HUTCHINGS:** Thank you, Mr. Speaker.

Mr. Speaker, the private Member's resolution just introduced by the Member for Topsail - Paradise will be the resolution that we'll debate on private Members' Day, Wednesday.

**MR. SPEAKER:** Further notices of motion?

Answers to Questions for which Notice has been Given.

Petitions.

### Petitions

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

**MS. PERRY:** Thank you, Mr. Speaker.

To the hon. House of Assembly of the Province of Newfoundland and Labrador in Parliament assembled:

The residents of Hermitage and surrounding area depend on timely access to medical services. The amount of days that medical services are being provided at the Hermitage Medical Clinic has been reduced from two days per week to just two days per month.

Residents of the Hermitage area, including many seniors, must now travel approximately 50 kilometres to Harbour Breton to receive medical services and no public transportation is available in this area. The residents of the Hermitage area have expressed concerns about their ability to receive medical services in a timely manner as well as safety concerns related to travelling for medical purposes.

Therefore we petition the hon. House of Assembly as follows:

The undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge the Government of Newfoundland and Labrador to extend operations at the Hermitage Medical Clinic to include an extra two days of services per month for a total of four days per month.

Mr. Speaker, the community is really not asking for a lot. They're asking to have access to medical services of a doctor or a nurse one day per week. Mr. Speaker, it breaks my heart that they're even in this position because I strongly believe they should still be availing of a clinic that is open from Monday to Friday and fully staffed as it was until only recently.

In rural Newfoundland it is very disheartening and depressing to see the Liberal government whittle away, whittle away, whittle away our services, our essential services in health care. There's one thing more important than anything else that we have in this province, and that's our people. Our people will not excel, thrive and flourish; we will not attract investors to our communities without a decent health care system in place.

So moving forward, I certainly will continue to rise in this hon. House. We have a number of these petitions to present until we hope to hear the news one day – and we'll continue at this until we do get the news that the clinic services will be restored to the people of the Hermitage area.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Oh, oh!

**MR. SPEAKER:** Could I ask for order please? The Speaker is having difficulty hearing those who have been addressed to speak.

Thank you.

The hon. the Member for Mount Pearl North.

**MR. LESTER:** Thank you, Mr. Speaker.

I've been given the honour and privilege to present this petition on behalf of the undersigned residents of Port Blandford. These are the reasons for this petition.

Port Blandford and surrounding region's economy is reliant on tourism and related outdoor activities. The forest in and around Port Blandford contributes heavily to a thriving tourism industry, employing many residents. The forests in and around Port Blandford sustains a large wildlife population including the once endangered and now threatened species, the Newfoundland Marten. The council and the residents of the community were not properly consulted before important decisions were made.

Therefore, we petition the hon. House of Assembly to call upon government to immediately cancel any plans for clear-cutting in the Port Blandford area as identified in the five-year plan; and, furthermore, before any current or future decisions are made concerning wood harvesting in our region to direct the department to ensure the appropriate consultations are conducted with active involvement from the municipal council and an opportunity for its residents to be engaged.

Mr. Speaker, these residents are really frustrated with the situation. They've met with ministers and MHAs and they're still at a point of confusion. Many of these, as stated, rely on the tourism industry for their incomes. Tourism is a great contribution to our economy as it attracts outside monies into our province.

Many of these tourism operations are now at a point of maturation where they're looking to pass them on to future generations, make

significant investments, and all this is on hold until we get some clarity regarding the clear-cutting operations proposed for the area.

**MR. SPEAKER:** Further petitions?

The hon. the Member for Conception Bay South.

**MR. PETTEN:** 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 Newfoundland has the highest incident of cardiac disease in Canada and we need to do what we can to improve our ability to save lives; and

WHEREAS the implementation of a new registry can be completed for less than the cost of a new vehicle; and

WHEREAS after implementation, the annual cost will be five cents per resident;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to enact legislation requiring all AEDs in the province be registered with an online registry. This registry must also be linked to the 911 system to enable faster response times in the case of cardiac emergencies.

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

Mr. Speaker, I've presented this petition several times. As a matter of fact, the Member's statement I did today on a gentleman in my district is directly tied to this petition. It's something that I've spoken about many times and I'll continue to advocate because I think it's necessary.

AEDs, we have them all installed around the province, and it's a great job by the former administration and the current one to finish this off, but it's very important that we have a registry in place. And this registry, you'll know where they are. You tie it to your 911 system. If

there's an emergency, a first responder can pick up the phone and call directly and find out where the nearest AED is.

They save lives, Mr. Speaker. And as evidenced by, like I say, this family in my district who suffer from this rare disease, they were very passionate about it because it is life-saving equipment. Without the AEDs on site – and not a matter of them being on site, is the batteries being working, for them to be operational. That's what this registry is about: to be operational and to be ready, when needed, to be there for anyone – me or you, or a first responder.

On this note, Mr. Speaker, it's not been spoken publicly, or at least not to my knowledge, but just this past evening someone I know quite well, actually, and a very close friend of my constituency assistant, their lives were saved at the CBS arena as a result of these AEDs being available. Someone collapsed on the ice. It was a coach in his 40s, collapsed, and six attempts to bring him back with this defibrillator.

Finally, they got him back. It was a very serious issue. I suspect probably the media may bring it up, because it's usually a big deal. His life was saved and it's a great, fast response. I mean, on the way to the hospital, they had to stop twice and restart his heart. Very lucky man to be alive today, and I'm glad to report he's recovering, but without that AED there, operational – it's not a matter of it being there sitting in a box; it has to be operational.

This registry will make it operational because it will be constantly check the batteries, make sure it's up and running. The first responder, when that happened, had there not been one right there, they could pick up the phone, call and there's one 100 feet away or in the next building. This is a necessity. It's a very cheap, \$25,000-\$30,000 cost. I'll continue to advocate because I think it's not a matter of want, it's a matter of need – a must. We have to have it.

Thank you.

**MR. SPEAKER:** Further petitions?

The hon. the Government House Leader.

**MR. A. PARSONS:** Orders of the Day.

**MR. SPEAKER:** Orders of the Day.

### Orders of the Day

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

**MR. A. PARSONS:** Yes, Mr. Speaker, I would call from the Order Paper, Motion 1, the Budget Speech.

**MR. SPEAKER:** The hon. the Opposition House Leader, to continue his remarks.

**MR. HUTCHINGS:** I'm certainly pleased today to rise to respond to the budget. We have some time left from the previous sitting when I had the opportunity as Opposition Finance critic to respond to *Budget 2018*. At that time, I went through a lot of parts of the budget as laid out by the Minister of Finance.

I think today I just wanted to – one particular issue that's budgetary in nature and it's related to my district, I want to speak to that first, then I just want to touch on some of the commentary and some of the response since the budget was brought down.

Obviously, we had a recess for Easter and for constituency week and, since then, there has been a lot of dialogue and a lot of discussion in province in regard to *Budget 2018* and where people believe it's going, what the content is and I'll touch on a little bit of that in a few minutes.

One of the areas I wanted to just mention from my own particular district is some of the challenges – and I've heard from people in my district certainly over the past couple of years and just recently – in regard to the UNESCO World Heritage Site in Portugal Cove South and some of the challenges in the funding of that project and some of the challenges that the fabulous volunteers in the region are having in regard to that.

We had worked – certainly through my time as being an elected official – very hard with the community and with many of the fantastic volunteers there who, on their own over the past 30 or 40 years, have worked very hard to preserve these fossils which are well over 500

million years old and the preservation of those fossils.

I think of people like Kit Ward from Portugal Cove and all the work she has done. Back then, there wasn't a lot of structure in regard to how they'd be cared for and making sure they were preserved. There were even incidents where people went out and tried to chisel out a fossil and take it away, out of the fossil beds, but I mentioned Kit Ward and people like that who, for decades, have been doing the volunteer work to make sure that they're preserved.

Then we went through the point of trying to have it recognized as a World Heritage Site. That process started, the site was shortlisted, UNESCO went through the process and finally, in 2016, received a designation and all that work culminated in that and certainly the recognition of it.

That property and the land surrounding it, that was part of reserved land. It was a reserve and extended in regard to conservation by the province and managed by the province. People may not know that's the first and only provincial designated UNESCO site that's operated by the province. That was a continuation of that land that was under control of the province at the time.

With that, obviously, comes – and I know leading up to the actual designation, our administration had invested significantly in the work to be done, to get the proper work done. There's a dossier; a large document needs to be done with a lot of scientific information and so forth that needs to be presented for UNESCO. There's a management plan needs to be done, all of that as well.

That was all funds made available to do that, to allow the bid to go forward and to be successful, and indeed it was. There were those who worked in the department as well, within government that played a role in that. As well, there was some assistance from Parks Canada in regard to overseeing and I guess taking a look at the documentation before it went in. Because they would have the expertise, because they would operate most – I think it may be 18 UNESCO World Heritage Sites in Canada. So they would be quite familiar with it.

We did receive that designation, and, as I said, a lot of the funds that are generated are generated by volunteers through fundraising, those types of things. Obviously, this is now a World Heritage Site, which last year we saw an increase in numbers. The site also is a gateway – the interpretation centre is at Portugal Cove South, the building is there. They have, obviously, an interpretation centre. You can go in and receive information and look at the fossils. There is a replica of the fossils there that you can see. So you don't have to go to the actual site if you didn't want to, but that's all part of the interpretation experience.

That building is operated by a local group there, a volunteer group. They also serve – as I said, it's a gateway to Mistaken Point. It's also a gateway to Cape Race and the wireless communication centre that's at Cape Race as well; which, as we know, was the first wireless message that was sent from the sinking *Titanic* that was received out there. So there's been investment in that as well. That's been upgraded and had visitors last year collectively. Numbers were up to almost 10,000 people that went through and they continue to grow.

The challenge we have, and I relate it back to the budget, is that for the past – since the designation we've been looking for government and for various departments to look at investing and allowing that entity to have the investment it needs, whether it's staffing, whether it's infrastructure, whether it's the shoulder parts of the tourism season, which we know is extending in the province. We have a lot of out-of-province visitors from May really up to October.

Last year I remember meeting with the department, with the minister at the time, and as well looking at particular requirements, in regard to budget requirements. There's a request made in writing to the minister, probably – I think they were looking for anywhere from \$50,000 to \$75,000 to allow, you know, to put it at a level of a world stage and requirements for funding that would allow them to do what they needed to do. To date, I don't think they've received a response to that, which is quite amazing. Again, I think they've written recently, emailed the minister again and asked for a response.

The other issue that causes some concern when you're looking at opening for the season, and they've opened the facility and get up and running, is regards to charging fees for provincial sites. That was brought in, I do believe, in last year's budget, or maybe the one before. It was suspended for one year and this year I think it's coming in.

Again, the volunteers are waiting to hear on how that's going to work, how much money is going to revert to the operations of that facility, because I've seen their budgets. In the last couple of years they've run a deficit; yet, this is a World Heritage Site. UNESCO designation where it's advertised around the world, even used in some of the government's own tourism ads; yet, we don't have the support today or a look into the future that need to actually take full advantage of this opportunity.

Anybody who's familiar with the Southern Avalon was certainly hard hit by the closure of the ground fishery. I've seen out-migration, but this is one of the, I guess, areas that we had thought – and I think rightfully so – could look to rejuvenate that area, small business and employment.

We've seen some of that already when you look at some of the activities that have taken place in Trepassey. I did a private Member's statement here on Inn of Avalon, Carol and John Devereaux and the work they've done with the Trepassey Inn and the investments that have happened there. Employment; I was talking to the owners just a little while back. They talked about this summer coming and some of the bookings and what they have. They're tremendous entrepreneurs, business people, did great investments and taken advantage of an activity like Mistaken Point but you need to have provincial support to continue to grow that and to maximize the opportunities.

In Portugal Cove itself, I know there's a venue that has been bought, a coffee store being put in. A place for someone to drop in and get a bite to eat, as well as looking at further development. So that's all the things that happen when you seize that opportunity, like UNESCO World Heritage Site designation, but you need the ability, and government needs to recognize that and support it.

To date, with the volunteers, I know they're extremely frustrated. They're looking at the coming season and whether they'll have the opportunity to continue to operate and do what they need to do.

I did mention in regard to paying a fee that was introduced last year for provincial sites, and that was suspended. What happens now is that people that go into the venue right now often make a donation. I think last year the donations somewhere reached about \$28,000 in the amount of money that's collected. So that goes in to those volunteers and their ability to operate that site, and they depend on that.

If you're going to implement a fee and you're not telling those volunteers is that fee, whatever it is, whether it's \$20 or \$25, is going to revert right back to the coffers of their operating budget, they're not going to give it back to them, they have another deficit in regard to how they want to operate and if they can operate.

Those were things that were outlined in a letter last fall to the department. I said, again, no information in regard to a response to that and their concerns, and no idea if there's increase or assistance that they have asked for. When you're looking at economic development and seizing opportunities, tourism, small business, entrepreneurship, I mean all of that is tied into a project like that and the region which needs it and certainly needs that support.

I know the Estimates are coming up tonight with the particular minister in regard to the department. My colleague is part of that and, hopefully, we can ask those questions and get some answers and get some support in regard to moving forward. But I can't say enough as well about the volunteers. As I said, they are volunteers, putting in tireless hours over the past number of years and continue to do today.

Even for the UNESCO World Heritage Site, these folks are out selling tickets and fundraising in that way to get what they need to operate the interpretation site, which supports UNESCO World Heritage Site. It's kind of hard to believe that that would be allowed to happen, but that is the case today. That they're fundraising in what would be the second year, second full summer of a World Heritage Site.

We certainly look for some support and direction from this budget for those folks there and for everything that they're doing because it is a tremendous opportunity for growth and for economic development and certainly for the preservation of the fossils and what we see there. We look forward to that over the next while in regard to what government is going to do for that and look for answers to it.

Mr. Speaker, I spoke earlier – and I wanted to bring that up because that's specific to the district and it certainly is specific to the budget. The other one too I'll just mention is related to fisheries. My district, certainly from Petty Harbour right to St. Shott's, traditionally have strong connections to the sea, strong connection to the fishing industry. Crab is huge. Groundfish was king for so many years or so many centuries, I would think, and then with the turn in the ground fishery, it was the shift to shellfish. Crab in that area is huge. As well, we have processing facilities in Aquaforte, in Cape Broyle, in Witless Bay and provides significant generation of revenue to the economies. It's important, plus the whole fish harvesting side.

So we've seen some changes in some of the information that's come down in regard to crab and the reduction in quotas and what that means. I've received calls from a number of people, whether they're plant workers wondering in terms of the employment this summer and what it's going to be like in regard to a reduction in quota, how long are they going to operate and, as well, for those fishing enterprises too, which are small businesses, and how that affects their enterprise in regard to price and volume. So there are certainly concerns with that.

One of the things in budget – my colleague, I know, from Cape St. Francis has been following up on this – is in regard to the Atlantic Fisheries Fund and the ability to leverage dollars from that. I think the amount of money, federal dollars that was leveraged last year, was very small.

I know I had people particularly interested in the ground fishery and wanted to get the automated handlines for cod, looking at accessing those kinds of projects and money for those. Again, this year in the Estimates – and he can speak to it much better than I can, but I think there is

limited amount looking at leveraging those dollars from the Atlantic Fisheries Fund, which is a concern.

As we look to some of the challenges that we face, we always talk about diversity and looking at other species or developing other industries. That's a huge piece that we want to get more details on as we go through the budget and what can be obtained and how we can drive that economic opportunity, especially in rural Newfoundland and Labrador.

We know even urban centres get a great return from fishing and fishing enterprises, but it's also the base of rural Newfoundland and Labrador, processing facilities, harvesters who are all there and part of the industry to drive it. So that's another issue in regard to the budget and how we move forward with that.

I did speak earlier about when the budget was brought down and some of the commentary since then in regard to the plan laid out by the government of the day. Originally – I guess they're still going with the seven-year period they talked about in getting back to surplus and some of the initiatives they had, some of the criteria they're talking about in revenue generation, through taxation, through economic development, economic indicators, what return is going to be back to the economy and all those types of things.

There has been a lot of discussion in the past couple of weeks in regard to that. Usually a fiscal plan, you have the bond-rating agencies will look and see, well, is this in keeping, over the next long-term period, of what we need. That goes directly to your ability to borrow. Does your rate stay where it is? Does it go lower? Does it go higher? That relates specifically to your ability to service the debt. Some of those commentaries I just wanted to speak to in regard to – some local in regard to commentary and what we've seen to date.

The Canadian Federation of Independent Business looked at some of the plans that were laid out by the Finance Minister. They believe there's certainly risk here in regard to the plan that's been laid out in terms of meeting those targets. They say the government's current plan is not based in reality and does not address the

spending problem with increasing the cost of doing business in the province.

That's the concern I guess in any budget and in any long-term fiscal plan you lay out. It's all intertwined. So as you tax or try to be competitive in other jurisdictions – it's a disincentive to operate a business or to grow your business or to move to a particular area. All that's factored in, in regard to what people pay and what they got left in their pocket at the end of the day.

No doubt, at some point you need to raise revenue, but you need to strike that balance in regard to being able to raise revenue through taxation and being competitive enough where people will spend, people will move here, people will live here, grow their families here and you have people working, which is the trickle-down effect which drives your economy. Those were concerns that were mentioned by the Canadian Federation of Independent Business and some of the thoughts they had in regard to what needed to be done.

One of the bond rating agencies, Moody's, made commentary in regard to some of the budget and what was outlined in it; talked about the plan to return to a balance in 2022-23 but forecast larger deficits than previously anticipated before attaining the goal. They highlighted the fact that deficits in 2018-2019 and 2020-21 remain elevated, 8.9 per cent and 8.7 per cent of revenue.

The budget plan faces increased exposure to other risks about revenues and spending measures because the margins were so tenuous that any fluctuation on either side would lead them to believe the goal of '22-'23 could not be met. They concluded the province was facing increased risk, that it will be unable to attain its goal of balanced budgets by 2022-23.

I don't think we've heard from the two other bond rating agencies in regard to their interpretation, but I guess that will come in the near future and probably during this budgetary process as we go through it here in the House of Assembly.

The other interesting point of note is when we look at the expenditures, it would be roughly up

about 2.5 per cent from the revised forecast of 2017-2018. That is a contrast to the plan; 1.4 reduction expended annually across the rest of the budget. So the dynamics of spending when the department – as you go from year to year trying to keep it marginally is challenging. That, as well, they mentioned elevates the risk and to meet those objectives that have been identified.

We look at commentary from the National Bank of Canada in regard to some of the comments in this and what was laid out in the 2018 Budget. They did recognize the lowering of the Retail Sales Tax on auto insurance over four years and increasing the threshold for the provincial payroll tax effective January 2019. That's an attempt to look at the amount of taxation and trying to be a little bit more competitive in regard to our jurisdiction to others.

Also, recognize – we do as well – there was a new tax credit for search and rescue volunteers who play such an amazing and important role in our communities and in our region. There was also reference to the fact of the independent review of the taxation system is ongoing with recommendations apparently to be incorporated in maybe 2019, which would be next year's budget.

The National Bank of Canada references about the long-term fiscal forecast and whether government remains on track to return to surplus in '22-'23. They say the path back to balance isn't exactly a straight line and talks about the fact of, some of the projections for the next number of years: getting back to balance will require meaningful spending restraint, outright reductions in the final four years of the fiscal plan and some tough decisions are still to come.

We'd view the budgets near economic assumptions as cautious. For instance, the government has assumed a 0.8 per cent contraction in real GDP where a number of private sector forecasters see positive real growth this year and, moreover, the outlook for the GDP price deflators quite cautious in our estimation reflecting an average oil price forecast is well shy of current levels.

That goes as well to the issue of the price of oil and how that's determined. I know the minister spoke the other day in regard to the agencies that

– I think there are 11 that so-called experts, I guess, that give financial data every year and projection data, international forecast of where a barrel of oil is going to be at any particular time. And that's well-educated information in regard to where it might be, but it's far from definitive. I think the current administration took the middle of the road in the projection that's coming for this particular year, but you certainly look at geopolitical and other things that are happening in the world. It's very tenuous in regard to changes up or down, and to be able to forecast out three or four years, and those forecasts to be met.

That's one of the challenges that you have. Yet, when we were in government, we were told time and time again you can't depend on oil, you can't be addicted to oil but nothing has really changed in that. If you look back at the last two budgets in what was budgeted and what came back as actuals in terms of revenues, any improvement that has occurred has occurred to the fact that, you know, we've had increased production where you didn't expect it, or we have an increased price of oil, or the exchange rate happened in our benefit for supporting that oil and it came to our benefit. So these are things that really continue and they still cause some challenges in meeting targets as we move forward.

Another commentary we had was the Atlantic Institute for Market Studies that talked about particular aspects of the budget. There are reasons to doubt this forecast, let alone avoid financial problems in the future. They talk about we'll continue to run cash deficits of an average of more than \$2.1 billion. They referenced a zero-based budgeting that we've heard so much about over the last couple of years. And other tweaks – the government operations have only produced modest changes to the government's financial directory.

They talk about calls for decrease in spending in the last years of the planning period, which is that seven-year period that we spoke about. And they referenced a bond-rating agency that is a risk since the provincial government have to make significant reductions in spending, in addition to controlling for inflation. And there's no indication how the government plans to achieve those reductions.

There's other reference made to vulnerable to factors beyond its control, since about 40 per cent of the budget relies on revenue from mineral and oil royalties. As we know, they can dramatically change from one quarter to another and certainly from one year to another. So that's a concern that was expressed in that regard. As well, add to that the risk of the plan to increase oil and gas production beyond – and that's referenced to what would occur without Hebron's growing output. So it's all tied to a lot of elements that may or may not come to fruition, but it is tied to economic indicators and worldwide indicators in regard to the price of oil.

This goes back to when we look at some of the commentary that we've seen over the past couple of weeks. We've referenced here in the House and we've asked questions in regard to commentary made by the Auditor General in 2017 in the seven-year fiscal plan that was laid out and some of the concerns that were expressed at that time. The issue was expenses and how much revenue you can actually generate through taxation until the point in time you reach that threshold where it's a disincentive and you're not raising that amount of revenue that you expect to raise.

The Auditor General at the time talked about expenses were expected to drop by only 2.3 per cent over that period from 2017-2018 to 2022-2023. But with those other variables that were mentioned in the other reports I've alluded to, even with inflation, it's hard to determine or make a clear determination on whether those are obtainable, and information to date and most opinions to date indicate they are not.

Expenses over the six-year period are forecast by the province to reduce slightly. As I said, the 2.3 per cent decline works out to about \$187 million. Newfoundland and Labrador generates more revenue than any other province. Per capita spending in this province is substantially higher than per capita revenues and we spend more than every other province by a considerable margin.

I was happy to hear that the Premier after some time, and us asking for the past two-plus years, that they're going to start a process with the federal government to look into the Atlantic

Accord, looking at equalization, and in regard to, certainly from our perspective, an oil-producing province like Saskatchewan and Alberta, and if that could be amended, and looking at things like fiscal capacity, your ability to raise revenues, what that looks like, and how could we do that to our benefit, and how we can – Newfoundlanders and Labradorians – get a greater cut of that program, because that's all about reasonable taxation for reasonable services. And most would argue that's not occurring now in our province. There is a federal program like equalization that we should be able to avail of.

Noteworthy, the other two major transfer programs are health and the social transfers, and both of those I think in the budget I looked at were just improving by the designated percentage. So there's no new money, per se, but we're receiving what's required as was set out in the agreements.

The Auditor General recognized Newfoundland and Labrador spends in excess of 21 per cent more per capita than the next highest province, which is Saskatchewan. Now, some of that certainly goes to our geography and the ability to make those services, meet those needs but, again, it's something to look at.

The Auditor General back in 2017 said Risks to Achieving a Balanced Budget: "A budget forecast involves making reasonable estimates based on realistic assumptions regarding expectations of future outcomes. The longer the forecast period, the greater the risk that expected outcomes may be significantly different than expected.

"The six year revenue forecast to 2022-23 is based on assumptions regarding such items as oil prices, oil production, exchange rates and future economic activity in a variety of sectors of the economy.

"While it is possible that the forecast may be exceeded, there is considerable risk that the revenue forecast may not be achieved." That was back in 2017 and that analysis is pretty similar to what I've just gone through in regard to bond-rating agencies, some banks, the Canadian Federation of Independent Business and others as well.

Some of the reasons for that, that the forecast would not be achieved: Oil royalties may be less than expected as a result of lower than expected oil prices, lower than expected production and items of that nature. Other tax revenue may be negatively impacted by a slowing economy.

So we have in *The Economy*, which are a part of the document of the budget, you can go through that and people can see what the actual indicators are in the province, whether that's housing starts, whether it's retail sales, all of those variables that drive the economy, you can see where they're headed and a lot are not headed in the right direction.

With that "the six year forecast" – the Auditor General said – "of expenses assumes a slight decline over the period. Keeping expenses at these forecast levels will be challenging." So that's some of the concerns that was expressed back last year in regard to the plan that was outlined and, again, this year, it's expressed in some of the commentary in regard to the budget.

So when you look at a return to a balanced budget, there were a lot of ifs involved with that in regard to the current plan and the Auditor General recognized at the time if oil prices increase, if production increases, if economic activity occurs as predicted and spending is constrained over the period.

"If this does not occur, the Province will have to look to other means to move to a balance.

"Closing the budget gap would require either more revenue, less expenses or a combination of both."

"The Province increased a number of taxes in Budget 2016. Currently, on a per capita basis, this Province has one of the highest tax burdens in the country." That, in and of itself, is a huge issue when your economy is slowed, you have one of the fastest aging populations in the country, you want opportunities for young people who are here to live and raise their family, to start careers here.

I think I saw a stat some time ago that over the next number of years about 5,000 people are coming out of our public service. It's a great time through that process to align our service

delivery, find ways we can do it different if we can. If not, we need those young professionals here to service our public sector, and certainly the private sector, so they can pay taxes, stay here and build our community, and all those things that are needed to have a buoyant and a recovery in our economy.

The other point that was mentioned some time ago was about the new revenue generations that are going to come from – about \$1.1 billion, I think, in '22-'23. The Auditor General referenced that as well in 2017.

“Almost 27% of this growth is expected from oil (predominately increased oil prices) and the remaining 73% from other sources (including expected profit from Muskrat Falls).

“Looking at the Province’s revenue per capita provides a basis for comparing revenue generation in Newfoundland and Labrador with other provinces.”

That’s interesting, because a lot of times we’ve heard there and heard from the Premier that there’s no sale for that. You can’t sell it on the spot market and so forth and so on; yet, in their budget forecast it specifically stated that sales from excess revenue will be factored in to the \$1.1 billion in increased revenues to balance the books in 2022-23.

Those are some of the commentary to date in regard to the budget; not all, obviously, but the general consensus is the targets extended by this particular government for a seven-year period aren’t obtainable. The fiscal plan is not sound and the economic indicators are not strong in regard to allowing the economy to be at a level and function at a level that is going to start that jump that’s needed in the economy.

Now we have a lot of resources, as we know, and there is and can be a bright future for Newfoundland and Labrador. We have great business leaders and a great business community. We have entrepreneurs. We have great post-secondary institutions. We have great innovators and have, over the past couple of decades, invested heavily and have much of that infrastructure that’s needed. I think our resources are strong. We, like much of the country, rely on natural resources. I think there

are opportunities here to move forward but we need a sound financial plan to do so.

I’m interested to see – over the weeks ahead we’ll have discussions on various parts of the budget. We’ll have Estimates. I know a couple have been completed already. We’ll get greater details in regard to the government’s plan and dig down into the details on what’s going to affect the lives of Newfoundlanders and Labradorians with this budget, and we look forward to doing that. Certainly, we look forward to debate over the next number of weeks as we go through Estimates and ultimately vote on this particular *Budget 2018*.

With that, I conclude my comments, Mr. Speaker, and look forward to the debate.

Thank you very much.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER (Warr):** The hon. the Member for Bonavista.

**MR. KING:** Thank you, Mr. Speaker.

I’d like to thank the Member for speaking for two-and-a-half hours. I know standing on your feet for that long – I know it carried over the span of two weeks. Now the Member for Labrador West is getting mad at me because I’m being nice to him, but that’s going to change shortly.

First of all, I’d like to start off by congratulating all the volunteers in the District of Bonavista, Mr. Speaker. This week marks the 40th anniversary of Volunteer Week in Newfoundland and Labrador. I know in your district and in my district there are several events going on. The largest one will take place in Port Union at the factory of the Coaker Foundation on Friday evening. It’s always well attended. Thank you to volunteers, volunteer organizations for all you do.

I’d also like to congratulate several people. I know last year the NDP got on their high horse and said we weren’t allowed to congratulate people, we were wasting time, we should be focused on the budget; but I think this is an opportunity to get up and say some good things,

not like the NDP who are all doom and gloom all the time. We have to recognize the good things that are going on in our province.

First of all, I'd like to recognize Team Gushue. Now, that was an off topic for them last year. You weren't allowed to congratulate Team Gushue after certain days. It's like wearing white after Labour Day. After a certain time we weren't allowed to congratulate Team Gushue for the NDP. So I congratulate them for winning the Brier and coming in second in the World's recently.

Also, to Kaetlyn Osmond – I know my friend from Placentia West - Bellevue has said it several times, but Olympic gold medalist, silver medalist, bronze medalist and a world champion. I didn't get in here on Friday but I got an autograph, so thank you. It was great to see.

Also to Liam Hickey, who is not just a winter Paralympian, he's a summer Paralympian as well. He won silver in the sledge hockey competition. It's great to see good things in Newfoundland and Labrador, even though the NDP don't want us to recognize the good things that are going on. So we'll leave it at that.

Mr. Speaker, this is our third budget delivered by our government, and to talk about where you're going you got to talk about where you've been.

You take the PC government from 2003 to 2015, 12 years, and their legacy is not one of any great celebration that we can have here in this province. Their legacy, at the end of 2015, was a \$2.75 billion deficit, Mr. Speaker.

**AN HON. MEMBER:** Nothing to have a ticker tape parade about.

**MR. KING:** No, Sir.

Mr. Speaker, when the Premier and Cabinet were sworn in on December 14, 2015, there was no big honeymoon there. They met with the Department of Finance.

When the PCs in *Budget 2015* said they were going to run a \$1.1 billion deficit and that a barrel of oil was going to be \$71 all year long, you know what, Mr. Speaker, when the Premier

met with the Department of Finance that day, December 14, 2015, he found out that deficit was, in fact, \$2.7 billion. Just imagine that, going from \$1.1 billion to \$2.7 billion.

When Ross Wiseman said he wasn't good at math, he got that right. He wasn't very good at math; \$1.6 billion in the difference from what they had projected.

What that meant is they faced, on the first day on the job, Mr. Speaker – 11 days before Christmas, government almost never made payroll. Imagine that. The first day on your job you face a \$2.7 billion deficit put forward by the former PC government and you almost don't make payroll. You have to work out a deal with the lenders to get people paid so they can afford to have Christmas.

That's the PC legacy, Mr. Speaker. It's not a great one to have, I tell you that.

**AN HON. MEMBER:** Shameful.

**MR. KING:** It is shameful.

We go back. The Member for Ferryland said: We're addicted to oil. For us saying that we're, as a Liberal government, addicted to oil. That's the crowd over there – oh sorry, the Member for CBS, I'm not allowed to say the crowd over there. I know I offended you because you weren't a Member. You were a patronage appointment for that government, but you weren't a Member. I wouldn't want to be part of that crowd either, so I apologize.

Mr. Speaker, addicted to oil; 10 years of oil revenues equalling \$25 billion and at the end, in 2015, you have a \$2.7 billion deficit. I mean come on, addicted to oil. They put all their eggs in one basket. I'm going to get to what we're doing.

**AN HON. MEMBER:** They put all their oil in one basket.

**MR. KING:** Sorry, yes. All in one barrel, actually, but that's not quite the legacy that they want.

They went up to Ottawa; Danny Williams thumping his chest, tearing down the flags and

picking a racket; comes back and said we got her, b'ys, we got her, \$2 billion – but what that \$2 billion actually was, was his advance on his paycheque.

Mr. Speaker, let's say if you expect a paycheque a month down the road and you go to your boss and say: Boss, can I have an advance on my cheque? That's what he actually did. He didn't go get \$2 billion. He just took an advance on his paycheque. So we should be seeing that in last year and this year. So that's the legacy: tear down flags and pick a fight with Ottawa, try to get a few votes that way. That was their legacy: fight with Ottawa.

They're still at it now. They want to get over there and say oh, you guys have issues with your federal counterparts. Yes, but at least we get in the door and we can have sensible discussions with our federal counterparts.

Mr. Speaker, what we had to do was we had to take some serious measures to get our fiscal vessel back on course. We had a tough budget in 2016. When you get faced with not being able to make payroll for your employees, you have a lot tough decisions to make – the tough decision that our Premier had to make that their former premier wouldn't make. We're seeing that today where we have our vessel on the right course.

What we did was we took that \$2.7 billion deficit that we faced and, in *Budget 2016*, we had projected to bring it down to \$1.8 billion, but we did do better than expected. We made cost-cutting measures. We did better than expected in revenues and, by that end of that fiscal year, we were down to \$1.1 billion. One year, we reduced the deficit by \$1.6 billion. That's getting serious about getting your fiscal ship in order, Mr. Speaker. Last year, we saw the deficit further reduced down to \$852 million and, this year, we have a projected deficit of \$683 million.

Now, this is not some great thing where you are happy to have large deficits like that. When you look at where you come from and where you are today, it's night and day, because we had to make the tough decisions. We made the tough decisions. Decisions that the former government wouldn't make, we made them and we're seeing the benefits of that today. So we're well on our

way to being back to surplus by 2022-2023, contrary to what the Member for Ferryland would say.

They all talk about doom and gloom, and the NDP talk about doom and gloom. Mr. Speaker, do I think there's a bunch of doom and gloom? Not at all. We are on the right track – we are on the right track. With *The Way Forward* document released in October of 2016 we are on the right track, and that's not all doom and gloom.

We have, in my district alone – I'm going to talk a little about the District of Bonavista – we've seen infrastructure renewal that they haven't seen the likes of in years. We've seen major road and municipal infrastructure projects being done. Last year, there was a road done that the old Member for Bonavista South and the old Member for Trinity North used to argue over getting done. I don't want to get it paved because it's not in my district, and the other one would say the same thing. Me and my friend from Terra Nova, even though it's all in my district, we said it benefits the whole peninsula going up to Clarendville and back to get that road done, and it was done, and people are talking about how great it is to have a good road to drive on.

I don't know what they spent \$25 billion and \$4 billion in lost tax cuts that were given to Danny Williams's rich buddies, I would say. Twenty-nine billion dollars, so where did it go? They talked about schools, all the schools they built. Well, they tried to shut down Catalina Elementary. They had the former Member for Bonavista South saying to the school board rep at the time, now shut it down, shut it down; we want everything to go to another community. Thank God that didn't happen. So when they say they're building schools, in my district they were trying to shut them down, Mr. Speaker.

Talk about road improvements. If you drive around my district, you certainly didn't see any road improvements that they put in place. You might see a kilometre here or a kilometre there where they tried to get a few votes, Mr. Speaker. Because of our five-year roads plan, part of *The Way Forward* document, we actually have stability and this year alone the District of Bonavista is going to receive \$6.9 million for

roads. That's 9 per cent of the provincial roads budget, Mr. Speaker. Out of the \$77 million, we're getting almost \$7 million of that – 9 per cent. And it's long overdue, Mr. Speaker. That's not even putting a dent into what needs to be done because of the neglect of the previous PC government.

One of the biggest tourism regions in the province had roads neglected year after year after year. Thank God we're finally starting to see work down on roads in my district. Unfortunately, everyone can't get it done, but we're working hard to get as many as we can done.

We've seen significant funding from the Department of Tourism, Culture, Industry and Innovation. Today alone, I had a list handed to me of all the organizations – and I think there are 10 or 12 organizations that are receiving CEDP funding in the hundreds of thousands of dollars. That's supporting our tourism industry in the District of Bonavista. I brag about it all the time. The District of Bonavista is booming, Mr. Speaker. You see people coming from all over the place. You drive around you see licence plates from the United States, different parts of Canada and you'll see a lot of locals coming there as well.

It's very important that we invest in these organizations, in these 10 or 12 organizations. Because if we want to grow our revenue in the tourism industry from \$1 billion to \$1.6 billion in 2020, you have to have good investments in things like roads, supporting groups that are providing good services, good experiences to people who come and visit.

Mr. Speaker, we've seen investments in hotels, restaurants. We've seen investments in non-profit organizations through partnerships with our federal government. So when they went to Ottawa and had the door slammed in their face, stood on Elgin Street out in the rain wondering why they couldn't get a meeting with Stephen Harper, our ability to work with the federal government is seeing partnerships formed so that we get significant funding both through ACOA and both through things such as the Building Canada Fund, Clean Water and Wastewater Fund.

In fact, Mr. Speaker, you see George's Brook-Milton, specifically Milton, four or five years without a reliable source of water. We're using Lily Pond. They had the Finance minister represent their district and they couldn't get a water project that would connect them with George's Pond just outside George's Brook.

Within the first year, we got the funding through the Clean Water and Wastewater Fund. It was a \$1.6 million investment, Mr. Speaker. Last summer, the people in Milton finally had a reliable source of water. So I'd say that's a great thing, a great reason to partner with the federal government.

When they're tearing down flags, thumping their chests and starting rackets, we're actually working with our federal counterparts. We may not always agree on everything they do, but it's great to have that relationship where you can have a conversation and get things done instead of grandstanding for votes.

Mr. Speaker, we've invested in the Enhanced Seniors' Benefits and low-income supplement. Every three months people in our province see that on their GST. That's been a huge success for us.

We've seen a Cabinet Committee on Jobs. So when the Member for Ferryland gets on and says: oh, they're still addicted to oil. He's full of it; anyone knows he's full of it.

Mr. Speaker, the Cabinet Committee on Jobs has focused on aquaculture, agriculture, the tech sector and now mining. I know the NDP doesn't support aquaculture. They proved that in a meeting in St. John's a couple of weeks ago, but we certainly do. It's a great industry. When you can see Grieg right now, that's going to provide hundreds of jobs on the Burin Peninsula, jobs that we need.

In the agriculture sector; Mr. Speaker, there are four key industries in the District of Bonavista. You have the fishery, agriculture, forestry and tourism. The agriculture sector right now in the District of Bonavista is growing. We see a number of different dairy farmers in the district who are provincial award winners. There's a young gentleman in Harcourt right now who started up a farm a couple of years ago. He's a

dairy farmer and he's very successful. That's what we want to see, young farmers engaged.

There's another couple in Elliston who are looking at getting greenhouses up and running on the Bonavista road going from Elliston doing non-traditional vegetables. Mr. Speaker, this is wonderful that we're seeing young people engaged. With the Cabinet Committee on Jobs focused on agriculture you're seeing that. I've got vegetable farmers coming up to me and saying because of the investments put forward by PAAP and *Growing Forward 2*, and government's focus on agriculture industry, they're able to have better production. They're better able to buy the equipment that allows them to have better production.

One farm, Three Mile Ridge, was able to operate year-round. They're still selling vegetables from last year. It's a pleasure to drive by and stop in and pick up fresh vegetables from their farm instead of having to go to a store where they're shipped in from elsewhere.

Mr. Speaker, that's the kinds of things we're doing with our Cabinet Committee on Jobs. We're putting in place the mechanisms so these industries can grow. They didn't have the foresight to do that. The previous government didn't do that. They were so addicted to oil that anything else, they had the blinders on. They didn't care.

Mr. Speaker, the tech sector; I was at the Tech Summit a month ago, a little over a month ago; 40 businesses which we are partnering with through private industry. We're working with them so they can be successful. Those 40 businesses, we're going to help them grow with the help of industry stakeholders. Once those 40 tech industries are flourishing, then we'll start working with others. If you look at the age of the people in that room, they didn't have grey hair like yourself, Mr. Speaker. They had full heads of hair, young, ambitious, young people. They were go-getters, right out of university ready to go. That's the people we're helping.

So when the Opposition and the Third Party get up and say doom and gloom, doom and gloom, no one wants to stay here. Do you know what? Most of the 40 businesses from that industry

want to stay here. They're excited to be here. They're doing the hard work to stay here.

I'm getting a little short on time. I'm only on page 1 of the two pages of notes. I know the mining sector is important in your area. You're the leader in mining in Newfoundland and Labrador, as you tell us. Then you see a focus on the forestry; renewable fishery through our \$100 million federal Fisheries Fund. It's not a phantom fund like they had. It's actual money that's being rolled out to fishermen right now and industries right now.

Mr. Speaker, with that said, I'm going to take my seat. I'm going to have two more opportunities to speak.

So thank you very much.

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

**SOME HON. MEMBERS:** Hear, hear!

**MR. P. DAVIS:** Thank you very much, Mr. Speaker.

Thank you for giving me time to speak on the budget this afternoon and to address and have some commentary and discussion on what we saw in *Budget 2018* which is essentially a repeat of *Budget 2017* which is essentially a repeat of *Budget 2016*.

The only difference is when we go back to 2016 we can recall – we recall back in 2016 the previous Finance minister was planning to do a fall cost reduction budget. She said in 2016 there was going to be three pivotal points or three decision points, announcement points, being the spring of 2016 when the government hammered Newfoundlanders and Labradorians as individuals, hammered business, hammered the economy, hammered rural Newfoundland and Labrador, hammered everything they could possibly hammer on taxes and fees.

The saviour that was put out there by the current government was that in the fall we're going to reduce our cost of operations. We hear members opposite talk quite regularly about the significant cost to operate government. There's

no two ways about it, there are significant costs associated with government.

The fall 2016 came and the Premier said: No, no, you all got it wrong. Everybody got it wrong. That's not what we're doing. We're just going to do a fiscal update, is all that was going to happen in the fall of 2016. Somehow the minister had it wrong. We heard it wrong. We interpreted it wrong. Everyone had it wrong except for the Premier. No, it wasn't going to be a cost reduction in the fall; it was going to be a fiscal update.

Then in the spring of 2017, the previous minister of Finance said there was going to be further cost reduction in the spring of 2017, and it wasn't. It was essential a repeat of 2016.

Mr. Speaker, what was significant about 2016 was all the very difficult and challenging taxes and fees they put on Newfoundlanders and Labradorians.

I recently heard the current Minister of Finance reference: Not shocking the system. Well, that was language I used back in 2015 because we knew oil was going to continue to go in the wrong direction. Predictors said: Oh, it's bottomed out. The next day it's getting worse. That's it, it bottomed out. The next day it gets worse. There were many predictions that said, okay, it can't get any lower than this, and it did in 2015. Plus we lost production back in 2015.

In 2016, we were talking about – well, we didn't want to do it. We were trying to smooth it out. We didn't want to shock the economy, shock the system.

That's what the current Finance Minister talked about. Recently, I've heard him use those types of words about not shocking the system when it came to reducing the cost to government. Because there's no doubt, if you cut out a large number of public servants than that has an impact on, not only public service but on the province.

I remember back in 2013 when we had a cost-reduction budget. We sat on the government side. The Members here on this side, and some of the Members over there now that are – especially some over there who are ministers

today. They were all aboard us and were daily just beating us up.

I remember the numbers getting larger and larger and larger – factiously, by the way. They weren't accurate. They were getting larger and larger and larger. Every day they'd come in: Oh, they laid off 500 people. Oh, they laid off 600 people. They laid off 700 people. They laid off 800 people, into the thousands and so on. They just kept ballooning the number, and they criticized us for trying to reduce the size of government.

Then we took an approach on attrition. We said: I agree with that. That was in 2014, 2015. When oil was falling, I said: We have to very careful. We can't fall just simply with oil and rise with oil. We have to try and level it out, and we were worried about shocking the system.

I know the current Finance Minister has talked about not shocking the system, but it's in stark contract because we see program spending is still increasing. They used to talk about zero-based budgeting. We asked the minister: Is zero-based budgeting still something you're talking about and so on? The last day we sat – the budget came down March 27; we only had one day in the House after that to ask questions. The minister gave very, what I would term, curt answers, one-word answers and they'd all laugh and chuckle over there and find it very amusing. Then he'd get up and give another one-word answer and they thought it was all very amusing. But the people I spoke to during the Easter break from the House certainly didn't find it amusing when they were trying to find out what's in our future.

I listened very carefully to the Member for Bonavista. You know, he's a new Member, Mr. Speaker, and I respect that. He's going by the notes he was given, and I respect that too. He was given and told what to say and he's following the notes that he has, but he forgets to talk about a lot of things that happened in the past.

Long before I was involved with provincial politics, I remember when he referenced Danny Williams came to power in 2003 and talked about how the province was bankrupt with infrastructure, mouldy schools, bridges that were

being closed, roads that weren't fit to drive on. In 2003 it was exactly what happened when we found a significant deficit or some had said the province was bankrupt of infrastructure back in those days.

So there was a long road ahead, a very long road, a difficult and challenging road. I remember when I got elected in 2010, I was only in here a few weeks and I was thinking do the Members in the Opposition ever come in and not ask for more. Because it seemed like whatever happened – I went through my first budget process when I just got elected in a by-election and I was learning the ropes, how things happen and I was wondering do the Opposition ever come in and not ask for more because they always ask for more.

The Liberals, every day in Question Period, were asking for more, asking more and they asked for more. It was never enough, Mr. Speaker. It was never enough. They wanted to see more. If we didn't do it, then what they'd do is go out and coordinate with groups, organizations and stakeholder groups and say let's get up in arms now against the government because they're not going to give you more for that programming. They did it very well in many cases, in surrounding themselves with a cause or an interest group.

I remember when I was sitting over there, Mr. Speaker, in 2015 budget. I remember saying that we could line up every group out through the door of the House of Assembly, every group in the province that receives funding – and did receive funding back in those days – down the steps of Confederation Building and down the Parkway, we could line them all up and I can assure you they'd all come in one after the other and say yeah, you've got to reduce the cost to government but don't cut us because – because everyone will be able to make an argument of why their particular group and organization is important, and they are important.

There is so much good work that goes on in this province by such groups and organizations that are around our province that over the years have received lots of funding from the provincial government and have done some fantastic work on the ground in not only urban centres, but also in rural centres. Providing a recreation activity

for a senior, providing a support service to a youth or to a child, or finding a particular matter or issue that needed more attention.

I wear my daffodil today, this being Daffodil Month and our first day back in April, and we're all wearing daffodils on this side of the House in the Opposition in representation of daffodil because it's important to me personally, but it's also important to us as a province.

It's an endless amount of money you could throw into supports and services, but also into research for such matters. Anybody who has a research project – if someone wants to do a research project involving cancer, as an example, could come in and make a really good case of why their research project is important. I've been involved and helped fund research projects in the past, separate from government. I've been involved with a research project today that's very important to a certain segment of the population to certain types of cancer.

It's very interesting, Mr. Speaker, because people quite often say all that money spent and they can't find a cure for cancer. There have been lots of cures for cancers that have been found and there are so many different types and forms of cancers, but there's more can be cured today than ever before. There are other drugs and treatments that are less challenging on patients than they were before. There's nothing fun about cancer or having cancer treatments at all, but there are drugs and different processes which provide better outcomes for a patient but also a better experience for the patient as well. There are lots of steps and improvements.

My point, Mr. Speaker, is that it's easy to stand over here and say: Do more and do more and do more. We've done it. We've done it here in the House saying to government: Why are you doing this and not that? Why do you want to spend money here but not there? They're all important.

There are a number of areas I want to talk about today on spending and some areas that the government is spending. Also, I want to talk about, to get back to how this budget replicates in so many ways what they've done in the last two years.

I remember in 2017 when the budget came out and there wasn't a significant change. When you look at 350 taxes and fees broke down in the total list, there wasn't a significant change overall to all those taxes and fees. There were some changes but they very quickly did away with the book tax. They eliminated the book tax which they were getting some particular pushback on. They also made a plan to say they're calling some taxes temporary and those kinds of things. The taxes and fees put on people were really difficult for Newfoundlanders and Labradorians, especially those who are living on the edge of trying to make ends meet. There are lots of families in our province who work very, very hard to make ends meet and provide for their families and for their children.

When 2017 budget came, people were like oh, thank God, there are not another 300 new fees. Well, there couldn't be 300 more new fees. They couldn't find another 300 fees. All the fees that were on were put on in 2016 and people were relieved, oh, we haven't got more of that. In 2018, I predicted it would be much the same, and it is exactly what it is.

There are some programs they've done, and I've said publicly about them – the housing program, for example. We brought forward in 2015 the first homebuyers' assistance program. I remember criticisms being heard about you're going to upset the market. You're going to increase the value of one aspect of the market compared to another. All the work that we done we believed it was a good program, and it's proven to be. I still get, from time to time, a message from someone who says I just bought my first house and was only able to do it because of the First-time Homebuyers Program.

This year they've changed that a little bit, they increased some of the numbers, they changed it a bit but also increased the second program. So this one was quite interesting as well because we all know there's a significant inventory of homes that have been built that have not been sold and not lived in. We know that in the province there's a significant inventory of houses for sale of previously owned homes, existing homes versus new homes or previously not lived in homes. So they come up with a new program, within a couple of days before the budget was

delivered, to try and stimulate the sales of those new homes.

Mr. Speaker, I well understand and appreciate the value of home construction in the province. We saw significant increases even before 2003 back to the years before that. I remember my time in municipal council and as a councillor very focused on where we can we help grow our town, the Town of Conception Bay South. I was deputy mayor there for a number of years and councillor and we were always focused on how we can build our town because we knew building the town created economic value within the town.

The construction, sales and moving of land, the civil construction side of it and then the building of the structure itself and then all of the sales and supplies that went with it, maintenance of equipment and vehicles and sales of equipment and so on. The huge amount of impact for salaries of people who were working in the construction business were all super important to that little – some people call CBS a microclimate; I'll get to that. But that area of Conception Bay South, it was so important to the town because people now are buying at the corner store, they were going to the local Home Hardware in Manuels which had a thriving business. As that grew, instead of driving to St. John's or driving elsewhere to buy their supplies or materials, they quite often will find it within the Town of CBS, a great value.

I fully understand from that level, from that small town level or the smaller community – CBS is not a small town but that centralized area – how that impacts a region and how it impacts a province as well. It does create tax dollars when a person gets a paycheque and people buy goods and services and they buy items and materials. It helps to drive; it cycles that money through the economy.

What the government has done and said is we're going to give \$3,000 – so this applies to anybody. You don't have to be a first-time homebuyer. It doesn't matter of your salary or your wealth or your ability, if you're buying a house up to \$400,000, a new home up to \$400,000, the government would contribute up to \$3,000 toward your down payment.

That seems like a good program, Mr. Speaker. I had some questions about it and I don't mind articulating what they are now. That was based on \$1 million put into the program. Would assistance support the sales of 330, 333 homes if there were all based on \$3,000 each? If the value of the home was less and the down payment is less, I'm assuming the down payment assistance would be less as well. But you're looking at over 300 new homes that can be sold in the province.

Of course, there are areas in the province where there's a very robust new home construction industry happening and other areas of the province where not so much so. This is done in coordination with the Home Builders' Association. Again, I say to reiterate it: I believe it's a good project to help move that inventory of new homes.

I do wonder what the impact on existing homes is. What I mean by that is if you have a neighbourhood – which Phase 1 has been built and sold and there are homes there that are existing homes, if you have 50 or 60 homes. Phase 2 is going to be another 50 or 60 homes and there are 20 homes that have never been lived in, newly constructed homes that are for sale. If someone down the road wants to sell their house and move into another new home, maybe something larger or something different, or the home they have doesn't fit them, then the program doesn't apply to existing homes.

I wonder what the impact is on a person, an individual or family that says: We want to sell our home and we want to buy something else, or we want to upgrade or we want to downgrade or whatever the case may be. I don't know what the impact may be on that. Maybe it will be very little. I don't think it would be significant but I'm sure the government has probably – I would have expected them to have analysis done on that. I'd be very interested to know what the analysis had said on it.

There are some good programs here. There are some community-based programs and initiatives that are going to be helpful as well. There is some new legislation that's coming. The minister outlined one this morning that I haven't had an opportunity to get any details on yet, but I look forward to seeing that. It was announced

this morning with some interest. So I look forward to that.

Government does things that help to improve lives. That's what governments are supposed to do, help lives. At the same time, we have a budget which is a repeat of last year and 2016. The Premier's pitch on the budget and what he's been telling people is that – and the minister has been telling – our plan is working. He said everything is going in the right direction. I look forward to hearing more from the minister on his commentary about everything going in the right direction.

One of the things that we do as an Opposition, we look at the material that's available to us, we read the Budget Speech, we go through Estimates. There's a Budget Speech which is delivered on budget day on March 27. There's an Estimate book which is probably the largest of all the materials. It has all the government departments laid out in it and it has the Estimates for spending for government departments. Then it also gives an overview of spending and revenue for the province and so on. All the government departments are laid out in that book.

Then, there's also a book on *The Economy*. I always like very quickly to go to the Provincial Economic Indicators which is located on page 13 of their budget document on *The Economy*. I'd encourage anyone to read it, especially Members of the House, Members on both sides, on government side as well, should have a look at it. I heard some of them say and follow the Premier's lead, it's a good budget, it's on the right path, it's the road to the future and so on, but the Economic Indicators don't say that, Mr. Speaker. The Economic Indicators paint a different picture.

As the Member for Bonavista said, the Opposition likes to say things. They can stand up and they grandstand and all that kind of stuff. What I have here now is the government's own document, Mr. Speaker, that I'm reading from and referring to as I speak here today. The government's own document on Provincial Economic Indicators, almost all of them – there are a few exceptions and I'll point them out – show the Economic Indicators going in the

wrong direction. They're all still going in the wrong direction.

We have to remember that Newfoundland and Labrador wasn't the only province that suffered through the significant unpredicted downturn in the oil industry. Look at Western Canada, in Manitoba, Saskatchewan and Alberta. Look at Alberta and how tied they are. We're the only province now that's still going in the wrong direction. We haven't been able to turn a corner.

According to these Economic Indicators which lay out from 2016 to 2022, through this period of time, even though it goes back a couple of years, retroactively to 2016, it does lead us up to 2022. Many of these indicators continue to go in the wrong direction. I'm not going to go through all of them. There are 13 or 14, I think, indicators altogether. I'm not going to go through all of them but I'll go through some that may be of interest to the people of the province.

One, for example, is household income. In real dollars, household incomes are going to rise slightly. In 2016, household income was \$25,883 – that's \$25 billion – now it's \$26,540. So it's going up a little bit.

The real change though, however, is the negative number. What that means is when you factor in the cost to live here and the other factors besides your income and what impacts your income, the real change on household income and on disposable income is actually going down. That tells us you're going to have less. You're going to have less value for the money you have. There may be an increase in the household income, there's still a decrease.

The real change is listed as change, and then real change is going down. The same for, disposable income is going down. Retail sales are predicted to go down. Retail sales will continue to go down right through until 2022 when you'll see a 0.1 per cent increase. This year, there's going to be a 0.5 per cent decrease. Next year they anticipate 1.9; the year after that another 1.1 decrease; the year after that 0.4 and the year after that 0.1.

That's a particular one of interest because people look at retail sales; they look at car sales and automotive sales. There are a number that

people – and, of course, business people and economists and so on will consider, and retail sales is one. You think about the impact because retail sales, quite often, is a place of employment for Newfoundlanders and Labradorians.

It's not unusual to see seniors in their retirement years picking up jobs or part-time jobs in retail sales. It's certainly not unusual to see students, high school students, post-secondary students and young Newfoundlanders and Labradorians who otherwise are unemployed seeking jobs in the retail sales industry. As retail sales continue to go down, that's an indication that the likelihood of what's going to happen as well is the job opportunity, as well, will go down.

Consumer price index is going to continue to go up. In 2016, there was a 2.7 per cent change; 2017, 2.4; 2018, going up 2 per cent; 2019, another 2.2 per cent; 2020, 2.1 per cent; 2021 and 2022 another 2 per cent. That means the cost of goods and services, as I'm sure that's reflected in some of the other numbers as well, consumer price index will continue to increase.

Then, another one that's very key to look at in a province and it speaks to a number of areas, I think. It speaks to opportunity but it also speaks to confidence in business, and that's on capital investment. Capital investment in our province is going to continue to decrease.

It decreased in 2017 by 25.4 per cent on capital investment, 10.8 per cent anticipated for this year, 10.4 next year and the next three years after, 2020, 2021 and 2022, it's -3.6, -5.1 and -6.6. When capital investment continues to go down and, again, that has that negative impact. Now, these are all the numbers that the minister and the Premier say everything is going in the right direction. I certainly don't see it in the ones I've talked about so far.

Housing starts is another one. The government has brought in a new program to help stimulate the housing industry, which I've already spoken in a positive way on both the first-time homebuyers which helps people get out of renting and moves into homes and provides more rental units for low-income families, particularly, who can't afford to buy their own home, but it gives people an opportunity to get off or get out of rental and get into their own

home. I've spoken positively about their new program, depending on other information and details that we hope to get in the coming weeks, but housing starts continue to go down.

In 2016, there was a 17.6 reduction in housing starts. I think that's another indicator that speaks to the confidence of the province. In 2017, it was an increase of 0.1. In 2018, they're anticipating a 10 per cent drop in housing starts again; another 8 per cent in 2019. In 2020, '21 and '22, they're anticipating a turnaround and an increase.

The numbers are getting fairly low because they're getting down to 1,159 units, they're anticipating in 2019. On this graph it shows us, it was just 1,400 units in 2016. So from 1,400 to 1,159 and then there is some stabilization and a small increase anticipated and hoped for after that.

I think, Mr. Speaker, if you look at -10 and -8; -10 per cent this year and -8 per cent next year. So to put that in real numbers, 1,400 housing starts in 2017, only 1,259 this year and 1,159 next year; a full 100 drop over next year. So a fairly consistent or fairly important or a fairly significant reduction in housing starts.

In my earlier comments, I talked about the importance of housing starts and building and construction and how it drives the economy. It drives community. It gives opportunity for people. People who are building a house quite often will be the people who want to buy the house, or the people who work at a corner store who are creating revenue – if they own a corner store creating revenue or work there, got a job and are creating their own revenue for their family because people are building houses or spending their money there. It's an important one. Housing starts, even with their new programs, their improved First-time Homebuyers Program and their new program for selling existing houses, they're still expecting almost 10 per cent decline this year in housing starts.

Then there's employment. I've talked a little bit on retail sales and housing starts and so on. All of that impacts employment. Then when you look at employment change itself, all their numbers from now until 2022 are going in a negative direction. When the Minister of

Finance says that our plan is working, what their Economic Indicators indicate is that there's going to be less opportunity for jobs year over year from now until 2022.

**AN HON. MEMBER:** (Inaudible.)

**MR. P. DAVIS:** That's what the minister says. The minister says their plan is working, they're on the right path, but there are going to be less places to work. There's also going to be less people here and I'll get to that in a minute.

The labour force as well – so not only employment but the labour force numbers are going to decrease 0.9 per cent this year, 1.1 per cent next year. Right through to 2022 the labour force numbers will continue to change.

I respect the fact, Mr. Speaker, that we have an aging population. As people get older, they stop working. Some will leave full-time employment and careers and find part-time jobs or they'll just do some other things. I know lots of people have said I've worked for 25 or 30 or 35 years at a career and I want to leave now and do what I want to do and they do those types of things.

The labour force is actually going to continue to decrease. The unemployment rate will continue to be high, anticipated 14.8 per cent this year which is the same as last year, an increase from 2016. The unemployment rate will continue to be high; 15.4 per cent next year, 15.6 per cent the year after that, 15.3 the year after that and 15.1 per cent. All the other provinces, Mr. Speaker, when you look at their indicators, they are actually going in the right direction because they're trying to lower and they are lowering their unemployment rate.

Then, Mr. Speaker, population change is the other one that I'll refer to because we talk about population. The reality is it's a lot of hard work to change a population and to grow a population. People will leave when they see no future opportunity for themselves, but it's really hard to get them back.

The population started to change in, I think, 2015, but it's still continuing to change and drop in '16, '17, '18 and onward. In 2016 the population here, according to the province's numbers, was 530,300 down now this year to

525,000 and, by 2022, it will be down to 514.9, so the numbers keep going.

Mr. Speaker, I took some time to go through all that because they're the economic indicators contained in the province's documents. They're not numbers I made up. I'm reading right from *Budget 2018 – The Economy* book on page 13. I'm reading right from it. I'd love nothing more but the minister or the Premier to give an explanation to say while they say their plan is working and tell us how it's working when all their economic indicators are going to continue to go in the wrong direction from now until 2022, with the exceptions I've pointed out – the couple I've pointed out – such as household disposable income goes down until 2021 and, in 2022, it goes up 0.1 per cent. The disposable income is the same way. Other than that, I mean they continue to go in that direction.

I have tried to highlight some of the ones that impact people directly. There are other indicators here as well. GDP will see a 1 per cent growth in 2021 and 0.3 per cent in 2022; -8 per cent this year and it will be up next year 1.1 per cent; down the year after that, up the year after that and then down from there the year after that. So there's no major improvement; they're up and down there.

Mr. Speaker, I wanted to take some time to run over that because the bottom line is that the cost to live here continues to be significantly high – higher than people are quite accustomed to. While, at the same time, we have a government who needs to try and reel in spending. Now, I will be the first one to stand here and say not easy; been there, tried to do that, not easy.

We attended the budget consultations – and I think we were at every budget consultation with the exception of one that was postponed in Labrador. It was rescheduled twice if I'm not mistaken and we were going to get there a second time – I stand to be corrected, but I think we were trying to get there a second time and then the third time we weren't able to get there. We did attend the budget consultations and listened to what people had to say and what the government had to say. The budget consultations were very focused on where to reduce the cost, not a lot of on discussion about investment or opportunity but it was very focused on – it

looked like the government was trying to find where do people think we should reduce costs.

The big ones are health and education are the two largest ones in the province, the two major costs in the province but – and they're hard long term. There are no fast fixes with those. There have been efforts made in the past, made under our time and efforts being made in theirs, but in health care right now we're starting to hear discussion around the province of there seems to be some unrest and challenges within health care.

On Friday, I had plans to be in Conception Bay North area and I spent most of the day out there, and I had conversations with some people out there while I was there about what's happening in health care in Conception Bay North. It's not my first time out there. I have family out there and friends out there and so on. It's not my first time in that area, but I did have some conversations out there on Friday on health care. I actually had a discussion with a lady just last night on what's happening out there.

There seems to be these isolated numbers, and people are talking about, is that doctors are leaving, especially in Carbonear area, doctors are leaving. There's a health clinic out there now, I think there's one retired, two more that are leaving in a practice of four doctors and are looking to get out. We know that there's one recently left a while ago and left very publicly, dissatisfied with what was happening out there.

Mr. Speaker, the Conception Bay North – I say Carbonear area, because that's where the hospital is, that's where the main long-term care centre is. I think it's representative of our province having an aging population and, as we age, we have the complexity and needs of health care increases as the population ages.

I know of a gentleman out there who requires regular blood work and his doctor left the local town – a doctor who had been there for years. The man was a legend out there. Been out there, been practising medicine for, I don't know, 50 years or 55 years or something, just extraordinary amount of time.

This gentleman requires regular blood work. So the advice that he was given was there's a walk-

in clinic now available to him that was set up in Bay Roberts – I think it was Bay Roberts. So he goes to the walk-in clinic in Bay Roberts and says: Well, I need my blood work done. The walk-in clinic says: Well, we're not going to do your blood work. We can't do your blood work here because now we're going to have to track you. We then have to take you as a patient, because it means we'll have to order your blood work, you'll get your blood work done, your blood work will come back, we'll have to analyze it and we'll have to tell you what the result of your blood work was.

We're a walk-in clinic. We'll give you a script for antibiotics if you need it. We'll find out is that a cold or a flu or pneumonia or what you have. We'll do a one-off exam. We're a walk-in clinic. We're not going to track you. And the suggestion was, go down to Carbonear, down in the emergency room. Which I know the minister before the Easter break talked about how there's been an increase in some emergency rooms. And in Carbonear there's been, what I'm told anecdotally from people who experience it – and I'm sure the minister could probably find and have a look at the numbers himself – a significant pressure mounting in that area waiting in the outpatients and even blood work done. We can't do blood work in outpatients. That means we'll have to track you. It means we'll have to send it off, get your blood work done, have to wait to come back, call you and let you know what the results are, modify your medications, have a look at all the medications you're on, have a look at your bigger health picture and understand what your health concerns are. How do we address those health concerns, what modifications you may need?

Then you become a patient and that's not what outpatients or emergency rooms are for. I understand in Carbonear now recently there's a walk-in clinic that's been activated as well which is going to relieve and alleviate some of those pressures. The problem with not having a family doctor or a GP that is tracking you, working with you and so on is that then the people's level of health care and monitoring, especially someone who needs regular blood work, starts to decrease and becomes more problematic.

We know the new long-term care centre out there is full. We know there are people waiting to get into long-term care. There was a plan put in place and people hired to open the only remaining unit that is not open in long-term care. We've asked the minister in the past here about the numbers in long-term care, long-term care patients that are occupying acute care beds. The common problem throughout our province is not isolated to this year or last year, it's been ongoing for some time. That's why there was a plan moved then to create more long-term care. I know we have an aging population. It's not going to be a short-lived requirement; it's something that's going to happen for many, many years.

The long-term care was built in Carbonear but there's one unit that remains not open. They had all the staff and everything in place ready to go so you could alleviate wait times on acute care beds, move people out of the acute care beds in the hospital and move them into long-term care. That frees up acute care beds in the hospital. It avoids what people experience quite often about delayed, cancelled or postponed surgeries. All those snags that happen when you don't have enough beds; it would alleviate some of them. Plus, it's a better environment for long-term care patients.

An acute care bed is not the best place for long-term care patients, I don't think anybody would disagree with that, and move them over to long-term care. They had all the staff ready to go open it up, but don't have a doctor. It was supposed to be announced a few weeks ago, I think back on April 1, 2 or 3. It was supposed to be opened and it was postponed because they don't have a doctor.

The pressure on health care is not isolated to Carbonear. We're hearing issues in Gander, the minister's home district, Grand Falls-Windsor. We're hearing issues on the West Coast; we're hearing issues in Labrador. What's interesting is people are telling us and sharing their issues and their concerns with us more and more all the time and looking for relief.

Mr. Speaker, I'm quite well aware it's not easy to do. Recruitment is something that should happen and should happen smoothly. I heard a third-hand version of a physician wanting to go

to an area and was frustrated by the whole process of trying to be able to move to that area and provide services. I won't say where it is or anything. I certainly wouldn't want to identify the doctor who was looking to move into an area. We shouldn't hear those stories. We should be bending over backwards to try and find an opportunity to bring a doctor, especially into a rural community.

Having said that, Mr. Speaker, I think I'd be remiss if I didn't make a comment about the quality of people that work in health care. We have fantastic people working in health care. Everything with health care is not good. Everything with health care is not great, but people there are pretty darned good is what has been my experience. Sure, there are times when it's hard to get in the system and you have delays and wait times for an emergency room or for an outpatient clinic, and routine diagnostics take time to do, but my experience has been – and I've heard it many, many times from people – that once you have an issue and it's identified your issue, then things work fairly well.

I've heard complaints about, but it takes longer to get there. If you speak to people in cardiology or cardiology patients, and doctors in general, will say that sometimes in cardiology one of the issues is it's so hard to get into the cardiology stream, to get into that. There's such a demand for cardiology services in our province, it's hard to get there. So by the time you get to the cardiologist, you're sicker than quite often you'd be in other jurisdictions.

If you could get there quicker, then the fix sometimes is easier and the outcomes are better. The fixes are more effective and more efficient if you get in there earlier rather than later. I've heard that talked about recently, about how hard and how long it is to wait to see a cardiologist, how long it can take to see a cardiologist. Then by the time you get there, your complexities are so much more challenging than they would have been if you had gotten in to see a cardiologist a few months before.

My colleague for Conception Bay South talked on his feet today a couple of times in the House about ARVC, an illness that's well known in the Bay Roberts, Carbonear, Conception Bay North area. It's not unique to that particular area, but

it's very prominent in our province and it's very much hereditary. I know families who are inflicted by ARVC as well.

My colleague and I actually attended a fundraiser there a couple of weeks ago for the gentleman that he spoke about today. Very lucky, actually, because when he ended up at the Heart Institute in Ottawa, I think he was six days from the time he actually went on the wait-list to the time they had a heart. It's phenomenal, Mr. Speaker, six days. He had a heart in six days, which is phenomenal. When you think about expectations, my expectations would have been much longer than that.

I know another case of a young man from Conception Bay North who was over the last number of years dealing with ARVC. ARVC, for people who don't know it – and I am in no means an expert – but it's a genetic hereditary condition that can essentially cause your heart to stop. You can drop dead with little or no notice.

When it becomes known, they can install a defibrillator in a person's chest which will help to restart the heart and put the heart back in sync again. If you don't know you have it, you're at great risk. But as time goes on, my experience has been, for people I've known who have dealt with it, the complexities get more difficult and more problematic.

In the two cases we're talking about here today in particular, they were two cases where people ended up in Ottawa at the Heart Institute. Is the Heart Institute the right name for it? The Heart Institute, I think, is the right name for it.

I'm looking at the minister now to see if he can tell me or not. The Ottawa Heart Institute, is that what it's referred to, the Heart Institute in Ottawa?

**MR. HAGGIE:** (Inaudible.)

**MR. P. DAVIS:** I said is it the Heart Institute in Ottawa? Is that the right name for it?

**MR. HAGGIE:** The Heart Institute (inaudible).

**MR. P. DAVIS:** Yeah, it is. They do great work up there. They've done great work with patients from Newfoundland and Labrador. To have a

patient for Newfoundland and Labrador who had a transplant within six days and all indications are so far, he's responded very well to it. The experience I had with a gentleman last year as well has had a very, very good outcome considering the gravity of what they've experienced.

All that starts here in Newfoundland and Labrador and about diagnosing, getting diagnosed, understanding what the issues are. How do you extend quality of life for a longer period of time, and then when you need to make a move outside the province to find services that are not available to them here?

My comment, Mr. Speaker, is that my own experiences, as well as people who I know that generally say once you have an issue identified and you have a health concern, then the response is very, very good from health professionals in Newfoundland and Labrador. I've experienced it myself. I can't say enough about the great people that work in health care and the work they do.

Bear in mind, health care is not a perfect science. There's nothing perfect about it. Everybody is different and successes vary. They'll talk about risk factors and they'll talk about percentages and likelihoods and so on. If you do this, here's the likelihood of an infection as an example, or here's a likelihood of a complication from a medical procedure. Most times they don't but they'll talk about maybe this could happen or that could happen. It's certainly not a perfect science by any means, but we do have good people.

Mr. Speaker, there are a number of areas that I wanted to speak about today other than health care. One of the Members opposite was speaking about the relationship with the federal government. The Premier spoke about it today. He started off by saying he couldn't get in the door. He said that a number of times; you couldn't get a meeting. Well, we did have a meeting. Then he said you couldn't trust them. I wasn't afraid to speak honestly about my experience I had with the former prime minister.

There's been talk about delivery of funding from the federal government. My colleague from Ferryland has talked about this today, as well, in

some aspects of it because there are a number of areas. The federal government provides support and funding to provinces, period. It doesn't matter what government is in a particular province or what particular colour or background they are, the federal government provides support and funding to provinces.

The provinces go and negotiate changes to that funding. They can look for more funding. They can look for changes, new opportunities and so on. When it comes to roads, infrastructure and so on, a lot of it is population based. Provinces are going to get their funding no matter what. How you utilize it and how you can partner can be beneficial to the province.

The government liked to talk about the Fisheries Fund. They said: Oh yeah, the Fisheries Fund that you never had a deal on, you never signed a deal on. Everybody who reads the materials that we provided says: Yeah you did, you had a deal. If you don't want to believe that, it's fine. The Newfoundland and Labrador Fisheries Fund became the Atlantic Fisheries Fund and it changed dramatically. It's not a fund just for Newfoundland and Labrador; it became a fund, as well, for Atlantic Canada.

We just recently saw how a portion of quotas was moved from a Newfoundland and Labrador base to a Maritime base by a decision by the federal government. The federal government can move and change policy no matter what the impacts. The Atlantic Fisheries Fund in the 2017-2018 budget was \$10 million, so a fair chunk of change to be invested in the fishery.

We certainly know – based on what's happening with surf clams today, concerns about the cod fishery, ground fishery, concerns about what's happening in the seal fishery as well and others – \$10 million can be a significant amount of money to invest back in the fishery.

Government, last year, was quite proud of the \$10 million in Grants and Subsidies. It's on page 10.6 of the Estimates book. I should refer to that, Mr. Speaker, because I talked about Estimates; it's a line by line. What I'm referring to now, what I have in my hand here, is actually right out of the Fisheries and Aquaculture Estimates on page 10.6.

As we say in Estimates, it's 2.1.03. Atlantic Fisheries Fund is the line I'm looking at. In the 2017-2018 budget it was \$10 million. Then what happens is this year when the budget comes out and this book is produced, the government does a revised line from last year. They had a certain amount they anticipated they were going to spend last year and then, this year, they revised that to reflect more accurately until the Auditor General and all the audits are done from the books for the previous year. But they're revising that estimate to what actually flowed. Under Grants and Subsidies what actually flowed was \$1.5 million. A promise of \$10 million in 2017-2018 under the Atlantic Fisheries Fund became \$1.5 million.

Mr. Speaker, when the Members opposite talk about the relationship with the federal government, they talk about how great the relationship is under them and how terrible it was under us. The Member for Bonavista was up earlier and he talked about taking down flags, beating your chest, protesting, fighting for Newfoundlanders and Labradorians and how ridiculous it was for the previous government to fight for Newfoundlanders and Labradorians. That's what the Member for Bonavista talked about when he was up.

They had an Atlantic Fisheries Fund they so proudly talked about, \$10 million which they were going to receive in 2017-2018 and actually received \$1.5 million. That's all that went into the Atlantic Fisheries Fund. Of course, it leaves us with lots of questions as to how that could happen, why it could happen and what could happen. It's \$9.698 million, so \$9.7 million is the estimate for this year, Mr. Speaker, with \$301,000 taken out for Salaries. It's done under Grants and Subsidies but they're taking \$301,000 out now for Salaries under the department. I'm sure in Estimates and as the House proceeds and discussion on this continues we'll continue to ask more questions on it.

Mr. Speaker, for the government to stand up and talk about – I'm glad they have a relationship with the federal government. I am. I wish I had a good relationship with the former federal government, but I didn't because I stood my ground. They promised something to Newfoundlanders and Labradorians that they

didn't deliver. It's as simple as that. It wasn't us; it was them, the former federal government.

What we have here is a \$10 million commitment last year that wasn't delivered. It's very much the same, Mr. Speaker, as what happened, only the approach is very different.

My colleague from Ferryland asked the Premier today about when the prime minister spoke about the country. He was talking about people working in Alberta. The response, I was gritting my teeth when I heard it because I get annoyed. I know lots of people get annoyed when they say: Oh yes, from coast to coast, from Nova Scotia to British Columbia.

It just gets annoying when you hear that when you know that there's another province out past Nova Scotia. Our friends in the Yukon may say well, actually, they're further west than BC, but from BC to Nova Scotia certainly leaves out Newfoundland and Labrador.

I would never defend that. The Premier today defended that. The Premier today defended the prime minister for his commentary and said some other time he said St. John's. But when he was talking about people working in Alberta and the benefits to Alberta, he left it out and that was okay.

Mr. Speaker, we've talked about equalization. My colleague from Ferryland, I can tell you, spends a fair bit of his time looking at relationships between the province and the federal government, funding and also the implications on equalization. If we look at this year again and see some of the numbers – just a moment now, Mr. Speaker, I find my notes here.

This year, we could look at Quebec again; 2017-18, \$11.081 billion and '18-'19, \$11.73 billion. That's \$11.73 billion. Nova Scotia has gone from \$1.779 billion to \$1.9 billion. Prince Edward Island has gone from \$390 million to \$419 million. Imagine the difference in our economy if we had that here. Ontario, \$1.4 billion; theirs has gone down to \$964 million. Manitoba has gone up \$1.8 billion to just over \$2 billion as well. That's \$19 billion in equalization going out to provinces and Newfoundland and Labrador gets zero.

Mr. Speaker, I've heard the Premier say and others get up and say: You never did anything about it. Well, we certainly did. I know former Finance Minister Tom Marshall actually spent time with the federal minister trying to make the case for Newfoundland and Labrador. It absolutely did happen and did make the case. But what we have over now is what is apparent and not a willingness to go fight for that equalization.

Hopefully that's changes and that equalization will change because it would have a profound impact on all of those economic indicators. I was predicting to someone the other day – they were talking about the economic indicators because someone had heard me talk about it and they had a look at it. I said if the provincial government in 2019 can get the federal government to move on equalization by then, then all the economic indicators change. Of course, what the provincial government is going to do is: Look what we did, all of our plans worked, all our taxes and fees that we've charged people over the years have worked.

Mr. Speaker, Newfoundlanders and Labradorians are smarter than that. I don't think for second they're just going to forget what happened in 2016, repeated in 2017 and repeated in 2018.

In a couple of weeks' time, Mr. Speaker, we're having our own leadership. The Member for St. John's Centre; I offer my congratulations to her in recently, during the Easter break, becoming the new leader of the New Democratic Party. We'll have a new leader in a couple weeks' time as well. Time's change and things move and so on. People quite often will say to me: What are you going to do? We have to change the government; we can't have the government stay where they are. Different people list a whole bunch of reasons for it.

That's up to people. I tell people all the time, you have a chance. When ballot time and voting time comes around, you can vote, but don't forget what you've paid out in taxes. Look at insurance tax, for example. I got my insurance bill the other day and there was the retail sales tax on my bill. I took a long, hard look at it. People are filling out their taxes today, their personal income tax, looking at the levy on their

income tax line. They've been doing it now for a few weeks. Those are the topics that get raised with me when I'm in coffee shops or I'm speaking to people.

Mr. Speaker, my hour is running down. What I propose to do right now is to introduce an amendment of non-confidence motion, moved by myself, Topsail - Paradise, seconded by my colleague, the Member for Ferryland, that all words after the word "that" be deleted in the motion before the House and the following words be substituted: "THEREFORE this House expresses its lack of confidence in the government because of its continuing failure to create conditions for growth and opportunity in Newfoundland and Labrador."

I so move that amendment.

**MR. SPEAKER (Reid):** Thank you.

We'll take a recess to look at the amendment and ensure that it's in order.

#### Recess

**MR. SPEAKER:** Are Members ready?

Is the government Whip ready?

I've examined the amendment as presented and found it be in order.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The hon. Leader of the Official Opposition speaking to the amendment.

**MR. P. DAVIS:** Thank you, Mr. Speaker, to rise again and start a fresh hour on speaking to the amendment just proposed.

Before the short recess for you to take some time to consider the amendment, I was, in my debate, discussing the impacts of the economy. I was basing my comments around the economic indicators that are found within *The Economy* book.

**AN HON. MEMBER:** You speaker is not on.

**MR. HUTCHINGS:** Your mic is on.

**MR. P. DAVIS:** Mine is on.

Yeah, mine is on, Mr. Speaker.

**AN HON. MEMBER:** You're on. It's on.

**MR. P. DAVIS:** It's here. It's on, yeah.

**MR. SPEAKER:** Order, please!

**MR. P. DAVIS:** The Minister of Finance can't hear me. Come on over, sit over – no, don't do that.

Mr. Speaker, I was basing my remarks on the economic indicators. I was having some discussion about them.

If I was to sum up the taxes and fees that were placed on the province in 2016 – and based on the people of the province in 2016, continued in 2017 and where people, for a large part, were relieved that there were no new taxes and fees, and then 2018 much the same as 2017. When tax dollars or when dollars out of someone's paycheque or their income is removed from their paycheque and goes directly into taxes, then it doesn't cycle through the economy.

If I had an extra \$100 a month that I now pay in taxes and fees, instead of me paying that at my local grocery store, or hardware store, or restaurant, or tourism destination – or if you do something for amusement, go see a movie or you do something like that – instead of spending it within the economy, it drives certainly through the economy because if I go see a movie, I spend it there. They pay employees. They buy goods and services. When they buy goods and services, they pay taxes on that, employees pay taxes and the money cycles through the economy further.

When you pay it directly to the taxman, being the government, it doesn't cycle through the economy. When I got my insurance bill just the other day I had a look at it and I said: These are hundreds and hundreds of dollars that are not going through the economy that's going directly into taxes to the government. Whereas if that was in my pocket, I'm very likely to spend it and that's what people do; I'm going to spend it somewhere on something. You don't have to spend it if you can't spend it, but if you do, then you spend it within the economy, which drives

jobs, growth, business, helps drive investment, helps to turn those economic indicators around. That's why in our time in government we worked continuously to lower those taxes.

There were a number of things that were happening when we were making those decisions. This has been a topic as well, Mr. Speaker, talked about here in the House. I know my colleague from the NDP talks about the impacts quite often on gender, gender imbalance and on women. When we sat in Cabinet and made decisions, that was a required review consideration. Impact on poverty reduction was a required review consideration. Reduction of red tape and reducing the regulatory burden on Newfoundlanders and Labradorians and business was a requirement. How is this going to impact the red tape on people of the province and businesses in the province?

There were a number of considerations that were always followed and how those impacts would happen. There was consideration saying if we do this, what's the impact on people? What's the impact on poverty? What's the impact on women? What's the impact on rural? What's the impact northern and so on? A lot of those were considerations that were made.

The budget itself also refers to some concerns because the government is not done with taxes. The next tax to come now is going to be a carbon tax. The government in their own budget documents say it's going to cost, there's going to be an impact. It says, and I quote, "at an added cost" when referring to carbon tax. It's going to be an added cost to Newfoundlanders and Labradorians. We don't know what that is. Government refuses to say what it is, won't tell people what it is, but it's coming. Of course, what they do is they say: It's not us. That's the federal government requiring us to do it.

It's a good circumstance or comparison. Someone should be talking to the federal government and say: We're doing our bit to reduce carbon emissions. Muskrat Falls will reduce carbon emissions. You don't have to go very far out of town to go to Holyrood, in the town where I live – and, again, I go back to my colleague for Conception Bay South who can see the emissions coming out of Holyrood as he drives home in the evening and will see it

tonight when he goes home. I've seen it myself many, many times.

Not long ago there was a celebration that power was being brought in from Nova Scotia. At the same time, I could see the emissions coming out of Holyrood. So Holyrood was running while bringing in power. And commonly you get complaints – he gets them more than I do, because his district is closer to it – about soot. Every now and then it seems like there's a blowout of the stacks or a backfire or something happens and people experience soot on their vehicles and in their gardens, on their homes, on their windows and those types of things. So there are lots of reasons why Holyrood operation has to go.

I quite often compare it to driving a – if you got two cars in your driveway, you got a 2018, I'll use Chevy Impala as an example, and you got an 1970 Chevy Impala because they made them back in those days too, you got two completely different cars. And what's in Holyrood is the equivalent of that 1970 Chevy Impala. If you're going to use that every day to go back and forth to work it's going to cost you a lot to operate, it's going to be unreliable, it's going to fail and it needs significant repair and upgrade. And back in 2003, it was quickly learned that it had been deficient of maintenance and required repair.

So now we have an opportunity to what's going to significantly reduce greenhouse gas emissions in our province while the federal government is going to impose a carbon tax, and the government's own budget document refers to it at an added cost – whatever that means, but that's the words they used: at an added cost. So there's going to be a cost come to that.

As an Opposition, Mr. Speaker – we're all elected Members of the House. Depending which party gets the most votes will determine where you sit in the House and what your role is in the House. We sit in the Opposition because we have a fewer number of seats than what the Members opposite have. And being over here we have a responsibility. And the responsibility is to ask those questions and to hold them to account.

They can give all the history lessons they want in Question Period and other times they get up – you did this and you did that and so on, and they can do that all they want. The bottom line is that we have a responsibility. We are hired and elected to ask those questions and to hold government to account and inquire about their decisions and how they're making them and how they're conducting the business of the province, because that's the process that we have in Newfoundland and Labrador.

Today, Mr. Speaker, in our first day back from the Easter break, I opened Question Period in asking the Minister of Finance some questions on marijuana, and the cost and implications of marijuana. I've also, after Question Period, laid down notice that on Wednesday, which is Private Members' Day, when we can bring forward a motion for debate, and government can do it next week, and then the NDP can bring one down, so it rotates throughout the House – on Wednesday afternoons we have a debate on a private Member's resolution, and mine today gave notice on Wednesday to debate the legalization of marijuana, and what are the impacts going to be, and will we delay it until we understand exactly what's going to happen? Once it's done, Mr. Speaker, you can't put it back.

I was reading on some of the jurisdictions in the United States where they've legalized marijuana; Colorado is one. Colorado was the first one that legalized marijuana. Their state has changed. There's no changing it back. Once it's changed, once they legalize it, life, the focus of life and quality of life and all that stuff is changed and it's never going to change back. There's only one chance to get this right.

I understand that government offices say: This is not us doing this; the federal government is forcing us to do this. We have to do it. I get all that. There's only one chance for the government to get this right because when it's done, it's done and that's the end of it. It's done. Once it's out, there's no putting it back in the box. It's not going to happen. Once it's out of the box, it's out of the box.

In Estimates in Justice a couple of weeks ago there was a line item come up around the funding that was expected from the federal

government in relation to the legalization of marijuana. In the Department of Justice they told me they're expecting \$500,000; \$100,000 for fines administration, \$100,000 to beef up or support the additional cost for public prosecutions and \$300,000 for additional costs to operate our courts. It's really an admission by government, just in that case alone, that there are going to be additional costs to govern and to manage the affairs of the province because of the legalization of marijuana.

Of course, the question comes then, if that's a cost we now know – because we've been asking about costs that are a little less tangible and a little more philosophical or realistic. Not about the cost to operate the courts, \$500,000 additional costs to operate the courts, but what's the impact on people and communities? How is it going to impact their health and their social well-being? What's going to be the impact on small communities? If we have a small community and it has a skyrocketing usage of marijuana, what's the potential impact? What we're going to debate on Wednesday is that this whole process should be slowed down until the government understands it, and they don't.

Even in the numbers today – because I asked the Finance Minister what is the total funding? Could he table the breakdown and what would be used for each department? I asked: What's the total funding received from the federal government? The first thing he said: None that he was aware of. Then he clarified it. Then I asked him again – and they're having their discussions over there. I said: It's \$500,000 at the Department of Justice. He said: Well, actually, it's 1.9 million plus the \$500,000, so \$2.4 million.

Then he said he expects the revenue to be \$5.8 million. Revenue will be \$5.8 million and the cost to NLC to be \$4 million. So that's revenue of \$1.8 million, plus the \$2.4 million from the federal government? His numbers never made any sense, Mr. Speaker, because that would be then \$4.2 million. He started off first saying there was no money coming but we know there is.

The other interesting part about it is that while the government is bringing forward legislation to allow for the legalization, sales, production

and distribution of marijuana, they don't know what the numbers are. They don't know what they're going to receive from the federal government. In Estimates, one of the officials made a comment that said this is what we're expecting. His commentary was about we really don't know. I'm just looking for his actual words because I made note of them from the record of *Hansard*. They didn't really know what the number was going to be from the federal government.

Mr. Speaker, there's a lot of guessing going on here and it only leads one to wonder what's the rush? Once it's done, there's no getting it back. There's no taking it back. What's the rush when we don't know what the numbers are going to be?

I heard some snickering over across the way there when I was talking about tabling the analysis of social impacts. What's going to be the impact on our prison system that we have in our province? What's the impact on highway safety? I heard some snickering but, Mr. Speaker, some very serious conversations.

Everyone knows my background. I've been supportive of what police use, of DRE. I know lots of people who are police officers who are trained as DRE which are drug recognition experts. Back in my time they would go away. I think they train them here now but they would send them away to go to the States for very specific and specialized training. I've heard growing concerns about the use of DRE, not only in Canada but also in the United States.

I saw a CBC investigative report recently. I could be off on this, Mr. Speaker, but if I remember the numbers correctly that they quoted, they said that it's somewhere in the neighbourhood of 40 per cent of cases that are contested where a person has been charged of being impaired by a drug based on a drug recognition expert examination. I think it's up to now 40 per cent of cases are lost in court because of the drug recognition expert process being questioned.

There's roadside sobriety testing that has taken place as well. The difference with alcohol is a roadside sobriety test can give you the grounds to demand a person give a breath sample. You

can't just ask anybody willy-nilly for a breath sample, you have to have reasonable and probable grounds to believe they're impaired by alcohol in order to give them a breath sample.

One of the ways to do that is to do a roadside analysis or roadside field sobriety testing. The other way to do it is a roadside device that's used. You can't be charged if you fail the roadside device, but it can give you the grounds to bring a person for the breathalyzer. The difference is of course, this process, when it comes to alcohol versus marijuana, is that alcohol in your blood is directly related to the level of impairment; whereas, the amount of THC in a person's blood does not necessarily relate to their level of impairment because it can stay in your body for a long period of time. The impact or the effects of the drug are long gone but your blood will show up the fact that you've consumed marijuana.

One of the reasons why, Mr. Speaker, people in Newfoundland and Labrador are undergoing drug testing – people who go to Alberta or work offshore are subjected to drug testing, quite often random drug testing offshore. I know, anecdotally, again, that people working in those areas won't use marijuana because it lingers in your blood and can show up for some time after. It can show up in random testing sometime after. If a person is a drug user, then sometimes people find other drugs.

Cocaine became prevalent in our society because it comes in and it comes out of your blood very quickly. Alberta was much the same way where marijuana kind of lingers on. There's not a sure-fire test, Mr. Speaker, where you can just take someone to hospital, do a blood test and determine the impacts or how impaired they are by the use of marijuana. But make no mistake about it, once marijuana is legalized, the same as alcohol, people will consume alcohol and drive.

**AN HON. MEMBER:** That's a big question.

**MR. P. DAVIS:** It's a very big question and they will do it more and more.

The people we've met with and spoken to expect an increase in the use of marijuana. There will be an adjustment period. A lot of people who,

through society and so on, have been users of alcohol – people who are mature adults – have some sense of the expected impact based on the amount of alcohol they consume. Some people can drink large quantities with very little obvious effect, while other people can only drink a small amount. People know the difference if they drink a beer versus a drink of rum, versus a glass of wine, versus a shot which we see happen a lot, especially with young people.

People have some sense about that. The only safe level for anybody is simply: Don't drink and drive. The only safe level to make sure your ability to drive is not hampered or impaired by alcohol or drugs is not to use any, completely abstain. But marijuana, new to people, they won't know. They won't know what that impact is or how much it is going to affect them until they use it.

I'm hearing all these versions of different types of marijuana. If you want to feel calm and subdued, that's one type of marijuana. If you want to get giddy and funny and giggle, it's a different type of marijuana. If you want to go to sleep, that's a different type again. There are all these different types of marijuana that – like there is with alcohol. There's beer, there's wine, there are different kinds of liquor and so on but nobody knows.

There's medical marijuana that is designed – they have different varieties of medical marijuana with different strengths that we don't know yet. Society doesn't know what the impacts are.

The other thing, and we're going to talk about this more on Wednesday, Mr. Speaker. The other aspect of marijuana that comes to mind is this deal they did with Canopy Growth, because what happens in government, Mr. Speaker, is that sometimes people are making decisions in government that people who are close to the decisions don't like it.

On Sunday, a few months back –

**SOME HON. MEMBERS:** Oh, oh!

**MR. SPEAKER (Trimper):** Order, please!

Could I ask the Members, please, to take your meetings and discussions outside? It's just becoming too difficult to understand what the Member identified is saying.

Thank you.

Please continue.

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

I knew Cabinet was meeting and was going to finalize a decision to do a sole-source agreement with Canopy Growth. I asked about it in the House the next day. I couldn't get any answers from government. They wouldn't answer and danced around it.

By Thursday I asked them – you were about to announce it, because I knew they were going to announce it on Friday as soon as the House closed. There was some uncertainty about when the House was going to close. The House did close that Thursday evening and on Friday they announced it. While they couldn't give us an answer in Question Period, they had it all ready to go and announced it the next day.

Mr. Speaker, that's quite often an indication of people who are involved in the process don't like the process or are concerned about it. It might be because Cabinet ministers are out talking about it to people that shouldn't be talking about it, but sometimes it's because people inside are not happy with a process.

Mr. Speaker, in this province, what happened is Newfoundland and Labrador did a sole-source agreement with a single supplier. The sole-source supplier was given a significant contract to be a supplier for when marijuana is legalized and they would be a supplier. Of course, there was a big bonus that came from the provincial government in the \$40 million range to go along with them being sole source.

What's really interesting, Mr. Speaker, is look at other jurisdictions.

**AN HON. MEMBER:** Did (inaudible) get \$40 million?

**MR. P. DAVIS:** Well, certainly in Manitoba they didn't, because Manitoba did a call for

proposals. They did a competitive process, Mr. Speaker.

According to the *Financial Post* article, which I have in my hand here, written by Mark Rendell, dated February 16, 2018: the Government of Manitoba announced four groups that will run the province's cannabis retail Friday morning, wrapping up a competitive process that saw more than 100 groups apply for only four private retail licences and the government had "conditionally accepted" them. One of the proposals is a group called, a partnership between – industry giant, the article refers to them as, is Canopy Growth.

Canopy Growth was one of the successful bidders in this retail market in Manitoba, to get into this retail market. When here in Newfoundland, Canopy Growth, I think they get two outlets, guaranteed two outlets, and also a \$40 million kick-start from the government, but in Manitoba they had 100 groups compete. Imagine the difference, Mr. Speaker.

We quickly heard from groups and organizations here in Newfoundland and Labrador who have an interest in production of cannabis, and said: Well, how do we get in on that? Now the minister of business said if anyone else wants to come in they'll get the same deal. So it will be interesting to see how many have gotten \$40 million from the government to help set up their operation here.

**AN HON. MEMBER:** How are locals going to compete?

**MR. P. DAVIS:** How are locals going to compete? Well, you know, it's a good point you raise. Because one of the cannabis growers and retailers – they're the growers, they distribute and they sell – contacted me and talked about brand recognition and brand development.

The point this grower made was that once you get your foot in the door in a new market and you're the brand, you come in this market and you establish a brand and people become accustomed to the brand, they know the brand, they get to know the retailers. They know what it is they're buying. They become quite familiar with the particular brand and the process of buying and its impacts and effects on you and so

on, and they learn to trust the brand and like the brand, that they're less likely to change.

If you look at the big breweries here, for example, which have the biggest portion of the markets here in our province, when we have these small microbreweries who for their size are doing quite well, but it's really hard for them to grow into larger operations because they're competing against those brands that are so strongly affixed and known. Quite often you'll go to one community in the province and the big brand is Labatt, and you go to the next community down the road the big brand is Molson. That changes; it's checkered all over the province, depending on the community you are in and so on.

Within Molson there's a certain brand everyone likes or within Labatt there's a certain brand that most people like and they have those little nuances. What this marijuana producer, grower, distributor and sales business operator said to me is, it's really hard to go in that community and get a foot in the door and switch people over from the brand they know.

People quite often buy the same kind of car over and over and over. If they have a Honda, they're quite likely to go back – if they're happy with it, to go back and buy another Honda. If they have a Chev or a Ford, or American car, they'll go back and buy that over and over again. Because you get fixed on a brand, you know the brand, you like the brand. If you're happy with the brand you'll go back to it. If you're not happy with it you'll go somewhere else. But of course the goal of producers is to have a brand that people like.

What happened in Manitoba, very unlike what happened here in Newfoundland and Labrador, is they had 100 groups apply for four licences; for only four licences. These are retail licences, by the way, Mr. Speaker, which is a little bit different. They had 100 groups apply and there were four retailers they partnered with. They were conditionally accepted – subject to them being accepted.

The difference has to be very clear in doing a sole-source versus doing a competitive process. Generally speaking, in government you are required to do a competitive process.

Government just brought in a new procurement act. I've talked to some people in government agencies who are trying to adjust what they used to do for purchasing of goods and services. They're changing the process now where you used to have to do a tender process, now you only need bids, as an example. They're going through processes now trying to learn the new process as things change, but the point is the government expects overall, and in a large way, there's a competitive process.

There are various competitive processes available, but the Government of Newfoundland and Labrador, the Liberal Government of Newfoundland and Labrador decided not to do that, but to do a sole-source with Canopy Growth. Mr. Speaker, I'm not saying anything bad about Canopy Growth; huge company, great success around the country. I was going to say they're growing like weeds, Mr. Speaker, but that would be too much of a pun – but they are growing in a big way. I hope they're not growing too fast to cause them – and I mean business-wise, they're not growing too fast, their business is not growing too quickly and they're going to be able to keep up with the obligations they've made.

Again, it speaks to slowing down the process. What's the rush? Because one of the answers the government probably looked at is we don't have time to go through a competitive process, we have to hurry this through. When you hurry things through, you don't get best value and you make mistakes. We've seen it in the past, Mr. Speaker. No doubt.

There are things I've done in the past where I say, well, I wish I had revisited that, or I'd done something a little bit different or took a little bit more time, or did another piece of research on it and then you'll understand it better, or you might do it differently the next time.

Mr. Speaker, one of the implications of an economy that's going in the wrong direction becomes the very basics of living a quality life. The very basics of food, clothing and transportation are all necessary to people. Housing is a significant one and when you have economic indicators going in the wrong direction, then lower cost housing becomes a higher requirement.

Earlier this year, we had discussions in the House about Jade Holdings, a company that's owned by the Premier who actually applied for funding – because government has gotten away from building all these units themselves. They're partnering with private business and allowing private business to maintain, operate and manage housing that's affordable housing for families.

We saw that earlier this year when the Premier's business – while he was Premier – received \$400,000 towards what's known as IAH, Investment in Affordable Housing Program. Lots of people apply, Mr. Speaker. Lots get them and they do good programs. They provide a benefit to the people who get the chance to reside there, but the program also provides a benefit to the landlord because the landlord wouldn't be able to build the asset quite likely, or less able to build the asset if it wasn't for the \$400,000 boost through the federal government.

One of the stipulations in the contract – it doesn't exist in the application, but it exists in the contract – it clearly outlines that an MHA, an MP, or Senator can't avail of the funding, or can't benefit from the funding that flows. Mr. Speaker, we saw that this year. The contract is a public document. People still raise the matter with me and talk to me about the matter of how can the Premier and the minister sign off or approve a contract through Newfoundland and Labrador Housing, an agency of the government, while he's Premier.

The Premier himself actually said that he knew about it, he was aware of it, and actually stopped the process – so he was actually hands on – until his businesses were in a blind trust. So what he said was: Okay, I'm going to receive the funding, I approved the funding, but don't cut the cheque to my business until I'm not controlling the business anymore. Mr. Speaker, it just doesn't pass the smell test, especially when the contract says that an MHA can't benefit from it.

The Premier stood here in the House and talked about the residents and how they benefit. They absolutely do benefit from it. It's a good program and residents do benefit from it but so does the owner of the –

**SOME HON. MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order, please!

**MR. DAVIS:** – company, Mr. Speaker.

There's the IAH, Investment in Affordable Housing –

**SOME HON. MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order, please!

**MR. P. DAVIS:** The Investment in Affordable Housing Program will continue again this year, facilitated by Newfoundland and Labrador Housing with funding from the federal government. Again, it's a good project and I think that looking at the economic indicators right from the budget is that the need for more affordable housing is only going to increase instead of decrease.

Of course, there's a little bit of an offset. If you get the people out of renting and get in their own homes, which is done by the homebuyers' assistance program, that's going to help offset some of those pressures to maybe a couple of hundred homes at the most, or a couple of hundred families at the most. It will free up some of those rental spaces as well.

This project here, \$400,000 for 10 units, which is what the \$400,000 represents to private business, \$40,000 per unit, build a maximum of 10 and then the obligation on the landlord is to rent it at affordable housing rates for 10 years and after the 10 years is completed, the loan is forgiven. It is a grant – it becomes strictly a grant then to the business and the business can charge whatever they want for rent after that.

While some, I know in the history of IAH, and I remember my time when I was involved with these programs, that there was a combination of experiences that people – or after the 10 years was up, businesses, in some areas, kept the rent low, became familiar with their tenants, knew their tenants and so on and didn't want their tenants to go and have to go through a change in tenants, bring in new tenants and that risk. If you have a tenant you're comfortable with, sometimes you're better off giving them a little

less rent, and it also depends on the economy of the area.

In some places, the landlord immediately put up the rent because there's a big demand. Once their 10-year obligation was met, they could increase the rent significantly. Those low-income families, after 10 years, had to move out and move on because they couldn't afford it and then they put other higher priced tenants in there which, of course, also results in a benefit to the landlord. So there are a number of experiences with that particular program.

Members opposite want me to speak to the budget and under the Budget Speech, of course, we can speak to anything of significance or importance that we want to speak about. I want to speak about roads for a few minutes.

Government is quite pleased, quite often, to speak about their five-year road plan. It is not fully known because you don't know really know what is there five years from now. It's a structure of saying well, down the road we're going to do this one and, in four years' time, we'll do this one, three years and so on, but there are a couple of gaps in that.

The government sold it and couched it on taking the politics out of road decisions, yet they won't tell us what the scores were for roads that didn't score high enough to get work done. How is anyone supposed to adjudicate, judge or have an understanding of how they're taking the politics out of roads if we don't know who didn't make the grade?

Especially, there are areas in the province where people have the roads that they want repaired, they're not on the list and they want to know why. The short answer is well, you didn't make the cut. That's no different than what was done in the past, unless you say to them here are the scorings, here are the scorings for the roads that received them, here's how they were scored, here's how they were adjudicated and here's the roads that didn't make the cut this year, next year or for the next five years, and here's the reason why.

Of course, because they have left space in year two, three, four and five as they go ahead, because as the years go down they have less assigned to it already, they can change and move

that. They can make political decisions if they want. They can also make decisions based on the condition of the road, the demand on traffic, wear and tear and so on.

For the government just to say look, we're taking the politics out of the road decisions, I think it falls way short of doing what they claim it does. If they want to open up the full list and show everybody all the roads, how they scored, what they considered and what roads they didn't consider – because I am sure there are roads in the province that people wanted considered that they didn't even give a serious look at.

You might have the regional director for Transportation and Works who says that road is not bad and there's very little traffic on it, and the regional director's recommendation is that you should look at another road. There wasn't a serious analysis done, I'm sure, on every particular road in the province; but at least if there were to release that analysis done on the roads, and on the roads that didn't make the mark, then people could certainly have a better understanding of why they picked the roads they did, what roads did not get coverage, what roads did not receive any funding and what roads did.

Mr. Speaker, a little bit of credit to the minister as well, because I had a discussion not that long ago with him – just a few weeks ago – about his department and stuff, myself and my colleague and some others. Besides just the roads program, there is maintenance work to be done. The local depots have a certain amount of maintenance they can do. So there's some flexibility there, a fair bit of flexibility actually, by the minister to allow for certain things, work and jobs get done.

We know that bridges cost a significant amount. Clarendville, right now, is facing one that's going to be a problem and I don't know what the outcome or what's being suggested for that one, but also that the significant cost of bridges – the hard thing about bridges is that a lot of times people don't even know. They're underneath the road; you don't even see them. You might have \$1 million bill for a culvert or bridge or piece of infrastructure that's underneath a highway or a main road that people don't even see, don't even know it's being done but has to be done. Then someone may say you're not spending any money on roads in my district and you say we

just spent \$1 million on a bridge. But people don't see it and don't appreciate the value of it. Those structures are very important.

Mr. Speaker, I was contacted by a lady recently. There was a news story actually carried, I think, by VOXM on this particular one. It's about a pothole in Peacekeepers Way. She actually had a dash cam of it. She's driving along on a wet day, minding her own business driving along the road, and a truck ahead of her in the other lane strikes a pothole. You can literally see the asphalt coming out of the pothole, the water spraying the asphalt. It did a fair bit of damage to her vehicle.

She would follow the advice I'm sure any of us would give to constituents or the people. She followed the advice that she was given – I didn't speak to her at that point in time – to file her claim. She's essentially –

**AN HON. MEMBER:** (Inaudible.)

**MR. P. DAVIS:** She has nowhere else to go. Unless it fell off the truck, it's not a legal responsibility on the truck. The government is going to say we have a sign up, so you should have been aware that there was danger there; therefore, we're not liable. If there's a road hazard and the sign is up saying there's a road hazard, then we're not liable.

The problem with this one, Mr. Speaker, is a little bit different. I don't know how this gets sorted out. I'd like to have a chance to talk to the minister about it. It's only since the Easter break that I've learned about this one and had a chance to have a look at it. The difference with this one is the sign's been there for two years.

Transportation and Works went out and put up a sign warning there's a pothole. You drive by, there's no pothole. You drive by, there's no pothole. You drive by, there's no pothole. You drive as if the road is fine. Someone forgot to take the sign down, the sign is there. There's a sign up warning a driver of a vehicle of a hazard that doesn't exist. Then you get a wet stormy day. Now the hazard does exist and the government's going to say we had a sign up. I have a problem with that, Mr. Speaker.

I understand if there's a new pothole government is made aware of it, and they can't fix it until the weather dries up so they put up a notice to motorists: There's a pothole here, be careful. Yeah, I get all that. They've got to do that. Until they get a chance to get out and fix it, they put up a sign. But when a sign is there for two years and there's no issue, there's not a problem, there's not a hole there, then there's no way the driver could say: How am I supposed to know the hole? It's a new hazard on the road.

Second to that is, of course, this particular lady didn't strike the hazard on the road, somebody else did. It was asphalt from the hole; you could see it clearly on the video from my viewpoint. It was asphalt from the road that actually caused the damage. If the Minister of Transportation and Works has any suggestions or recommendations, I'd be more than happy to hear them because I'm sure the lady would like nothing more than to go back to have some kind of solution to it.

I know there have been cases. As I referenced earlier, there are precedents where people have taken a jurisdiction to court, a town or province or a municipality or whatever and said that pothole damaged my car. They say if we didn't know about it, they can't take action to fix it. If they do know about it and they have a sign there, until they have it fixed, then they've done their due diligence. They're not going to be held liable because the authorities have done their due diligence. If they know about it and it can be proven that nothing was done about it, then you would have a claim against government. If government didn't know about it, hasn't had time to warn motorists on it, then there's no way they're going to be liable.

Mr. Speaker, in the Town of Conception Bay South where I live, they now have on their website – you open their website and a ticker shows up, report a pothole. You click on it and a form pops up. I've used it. You put your name on it, you put your email address and you describe the location where the pothole is. The town gets it right away. The good thing about that is then there's a record, a person has a record that they actually reported the pothole and you reasonably conclude the town now has been notified.

I'm sure MHAs experience the same thing. Quite often people say to me: Paul, there's a new pothole in CBS on Fowler's Road, for example. Conception Bay South where I live, Fowler's Road is a town road. I'll say: Very good, no problem. It's not our jurisdiction but as their elected Member, I'll make sure the town is made aware of it. That's the approach I take to it. Now it's easy. I can pull over to the side of the road or if I'm in a coffee shop, I pull out my phone and I can actually do it right there on the spot and notify the town of this pothole or repair that's required.

I throw that out there because it will seem to be a fairly simple process that the government could follow. I phoned, myself, the after-hours number for government. Finally, at the end of it, you'll get the dispatcher in Deer Lake. It's generally the call centre or dispatcher's office in Deer Lake; I've been in the office myself out there in Deer Lake. You can inform them of a road hazard or a pothole. Sometimes it takes a couple of days to get someone out there, especially if it's on a weekend.

I remember during the winter I called on a Friday night and I said to the gentleman – who was very kind, very co-operative and wanted to help out. He said: How bad is it? I said: There were actually cars there with flat tires, had their cars already beaten up and damaged. I said: You need to do something on it. Then, a sign appeared. Then, after the sign appeared, before long the sign was down in the ditch. It blew down or someone struck it or hit off a mirror and the sign is gone.

My point I raise in this is that it's a very simple process to put on the government website, report a pothole, click on it. Literally, Mr. Speaker, in 20 seconds you can have it filled out and then government knows where the potholes are. I'm sure government wants to fill them, repair the roads as quickly as they can to make them a better driving surface. They don't want to happen what happened to that lady on Peacekeepers Way when she had a piece of asphalt blow up and strike her car.

Mr. Speaker, I want to talk about attrition for a couple of minutes. I did reference it earlier but I want to speak about attrition. I had someone say to me: What does that mean, attrition? Attrition

generally means that if a position becomes vacant, you're not going to replace the person; you're going to find a way to fulfill their responsibilities and the role of that person without having to hire someone new. What it means is instead of doing large layoffs, you let people leave and as people leave government, you reduce the size of government.

I know now that the minister is doing that. We're in the third year of the government; they're now talking about attrition. Back when they started they said we don't need to do any of that. They talked about doing cost reductions and so on. Now they're finally doing attrition, but three years later.

I remember in my time in government, I think there were around 450 to 550 people a year in core government that would leave core government. I know the numbers are lower right now but I'd be very interested to know how much lower they are. I'd also be very interested to know how many people have they hired in contract jobs – what's commonly known, quite often, as 13 weekers, short-term employment – how many in management positions and the full gamut of the variety of positions.

In government they categorize them differently. They'll have a temporary employee versus a contract, which is something different again, versus a person who is on a temporary fill-in and relieving for a mat leave or that type of thing, or a person off on long-term sick. They're all categorized differently. It's been a little bit challenging to get the actual numbers to look at the numbers. To me, they look like they're going down and they've gone down. I believe the minister has indicated that.

They talk about positions; I like to talk about people. What's important to me as a Member of the House of Assembly is people. Not so much on positions, Mr. Speaker, but what's important to me is about the impact on people.

We had a discussion about that, when it comes to the RNC, in Estimates with the minister. Because they terminated two managers, and in the year that followed I think it was seven promotions they made in the management ranks but neither one of the two people were offered a job back. So it's interesting how the – because

there were also four positions they terminated in the year before. Four vacant positions, and that's very different from actually terminating people.

So it will be interesting to get the numbers on government and the direction they went in. When we left government in 2015, we had the size of core government down to numbers below what it was prior to 2010, which was a significant amount of work. What that means is you want to continue to deliver services and programs to the best of your ability but you have to find different ways of doing it.

As I started my comments an hour and forty-five minutes ago this afternoon, I did acknowledge that it's not an easy task to reduce the size of government. It's hard work, but that's what people expect us to do, is to do hard work to lower the cost of government.

I raise the attrition point once again, Mr. Speaker, because I would really like to know some detailed numbers on exactly the status today and the impact on our province of where the numbers are versus where they have been and what the cost is associated with that. Because the budget actually shows that program spending is actually up this year over last year. I appreciate the fact that costs of operations go up, salaries go up and so on but the cost of government program spending continues to increase.

Mr. Speaker, I'm almost out of time. We're almost ready to close the sitting of the House today. I took my time this afternoon to base my commentary around what's contained in *The Economy* document. As I said earlier – and I'm cluing up here now, Mr. Speaker, but there are three documents produced and one of them is *The Economy*.

I've used my time this afternoon based on what I found contained in *The Economy* document. How economic indicators are going in the wrong direction, despite government's insistence that their plan is working and they're on the right road. They're on the right road because they're taxing Newfoundlanders and Labradorians. They're imposing an exorbitant amount of taxes and fees and pressures on Newfoundlanders and Labradorians. That's what consists in the budget in 2016, 2017, much the same in 2018 with very

little change, and it's putting those economic indicators in the wrong direction.

Mr. Speaker, there was one other aspect I want to refer to, and it just came to mind. I made a note for myself earlier that I didn't want to neglect to do it, and that's to talk about my own district for a few minutes.

Mr. Speaker, my district is made up mostly of the Town of Paradise and some of the east end of Conception Bay South; two communities that are growing and thriving. Because of government continued funding over the last number of years, improvements have been made to the main road through Paradise, which is Topsail Road. It's being done stage by stage by stage.

The Minister of Education was out last year to identify a location for a new intermediate school. Paradise has 20,000 people and doesn't have a high school and doesn't have an intermediate school. It has three relatively new elementary schools and one older elementary school. The next major need for that whole area, because it continues to grow, is an intermediate school. The minister was out, like I said, last year to identify it and has indicated in the budget funding for this year for that process to continue, which is important.

I kept my eye on the road development around Octagon Pond Elementary, which is a brand new school. The road development out there – most of the children who attend Octagon Pond Elementary, especially those within the 1.6 kilometre zone, have to cross Topsail Road. East of Octagon Pond school on Topsail Road is now developed into a four-lane road. The west of it is still operated now as two-lane but the road has been built to allow for four lanes of traffic.

There were some growing pains there last year as the construction season was taking place in the fall. When school first opened there was courtesy busing provided to students so they didn't have to try and walk and find their way through a construction zone, which changes every single day. There was some courtesy busing. That ended around Christmastime. In January, there were people who were concerned and upset because the construction hadn't gotten to the point where they felt it was safe enough,

but within, I think, a few days the matter was resolved.

We're going to be in the construction season again before too long, before school gets out. I'm not sure what's planned as far as what hazards may exist, but there's a beautiful new bridge built there. On the side of the bridge there's a secure walking path now for students and pedestrians – I was on it myself on the weekend – where you have a concrete wall on both sides of you, a concrete wall to the roadway, and on the other side is a concrete wall to the river where Octagon Pond drains out on the west to go towards Topsail Beach.

I'll keep an eye on that as well, because there's nothing more important than keeping students safe in our province and around the schools and so on, but it's a bit of tangly one and I know it still comes down to 1.6-kilometre rule. It comes down to the 1.6-kilometre rule because it's old, it's antiquated and it needs to be updated for the safety of children.

In Paradise Elementary, which is located on Karwood Drive, children on the other side of Topsail Road have to cross Topsail Road. So you could have kindergarten, grade-one, grade-two children have to cross Topsail Road, five lanes of traffic. Probably one of the busiest intersections in my district throughout the day, especially early morning, but throughout the day as well. Quite often bottlenecked; quite often used by heavy equipment and trucks and so on. It's been a challenge from time to time.

People have dealt with it now where they drive their children to school or they will team up because it is very challenging for children to cross that area, especially younger ones. So there's no doubt that the 1.6-kilometre rule really needs a good, hard look. We should focus on safety because communities are changing.

That intersection, that roadway in that area wasn't like it is today, several years ago. The amount of traffic and the dangers that exist there now are much greater than they did before. As times change and communities change and demands change, then you need to have a look at those policies.

It's only a matter for the minister to institute that review, to have it conducted and carried out which will be in the best interest – I can tell you, it would be one of the most popular things you ever did. Just do a review on the 1.6-kilometre rule that's in existence right now, I can tell you now it would be a big day for him because people will be dancing with delight that they're going to review it. If they did make changes to it that ensured or added to the safety of students, then it would be beneficial.

A lot of talk, Mr. Speaker, the last couple of days about Kaetlyn Osmond and how wonderful she did, and she absolutely did. She's a wonderful, talented, hard-working young woman. She deserves every bit of praise and compliments that she's received. On the world stage to perform like she did is really something else that people and children and youth involved with athletics quite often dream about. But I would be remiss if I didn't take a moment to just mention Liam Hickey once again and the great job that he's done –

**SOME HON. MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order, please!

Please proceed.

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

His home rink is in Paradise and Paradise has a fabulous community centre, double-ice arena. If you haven't been in it or anyone who has not been in it, it's worthwhile to go in and have a look at it. If you drink coffee, if you're looking for a coffee shop, go in there to Coffee Matters and have a cup of coffee and have a look around because it is absolutely a fabulous centre.

The arenas themselves are designed to benefit people playing sledge hockey. There's equal access. It's level access from the boards or from the benches onto the ice. There are clear glass boards around where the benches are, so there's not an obstructed view as well for athletes. It was designed with that in mind and its home team, Sledge Dogs – actually that's their home arena, and I'd be remiss if I didn't talk about what a great program it is, great group of athletes and he's done really, really well and deserves great congratulations as well.

Mr. Speaker, the end of the day has come, I'm going to take my seat, thank you for your time this afternoon. We have a lot of work to do on the budget. We've got many, many, many hours ahead of us on debate and Estimates and so on, and we're going to continue to question the government on the decisions they've made and what's in the future for Newfoundlanders and Labradorians.

Thank you.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The Deputy Government House Leader.

**MS. COADY:** Thank you Mr. Speaker.

Noting the hour, I move, seconded by the Member for Placentia West – Bellevue, that we adjourn for the day.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** It is moved and seconded that this House do now adjourn.

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.'

This House stands adjourned until tomorrow at 1:30 o'clock in the afternoon.

On motion, the House at its rising adjourned until tomorrow, Tuesday, at 1:30 p.m.