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Speaker: Honourable Perry Trimper, MHA

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The House met at 10 a.m.

MR. SPEAKER (Trimper): Admit strangers, please.

Order, please!

Orders of the Day

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

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

I call from the Order Paper, Order 2, third reading of Bill 1.

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

MR. A. PARSONS: Mr. Speaker, I move, seconded by the Minister of Municipal Affairs and Environment that Bill 1, An Act To Amend The Environmental Protection Act, be now read a third time.

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

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

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

The motion is carried.

CLERK (Barnes): A bill, An Act To Amend The Environmental Protection Act. (Bill 1)

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

On motion, a bill, "An Act To Amend The Environmental Protection Act," read a third time, ordered passed and its title be as on the Order Paper. (Bill 1)

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

MR. A. PARSONS: Mr. Speaker, I call from the Order Paper, Order 5, second reading of Bill 4.

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

MS. GAMBIN-WALSH: Mr. Speaker, I move, seconded by the Minister of Justice and Public Safety that Bill 4, *Real Estate Trading Act, 2019*, be now read a second time.

Motion, second reading of a bill, "An Act Respecting The Regulation Of Real Estate Trading In the Province." (Bill 4)

MR. SPEAKER: The Minister of Service NL.

MS. GAMBIN-WALSH: Mr. Speaker, I'm delighted to stand once again in this hon. House to introduce legislation that will have a positive impact on the lives of Newfoundlanders and Labradorians.

The current *Real Estate Trading Act* was proclaimed in 1965 and has received only minor amendments since that time. Many times I have said on the floor of this House of Assembly that it is important that legislation be current and responsive to the people it serves.

Given the fact that the purchase or sale of a home is perhaps the largest transaction a person will ever make in their life, it is imperative that we have legislation that protects consumers in our province to the greatest extent possible.

Real estate transactions affect a large portion of individuals in every region of Newfoundland and Labrador. A modern and robust regulatory framework is necessary to deliver consumer protection to home buyers and sellers, while also ensuring the needs of the real estate brokers and salespersons are taken into account.

In 2012, government engaged industry on reviewing the act. We reinforced the view that the current legislation is outdated and inadequate. At the time, those discussions did not lend to any amendments of the act.

Mr. Speaker, when our government developed *The Way Forward*, our plan for sustainability and growth in the province, we made better

services and increased consumer protection, core elements of the plan. Our Premier also included a review of this legislation in my mandate letter, signalling its importance for both consumers and the industry. We launched public consultations and gathered feedback through a number of sources.

Government representatives met with key stakeholder groups such as the Newfoundland and Labrador Association of Realtors to discuss issues of importance and potential changes to the act. Feedback was also gathered via email and online at government's engage portal; 90 submissions were received during the consultation period.

The Newfoundland and Labrador Association of Realtors also held its own meetings throughout the province and officials from my department attended these as well. I was happy to attend a session myself, Mr. Speaker. The feedback from these sessions was part of realtors association's submission to the provincial government.

I want to thank Mr. Bill Stirling and the entire Newfoundland and Labrador Association of Realtors for their tremendous effort and their focus on helping bring out improvements from their industry.

Through our review of the *Real Estate Trading Act*, as well as the feedback received through the previous consultation process, we identified several areas that merited significant amendments, as well as a need to clarify the acts language to ensure it is modern and clear.

Mr. Speaker, the legislation we are introducing in the House today will address concerns raised by both industry and consumers, as well as modernize the act to reflect today's real estate environment.

I'd like to now specifically address the key changes. In the current legislation, an agent is defined as the person licensed to trade in real estate and a salesperson must act on behalf of an agent. In keeping with industry practice, the term broker is used. This was recommended by industry and also supported by the public consultations. Six other provinces, Nova Scotia, Ontario, Manitoba, Saskatchewan, Alberta and

British Columbia all use the term broker when referring to a real estate company.

We have amended the act so that broker is now used throughout the legislation instead of agent. Mr. Speaker, feedback from public consultations and industry both indicated that more stringent requirements need to be in place prior to registration as a real estate broker or salesperson.

We were told that the application needs to be expanded to include more suitability checks, such as criminal background checks along with three-year work and address history.

All provinces, except Newfoundland and Labrador, require criminal background checks prior to licensing. The act currently allows the superintendent to modify the application form required to be completed by a licensee. Under a new section, the superintendent sets the form of the application. The act now contains a requirement for a criminal background check and additional information that needs to be provided.

Additionally, section 48 has been added to give the Minister of Service NL the power to set fees and establish forms. The Lieutenant-Governor in Council will now have the authority to make regulations which prescribe the requirements, qualifications and conditions for issuing licences.

We've also added a section to require licensees to notify the superintendent of changes in the information submitted to obtain the licence, which would include the status of a criminal record check.

Mr. Speaker, we recognize the importance of continuous education and having a working knowledge of the latest trends and practices in any industry. Both public consultations and industry feedback showed strong support for continuing education, given the industry is continually changing and evolving.

All provinces, with the exception of Prince Edward Island, have continuing education requirements in their legislation. Currently, the Newfoundland and Labrador Association of Realtors offers continuing education training for

its members; however, brokers who are not members of this organization do not participate.

We have amended the legislation to give the superintendent of real estate brokers and salespersons the authority to begin the process of developing appropriate and modern education requirements for the industry.

Mr. Speaker, the ability to incorporate also came to the forefront during our consultations. The current legislation refers to an employer-employee relationship with the brokerage employing a sales person and does not allow a licensed sales person the ability to incorporate.

The industry has evolved such that some salespersons operate as independent contractors and should be afforded the ability to establish and operate a personal real estate corporation.

There was strong support from the real estate industry to allow salespersons to form a real estate corporation. Salespersons requested the ability to incorporate, similar to other independent contractors, in other industries. Seven jurisdictions in Canada allow personal real estate corporations, including Quebec, British Columbia, Manitoba, Saskatchewan, Alberta, New Brunswick and Nova Scotia.

We added a section to the act which will allow for the establishment of personal real estate corporations. This section will be proclaimed once the IT system has been updated to allow for the issuance and tracking of licences for such corporations.

Mr. Speaker, errors and omissions insurance is a type of professional liability insurance that protects companies, their workers and other professionals against claims of inadequate work or negligent actions. In terms of the real estate industry, current legislation does not require the broker or salesperson to carry this liability insurance. However, the Newfoundland and Labrador Association of Realtors requires it for all of its members.

This insurance protects professionals whose clients claim damages as a result of a negligent act or an error or omission by the professional's negligent actions. It also provides coverage for legal defence costs, if required. The coverage

provides a level of comfort for clients by ensuring that there will be adequate funds to pay for damages incurred if the professional services are deemed to be negligent.

It is acknowledged that the majority of real estate licensees in Newfoundland and Labrador already carry errors and omissions insurance, and the public consultation process overwhelmingly supported the requirement for all brokers and salespersons to carry it. All provinces, except Prince Edward Island, require salespersons to purchase this insurance. There is also a requirement for it under insurance and securities legislation in our province.

We have amended the act to require errors and omissions insurance for real estate brokers and salespersons. The regulations will prescribe the amount of insurance required, but it is understood that \$1 million liability coverage is the real estate industry standard across the country.

Mr. Speaker, the current legislation contains a public interest test only and does not clearly reference a code of conduct for real estate brokers and salespersons. While the Canadian Real Estate Association maintains a realtor code, it only applies to its members and it is not something that can be enforced by the superintendent. This has resulted in government being challenged, at times, to deal effectively with unacceptable conduct. Our consultations told us that the establishment of a code of conduct is widely supported by the public and industry, which is also recommending the code of conduct, plus the implementation of a disciplinary process to handle infractions. All provinces, except PEI, have adapted a code of conduct in their act.

With our amendments we have brought forward today the superintendent of real estate brokers and salespersons would take on a more active role in establishing and enforcing a code of conduct. The superintendent would also have the ability to suspend, revoke or cancel a licence for breach of the code.

Mr. Speaker, another area which was identified as being significant during our consultations deals with the restriction of a licensed real estate person to provide both real estate and mortgage

brokerages services. There are potentially a number of conflicts or perceived conflicts of interest that currently exist, such as when a real estate broker represents both sides of the real estate transaction or represents two buyers who are interested in the same property.

Dual agency occurs throughout the province, but particularly in regions where there are few real estate professionals available. According to the data provided by NLAR, sales by their members for 2018-2019 included nearly 30 per cent dual agency, but this was less frequent in St. John's, at less than 16 per cent. Nearly 75 per cent of the Burin Peninsula transactions, however, were dual agency, showing the prevalence is in more rural regions.

A personal conflict of interest can also arise when a licensee or a close relative of the licensee is one of the parties in a real estate transaction. It can also arise when the licensee provides other related services to a client, such as a mortgage. The current legislation addresses a licensee trading for themselves, but does not address other potential conflicts of interest.

During public consultations, 62 per cent of respondents felt there was potential for consumers to be harmed where the real estate licensee was in a conflict of interest. While the response to banning or restricting exclusive listing and dual agencies was mixed, the response in preventing a real estate licensee from also providing mortgage brokerage services was strongly supported. The consultation also cited disclosure and conflict of interest as requiring further guidelines and rules. While the real estate industry does not recommend a ban on exclusive listing or dual agency, it recommended stronger disclosure requirements.

From a jurisdictional perspective, British Columbia is the only province in Canada to have banned dual agency, except in limited circumstances. They made this change in June of 2018. We have amended our legislation to restrict a licensed real estate person from providing real estate services and mortgage brokerage services to the same client or related business transaction.

Mr. Speaker, this government recognizes the important service that licensees provide in rural areas of the province. A ban on exclusive listing or dual agency would pose challenges for consumers of real estate transactions in certain rural areas and would limit consumer choice if their preferred broker or salesperson was already representing another party in the transaction.

Instead of a ban on exclusive listings or dual agency, the amendments to establish a code of conduct will allow the superintendent to address concerns by requiring disclosure and consent of the individuals involved in the real estate transaction.

Mr. Speaker, within the real estate industry, licensees often provide referrals to their clients for related services such as mortgages or inspection services. In turn, they receive a referral fee. Licensees may also pay referral fees to an individual when a client is referred to them by that person. As it currently stands, the legislation does not address this issue. Other jurisdictions have, in fact, established disclosure requirements regarding referrals. Therefore, Mr. Speaker, we have added a section to the act which allows the superintendent to establish disclosure requirements for referrals.

The real estate bond was established to protect consumers from financial loss in a case where the broker or salesperson is convicted of an offence, a civil judgment arising out of a trade in real estate made against the broker or salesperson, or the broker or salesperson declares bankruptcy.

Over the years, these bonds have been called upon very infrequently and, in a couple of instances, they were not sufficient to fully cover the financial loss. The legislation currently requires brokers and salespeople to carry a bond in the amount of \$15,000 and \$5,000 respectively. Such bonds cost a minimum of \$200.

Public consultation and industry have mixed views on the current bond requirement, although 85 per cent of respondents agree that bonds should be replaced with another mechanism. Industry brought forward a suggestion to establish a recovery fund, financed by the real

estate industry members, as an alternative to the bond.

Six jurisdictions – Nova Scotia, Quebec, Manitoba, Saskatchewan, Alberta and British Columbia – in Canada currently operate a recovery fund. In my Department of Service NL, our Financial Services Regulation Division operates a recovery fund for prepaid funerals. The act will now allow for the establishment of a recovery fund similar to the one established for prepaid funerals in the province, financed by industry participants and managed by Service NL.

Mr. Speaker, another area that was brought to our attention was that of trust deposits, specifically the streamlined release of trust deposits, as well as a mechanism for aged trust deposits. The Financial Services Regulation Division regularly receives inquiries about releasing trust deposits where conditions in purchase and sales agreements have not been met. Even when agreements clearly outline the conditions for the release of deposits, the majority of industry participants are still reluctant to return deposits because of the risk of civil action.

The act currently requires the broker to disburse money from a trust account when written notice from the vender and purchaser has been received by the broker authorizing the return of the deposit to the purchaser, or when the court has given direction as to the disbursement of the deposit.

The consultations called for greater clarity in the act and an alternate mechanism to deal with trust account disputes other than the court system. The new legislation will allow the deposit to be released according to the terms of contract signed. A new subsection 26(4)(e) has been added to enable the superintendent to direct the disbursement of the deposit. This should speed up disbursement considerably.

Mr. Speaker, there are a number of aged trust deposits that, for many reasons, have not been disbursed and remained in trust with brokers in the province. Currently, if a buyer or seller does not want to go to court, they have no recourse and the deposit remains in the trust account. The only alternative to address aged trust deposits is

through the court system. Also, brokers are being named in civil actions when the cause of the dispute and resolution of the dispute is beyond their control.

We have amended the act to enable the superintendent to make decisions on disputed trust deposits as an alternative to the court process. Further requirements for the superintendent to direct the disbursement of trust deposits will be outlined in the regulations.

A new section 27, unclaimed trust money has been added, which states that brokers may pay money held in trust for more than two years to the Real Estate Recovery Fund.

Mr. Speaker, a key component of a strong regulatory system is the ability to enforce legislation. Under the current act, there is limited ability to discipline a non-compliant broker or salesperson. The penalties outlined are generally inadequate, they're outdated and they involve significant resources to move forward with any type of violation, and this significantly affects the department's ability to respond in a timely manner.

At present, where a broker or salesperson is non-compliant with the act, their licence can be suspended or, alternatively, a conviction is required prior to moving forward with appropriate penalties. Formal charges for minor breaches of the act are not a good use of resources, or the court system and, therefore, rarely happen. This impedes the ability of the superintendent to act in a timely and efficient manner to deal with breaches of the act.

Both public feedback and the real estate industry strongly advocated for enforceable consequences to breaches of the act, with tighter enforcement and associated fines or other penalties. A submission from industry recommended the act contain stronger enforcement mechanisms to handle minor infractions.

Nova Scotia, New Brunswick, Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia have a range of options in place to handle various types of offences. Administrative levees can be used for listed minor infractions,

such as late filing of annual reports or non-compliant advertising.

When dealing with more serious, non-compliance issues, other jurisdictions has the option to utilize an agreed statement of facts or consent orders and apply sanctions and terms and conditions; require continuing education, restrictions and/or penalties. The decisions are also published, providing additional incentive to comply with legislation and serve as a learning tool for other licensees. In Ontario, for example, charges for more serious offences may result in penalties as high as \$50,000 for an individual and \$250,000 for a corporation, and two years less one day imprisonment.

We have updated the act to allow for the establishment of administrative fines and conditions for minor infractions up to \$10,000, as well as provided authority to the superintendent to publish administrative decisions. The proposed changes also increase the maximum amount of the fine to not more than \$50,000 and imprisonment of not more than two years for a person who contravenes the act and is found guilty of an offence in court. This is an increase in the current fines which are \$1,000 for a first offence and \$2,000 for a subsequent offence, and/or imprisonment for a period not exceeding six months.

Furthermore, there is no longer a distinction between a first and subsequent offence, and fines apply to both individuals and incorporated bodies. Every contravention of the act is considered a new and separate offence. While the maximum fine is higher than in certain other jurisdictions, it is lower than the maximum penalties in securities and insurance legislation. The intent is not to drive revenue, but create a stronger, regulatory system with greater compliance.

Mr. Speaker, as consumer protection is a driving force behind the changes we have introduced today, we feel the need to address situations which the superintendent may deem is not in the best interest of the consumer. As an example, the hold-over clause protects the brokerage and states that if a client enters into an agreement of purchase and sale within a specified time, the hold-over period, after the expiration of the contract, the client may still need to pay

commission to the brokerage. In some contracts, this clause provides an end date where the contract is cancelled but does not provide an end date where the contract expires. As such, the superintendent will now have the ability to issue an order to correct that situation.

The act now allows the superintendent to issue orders to suspend or cancel a licence, impose conditions on a licence, or pay a fine not exceeding \$10,000, or other orders prescribed in regulations. An appeal mechanism related to a decision or order under the act would also continue to be available through the Financial Services Appeal Board.

Mr. Speaker, the final amendments I will speak to today are mostly of a housekeeping nature dealing with clarification of language and organization of the act. The new legislation provides for the appointment of the superintendent and deputy superintendent of real estate brokers and salespersons by the Minister of Service NL, rather than the Lieutenant-Governor in Council. These positions are filled today through a merit-based process under the *Public Service Commission Act*, and that will continue to be the case.

As I stated earlier, this act was written over 55 years ago. It required a review to ensure the use of plain language, as well as ensure the language and provisions are modern and unambiguous.

Mr. Speaker, I cannot tell you how pleased I am to deliver on the commitment in my mandate letter to complete a review of the *Real Estate Trading Act*. I want to thank everyone who participated and shared their thoughts, your feedback has helped us modernize a piece of legislation that goes far in enhancing consumer protection in Newfoundland and Labrador.

I feel we have brought forward a progressive piece of legislation to the floor of this hon. House today, and I look forward to debating these amendments.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Conception Bay East - Bell Island.

MR. BRAZIL: Thank you, Mr. Speaker.

It's indeed an honour to stand in the House again as we wind down, as we go into a provincial election and probably our last number of days or weeks into debate around legislation.

It's always important when we get to speak about legislation and making changes that are respective of industries or policies that improve people's lives or offer a better process to services to the people of Newfoundland and Labrador.

The bill here, Bill 4, An Act Respecting the Regulation of Real Estate Trading in the Province is unique for a number of reasons. The minister has outlined the logistics around what would be entailed in the bill, but it's unique – first when I read it yesterday – because it's repealing, which is not the norm in the House of Assembly.

To repeal a full act very seldom happens. It may have happened once in my nine years here as part of it. Because when you repeal a full act, you're changing the whole dynamic, the whole structure of it. That doesn't mean that a lot of the preceding policies or issues that have been covered off in it are not still included in it, but no doubt it's unique.

Normally, we amend various parts of an act under subheadings and headings itself. In this case, we're repealing it and starting off with a fully-fledged new act. I do realize and appreciate there haven't been major changes since the '60s and it needs to be upgraded, it needs to be modernized and it needs to reflect the changing industry that we have here.

As we've seen in Newfoundland and Labrador, particularly over the last 15 or 20 years with our economic boom here, with changes in the demographics for houses and building and manufacturing and all this, the real estate industry, the role it has, the number of people that it's drawn to that industry and the regulatory process that needs to be modernized to reflect exactly how it polices itself; how it shows it as a professional profession itself; how it intends to

show that there's protection for the agents themselves, but, particularly, for the buyer and seller of a piece of property here.

It's unique that we're modernizing something after so many years. It's no doubt it's been kicked down the road. I know there's been a number of consultations a decade ago, a number of years ago and we're getting to a point to now put something in play.

I did serve as minister responsible for a short of period of time, an extremely short period of time, and one of the seven key heavy pieces of legislation that needed to be looked at, at the time, sitting and trying to get my head around what needed to be modernized, what needed to be adjusted and amended, and shaking my head that this had been a piece of legislation that had gone back to the '60s and that nobody had gotten an opportunity to really assess what was there. That doesn't mean that it wasn't a priority. It just means, fortunate enough, the act itself, the process that was being used, the industry following it and the policing itself, dictated that things weren't getting out of hand.

Now, we've had, as you know, in the past, some challenges in the real estate industry in certain areas, but they've come to light because, obviously, the process, the policies and the act itself had enough safeguards to ensure that if something wasn't in line with what was accepted in the industry, that it was identified and dealt with. Some of it in legal manners, some of it in operational procedures. So, that's a testament there, but it is due time that we modernize it. It's a welcomed opportunity to do this.

My understanding is this is going to be a very unique set up when we come to amending, or I should say, repealing and putting in play a new bill that's reflective of the real estate industry itself and the trades and practices that they must work under. Because my understanding, and I feel this is where we are going as we talk about how we make it more efficient and more inclusive and using the best modes of democracy to ensure the best piece of legislation comes to this House with the most opportunity for the general public to have input, but, particularly, those who have a vested interest and a stake in that piece of legislation, normally, that's either particular interest groups or parts of industry that

would have an interest in ensuring that the legislation meets the needs of all involved.

We, as legislators, have an ultimate responsibility to ensure every segment of society that's touched by this has an opportunity to have input. That's why we're going to be moving, and this will be a test bill to go to an all-party committee. It will be the first that we'll do under this jurisdiction where it will be a discussion. I say all-party, my hope as we have this debate and this structure is included, that if there are independent Members that they would have an opportunity to be engaged in this process also, but that'll be something that will be flushed out in the debate and the discussion over the next couple of weeks about what the structure would be.

What will happen in this case, will be, we'll have an opportunity to look at present legislation, look at what's being proposed by the government and the department, to then look at the best approach to put forward for the committee to decide and frame up what would be presented to the House for debate. That could take on a multitude of approaches, which would include hearings, multitude of meetings with stakeholders, looking at other jurisdictions, talking to other Legislatures who have debated this type of legislation, talking to governments that are enacting it, the industry themselves and talking to the general public about what impact it may have on them in changing this piece of legislation.

So, we have an opportunity to do three key things: Look at history and what has worked, what has been modified and what hasn't. Look at the present, why is there a need to change this. We know, as I mentioned earlier, the demographics have changed, the real estate industry itself, the profession itself and how they self-regulate and how they train, on how to ensure that there are enough financial supports to protect the industry and particularly protect those clients that may be part and parcel of the real estate industry itself. So we have that.

The third will be an opportunity for us to really look at how we move this House of Assembly forward in democratic reform on a particular issue around legislation, on how we debate, design, collaborate on and then debate and

accept and pass legislation in the House of Assembly. So I'm looking forward to that process as we go through it.

We had a debate, or a discussion I should say, in the Standing Orders Committee when this has been talked about the last number of months about what type of legislation – this is going to be our first process here, our first kick at the cat, for want of a better phrase, our first review of a piece of legislation, how do we do it and at what level should it be.

We could have taken something that was housekeeping, very fluffy, would have been easy to do. We'd all approve it, we'd pat ourselves and say what a wonderful process the democratic process is; or we could have took something so controversial or so substantial that we either would have taken a long process, or we probably wouldn't have done justice because where we don't have a process in play, we may have missed things. We may have not had the proper mechanism to ensure that that piece of legislation was fully thought out, was fully debated and was fully designed to meet the needs that it was set to do.

So there was an agreement that we would try to find something in the middle. Something that was substantial enough that it had an impact on an industry or the people of our province, but, at the same time, wouldn't be so controversial that, at the end of the day, there would be protests or there would so much of a yes-and-no type of a segment here.

What this is, is modernizing a piece of legislation, understanding and making sure we reflect the changes in industry over the last number of decades, but, particularly – and this one of the important things. Sometimes we miss in our legislation, sometimes we miss it in our debate – I would hope in most cases that the bureaucrats who are doing this try to adhere to it, but sometimes they're on time frames and they're logistically dealing with the issue as it stands today, about looking in the future, trying to anticipate what impacts the legislation will have now that would reflect industries or services in the future.

I know we're not saying you predict the future, but there are indicators and there are ways of

looking at existing protocols, existing processes, existing jurisdictions that have either ran into issues that we anticipate we may run into or have already set out a set of policies or procedures or an act that would address in an interim basis a very quick mechanism to be able to alter the legislation to reflect the changes in the immediate need – again, we’re talking decades here, but even instead of years, a couple of years dragging things out when things can be changed in months if we have a mechanism built into the system to be able to identify that.

So, I think we have an opportunity here to do all of that. In this piece of legislation, we’re repealing it. I’ve looked at it. A lot of it still reflects what has worked in the industry for the last number of decades. A lot of it reflects what government has heard and what industry has told them over a period of time. I do know that industry has done, in a very inclusive, explicit, detailed consultation with its members about what would need to change. What are some of the nuances about the real estate industry that need to be addressed? What are some of the challenges? What are some of the things that would put it in the same category as a number of other professions when it comes to its credibility, when it comes to its ability to grow an industry and to be an economic producer and contributor in this province?

We know the real estate industry in Newfoundland and Labrador is worth billions of dollars and that’s what we’re talking, over the last number of years, billions of dollars in every house that’s sold and built, and every building that’s contracted to be sold and built, the role they have, and the services that they must provide.

There even becomes a debate around industry standards and that’s what this bill will also talk about. There are two sides to industry standards. There are those who work within the industry, want to ensure that they have the top-quality profession that ensures what they stand for, what they’re entitled to, and what their responsibilities are. But it’s also to the consumer and the customer who want to ensure that everything is done in the best interest of them also as part of that process, and that they know there are enough safeguards so that across the board the industry is credible and that there’s minimal

opportunity for anybody to work outside the legislative responsibilities and roles to ensure safety for everybody involved.

That’s what you want done here when we talk about any industry but, particularly, the real estate industry. In the real estate industry there are two key things here. One is the biggest purchase you’ll probably make in life is your home. From a business point of view, the biggest purchase you’re going to make in your business is going to be your building. So, you want to ensure that you’re getting an equitable return on that investment. You want to ensure everything was done, every safeguard, every mechanism to ensure everything is in the best interest of those involved is covered off.

We have an ability to do that from home inspections. For example, what does that mean from a realtor – can realtors use their neighbour and can they use their brother-in-law for some of these home inspections? What are the protocols there to ensure there’s no conflict of interest? What are the protocols to ensure that if a client commits to a realtor for what periods of time are there? Because, in some cases, or a number of cases the realtors put their time, energy and money into it, and in some cases you’ve got clients who flippantly move around. Sometimes, on the other side, you’ve got realtors who don’t put the same energy into a particular home because the return on their commission may be less than it would be on another client’s. So there needs to be protocols and that in play that would honour that and would show that a profession makes sense.

As a part of the legislation, the key component here, or a big part of that, is the department’s responsibility to oversee what’s being done. We have regulatory processes here. We have to ensure the licensing process is done. We need an independent process, and that comes from government. Government are the independent groups here, because you have the purchaser, you have the seller and you have the realtor.

In between that, you have to have somebody who ensures all of those are protected. That’s where the department comes in, through its process of the licensing requirements; the process of the errors and omissions; the insurance processes that must be covered and

signed off to ensure everybody's qualified; the regulatory process internally, when it comes to from home inspections to the insurance itself to the regulatory process that needs to be done; money that's put in trust, for example – all these things have to be covered off and have to be taken by an entity that has the ability to do that and, from a regulatory point of view, note whether or not somebody is adhering to the regulatory process that's been put forward. So, the department has that responsibility to do that.

As I mentioned earlier, we talk about conflict of interest. Where are the conflicts if you are real estate agent, but you're also the developer, you're also a supplier of materials and that, if you also own the land? Are there conflicts there that can be based on price setting, based on exclusion from certain groups or individuals from particularly purchasing a home or purchasing a building, for example? Fines and penalties – there has to be a process, because while we would hope everybody adheres to and applies the regulatory processes 100 per cent, unfortunately there's no industry that does that. So we need to have a process where people are identified for not following the process and the proper fines and penalties are put in play, and that they then are responsible for ensuring that those fines and penalties are paid in appropriate times.

We talk about some of the existing processes that are in play now. Some of the fines and regulatory stuff are so outdated. But to get to that point, we need to ensure industry has a stake in what we're doing here. And industry in this case (inaudible) is not just the actual people who sign off on the dotted line on a sign as the realtor. It's also the purchaser, it's also the developers, it's also the stakeholders in Newfoundland and Labrador because we all have a stake here from a tax point of view, from development of communities, from the infrastructure. Municipalities have an important role here as they play, so it can't be just in isolation. We have an opportunity here under this bill here to bring in the key stakeholders, to have an open dialogue and to ensure we sign off on everything that needs to be used.

You know, we're in a modern age. Newfoundland and Labrador is equal to any jurisdiction in this world right now around how

to use technology. Is there better uses of technology for realtors, for example? Now you do virtual tours of homes. You can be in BC now and look at a house in Portugal Cove-St. Philip's and know exactly what's being outlined there, whether or not that is exactly in the spec of what you're purchasing. So there's an opportunity to do these type of things.

The regulatory process here, it's done. Somebody has to be at the helm, for want of a better phrase, to ensure there are changes in the industry. When you have a superintendent and a deputy superintendent, the process of appointing those. What role would industry have in doing that? We've talked about it recently around the waste management, the roles that government plays versus the role that people in the industry and municipalities would play on people chairing committees or people having certain roles and responsibilities.

We're talking codes of conduct. Every piece of legislation that deals with actions of individuals or corporations has to have a code of conduct. So we need to know and modernize what that means in an industry that's flourishing and changing on a daily basis, as part of those type of things.

Incorporation: Two things you don't want to do in any business; you don't want to make it so encompassing that people just don't follow the process of being incorporated. You need that for two purposes. You need that to protect the individual or the company that's being incorporated as an entity now. My understanding is, to modernize it with other jurisdictions, we would have to bring in that the realtors could get incorporated as an entity themselves, as individuals. So that becomes a protective process for them, but also for the purchaser because there are other regulatory things there around being bonded and insurances that would ensure more safety for everybody engaged and more viability if something goes astray.

So we've got a number of things here that we would look at here. Even the process about brokers and salespersons around referrals, how that works. Is there a conflict? Can an existing company that's a parent company for another part of the industry refer people, and what does that include? Does that have to be done up-

front? Do you have to tell the purchaser or the seller that here's the conflict or here's the connection between the company I'm with and the company I do business with, and what impact that may have?

The assurance that trust or monies are put there, because we've had a few incidents in the past where trust money, very substantial amounts of money, didn't go where it was supposed to be. People were left hanging. Realtors lost their commissions. Purchasers were following with apprehension. Banks had some very hyped concerns about what monies were where and who could access it and what was owed.

There are a number of things that need to be upgraded to ensure that we get to the point where this industry is protected, the people involved in it are protected, the people who avail of it are protected, but, as a government, the taxpayers who entrust us to come up with legislation to ensure that they're not at risk for something somebody may do down the road or something that may change in a particular industry.

We have an opportunity to do this. While it's a timely move to upgrade this piece of legislation that's outdated, but also looking at how we approach the change in legislation. I'm looking forward to, hopefully very soon, sitting with a committee and debating the process and defining the process. To have an all-party committee look at legislation and then what that legislation looks like as we present it to the House for debate and then, hopefully, for passing, and the industry realizing, not only does the process work, but it did reflect exactly the needs of the people here.

Mr. Speaker, I look forward to further debate on this and look forward as we move into the next phase of this unique piece of legislation because of the unique process we're going to use.

Thank you, Mr. Speaker.

MR. SPEAKER (Warr): Thank you.

The hon. the Member for Terra Nova.

MR. HOLLOWAY: Thank you, Mr. Speaker.

I'm certainly pleased to stand today to add to the debate as we talk about Bill 4, and for those who are joining us from home, watching us over the Web, this is An Act Respecting the Regulation of Real Estate Trading in the Province.

I know, Mr. Speaker, this is extremely important to most people in this province and it is an honour for me to stand and to, hopefully, add to the discussion that we're having today. As the department responsible for consumer protection, I'm certainly pleased that Service NL takes its role very seriously on behalf the consumers.

When we think about the monumental events and milestones in our lives, the purchase or sale of a home certainly comes to mind. Many of us, I'm sure, can all remember the delight we felt when we purchased our first home and the dreams and the aspirations that accompanied that purchase.

Now for many, Mr. Speaker, I'm sure it was a daunting time. It's probably considered to be one of the major life events that we all go through when we're a young person, we think about the day that you're going to get married and then, of course, one of the next things you think about is buying your first home. So, there's a fair amount of stress that comes with that process and having some comfort and protection through the legislation is extremely important. I'm glad it's a role that we take seriously in this House.

Now, certainly many of us can also call to mind the sale of the home in which we raised our families and created traditions, and the feeling that transaction brought about. For me and my wife, in 2009, this was a real experience for us when we purchased our first home in my home community of Port Blandford. For the past 10 years now we've lived there, we've created memories, we've raised some pets and we've had other pets that have joined our family, but all of it's been centered around having a home in the community.

For us, and for most people, our home is an important part of our lives. Mr. Speaker, for most people, these transactions, the transactions of purchasing a home, of selling a home, they invoke emotional responses making it even more important for adequate legislation to protect our

interests. For first-time homebuyers or those renewing a mortgage having trust is paramount.

One of the things my wife and I are going through currently is that we're renewing our mortgage. So, it's very timely that I stand today to talk about this piece of legislation.

Over the last couple of weeks –

AN HON. MEMBER: Not renewing your vows?

MR. HOLLOWAY: What's that?

AN HON. MEMBER: Not renewing your vows?

MR. HOLLOWAY: Not renewing my vows. Although, it's our 10th wedding anniversary coming up this year and I think I said to my wife when we got married in 2009 – and I know she's listening at work now, so I'm sure she's quite red in the face.

AN HON. MEMBER: She's blushing.

MR. HOLLOWAY: She's blushing like I am now as I talk about it. She's probably texting me as well.

One thing I said to her on our 10th anniversary, we would renew our vows. We'll see how that unfolds as we approach September, but thanks so much to my colleagues for raising that. It was not in my notes, Mr. Speaker, but raising it for recording in *Hansard* today.

As I was saying, we're renewing our mortgage, and one of the things that we're currently going through is we're back and fourth, both with our current lender and we're also going to a new lender. So, being assured, because some of these people you don't know, whether you're a first-time homebuyer or you're selling your home or you're renewing your mortgage, you don't know necessarily the people you are dealing with. So there has to be a certain amount of trust and faith in the process, whether you're using a broker or you're using a lender that they are acting in your best interest. It's very timely that we're talking about this piece to legislation to give that sort of guarantee to any of us who would be going through this process.

Mr. Speaker, a *Maclean's Magazine* article in February of this year, in 2019: Economic analysts predict upward of 150,000 jobs added over the next year in the country will keep household incomes growing at a steady pace. Of course, as we know, with more income that really turns into people's opportunity to purchase homes or to purchase bigger homes. Some people start out in what we all call a starter home. You think about raising a family and, over time, you outgrow that home. As your economic means allow you that affordability, you move into a newer home. So having a piece of legislation that helps you to do that with ease and comfort of mind is extremely important.

The articles in *Maclean's* stated that as more and more millennials begin to start families, as I've said, they start moving out of the rental market. We know millennials, by nature, are a little bit longer to – they're focusing on their education, on their travel, and then as they get a little bit older into the 30s – and I look at my colleague from Placentia West - Bellevue – then they think about settling down and purchasing a home. With all these millennials coming into the marketplace, it certainly would provide a potential boost in home sales.

Mr. Speaker, all across the country, including right here in Newfoundland and Labrador, we see the importance of this industry to our economy. That is why it is so important that we strive to ensure that our legislation is modern, it's effective and it serves both the industry and consumers alike. Like so many other pieces of legislation that fall under Service NL, the best interest of the residents of our province is forefront and foremost in the changes we bring forward today.

Mr. Speaker, it's been said, both by the minister and by my colleague opposite, that we have consulted with the public, as we have done throughout the last 3½ years. As a government, we have taken public engagement consultation very serious, as we have brought forward tremendous positive legislative change in this House.

Our goal from day one was always about building a sustainable future for the people of this province. Whether it's been the *Highway Traffic Act*, Residential Tenancies Act, the Vital

Statistics Act, the Pension Benefits Act – and I name all these, Mr. Speaker, because they have been extremely important to the people of this province – or any number of other pieces of legislation that the Department of Service NL are always reviewing and they are amending legislation to protect Newfoundlanders and Labradorians.

I've stood in my place in the past, in particular about amendments we've brought in on the *Highway Traffic Act*. The *Highway Traffic Act* is near and dear to me. Like many of my colleagues here, I travel the highway on a regular basis. I have a district that's very large, so I see a lot of things that are happening on our highways. Any time that we can bring in amendments that strive for continuous improvement through this House, I think is a great thing and I'm really pleased the Department of Service NL has that mandate and that it is allowing us to protect the people in the province.

Mr. Speaker, when the previous consultations on the *Real Estate Trading Act* occurred in 2012 – and I note my colleague opposite talked about this really dates back to the 1960s. So today this is a substantial piece of legislation that we bring forward and it's timely. It's important that we do that.

In 2012, there was minimal feedback from the industry and I'm pleased to see that the industry has taken the opportunity this time to provide the minister and the department with some significant feedback that has helped form the legislative change that we're bringing forward today.

As the minister stated earlier, I certainly want to applaud Bill Stirling and the Newfoundland and Labrador Association of Realtors for their tremendous effort during this round of consultations. The association, as was mentioned, held numerous meetings throughout the province with their members and provided a comprehensive submission, which I know the minister has taken very serious and I think it has been built into this piece of legislation.

Since 2012, there have been many calls from the industry for regulatory reform. I go back to my earlier comment that we take that very serious

on this side of the House. We are pleased to deliver on a number of these reforms for the industry because it is so important to our province.

Now, Mr. Speaker, to put this into perspective just for a moment, there are approximately 80 real estate brokers and 640 salespersons licensed under the act. As I said, when my wife and I purchased our first home in 2009, we went to a broker, and I didn't really know the person. I was looking for the best deal, the best interest rate. You would think that your broker is someone who is working in the industry, would be in tune with what all the lenders have to offer, but also what are all the rules. And the rules, of course, is what we see coming from our legislation. So for a consumer, it's extremely important to, as I said, have trust in the broker, but to know that the broker is really in tune with the industry and can provide that really good advice.

When I first reviewed the changes that were being proposed under the *Real Estate Trading Act*, the industry's desire to further professionalize their industry was very apparent, and I think we're seeing that across a lot of sectors today. There's a lot of professionalism that is happening throughout this entire province.

This legislation deals with everything from the establishment of a code of conduct and authority for the superintendent of real estate brokers and salespersons to impose terms and conditions on a licence, to continuing education, and continuing education is extremely important, and insurance requirements for salespersons. Because we want to make sure that everybody involved in the industry is at the top of their game. All of these changes speak to not only ensuring consumer protection, but also the industry's desire to strengthen consumer confidence in real estate transactions throughout the province.

Mr. Speaker, I will speak about *The Way Forward* just for a second. As we know, *The Way Forward* is a sustainability plan for this province, but in *The Way Forward* we talked about better services that lead to better outcomes, and I think this legislation certainly meets that litmus test for us. The bill includes a

number of amendments that help ensure the professionalism of the industry, as I've said, safeguards for those conducting transactions, and measures to ensure consumers understand all aspects of the transaction, any interaction with a real estate professional.

The minister, when she spoke, talked about the use of plain language. I think about my time prior to coming to the House, I was working with disabilities. The need for plain language was something that I was hearing every day. So, to make sure that we bring that into the legislation so that consumers understand what the legislation is about, I think is extremely important, and I commend the minister for making sure that plain language is there in this piece of legislation.

So, Mr. Speaker, I'm very proud of our government's continued commitment to enhancing consumer protection for the residents of the province. These changes, in my mind, that we are debating today follow a long list of other improvements we have made towards increasing consumer protection. This enables people to be informed and to make good decisions that impact their daily lives.

All of these changes, Mr. Speaker, were made possible by our ongoing dialogue with the industry, with stakeholders, certainly, we're listening to our colleagues opposite today as we debate, and the general public of Newfoundland and Labrador.

I feel it's our job, as a government, to do the best that we can do to further the protection of the people of this province. I want to thank the Minister of Service NL for bringing forward this important piece of legislation. I know it's been a lot of work. I know that the minister works very hard to bring forward a lot of the legislation that has been brought to this House.

I'm certainly delighted to join my colleagues today for this debate. I look forward to the debate continuing as we further Bill 4, An Act Respecting the Regulation of Real Estate Trading in the Province.

Thank you, Mr. Speaker, for the opportunity.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

I recognize the hon. the Member for St. John's East - Quidi Vidi.

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

I'm happy, too, to have the opportunity to stand and speak to Bill 4, the *Real Estate Trading Act, 2019*. As has been pointed out by both the minister and the previous speakers, this bill will create a brand new act. The act that is now in place will be repealed and this act will be the new act.

It's a much-needed bill. The act that's in place is what, 50 years old, I think, if not more, and it's certainly not up-to-date when it comes to the reality of home buying today and, therefore, of really the needs within the real estate industry.

The bill is quite comprehensive because, of course, it's totally replacing the act. While not every word in the bill will be new, there will be new aspects in there that are essential. I think my colleague – and I'm sorry that I can't get it right off the bat – from Terra Nova – I still am getting used to the names three years after the fact of our new districts, but I think our colleague pointed out something very personal and something very important, actually, and that is the stress that is related to buying a home, especially a new home, the first home. In many cases, that will be a couple, in many cases it will be an individual, but the stress is still there.

I think he did refer to research, and I have checked this out as well, that buying a home and moving is one of the most stressful things that can happen in a person's life for many reasons. When it comes to stress, and you read the research on stress, moving and the buying of the home, they're up there with death, with the death of a loved one. That's how stressful the whole situation is.

So, putting in place protections for homebuyers, protections for people who are launching out for the first time into buying a home, is an essential service of government to make sure that we have regulations in place, to make sure that we have protocols in place, to make sure that the industry is professional, to make sure that those working

in the industry are kept up-to-date on what is needed. All of that is for the good of the homeowner, the homebuyer. There's absolutely no doubt about that.

Having said that, there's lots of stress that is there also for the agent or the broker. I notice that in the new act there will be the use of the word broker rather than agent, but it's stressful for them too because it's a very special relationship that one gets into when buying a home. Very often, especially, the first-time homebuyer is going in without any knowledge, or very little knowledge of what's involved. They're going in with a high level of trust and personal dependency on the agent or broker. They're going in hoping that this person is going to be able to guide them through the process, is going to have their interest at heart, is going to care about them and is going to make sure they have correct information.

It is so important that we have a regulated industry where agents or brokers are trained to understand how responsible their job is, how much responsibility they have with regard to – on a personal level – how their clients are feeling and what their clients are going through. It is an extremely intimate relationship. It's not so bad maybe in a small place where you know people and you can easily find out about people and find out about, okay, who do you know that is a good agent in town, for example.

When I was involved in buying a home for the first time, I was living in a very large city and trying to choose a broker was a really, really hard thing to do. As a matter of fact, the first one got fired and I went into another one. So we've all had, I think, a personal experience of some kind with regard to that so we understand how important it is to have a bill that's up-to-date. To have a bill that ensures that the protection of the homebuyer is number one and that everything is in place to ensure that the industry itself is professional and the industry itself is not going to have individuals in it that would bring the industry into ill repute. This is extremely important.

One of the things that happens in home buying is very often there are monies in transaction, monies that are held in transactions before transactions are completed and that money,

some of that money is – you can go into hundreds of thousands of dollars that is tied up and that money, right now, is not in a trust fund; does not have to be held in a trust fund. When we're talking about public money, because the money belongs to the public, then the need for a trust fund is essential.

The bill is extremely important and that's why I am glad that the minister has chosen to put this bill, which he will be making this motion, to the Standing Committee on Government Services, I think it will be, to the Standing Committee to follow the process that's in our Standing Orders. Something which hasn't been done here in the House since, I think, 20 or more years ago, that a bill has gone to the Standing Committee that's covered in Standing Orders for the Committee outside of the House to study the bill.

Now, I know government has talked about, they've done consultation or they've gotten a report from the industry on consultation that the industry did around concerns and needs, et cetera. That's fine and dandy, but the issue now is we have a bill that the government says does reflect what the industry said they wanted, that does reflect consultations they say they held, and it is quite possible the bill does; but the thing is, now that we have the bill, the level of consultation becomes different. When this goes into the Standing Committee for the Committee to study, it will be, at this point, that the Committee will be able to say to the industry, you've read the bill now, does this bill reflect what your industry says are the concerns? Does the bill meet the needs as you see it? The Committee will be able to go to homeowners associations and say: What do you think about this bill?

So it's one thing to do consultation prior to a bill, it's another thing to have a bill in one's hand and say: Does this bill meet your needs? That's what's going to be happening, and I'm really delighted because I think this process does need, as I've been saying for years, to happen here in this House.

When we have a bill this size, and it is a large bill because it's a comprehensive act that we're dealing with, then there can be details in here that can get lost. We received this yesterday, so there's no way that we could, this afternoon, for

example, or tomorrow, be able to say: Oh, yeah, this bill is fine. I have no idea if it is or not because I have not read every word of this bill yet. There's no way. This is what needs to happen with something like this.

We have had examples in the House in my 13 years here, where the bill comes to the House and we're told there was consultation and this is what people wanted. Then when you read the bill, you find something in it they omitted, something that was key in the community.

I remember the first bill where I asked for a change; it was a bill in health. It was about people suffering from mental illness and it became the act that dealt with people with mental illness. It was talking about people coming out of an institution. The bill did not, in any way, talk about what needed to be in the community – if somebody was going to be released from the Waterford Hospital, for example, and go back to their community, what would need to be in the community for that person. The bill had nothing in it about that. I knew, from talking to people in the community who were involved with mental health, I knew from them that they had said to the minister that needs to be in the bill, yet it wasn't in the bill.

So, at that time, I went to the minister, the minister who is the current Minister of Finance actually was the minister of Health and Community Services, and I went to the minister and I said we can't pass this bill without something in it about there being supports in the community. If somebody is going to be released from the hospital, there have to be supports in the community for the person. We talked and we discussed and, in actual fact, that amendment got made and got put into the bill.

I use that as a clear example of how government can say they're doing consultation, they can say they've talked to people who are concerned about a particular bill and that's fine, but they can still ignore maybe a key thing that was said to them and not included in the bill.

So, that's what's going to be the point of this comprehensive bill going to the Standing Committee on Government Services. This will be the bill that will be looked at and we will use a fine tooth comb, and we will also bring in

witnesses to tell us if they think this really covers their needs, both the needs of people working in the industry and the needs of the customer, of the client, people who are dependent on the quality of the people who are the brokers in the real estate industry. Today, I'm not dealing with any of those details because they're the details we'll deal with when we work in Committee.

So, it's a bigger picture that I'm concerned about. The bill is comprehensive, there's no doubt about that, and there are points in the bill that I know people would be interested to know about. For example, the bill is going to allow the minister to appoint a superintendent of real estate brokers and salespersons and the deputy superintendent of real estate brokers and salespersons. That's going to be a very important role, Mr. Speaker, because they are going to be the people who will make sure that the regulations are being followed.

In some provinces, for example in Nova Scotia, each brokerage has a compliance officer to review all documentation that goes on in a transaction – a very, very interesting thing. It might be something that we'll want to look at in Committee, when we get to Committee and talk about that because while you will have the superintendent – and that role will be extremely important – having brokerages with their own compliance officers would really raise the level of the quality, raise the level of compliance with making sure what's in our act, when the new act is in place, is being followed.

The bill will allow the superintendent of real estate brokers and salespersons to issue a personal real estate corporation licence. That's important. The bill will also require real estate brokers and salespersons to obtain errors and omissions liability insurance. That will be important, because the individual broker has to be protected as well. They have to have protection.

The bill will also authorize the superintendent of real estate brokers and salespersons to establish a code of conduct for real estate brokers and salespersons. Imagine, we don't have that yet. That is so important because, again, of what I said earlier, of the nature of the relationship between clients and the brokers, to make sure

that there's a code of conduct; and that if somebody runs into a broker who, for some reason, is not the top of his or her game, is not ethical, that they will have something to judge by, and they will have a place where they can go to point out that they're dealing with somebody who has not followed the code of conduct. The code of conduct now is something that we start taking for granted, so it's about time that we will now have one in this act which will be covering the real estate trading.

The bill also will establish a Real Estate Recovery Fund. It will allow unclaimed money held in a real estate broker's trust account for more than two years to be paid to the Real Estate Recovery Fund. So it's dealing with many issues, dealing with the professionalism of those in the industry, dealing with the issues around how the money is handled, money which really is money owned by clients, dealing with the behaviour, the professionalism of people. So it's a broad act because it's covering every aspect.

So I look forward – because I am on the Committee that this will be sent to – I look forward, on that Committee, number one, to testing our process, to testing the Standing Committee's ability to take a bill and to study it. I look forward to, because of doing that, getting into the details of this bill in Committee and finding out whether or not it does, in actual fact, meet everybody's need.

So thank you very much, Mr. Speaker, for this opportunity.

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

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

Indeed another privilege to get up here today to represent the beautiful District of Cape St. Francis, and the beautiful people in the District of Cape St. Francis.

Mr. Speaker, this is an interesting bill that we're discussing here today to respect regulations with the real estate trading in the province. As the previous speaker spoke about how this is so different when it comes to we're going to debate it here today, but we will only do second reading

and this is a pilot that will go out and will be investigated more, and it's the first opportunity that people will have an opportunity – and I support this 100 per cent – that the industry will have an idea and look at this bill and be able to have a good look at it and have some involvement in the regulations and involvement in how this bill is presented.

It's a great opportunity for the department too. I know there are all kinds of consultations that were done. Actually, the minister's consultations were over 2017-2018, and I think there some 90 respondents to that consultation that they had. Industry themselves, the Newfoundland and Labrador Association of Realtors, they went out and they had their own, and I believe theirs was called *What We Heard*. They went out and they came back to the department with 53 recommendations of what they'd like to see in this bill and what they'd like to see government do to make changes.

Mr. Speaker, when I first saw this, actually, and reading it this morning before we came into the House, and just understanding that, the first act – well, maybe not the first act, but the last act that was really put in, there were some changes made over the years, but very minor changes – nothing major at all. If we look at this, and this went back to 1965, can you imagine?

Here's the act, and it hasn't been changed in that number of years since 1965. All we got to do is just look at the changes that've been made in society. For example, I wrote down a couple of things this morning. I only heard tell of home inspections in the last probably 10 or 15 years, maybe 20 years, since home inspections were done. So I don't know in 1965 if there were actual home inspections done back then. I doubt it very much that they were done.

So the industry itself and how it was regulated and what we expected from purchasing a home – the biggest purchase that most people will ever do in their lives is to purchase a home. You look at mortgages, you'd be lucky if you got a mortgage for 25 years. Maybe most people look at mortgages for 30, 35 years. So this is a purchase that you're going to, for a very long period of your life – and the Member across the way just talked about renewing a mortgage. I know a lot of people do that. Sometimes it's a

lot more than 35 years; sometimes it's a whole lifetime that you're tied into a purchase that you made in your home.

I know my home means so much to me because I grew up handy to my parents. The piece of land that my house is on, when I was a young fellow, I used to be playing field hockey on the same piece of land that was there. My home and a lot of people's homes, I cut my own sticks. I built my home. I had my home built, I didn't purchase my home but your home is so important to you. Like you say, you're tied in for so many years and stuff like this. So if we look at what changes since this legislation came in, since 1965, like I said property inspections. Can you imagine now – I'd say back in '65 I'd like to know what the percentage of septic systems, what they were like back then compared to –

AN HON. MEMBER: (Inaudible.)

MR. K. PARSONS: Zero, that's right.

Everybody had the wells. Today, people are going with water and sewer and stuff like that so there are different inspections that need to be done.

I know in the community I'm from, the last number of years the regulations have changed on property size. So, one time it was half acre lots and now it's gone to three-quarter acre lots. That's huge in making sure that you got, especially when it comes to septic systems, proper seepage in the ground and your wells are far enough apart.

The interesting thing is we don't realize I guess – I do, I'm getting older and stuff like that, but back in 1965 we had very little Internet back then either. It's amazing anyone purchasing a home today can go into that home and they can go through every room in the home. They can look in the house, you can get online and you'll go right through the whole house and see what you want. There may be something that you want in a baby's room or it might be something that you want in an open concept. It may be something that you may need in your basement or something like this.

Back in 1965 when we first brought in this act, I'm sure that the changes back then compared to

now, and even if you look at people purchasing homes today, I would assume – again, I'm only assuming because I was interested because of the year back in 1965. I wonder how payments were made. Like today we have mortgage brokers. Back then, I would imagine it was only the major banks that you could go get a mortgage off. But, today, if you look there are all kinds of different lenders, people out there you give a broker to and they purchase mortgages through different agencies and stuff like that so you can get a lower rate. So none of that was every available in 1965.

Mr. Speaker, this bill has a lot in it. There's a lot of information in the bill. Like I said earlier, the Newfoundland and Labrador Association of Realtors, they don't represent 100 per cent, but they represent 95 per cent of the licensed realtors and brokers and salespersons throughout the province. Once the government decided to do their consultations, they went and said we're going to do our own. That's what they did. They went out and did their own consultations and it was *What We Heard*.

They came back with the recommendations, like I spoke earlier about, some 53 of them. I'm sure that government looked at these 53 because most times when we in here, as legislators, we don't know the industry like people who are involved in the industry, so it's great that they went and did this.

Even what we're doing with this bill – now, we'll only do second reading, it won't go to Committee, it won't go to questions, because it's going to go to the Standing Committee and then they can go through the bill and they can call in witnesses, they can call in experts and have a look at this bill. So this is going to take a while. This is not going to be passed today or anything like that; this is going to take a while but it will have the experts in the industry and people in the industry. There may be concerns within this bill that need to be looked at and I'm sure the Committee will have the opportunity to ask questions.

I'm just going to touch on a couple of little things today. I'm not going to prolong what the minister went through. She did a good job on going through the whole bill and my colleagues on both sides of the House have already spoken.

To replace the word agent with broker, my reading is that this is what's done in six provinces across the country already.

An interesting one is that the minister will be the one to appoint the superintendent and the deputy superintendent for the real estate brokers and salespersons, rather than Cabinet. I'm sure that once we get into Committee or whatever then that will be explained a little bit more to us.

Some other things that I'm sure when they did *What We Heard* was, I think, continuing education, to make sure that we have the proper people in place that are educated and understands everything when it comes to selling a home or buying a home. I'm sure they have different requirements that they want put forward to make sure that it's the best.

Like my colleague just mentioned, when you go to purchase a home, you go to a realtor, hopefully, that you have a bit of confidence in and will represent you in purchasing a home, because they know how big that is. That's huge, that we have the proper people in place.

Also, this new act – and, again, we'll go through the consultations – is to allow salespersons to establish and operate a personal real estate corporation, similar to what independent contractors do in the industry. Interesting thing here, too, and as part of licensing requirements, there'll be criminal background checks done. That information will also be required. The minister, at the time, will be able to set the fees and establish any forms that need to be done.

The other thing, too, there are referrals, what we call “by referrals” in this act. Right now, if I go to a broker, which we'll call a broker right now, and they want to do a home inspection and they want to do different costs; sometimes they don't have to disclose that to me as a cost to me. This new act ensures that these referrals, currently that are not required, will have to be required to ensure that I know exactly what I'm getting. If a broker comes to me and says, okay, this is all the stuff you need, then they also got to tell me that, listen, this is going to cost you X number of dollars down the road. That's important.

There's also a conflict of interest section in this that's interesting, too. I think more so in rural

Newfoundland than anywhere else that maybe in some areas, small areas, maybe it could be down in any area, really, but sometimes the broker could be the person selling the house, but it could also be the person that's representing the person that's buying the house. So, there would be a huge conflict of interest if you represent both people. In some cases, you can't do anything about it because, like I said, in rural areas there might be only one person, might be only one realtor in that place. So, conflict of interest is talked about in this, but I'm sure when we go through the regulations and stuff like that ...

Another thing that is interesting is the fines. I read there that the court-imposed fines were, like, \$1,000 to \$2,000, and now they're a maximum of \$50,000.

Like I said, I didn't go through them all, there are a lot of changes in this; it's a huge act. We were only introduced to it yesterday and to look at it and bring it here to the House today, but it's not something that's going to be passed here today or anything, but it's going to give us an opportunity to have a look at it. It's going to give industry a chance to have a look at it and, hopefully, we'll come out with the best result and the best piece of legislation that the industry needs and the people in the province who need representation, that they get the best act so they can be protected also.

Anyway, Mr. Speaker, that's my bit on this. Again, I applaud the minister for a great presentation.

Thank you very much.

MR. SPEAKER: Thank you.

I recognize the hon. the Member for Mount Pearl - Southlands.

MR. LANE: Thank you, Mr. Speaker.

It's always a pleasure to have the opportunity to speak in this hon. House. Of course, we are currently debating Bill 4, the *Real Estate Trading Act, 2019*. I'm not going to get into all the details. I think the minister did a good job in covering it off, as did a number of my other

colleagues who made a number of relevant points as well, relevant to the bill.

It is a very significant bill. It's quite lengthy, as has been said, and really it's a repealing of the old act and the creation of a brand new act.

One of the things that kind of jumped out at me in the briefing and so on, though, is the fact that the act that we're replacing was actually created, acclaimed and so on in 1965. Since 1965, despite the fact that times have certainly changed in the real estate industry, as it has in general, I guess, society evolves, things change, the way we operate changes, but despite that, there's been no change since 1965.

Apparently, there was a review undertaken in 2012. So, in 2012 we did a review. I guess we did consultations and so on and, at the end of that, despite the fact that the act was – well, would have been 47 years old at that point in time, after going through this review process, we decided to do nothing with it.

I'm not quite sure why that happened, although I did ask staff at the briefing. I guess their explanation was that when they did the review and the consultations back in 2012, there didn't seem to be too much uptake from the real estate industry. That's what they told me. There didn't seem to be any great appetite to move forward with this.

Now, that was their take on it. I think they were saying at the time we were in a bit of a boom period, if you will, and houses were selling like gangbusters and the prices were through the roof and so on. Everyone was busy and I guess everyone was making lots of money and so on. I guess at that time, to take the time for the industry to have to engage in this process and so on, I guess, if the system was working, albeit perhaps somewhat antiquated, if the system was working and the legislation was working and times are good, it was felt at that time that there wasn't a whole lot of interest on behalf of the industry to tackle the issue.

I guess, since that time, housing starts and so on have certainly slowed down and sales of houses, certainly the larger homes. We're not seeing as many sales of those anymore. I think most of the sales we're seeing now are duplexes and smaller

homes in the \$200,000 to \$250,000 range as opposed to back a number of years ago there was a lot of these houses \$400,000 and \$500,000 that were being sold and so on.

Nonetheless, there has been a move by the industry. This is very much industry driven, I believe, to look at the act and to recognize the fact that it is antiquated and things have changed significantly, and the need to make change. I guess, the reality of it is that there are so many changes required from that act of 1965, that it was felt you were better off just to repeal the existing act and start fresh with a clean slate.

A lot of times you have an act and if it was reviewed on a regular basis, like some acts actually have clauses in them that things have to be reviewed every five years or whatever, but if that was the case and there were a few changes, I'll say, or some minor changes, a lot of times what you'll normally see are amendments to the act, but because this act was so old and nothing done with it for so long, I guess government felt, and in consultation with industry, they felt that it was better to repeal the existing act and create a brand new act instead, and that's fine. That's fine. That's what they decided to do.

Obviously, in terms of the creation of this act, there were a number of consultations that were conducted and, again, this was industry driven, it was done by the Newfoundland and Labrador Association of Realtors. They actually went throughout the province doing public consultations. In those public consultations, it was open to realtors and people in the real estate industry, but it was also open to the general public as well.

I actually attended one of those consultations, I think it was last year, if I'm not mistaken, and it was at one of the hotels here in town. I think it might've been the Holiday Inn. It could've been the Capital, but I think it was the Holiday Inn – not that it really matters. But they did have a consultation, I did attend, and they made a presentation and there was lots of opportunity for feedback.

I provided some feedback myself, actually, from a consumer point of view, because it was open to public. You have to realize that a lot of these changes, while the day to day, in and out around

this is governing the real estate industry and talking about real estate brokers and salespeople and so on, the reality of it is that the general public is very much impacted by this legislation. Because it offers protection not just for the industry and the industry players, but it also offers protection for people who are selling their home, and people who are buying homes.

That's an important part we have to remember as well. It's not just about the real estate industry; it's about the general public. As the Member for Cape St. Francis mentioned, I do believe, the most significant purchase, generally, that 99 per cent, or 95 per cent of the people – there are always exceptions, but 95 per cent of the people, the most significant investment you'll make in your life is your home. That's the biggest investment.

So it's very important to ensure that when that's happening, as a consumer, as a homebuyer, or as someone selling a home, that all of the protections are afforded to you also, in addition to providing guidance and rules and protection for people who are actually involved in selling those houses for you.

So, they did their consultations and, as a result, there were a number of changes. Some of them are somewhat, I'll say, housekeeping in nature. One that comes to mind here is to change the term agent to broker. Basically, it means the same thing. Certainly from a laypersons point of view it does, I guess, but it's just recognizing the terminology that's now used in the industry compared to the way it used to be and it's just a minor change.

They're going to put in licensing requirements here. They're going to enhance licensing requirements. One of the things it is going to ensure that anybody working in the real estate industry would have to have a criminal background check as part of their licensing. Also, a requirement to report any changes in that status as time goes by.

That's obviously important for the industry and important for consumers, people buying and selling their homes. Obviously, you would be very concerned if there was somebody, as an example, that is engaging in the handling of money, your money, who has a criminal record

for fraud or theft or something like that. That's not something we would want. It's just tightening up things and making sure that the people who are involved, that no bad eggs get in.

Generally speaking, we know that's the case, but I think we also know, we've seen over the past year or so, where there have been challenges in the real estate industry and some fairly significant allegations and so on before the courts involved that industry, and perhaps that was part of the impetus to some of these changes. I suspect it was – one particular public case in particular.

There's also a provision here for education requirements for real estate brokers and salespersons. The real estate association already, I think, have certain training requirements and training that they encourage through the association, but it's not something that's necessarily mandatory. What is being looked here is giving the superintendent – I forget the title now. I'm going to call it superintendent of insurance. I'm sure that's not exactly the name, but anyway, for my purposes now, which is basically a director in the provincial government that looks after the insurance industry, I know the title is superintendent, I'm not sure the full title, but anyway, that person would have the ability, the authority, to prescribe continuing education.

It's giving that individual – again, this is something that the industry wants – the ability to create mandatory training. That's what it comes down to. The ability to create mandatory training so that if you want to be a real estate broker or salesperson and there's certain training and ongoing training and education that, I guess, they're envisioning that you would have to do, through the superintendent they could prescribe regulations saying exactly what that training is going to be and what you have to do and how often you have to do it, and refreshers and all this kind of stuff. Again, it's to ensure that the people operating in the industry are competent, qualified and that they're up on all the latest technology, trends and whatever else is required to do that job. It's trying to make things more professional.

The real estate industry itself, through its association, already promotes a lot of that stuff,

and they expect a lot of that stuff from their members, but there are actually people who sell real estate that are not members of the real estate association, because they're not required to be a member. This is going to give the ability, at some point in time, as this progresses, give the ability for the government to be able to, in working with the industry, prescribe certain training requirements that would be mandatory if you want to have a licence and if you want to keep your licence.

There's a section here on allowing salespersons to incorporate. Right now, they can't do that, but this will allow them to create a corporation. That's really for tax purposes. That's not something I'm told that every salesperson is going to do. For a lot of salespeople it wouldn't make sense to incorporate, but there are some salespersons, perhaps, depending on the volume of houses or commercial entities and so on that you're selling, the amount of money involved, the profits that you're earning and so on, it may make sense for that person to be able to incorporate for taxation purposes. So, it's providing that opportunity. That was something that was asked for.

There's a section here on errors and omissions insurance. This is to protect professionals whose clients could claim damage as a result. Errors and omissions insurance, basically, is if the real estate agent – I'm going to say in layman's terms – make a mistake, they screw something up, and as a result of that the client feels that they are out money in some way, then they could sue that real estate agent. This is requiring that agent to have insurance for that purpose, and that the regulations would be set to \$1 million, which is the industry standard. Again, that's protecting consumers.

If a consumer, if a client, due to some form of negligence or so on by the real estate agent, if that occurred and that individual, that consumer, is somehow out money, then it's a mechanism to ensure that when they take that real estate agent to court then there's money – through that insurance program – for the person to recoup their losses.

There's a code of conduct here; a code of conduct for people in the industry. This bill will allow the superintendent to establish that code of

conduct. Code of conduct is not necessarily around criminal matters, for example, but code of conduct is more about ethical practices. Basically, it's to establish this code of conduct under the act, these standards, ethical standards and so on, and practices, that the expectation that all people who hold a licence would be required to follow that.

Again, the industry itself, the association has a code of conduct, but, again, not everyone is in that association, they're not required to and they can't really enforce it. I suppose they could throw them out of the association but that person could still continue to do it on their own anyway. Whereas, in this case, if it's under the legislation, then, in theory, their licence could be revoked if they weren't following the proper code of conduct.

Now, I'm told they wouldn't just go out and start revoking licences. They would work with the person to try to correct whatever the issues are and so on. It would be pretty extreme to do it, but the ability would be there to do that if they wished.

A section here on conflict of interest, and this is basically where you could have a person who is a salesperson and also a mortgage broker, and basically saying that while you can be a salesperson and a mortgage broker, you can't be the salesperson and mortgage broker for the same client. In some areas, particularly, maybe, in rural areas, that might be the situation, where there's not many salespeople or mortgage brokers in the community. So there could be practices in the past where the person was one in the same. That would obviously be considered a conflict of interest and that will no longer be permitted. You can be both, but you can't act as both for the same client.

Same thing, there's an issue on referrals. There has to be disclosure where a referral is made for a fee. That would be like somebody, basically, making a deal with a home inspector or whatever, and if an agent is going to be referring clients to other professionals, then there has to be full disclosure on that. You wouldn't want a situation where somebody is referring people, even though they might know that person is not doing what they should be doing, but they're referring them because they're going to get a

little kickback of cash or whatever for making the referral. It's to deal with those type of unethical issues if they were to arise. It's basically putting legislation in place to prevent that.

There's going to be a recover fund here. This is, again, to cover financial loss. This is not like the other fund I spoke to, but, basically, if you made a deposit or something and they went bankrupt, you'd be recovered.

Mr. Speaker, I see I'm out of time. I will just say good bill, I support it, good job, Minister. I'll support the bill.

Thank you.

MR. SPEAKER (Trimper): Thank you.

If the hon. the Minister of Service NL speaks now she will close debate.

The hon. the Minister of Service NL.

MS. GAMBIN-WALSH: Thank you, Mr. Speaker.

I would like to thank my colleagues from Conception Bay East - Bell Island, Terra Nova, St. John's East - Quidi Vidi, Cape St. Francis and Mount Pearl - Southlands for contributing to the conversation here this morning on Bill 4, the *Real Estate Trading Act, 2019*.

Mr. Speaker, we're very pleased that the industry reached out to us and expressed the need for significant changes to the current legislation. As you can tell by my opening remarks this morning and my colleagues' remarks, this is, in fact, a very substantive piece of legislation.

Mr. Speaker, I would just like to, again, thank Mr. Bill Stirling from the Newfoundland and Labrador Association of Relators, but I would also like to thank some other individuals who have been engaged with us as we move forward with this piece of legislation and the changes, that is Mr. Ed Hollett, Tim Crosbie, Ms. Kimberly French and Mr. Neil Norcott.

Now, Mr. Speaker, I may have missed a couple of people, but I have to be truly honest, this has

been a very collaborative process. The association has been very engaged in the changes and we've stayed with them right throughout the whole changes, they've stayed with us. We've had great conversations. There's been consultations completed by the industry and also consultations done by us.

Mr. Speaker, Bill 4 is our government's response to industry, to stakeholders and to regulatory needs. As I was saying in my opening remarks, we made consumer protection a high priority in our Way Forward, Mr. Speaker, and it was our vision. One of our main objectives has been better services for the people of Newfoundland and Labrador and consumer protection plays a major role in realizing this objective.

When you consider that the act has only had minor amendments since it was introduced in 1965, the need to modernize this goes without saying. The real estate landscape has changed significantly throughout Newfoundland and Labrador over the last 50 years and new real estate legislation is absolutely necessary, Mr. Speaker.

The new legislation will come into effect on January 1, 2020, with the exceptions are the pieces dealing with the recovery fund and the personal real estate corporation, which will be proclaimed once administrative measures are in place.

Mr. Speaker, just for my colleague from Mount Pearl - Southlands, I'd just like to say that the superintendent of real estate agents and salespersons will, in fact, change to the real estate brokers and salespersons. This position is the director of Financial Services Regulation Division.

Also, the appointment of the superintendent and the deputy superintendent, Mr. Speaker, given the director and the manager are hired through the merit-based process under the *Public Service Commission Act*, it is proposed that these will become ministerial appointments rather than Lieutenant-Governor in Council appointments. Mr. Speaker, these individuals are best suited for this position. They're the most qualified for the position.

Again, Mr. Speaker, I want to say how proud I am to be part of a government that has listened to the people it serves and today is bringing forward a very important progressive piece of legislation. I also want to thank my hon. colleagues for their support for these amendments.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

Is the House ready for the question?

The motion is that Bill 4, entitled, An Act Respecting The Regulation Of Real Estate Trading In The Province, now be read a second time.

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

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

The motion is carried.

CLERK: A bill, An Act Respecting The Regulation Of Real Estate Trading In The Province. (Bill 4)

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

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

MS. COADY: Tomorrow.

MR. SPEAKER: Tomorrow.

On motion, a bill, "An Act Respecting The Regulation Of Real Estate Trading In The Province," read a second time, ordered referred to a Committee of the Whole House tomorrow. (Bill 4)

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

MS. COADY: Mr. Speaker, notwithstanding Standing Order 80, I move, seconded by the Minister of Service NL, that the bill entitled, An Act Respecting The Regulation Of Real Estate Trading In The Province, Bill 4, be referred to the Government Services Committee for examination and the Committee report its findings to the House of Assembly within 10 sitting days.

MR. SPEAKER: The motion is that notwithstanding Standing Order 80 that the bill entitled, An Act Respecting The Regulation Of Real Estate Trading In The Province, Bill 4, be referred to the Government Services Committee for examination and that the Committee report its findings to the House of Assembly within 10 sitting days.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those in favour, 'aye.'

The motion is carried.

The hon. the Deputy Government House Leader.

MS. COADY: Thank you, Mr. Speaker.

Considering the hour, I move that we adjourn – no?

MR. SPEAKER: Recess.

MS. COADY: That we recess, sorry, Mr. Speaker, we recess until 2 p.m. today.

Thank you.

MR. SPEAKER: This House does stand in recess until 2 o'clock this afternoon, consistent with Standing Order 9(1)(b).

Thank you.

Recess

The House resumed at 2 p.m.

MR. SPEAKER (Trimmer): Admit strangers, please.

Order, please!

I'd like to welcome the Members back for the afternoon.

We do have a special guest in the Speaker's gallery, someone I actually happen to know as well, Mr. Christopher Sheppard, former Executive Director of First Light, who will be recognized in a Member's statement this afternoon.

Welcome to you, Sir.

SOME HON. MEMBERS: Hear, hear!

Statements by Members

MR. SPEAKER: For Members' statement this afternoon we will hear from the hon. Members for the Districts of Topsail - Paradise, Conception Bay South, St. George's - Humber, Bonavista and St. John's Centre.

The hon. the Member for Topsail - Paradise.

MR. DINN: Thank you, Mr. Speaker.

I rise today to acknowledge April 7 to 13 as Volunteer Week, a time to recognize and celebrate the incredible contributions of our volunteers, especially those in the District of Topsail - Paradise.

This year's theme is the Volunteer Factor – Lifting Communities. It celebrates and recognizes the exponential impact that volunteers have on our communities and how they lift them up. Volunteering is often seen as a selfless act; a person gives of their time, their skills, their experience and a passion to help others, without expecting anything in return. While volunteering is a form of service, many volunteers will tell you that you get more than you give. From opportunities to develop new skills, to finding deep and meaningful personal connections, the magic of volunteering is that it creates social and economic value for all.

Volunteers are crucial to the many great causes and also the non-profit sector of Newfoundland and Labrador. It is estimated that there are approximately 3,600 volunteers and non-profit

organizations in Newfoundland and Labrador and over 200,000 active volunteers.

Mr. Speaker, I ask all Members to join me in thanking all the volunteers of Newfoundland and Labrador for what they do.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Conception Bay South.

MR. PETTEN: Thank you, Mr. Speaker.

I rise today to inform my hon. colleagues about an exceptional year the CBR Junior Renegades had. This has led to what has been proclaimed as one remarkable shot, 10 years in the making.

Friday night, Drew Stonehouse scored at 9:03 in double overtime to lift the Assante Wealth Management CBR Junior Renegades to an exciting 3-2 win in game seven over the Mount Pearl Junior Blades. For the first time ever, our Renegades are now league champs. Congratulations to this talented group of players, coaches, volunteers and sponsors.

The road to the championship started 10 years ago. Special thanks for all the loyal fans of junior hockey for helping the Renegades accomplish this championship. Four of the last five games in the final were decided by a single goal. The Renegades had taken a 2-0 lead in the series before the defending champion Blades stormed back with three straight victories. Stonehouse was the player of the game Friday, while CBR net minder, Jordan Blackwood, was named MVP of the playoffs.

Once again, congratulations to the CBR Junior Renegades and I ask all hon. Members to join with me and wish them good luck in representing Newfoundland and Labrador at the Don Johnson Memorial Cup Atlantic Junior B Tournament in PEI.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for St. George's - Humber.

MR. REID: Thank you, Mr. Speaker.

I recently had an opportunity to attend the annual general meeting of the Leading Edge Credit Union, which has a number of branches in the district I represent. The Leading Edge Credit Union was founded on the philosophy of co-operation and its central values of equity, equality and mutual self-help. Basically, it is the principles of human development through people working together to better their lives and their community.

Based on these values, the Leading Edge Credit Union has made many contributions to the communities they serve. They sponsor countless events and make donations to a number of worthy causes throughout the year. They also offer free financial literacy workshops to seniors, high school students and everyone in between. These workshops and courses cover a number of topics from budgeting basics to home ownership. Their commitment to education is also evident in the number of scholarships they offer to students each year.

I ask all Members of this House to join me in congratulating the Leading Edge Credit Unions on the work that they do and also in the way they do it.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. KING: Mr. Speaker, it's truly an honour to stand in this House to recognize great people, organizations and events from my district. That is certainly the case with the Bonavista - Trinity Regional Chamber of Commerce.

On Thursday, March 28, 2019, the Chamber held its annual general meeting and dinner. In just a few short years, this organization has grown from 80 members to currently 170. Colleen Kennedy and Ian Stone of Gros Morne

Co-operating Association gave a presentation on: Growing jobs and the visitor economy through innovative community partnerships.

The spectacular meal was prepared by chefs: Katie Hayes, Peter Burt, Roger Dewling and Duane Chatman, with guest chefs: Roary MacPherson and Todd Perrin, and cook program alumni from CNA Bonavista. It should be recognized that Duane Chatman was the gold medal winner in culinary at the recent Skills Canada - NL competition. He will now go on to compete with Team NL in Halifax at Nationals.

The election of executive positions was also held with the following positions being filled: President and Chair John Norman; 1st Vice-President Johanna Ryan-Guy; 2nd Vice-President Colleen Tinkham; Secretary Corina Ryder and Treasurer David Hiscock.

Please join me in congratulating the Bonavista - Trinity Regional Chamber of Commerce on another successful year.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

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

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

How fitting to honour Christopher Sheppard as he prepares to leave our province with his husband, Jacob Buote, and their three dogs to take his incredible skills and expertise to Saskatchewan friendship centres.

An Inuk, born and raised in the Inuit community of Postville, Nunatsiavut, Chris came to St. John's in 2004 getting involved in the urban Indigenous community. An outstanding leader and advocate, he represented urban Indigenous young people in the Atlantic region, then nationally and internationally. Elected youth representative on the National Association of Friendship Centers, he quickly became vice-president and now president.

As ED of the St. John's Native Friendship Centre, now rebranded First Light, he built an amazing team, expanding the centre's services,

including a child care centre, supportive housing, catering and exciting outreach and programming for the community. More is coming: increased support for Aboriginal patient navigators, funding the first urban Indigenous coalition here, an infant space expansion to the child care centre and more.

At 33, Christopher has accomplished much. How lucky have we been to have him and his passion for change.

Nakkumek, Chris, we will miss you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Statements by Ministers.

Statements by Ministers

MR. SPEAKER: The hon. the Minister of Fisheries and Land Resources.

SOME HON. MEMBERS: Hear, hear!

MR. BYRNE: What a day, Mr. Speaker, we had announced community gardens, we're going to announce even more here today.

Mr. Speaker, there is a true renaissance occurring in both our farming and our food awareness in this province. Newfoundlanders and Labradorians are hearing the message of the government and embracing the fact that our farmers and our local foods are important to each and every one of us. We have committed to doubling our food production, increasing our food security and raising our farms and our farmers as part of the very core of our province's economic and social well-being.

Since taking on this ambitious challenge, Mr. Speaker, I'm happy to report that we have supported 46 new farmers through our industry development programming, which includes awarding two large scale land development pilots for agricultural production in the towns of Reidville and in Cormack. We have created the province's first post-secondary training program in agriculture, and expanded the role of the former Wooddale Tree Nursey and re-profiled it as the Centre for Agriculture and Forestry Development.

Now, Mr. Speaker, in 2018, we launched a pilot project at the Centre for Agriculture and Forestry Development at Wooddale to produce vegetable transplants for commercial farmers to give them a head start on the growing season and an opportunity to try out some different vegetable products.

In 2018, the first year of the transplant program, 25 farmers requested 250,000 transplants. Due to the overwhelming success and popularity of this program, in 2019 we will disperse seven times more vegetable transplants, over 1.5 million, including turnip, onion, kohlrabi, Brussels sprouts, kale, leek, broccoli and cabbage to commercial farmers to help them jump start the 2019 season. So successful, Mr. Speaker, one of those farmers requested 278,000 transplants for his farm to grow more vegetables for our tables. Requesting that many transplants, Mr. Speaker, speaks to how that farmer supports this initiative.

Since that launch of our Agriculture Sector Work Plan, more than 278.5 acres of land, the equivalent of 211 football fields, have been prepared for fruit and vegetable production. This much agricultural land has the potential to produce 5 million pounds of food for our tables.

Now, Mr. Speaker, this is major progress towards our goal to double food self-sufficiency, create new business opportunities and support entrepreneurs in the agriculture sector. Working with our province's dedicated and hardworking farmers, including the farmer who requested 278,000 seedlings for transplants, we are looking forward to building on this success.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. LESTER: Mr. Speaker, once again I would like to thank the minister for a partial copy of his statement.

I share with the minister in his enthusiasm as it pertains to activity within the agricultural industry. I can attest, as the minister refers to, that the renaissance had started long before this

current administration took office. Almost two decades ago the government of the day commissioned Bud Hulan to produce the Task Force on Agrifoods. To each successive government's credit, the department of agrifoods and industry has been continually supported through dedicated and knowledgeable staff.

Mr. Speaker, while the industry appreciates this administration's continued support of policies and programs laid out by previous governments, the politicization of farmers success is not.

Both new and existing farmers are rising to the challenge of doubling production, but the question remains: Why has government oversight and not considered doubling the amount of funding for these farmers? We consistently hear of both existing and new farmers' frustration with access to Crown land. I know of applications for land which have been in the department's hands for 18 months or more.

Mr. Speaker, in closing, I would like to remind the minister that both *The Way Forward* and the

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. LESTER: – Agriculture Sector Work Plan were developed in consultation with industry for virtuous intent of improving the industry, and not for political posturing.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

Order, please!

MS. MICHAEL: Thank you, Mr. Speaker.

I think you recognized me.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

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

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

I thank the minister for the advance copy of his statement. I'm glad to hear this news on agricultural initiatives, and I wish the 46 new farmers every success in their work. There's absolutely no doubt, I know how hard-working they are.

The vegetable transplants program is an excellent initiative – not new – but an excellent initiative. Anyone familiar with growing vegetables in our unpredictable spring weather knows the advantages of these transplants, or starts, as they are known.

I hope also that the minister is working on initiatives at the other end of vegetable farming, developing marketing plans, cold storage options and other ways of ensuring fresh local vegetables get to market. This is also what the farming industry needs.

Thank you very much, Mr. Speaker.

MR. SPEAKER: Thank you.

Further statements by ministers?

The hon. the Minister of Transportation and Works.

MR. CROCKER: Mr. Speaker, I rise in this hon. House today to highlight our government's actions to make highways safer for all motorists and Newfoundlanders and Labradorians who make their living on our highways.

In March, the department announced the results of a highway construction camera pilot project that examined the effectiveness of camera technologies that monitor vehicle speeds in highway construction zones.

The Department of Transportation and Works will now work with Service NL and the Department of Justice and Public Safety to

determine how these technologies can be used for enforcement.

This construction season, our government will add centre-line rumble strips to Veterans Memorial Highway. This will mark the first time in the province's history that rumble strips were added to the centre line of a highway to alert motorists who inadvertently veer from their lane.

Mr. Speaker, this summer we will also be introducing a 511 quick-dial telephone, smartphone and website app that will provide easy access to our highway conditions and construction reports, highway cameras, our Provincial Plow Tracker along with our ferry schedules. The website and app will provide new interactive maps that show where highway construction is located that will also make it easier for travellers to plan for safer trips.

Mr. Speaker, we will never be finished looking at ways to improve safety on our highways. As we take these steps, we also look for more ways to use modern technologies and meeting with our road builders throughout our province to make sure we maintain highway safety for everybody.

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. PETTEN: Thank you, Mr. Speaker.

I thank the minister for the advance copy of his statement. Mr. Speaker, I rise today to commend the department on some of the safety initiatives outlined here today. Passenger, pedestrian and worker safety on our roads and highways is something we should always work to improve.

I look forward to seeing what can be accomplished using modern technology and help protect the people of our province. As the construction season ramps upon us soon, we would like to recommend to the people of our province to practice safe driving habits and please slow down in construction areas because

there are a lot of hard working Newfoundlanders and Labradorians out repairing our roads, Mr. Speaker.

Thank you very much.

MR. SPEAKER: 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.

I thank the minister for the advance copy of his statement. I'm glad to see government putting all these traffic measures in place. Whatever can be done to make highway travel a safer experience for all must be done.

On that note, I have to say that while these new actions are good, no measure is more effective than adequate policing. What we also need to ensure better highway safety is an increased police presence on our highways. I urge the minister and the government to ensure that this happens.

Thank you.

MR. SPEAKER: Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Further statements by ministers?

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

MR. DAVIS: Thank you, Mr. Speaker.

It is my pleasure to rise today in this hon. House to invite nominations to the Council of the Federation Literacy Award. Created by the Canada's Premiers, this award recognizes outstanding achievement, innovation, practice and excellence in literacy by individuals and organizations.

Last year, the Premier presented the Council of the Federation Literacy Award to Suna Dau

Yath. Born in Sudan, she started her education learning in Arabic by an oil lamp. Now she has learned English, completed her Adult Basic Education courses, volunteers at her local community centres and children's schools and plans to pursue post-secondary education.

For 2019, nominations for the Council of Federation Literacy Award are being accepted in the category of Adult Literacy Learner, recognizing individuals who have faced difficulties in life because they could not read or write well and have taken steps to improve their reading and writing skills.

Any individual or organization can submit a nomination. Nomination forms are available on our website. Nominees must be residents of Newfoundland and Labrador, 18 years of age or older and have participated in an adult literacy, workplace literacy or Adult Basic Education program for at least six months. The deadline for nominations for these individuals is May 31.

Mr. Speaker, I encourage everyone who has an outstanding recipient in mind, please nominate them for this prestigious award.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Topsail - Paradise.

MR. DINN: Thank you, Mr. Speaker.

I thank the Member opposite for an advance copy of his statement. Mr. Speaker, as the minister noted the Council of the Federation Literacy Award was established by the nation's Premiers to recognize outstanding achievement, innovative practice and excellence in literacy.

Mr. Speaker, the ability to read and write is perhaps one of the most fundamental skills that touches almost every aspect of an individual's life. The ability to finish school, find a job and even fill out a basic application for volunteering are all intrinsically linked to the ability to read and write.

Mr. Speaker, government needs to ensure we have the necessary supports and infrastructure to support new Canadians in finding a job and starting school.

Suna Dau Yath is an inspiration and we need to ensure others continue to be recognized for their outstanding achievement, innovative practice and excellence in literacy.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

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

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

I, too, thank the minister for the advance copy of his statement. Congratulations to Suna Dau Yath and best wishes to her in her academic career.

It's good that every year the council recognizes the tremendous achievement of individuals who have faced difficulties and developed their literacy skills, but it is really important that an adequate government system exists for individuals throughout the province. I hope the long-awaited adult literacy plan will address this. We are still waiting, Mr. Speaker.

MR. SPEAKER: Thank you.

Further statements by ministers?

Oral Questions.

Oral Questions

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

MR. CROSBIE: Thank you, Mr. Speaker.

Today, government announced \$600,000 and a plan for a new prison days before an expected election call. Mr. Speaker, it will be at least another year before government establishes a short list of companies, and even this government can't have a sod-turning ceremony

for a project that won't be contracted for several years.

How can the minister defend another multi-year process to start construction on a prison?

MR. SPEAKER: The hon. the Minister of Justice and Public Safety.

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

I am extremely proud to stand here today and announce that this government will build a new correctional facility for Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. A. PARSONS: As I said in the press conference today, when the original was built we were not even a country; 160 years ago the first inmate walked in to Her Majesty's Penitentiary, and the reality is that we sadly need a new building.

Today, myself, along with the Minister of Transportation and Works, announced the process to do so. We will see a new prison by 2024.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Leader of the Official Opposition.

MR. CROSBIE: Well after all the inmates in the present prison have finished serving their sentences.

The new facility was expected to have been built –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: – in Conception Bay North. Is it correct to understand that it is now going to be built in St. John's in the White Hills area?

MR. SPEAKER: The hon. the Minister of Justice and Public Safety.

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

I'm not sure what the Member referred to when he talked about Conception Bay North. I know that this institution will be built in White Hills. That was actually a part of a plan that was drafted in 2014 by the previous administration through Parkin, a group that did a study on this.

The new facility, there is government land available in White Hills in St. John's, and that is where the facility will be constructed.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Leader of the Official Opposition.

MR. CROSBIE: Mr. Speaker, can the minister confirm that the government owns the proposed site in the White Hills, or has it already been sold to a numbered company with a headquarters at 7 Plank Road?

MR. SPEAKER: The hon. the Minister of Justice and Public Safety.

MR. A. PARSONS: It's funny, Mr. Speaker, how any good day for this province seems to be a bad day for the Leader of the Opposition. Do you know what? When you're trying to throw mud at an announcement like this, it's absolutely unbelievable.

What I will say is that there is currently government-owned land in White Hills, and we look forward to there being a much-needed new facility there by 2024.

Thank you.

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

MR. CROSBIE: Well, we on this side, Mr. Speaker, can only hope that the promise made by this government today has more strength and

more legs to it than promises made four years ago.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: The Liberal red book of promises stated that – and I quote: “An increase in the HST will be felt by everyone throughout our economy, and will slow economic growth.

“A New Liberal Government will immediately reverse the HST increase.”

Can the Minister of Finance state to what extent his government’s broken promise to reverse the HST increase has slowed economic growth in the province?

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

MR. OSBORNE: Mr. Speaker, the hypocrisy is absolutely unbelievable. If the Members opposite had been honest and told this government, or the people of the province, that the deficit was not \$1.1 billion, which is what they had led people to believe, but more than double that, the plans of everybody, Mr. Speaker, who ran in that election would been far more clear because we would have had a much greater understanding of the fiscal situation the province was in.

Instead, when the new Premier walked in, as the old premier was walking out of their office, the new Premier was informed that the province was about to go over a cliff. The province was not able to make payroll without an emergency release of Treasury bills.

That’s the mess that your party left this province in. The PC Party left this province in that mess. That’s your legacy. We’ve been left to clean it up and we’re happy to do so.

SOME HON. MEMBERS: Hear, hear!

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

MR. CROSBIE: Mr. Speaker, that statement of financial naiveté is only believable coming from someone who can’t follow the price of oil.

The Liberal red book said before the November 2015 election that – quote: “*Liberals strongly believe that the answer to building a stronger, smarter economy is through diversification ...*” – unquote.

Can the Minister of Finance explain why he waited until the end of his government’s term in office to obtain the McKinsey report on economic diversification?

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

MR. OSBORNE: Mr. Speaker, I’ll gladly put our record on predicting oil prices against theirs any day.

SOME HON. MEMBERS: Hear, hear!

MR. OSBORNE: They predicted \$120 a barrel, Mr. Speaker. Not only that, they built a Muskrat Falls project on the fact that they believed oil was going to be north of \$100 almost forever. Mr. Speaker, I’ll stand on our record any time.

Furthermore, we’ve done a fantastic job of diversifying this economy, something that the PC Party ignored. We’ve created nine consecutive months of year-over-year employment growth. Our employment numbers in this province today, Mr. Speaker, far exceed what they projected in their 2015 budget, in their Estimates, that they’d be in 2018.

We stand on our record.

SOME HON. MEMBERS: Hear, hear!

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

MR. CROSBIE: I’m glad that the minister mentioned population-based numbers because our population is now 525,000, down 13 per cent from the cod moratorium 25 years ago. Financial commentator Larry Short has said recently that if it falls to 500,000 people we will be unsustainable. The Liberal red book promised population growth.

Can the minister state what growth has occurred in the population of the province since his government took office?

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

MR. OSBORNE: Gladly, Mr. Speaker.

In the 2015 budget, they projected that the population today would be lower than what it actually is. Mr. Speaker, their projections projected the population to be lower than what it actually is. Their projections, Mr. Speaker, in the budget of 2015 projected that capital investment would be lower today than what it is. They projected that retail sales would be lower than what they are.

Mr. Speaker, we've grown the economy. We've strengthened it from where they projected it would be. We're standing on our record, Mr. Speaker, because we've made massive improvements.

Not only did their numbers in 2015 project those numbers, but they included projects that weren't started, weren't sanctioned – Alderon and Bay du Nord – to pump up their numbers.

Mr. Speaker, it was a fudged budget.

MR. SPEAKER: Thank you.

SOME HON. MEMBERS: Hear, hear!

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

Order, please!

MR. CROSBIE: I'm looking at a government across the isle, Mr. Speaker, that does everything but own the problem it inherited.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

MR. CROSBIE: Everything but own the problem.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

MR. CROSBIE: The memorandum –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

I want to hear from the Leader of the Official Opposition.

Thank you.

MR. CROSBIE: The memorandum of understanding between the Canadian Environmental Assessment Agency and the C-NLOPB for the Bay du Nord project states that there are 63 Aboriginal groups outside the Province of Newfoundland and Labrador that are specified as entitled to the project details and to be consulted by Equinor; 30 of these groups are in New Brunswick and eight are in Quebec.

Does the Minister of Natural Resources believe that this is appropriate for an environmental assessment of a project lying 500 kilometres off the shores of the Avalon Peninsula?

MR. SPEAKER: Order, please!

The hon. the Minister of Natural Resources.

MS. COADY: Speaking of problems we inherited, Mr. Speaker, I'd be happy to do that.

Back in 2012, the former federal government, and, of course, we know what the former provincial government was at the time, changed the environmental assessment process and C-NLOPB lost the opportunity to be the responsible authority – lost the opportunity in 2012. A new CEA Act 2012 came into being that has changed the way in which environmental assessment is done offshore Newfoundland and Labrador.

This government has been very diligent and outspoken, and I want to use the words “almost ruthless” in our attempt to improve the environmental assessment process offshore Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Leader of the Official Opposition.

MR. CROSBIE: We're eager to hear of the minister's ruthlessness on this issue.

Does she believe that a wide consultation with groups outside this province is consistent with this province's rights under the Atlantic Accord?

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

MS. COADY: Thank you, Mr. Speaker.

Indeed, I have been very outspoken on this whole environmental assessment process. I have concerns about the requirements under the environmental assessment process; happy to speak in detail this afternoon of the efforts that we have made to change the environmental assessment process.

I understand that CEA, the Canadian Environmental Assessment Act, currently requires Indigenous consultations that are wide-reaching because of the constitutional requirements of the country, but I will say this, timelines and expeditious – let me rephrase because you're just going to start to do this – timelines and expeditious removal of some of the barriers to develop our offshore is required.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you, Minister.

The hon. the Leader of the Official Opposition.

MR. CROSBIE: Mr. Speaker, the people of the province want to hear less about concerns and more fighting words from the government.

What does the minister plan to do about –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: – the encroachment on our rights under the Accord?

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

MS. COADY: Mr. Speaker, I'd like to ask a question of the Leader of the Opposition, the Leader of the PC Party: What have they done?

I could tell you that myself and the Premier of this province have been before the Senate on this issue. We have spoken to multiple ministers on this issue. I've made multiple trips to Ottawa. I have convened a group of stakeholders in this province together so that we can have a united front to make the changes that are required.

We are working very diligently. We are working very expeditiously. We want to get things done. I'd like to know if they've done anything to advance it themselves.

SOME HON. MEMBERS: Hear, hear!

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

MR. CROSBIE: Mr. Speaker, I can share with the minister that I sought to make a submission to the Senate committee, which will be here a little bit later this month, to put some backbone in the submissions of this province.

SOME HON. MEMBERS: Hear, hear!

MR. CROSBIE: But I was told they don't want to hear from Opposition Members.

The Liberal red book promised that the Liberal government would form an all-party committee on democratic reform, which would consult extensively with the public and make recommendations for improvement.

Can the Minister of Justice inform the House as to what consultations with the public have occurred to date?

MR. SPEAKER: The hon. the Minister of Justice and Public Safety.

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

I'm happy to stand up and speak about democratic reform. In fact, it was just today that we referred a bill that was debated in this House

– the *Real Estate Trading Act* is being referred to a legislative committee for the first time in 20 years.

SOME HON. MEMBERS: Hear, hear!

MR. A. PARSONS: The Members know, and actually his colleagues know, that we have done more to reform the House, along with the NDP, through Standing Orders, than any government in the past two decades.

When it comes to the Committee on Democratic Reform, which I would remind the Member he spoke very negatively about every time he's done so publicly, the fact is we're in the process of creating a website that will be put out to the public so that they can engage with us, no matter where they are in the province, to let us know what are the issues that they want us to work on.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. CROSBIE: I might ask the minister if the website's going to be up and running before the election date, but that might give away too much.

On the subject of this morning and Bill 4, An Act Respecting the Regulation of Real Estate Trading in the Province, this was referred to a legislative committee for review.

Why did the government wait until the dying days of its mandate to act on this aspect of democratic reform, and is this more about ticking a box?

MR. SPEAKER: The hon. the Minister of Justice and Public Safety.

MR. A. PARSONS: I have to tell you, the Member opposite gets more insulting with each question that he asks. The first thing that he should do is speak to his Member of his caucus who actually goes to the democratic reform, the Standing Orders Committee meetings.

We discussed it three years ago and your Member has been a part of every decision that we have made since, and in fact, endorsed that approach that we're doing

So before you question me, have a caucus meeting.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

Order, please!

The hon. the Leader of the Official Opposition.

MR. CROSBIE: Mr. Speaker, the reform to the Standing Orders that would be meaningful is one that required ministers to be responsive in their answers to questions.

Can the minister explain how the democratic reform committee established so near a general election date, with so little time to fulfill its mandate, can be seen by the public as anything more than a sham?

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

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

One of the issues we had with democratic reform and has been seen in jurisdictions across this country is the fact that they're often politically polarized. In many cases, they're destined to fail because its members don't want it to succeed. Unfortunately, the Leader of the PCs, who actually sits on the democratic reform committee – how are we going to get anywhere positive when the Member for the PCs that sits on it repeatedly refers to as a sham?

We're trying to make positive change but with the negativity from the Member opposite, it's going to be hard to get any productive work done.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. CROSBIE: Mr. Speaker, with the timing of the set-up of this thing so close to the election, I'll let the public draw their own conclusions.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: The Liberal red book promised to establish an Independent Appointments Commission to take politics out of government appointments.

Can the front bench explain to the House how the appointment of former leadership candidate for the Liberals, Bernard Coffey and his resignation after six months due to conflict of interest fulfills the promise –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: – to take politics out of government appointments?

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

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

I'd like to thank 2017 for the question, just asked by the Member opposite. The fact is that we, through the IAC, have brought in a system that's never before been seen. We had people like the likes of former Premier Clyde Wells, QC, who ensured that the politics is taken out of these appointments.

In fact, we've made a number of good appointments here in this House that have been supported by all Members of the House. The fact is we'll continue to bring in good, qualified, capable people to work in government and on the different agencies, boards and commissions that we have and we'll continue to put these good people in place.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. CROSBIE: The Liberal red book promised to put joint management of the fishery with the federal government on the front burner and get something done about it.

Can the Minister of Fisheries explain what progress is being made?

MR. SPEAKER: The hon. the Minister of Fisheries and Land Resources.

MR. BYRNE: Oh, so much progress because we are able to communicate with the federal government. When their government shut down, they had splendid isolationism. They enacted the policy of splendid isolationism when it comes to the federal government. They did not engage in any discussions. They walked out of First Ministers' meetings. They simply just refused to discuss.

Mr. Speaker, yes, there are many times that we agree to disagree, that we, as a government, disagree with the federal government on matters related to fisheries management and other things; but we have been able to advance the interests of so many communities in our province, whether it be the surf clam issue, whether it be making sure that the crab management plan –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. BYRNE: – taking a more realistic approach to the consequences to the communities and realities of the resource. We are succeeding, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

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

I'm glad you're succeeding.

SOME HON. MEMBERS: Hear, hear!

MR. K. PARSONS: We'll see how much you are succeeding now.

Recently DFO scientists were in the media stating that we don't have any strong indication that harp seals are having a big impact on the cod recovery.

Minister, do you agree with the statement the Member told –

MR. SPEAKER: I remind the Member to direct your questions to the Speaker, please.

Thank you.

MR. K. PARSONS: Okay.

Minister, do you agree with the statement from DFO and your federal minister?

MR. SPEAKER: The hon. the Minister of Fisheries and Land Resources.

MR. BYRNE: Well, Mr. Speaker, it's all of our federal ministers. We all share this responsibility and we all must communicate with our federal minister. What I would say is that he probably has not spoken one word to the federal minister, while we have on this side.

Is he asking me to refute the opinions or positions brought forward by a scientist? Well, he'll have to explain whether or not what specifically he disagrees with the scientist. But what I feel to be true is that seals have a major impact on harp seals, that seals have a major impact on the economy of Newfoundland and Labrador by reducing fish stocks. What I feel as well, Mr. Speaker, is that greater industry expansion of the seal hunt and the harvest can improve the economy of Newfoundland and Labrador, and we're working on all three of those.

SOME HON. MEMBERS: Hear, hear!

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

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

We've seen all the images and heard all the stories from harvesters, finding amounts of crab, shrimp and capelin in the belly of seals. But what have you actually done to protect our fishery resources?

MR. SPEAKER: The hon. the Minister of Fisheries and Land Resources.

MR. BYRNE: Mr. Speaker, we have engaged with science. We've funded science initiatives to get better knowledge and understanding, better informed positions on our resources. I would encourage the hon. Member to accept and appreciate the fact that he may have not necessarily become aware of that, because the number of questions offered by the Opposition on the floor of this House related to fisheries matters have been probably the fewest in the history of any session of the House of Assembly.

If, at any point in time, he would like to ask more questions, he could either do it on the floor on the House or outside. I'm available any time.

SOME HON. MEMBERS: Hear, hear!

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

MR. K. PARSONS: I can assure the minister I'm available any time too because I speak for harvesters in this province. I have family, friends that are harvesters and they ask me to ask questions, but most of them think it's a waste of time to ask the current Minister of Fisheries –

MR. SPEAKER: I ask Member to address his remarks to myself, please.

Thank you.

MR. K. PARSONS: The Standing Committee on Fisheries and Oceans recommended in March of 2017 that DFO control the seal population. Minister, it's been two years. You boast of your cozy relationship with Ottawa. What have you and your cousins in Ottawa done to control the seal population?

MR. SPEAKER: The hon. the Minister of Fisheries and Land Resources.

MR. BYRNE: Mr. Speaker, if the hon. Member would like to say out loud what he would do, I'd appreciate it, but I'll tell you what I have done. We've worked with other ministers, other provinces, we've developed seal markets and we're now using the Atlantic Fisheries Fund, the \$100-million Atlantic Fisheries Fund, for Newfoundland and Labrador, which they were incapable of negotiating and resolving.

We were able to use those funds, we're advancing projects to create markets outside of Newfoundland and Labrador, and those markets not only include international, but they include other domestic, Canadian markets. We all agree, everyone in this industry agrees that the best way to reduce seal numbers is to do so through market mechanisms. One of the ways we want to do that is encourage the marketing of seal products within the Canadian Dominion.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Cape St. Francis.

MR. K. PARSONS: Given the decline in shrimp and crab stocks, is the minister aware of any impending plant closures in this province?

MR. SPEAKER: The hon. the Minister of Fisheries and Land Resources.

MR. BYRNE: No, Mr. Speaker, I've reached out to the entire industry, and while we take some level of comfort that the snow crab decline was not to the magnitude of that which was forecasted earlier, this side of the House takes some umbrage in the fact that we engaged with the Department of Fisheries and Oceans, the Government of Canada, to put our point of view, our voice forward, to ensure that the crab quotas for this year were reasonable, were responsive and fair and balanced.

We were successful in that, but there were reductions and, Mr. Speaker, what I'll say to you, stay tuned. There will be further announcements, further information that I will be providing as to how we will ensure our plant workers in this province get maximum employment from the resources that we have.

MR. SPEAKER: Thank you, Sir.

The hon. the Member for Cape St. Francis.

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

Harvesters and plant workers are hoping that cod can help replace some of the shellfish losses.

How much longer will we have to wait for the strategic action plan on cod revitalization that your government promised in 2015?

MR. SPEAKER: The hon. the Minister of Fisheries and Land Resources.

MR. BYRNE: If the hon. Member were very much aware of what was happening in the fishery, what he'd be aware of is that there has been literally tens of millions of dollars invested in quality projects.

What we have done, we've levered money from the Atlantic Fisheries Fund and other funds to ensure that top-quality, high-value product hits the marketplace. That ensures that our plants are stable and secure; that ensures that our harvesters get maximum value.

One of the reasons that the independent panel on fish price setting established the record price of \$5.38 a pound, was that the crab that's coming into our province is top-quality, value product. That's what we're going to do with cod.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Mount Pearl North.

MR. LESTER: Mr. Speaker, last week we heard from the Minister of Finance as to how much tax we've collected on the sale of cannabis.

I ask the minister: How much of those tax revenues are on the backs of those who were prescribed medical cannabis, who rely on that to mitigation of their disease and their compromised lives?

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

MR. OSBORNE: Thank you, Mr. Speaker.

We have sold, retail in this province, about \$16 million worth of legalized cannabis this year, or since it's been legalized. That's obviously \$16 million worth of cannabis that's not being sold on the illicit market; it creates a safer supply, Mr. Speaker.

The issue of medical cannabis is a federal issue. We deal in the retail cannabis of recreational products, Mr. Speaker, in this province. So the question that you're asking is more appropriately asked to the federal government.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

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

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

Parents and teachers tell me that last year's cuts in teaching assistant hours, which were already inadequate, made it even harder to ensure that all students in a class are having their academic and developmental needs met.

I ask the Minister of Education and Early Childhood Development: Will he reinstate all the hours that were cut last year and increase, beyond that, the number of hours to meet the actual need?

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

MR. HAWKINS: Thank you, Mr. Speaker.

I thank the hon. Member opposite for the question, which gives me a great opportunity to talk about the great things we're doing in the Education Action Plan. As you know, Mr. Speaker, we had a task force, the Premier's Task Force. We had 82 recommendations; almost half of them have already been implemented.

We have added more resources in our schools than ever before, Mr. Speaker. We're adding IRTs. We're putting in teacher learning assistants. We're putting in reading resources.

We're putting in more librarians. Our task force and the Education Action Plan is working.

When it comes to student assistants, Mr. Speaker, again, that's a budgetary item and I'm asking the Member opposite, let's see what happens with the budget.

Thank you, Mr. Speaker.

MR. SPEAKER: 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.

I hope the children in this province are worth a good place in that budgetary item that he just mentioned.

The English school boards own assessment identified significant shortfalls in teaching assistants hours. Every child deserves a quality education, but this will not happen unless inclusive education is properly resourced.

I ask the minister: Will he commit to increasing staff resources to make inclusive education actually work? Is that what we'll get next week?

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

MR. HAWKINS: Thank you, Mr. Speaker.

Of course, the response to that again, I go back to the Education Action Plan and the significant investment that we're making in the education of our children, in our schools, in our province – significant investment.

Mr. Speaker, as I said, there were 40 schools this year that were in phase one, an additional 40 schools that we've announced after the budget next week for phase two and, in year three, all of them will be implemented.

We're adding additional resources to ensure that our schools and our students are given the best possible education that they can receive. Mr.

Speaker, we are providing those services to our young people and to our teachers.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

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

MS. ROGERS: Mr. Speaker, it's been 10 years since the Cameron inquiry into the breast cancer hormone testing tragedy and we are only now learning that no one has been monitoring the patients as a cohort, nor keeping longitudinal statistics on this group of patients to assess the outcomes of these patients as a result of the errors.

I ask the Minister of Health and Community Services: Why wasn't this done?

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

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

It is indeed a while since the Cameron inquiry, which really changed the face of cancer care in many respects in this province. I'm pleased to say that the final recommendation from the Cameron commission was actually enacted in the last sitting of this session, when we finally put in place the patient safety monitoring and quality assurance at the regional health authority level that Cameron had asked for. I look forward to seeing what that generates over the next little while.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

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

MS. ROGERS: Mr. Speaker, that's not what I was asking about.

Although no longitudinal monitoring of the health of the victims was ever done, nor of the

mortality rates, it is not too late. The information collected will be of importance, not only to the patients but as well to future issues of cancer care and research in this province and beyond.

I ask the minister: Will he fix this wrong and commission the beginning of a study into how the patients affected have fared since they were subjected to this tragedy?

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

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

One of our other innovations over the last session was the introduction of the Newfoundland and Labrador *Centre for Health Information Act*. They now hold a provincial cancer registry. Anyone who would like to have a look at that from an individual point of view, with the appropriate permissions, can do so. Any researcher who would be interested in doing that, as an academic or as a health policy issue, can apply through the usual channels to do that. Mr. Speaker, that information is there and available.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for St. John's Centre for a quick question, please.

MS. ROGERS: Mr. Speaker, this is a responsibility of this province to the women and men who were affected.

I ask the minister: Will he commit to also having a report released comparing the outcomes of these patients to other similar breast cancer patients in Canada during that time?

MR. SPEAKER: The hon. the Minister of Health and Community Services for a quick response, please.

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

I will certainly take that request back to the cancer care centre and the tumour board and see

what their recommendations might be, no problem.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The time for Oral Questions is over.

Presenting Reports by Standing and Select Committees.

Tabling of Documents.

Notices of Motion.

Answers to Questions for which Notice has been Given.

Answers to Questions for which Notice has been Given

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

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

I actually rise to set correct the record from yesterday. In my enthusiasm in answering questions from the Member for Conception Bay East - Bell Island, I listed off some organizations, and I included in there CODNL. In actual fact, that was inaccurate. The organization I should have referenced was the Newfoundland and Labrador Association for Community Living.

I'd like to apologize to the Member opposite and also to CODNL for any inconvenience in that error on my part.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you very much.

Further answers to questions for which notice has been given?

Petitions.

Petitions

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

MR. LESTER: Thank you, Mr. Speaker.

All other medicines except medically prescribed cannabis are tax exempt.

THEREFORE we petition the hon. House of Assembly as follows: We, the undersigned, call on the House of Assembly to urge the Government of Newfoundland and Labrador to remove the provincial portion of taxes for medical cannabis users.

Mr. Speaker, why is that we cannot see past our desperation for revenue and continue to tax those most vulnerable?

These people are compromised in their lifestyles, they're compromised in their ability to gain income. Not because of their choice. These are people who suffer from medical conditions, and medical cannabis enables them to get from day to day. As if life has not dealt them a short deck of cards, now this provincial government continues to insult that in their desperation for collection of taxes on the back of those most vulnerable.

In addition to the tax that they have to pay on their medication, they're still subject to the 300 taxes and fee increases of Budget 2016. There are provinces, again, that have led the way on getting exemption for medical cannabis.

Why, here in Newfoundland and Labrador under this Finance Minister, do we have to wait again?

MR. SPEAKER: Thank you.

Further petitions?

MR. SPEAKER: The hon. the Member for Mount Pearl - Southlands.

MR. LANE: Thank you, Mr. Speaker.

There have been numerous concerns raised by family members of seniors in long-term care throughout Newfoundland and Labrador, particularly those suffering with dementia,

Alzheimer's disease and other cognitive debilitating conditions, whereby loved ones have experienced injuries, have not been bathed regularly, not received proper nutrition, and/or have been left lying in their own waste for extended periods of time. We believe this is directly related to government's failure to ensure adequate staffing at those facilities.

THEREFORE we petition the hon. House of Assembly as follows: To urge the Government of Newfoundland and Labrador to instate legislation which includes the mandatory establishment of an adequate ratio of one staff to three residents in long-term care and all other applicable regional health facilities housing persons with dementia, Alzheimer's disease and other cognitive debilitating conditions in order to ensure proper safety, protection from injuries, proper hygiene care and all other required care. This law would include the creation of a specific job position in these facilities for monitoring and intervention as required to ensure the safety of patients.

Mr. Speaker, I rise again today to present this petition on behalf of Advocates for Senior Citizens' Rights. They've had, I believe, 8,000, now so far, signatures on petitions that have been collected. It's a concern for a lot of people. If you go on to their Facebook site I'm told now there are something like 300 – 300 personal stories of people with loved ones suffering from dementia or Alzheimer's and so on in long-term care, stories where they have witnessed situations where their loved one was not receiving the level of care that they required.

I will say, once again for the record, it has nothing to do with the staff, nothing to do with the quality of care, the caring of the staff or anything like that. It has nothing to do with that. It has to do with the fact that there are not always enough staff available to do what needs to be done. That is the issue.

What they're asking is that that would change, that it would be enshrined in legislation, the standard, it wouldn't simply be a policy of the health authority. It wouldn't be a regulation that the minister could change whenever they wanted to. It wouldn't be a nice to do. It wouldn't be best efforts. It would be an absolute requirement to have certain staffing ratios for these seniors to

ensure that they are receiving the care that they deserve.

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you.

Further petitions?

The hon. the Member for Topsail - Paradise.

MR. DINN: Thank you, Mr. Speaker.

WHEREAS affordable, reliable and safe child care is a necessary component of a functioning society, especially one that expects to reduce poverty, create employment, decrease out-migration, increase in-migration, increase population and workforce, which are essential for a growing economy.

THEREFORE we petition the hon. House of Assembly as follows: We, the undersigned, call upon the House of Assembly to urge the Government of Newfoundland and Labrador to develop a child care strategy that will provide affordable, accessible and quality child care for Newfoundland and Labrador parents of different economic and social backgrounds.

Mr. Speaker, I attended a session a little while back, an advocacy group, parents for affordable child care, and it was some really good information provided there. This affects all families, it affects all parents, but it mainly affects women. It was indicated that a woman loses three to four times her annual salary in lifetime earnings for every year she withdraws from the workforce to care for children.

Affordable child care can bring on so many positive impacts for an environment, for an economy. It yields economic and social returns. It's a strategy for poverty reduction. It increases women's participation rates in the labour force, the strategy for combatting diminishing labour force and the aging population, it supports the individual capacity for education, training and re-training. Quality, early childhood education prepares children for success in knowledge-based careers. It grows the population. As I said earlier, it supports in-migration and it stems out-migration. It's been proven to have a positive affect on fertility rates.

These are some quotes that I've heard from young parents, young mothers. This is from a College of the North Atlantic student, single parent: Every day I have a moment when I consider giving up, stop trying to better myself and just get a minimum wage job because it is such a struggle to get to class. Another says: I paid \$30,420 for child care last year.

Another resident: I love my job, but sadly I will not be returning to work once my leave is up. I would need to find child care for my two boys. I would be working to put them through daycare. Lastly: When I return back to work in the fall, we will be looking at roughly \$23,180 for child care.

I ask this government, and I urge this government, to bring in (inaudible) –

MR. SPEAKER: Thank you very much.

Orders of the Day

Private Members' Day

MR. SPEAKER: This being Wednesday, I now call on the Member for Windsor Lake to stand in his place and introduce Motion 9.

The hon. the Member for Windsor Lake.

MR. CROSBIE: Mr. Speaker, the motion reads as follows: WHEREAS the intent of the Atlantic Accord is that offshore development approvals should be completed within 270 days, and such approvals are currently taking in excess of 30 months;

BE IT RESOLED that the House of Assembly urge the Government of Newfoundland and Labrador to press the Government of Canada to affirm that the Canada-Newfoundland and Labrador Offshore Petroleum Board, established under the Atlantic Accord, should be the responsible authority for conducting environment assessments of offshore projects under the *Canadian Environmental Assessment Act, 2012* (CEAA), and that exploration wells should be removed from the CEAA project list.

This is moved by the Member for Windsor Lake and seconded by the Member for Ferryland.

MR. SPEAKER: The hon. the Member for Windsor Lake.

MR. CROSBIE: Thank you again, Mr. Speaker.

This resolution obviously speaks to our offshore and, in the larger sense, the issue of the slowdown in the exploration and development of our offshore, caused by encroachments by federal legislation into the jurisdiction which many of us – and I think the broad Newfoundland public – regards as our jurisdiction, established by the Atlantic Accord, along with the joint management regime set up to be conducted by C-NLOPB, which stands for the Canada-Newfoundland Offshore Petroleum Board.

Mr. Speaker, some context for the resolution.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: We're all very much aware in this Chamber that there is an election campaign in the offing, around the corner, possibly the day after the budget. The themes that the PC Opposition, the PC Party and I, as leader, will be advancing in this campaign will be jobs and hope, an affordable future for the citizens of this province and honest leadership.

Mr. Speaker, honest leadership involves more than keeping your promises.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: Honest leadership certainly involves keeping your promises. In Question Period, just a few minutes ago, we ran through a series of what the public of the province regards to be broken promises.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: Promises broken by this government; promises they made at the outset of their term in office at the end of 2015, 3½ years

ago now; promises which the public of this province regard the government has having shattered and ignored – and for which they will be held accountable during this election campaign.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: But that is not the only aspect of honest leadership. Honest leadership, Mr. Speaker, also involves respecting persons –

MR. KING: Point of order, Mr. Speaker.

MR. SPEAKER: Point of order, the Member for Bonavista.

MR. KING: Under Standing Order 48, relevancy, this is a PMR that's supposed to be debated on the C-NLOPB. He's getting on to a campaign speech, Mr. Speaker.

MR. SPEAKER: Thank you.

Anybody further to speak to the point of order?

I would ask the Member, in introducing his motion, to please stay relevant to the concept of the C-NLOPB, CEAA and so on.

Thank you.

MR. CROSBIE: Well, Mr. Speaker, this is relevant in my submission because what I'm coming around to is the question of respect for persons. Our hon. Premier last week in an interview with NTV made some comments about an hon. former Premier Peckford, and the connection here is with the whole subject of the Atlantic Accord and the theme of the resolution, which is the encroachment into the Atlantic Accord and the jurisdiction of the C-NLOPB, which is represented by current federal legislation and current federal efforts to intrude on the jurisdiction of the C-NLOPB.

Mr. Peckford is regarded as the father of the Atlantic Accord. Mr. Speaker, the way I was brought up and the way I was trained is that we respect our teachers, even though we may improve on their accomplishments, we may build on them; but, in fact, that we see farther

because we stand on the shoulders of giants. Mr. Peckford, I submit, is one of those giants in our political history – former Premier Brian Peckford.

If we compare his achievement – and I'll try not to be overly political on this. Any achievement, without being too specific, that is offered to the public by the government opposite, we will recognize that Mr. Peckford is responsible for \$22 billion in revenue accrued to the Government of Newfoundland and Labrador since the institution of the Atlantic Accord – an astounding, monumental achievement.

As I said, if we see farther, it is because we stand on the shoulders of giants, and Mr. Peckford was one of these.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: So my point is simply that honest leadership recognizes the achievements of others and does not diminish them. Honest leadership also does not blame others. It takes real ownership of problems.

MR. KING: Point of order.

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

MR. KING: He's implying that the Premier is not being honest and we've established this early in our mandate that you cannot do through the back door the way the Member for Windsor Lake is doing right now –

MR. SPEAKER: I don't see a point of order. I thank the Member, but I am concerned about relevance, and I'd ask the Member for Windsor Lake to stay very relevant, please, to the motion that I see here on the Order Paper.

Thank you.

MR. CROSBIE: The motion on the Order Paper has to do with two statutory bodies, the C-NLOPB, Canada-Newfoundland and Labrador Offshore Petroleum Board; and the Canadian Environmental Assessment Act – Canadian, no

Newfoundland and Labrador in there, just Canadian legislation.

The Atlantic Accord is mirror legislation. There are Atlantic Accord acts. There is an Atlantic Accord act passed by the Legislature of this province, this body right here that I'm standing in, and there is an Atlantic Accord act passed by the Parliament of Canada – mirror legislation. That is the contrast between the Atlantic Accord legislation and this other legislation, the CEAA, or Canadian – not Newfoundland and Labrador, just Canadian Environmental Assessment Act.

On the subject of encroachment into jurisdiction, it is not the Canada-Newfoundland Offshore Petroleum Board or the legislation, the Accord acts, that establish that board, that is the agent of the search for intervenor groups, and I asked in questions earlier today, I pointed out that 63 of these for the Bay du Nord project are now being invited to participate. Equinor, the principle driver of that project, has been told to include them in all consultations; 63 groups outside the Province of Newfoundland and Labrador. That was not foreseen, that was not provided for, that was not envisaged by the Atlantic Accord legislation. That was not envisaged as a mandate for environmental assessment conducted under the Atlantic Accord legislation.

It is the Atlantic Accord legislation that says it is the superior and exclusive legislation over the offshore and the exploration and the development on the offshore. That is the position of the Official Opposition and it is our position that that jurisdiction must at all costs – at all costs, must be defended against Ottawa.

Thank you.

MR. SPEAKER: Thank you.

The hon. the Minister of Natural Resources.

MS. COADY: Thank you, Mr. Speaker.

Allow me to begin by saying, I am fully in support of the Atlantic Accord. I don't think there's a Newfoundlander and Labradorian anywhere in the globe that is not thankful that we have the Atlantic Accord because, indeed, Mr. Speaker, it treats our resources as if they were on land, gives us the opportunity to raise

revenues as if the oil was on land and, certainly, is important for our continued development. I think, as I said, not a Newfoundlander and Labradorian anywhere in the globe who is not appreciative of the fact that that Accord is in place.

I will say that we've actually strengthen the Atlantic Accord by putting a greater emphasis on joint management and that was announced last week. We're looking at the requirements under the Atlantic Accord for that joint management and reaffirming yet again with the federal government, of course, that we are the primary and principle beneficiary of our offshore resources and that the resources are treated as if they are on land.

I will say to the Member opposite, I will say to every Newfoundlander and Labradorian in ear's reach around the globe, this is indeed important and paramount to all of us.

Mr. Speaker, I will, however, look to the resolution. The resolution, so the House understands, really speaks "the Government of Newfoundland and Labrador to press the Government of Canada to affirm the Canada-Newfoundland and Labrador Offshore Petroleum Board, established under the Atlantic Accord, should be the Responsible Authority for conducting environmental assessments of offshore projects under the *Canadian Environmental Assessment Act, 2012* (CEAA), and that exploration wells should be removed from the CEAA project list."

Now, Mr. Speaker, allow me to speak to that resolution and allow me to say, first of all, and to inform those that may be tuning in and those in the House, that back in 2010 and 2012 changes were made to the Environmental Assessment Act process.

Now, everyone in this province will remember that back in 2010 and 2012 it was a different government, as it was a different government in the federal government. Back in 2010, 2012 era there was a removal, after 30 years there was a removal of the responsible authority from C-NLOPB. I'm going to repeat that because people won't believe it. There was a removal in 2012 under the Canadian Environmental Assessment Act that the responsible authority for our

offshore was taken away from the C-NLOPB – 2012.

Now, here we are, it's 2019, Mr. Speaker, allow me to tell you what we have done, as a government, once we came in office.

In 2016, one of the first acts I did in the federal-provincial-territorial meeting, I had a sidebar with the federal minister of the day, Minister Carr at the time, and I said: I can't believe that responsible authority was taken away four years ago. Minister Carr said at the time: Well, we're looking at what we're going to be able to do in terms of impact assessment and environmental assessment. I suggest you write the Minister of Environment. Off I did, Mr. Speaker, I wrote to the Minister of Environment, I believe it was in the fall of 2016. That's how long I've been on this issue – the fall of 2016.

Now, I'm going to look to my colleagues opposite and ask them, did they ever send a letter expressing their grave concerns around responsible authority? Did they ever, in the last four years, raise this issue in Ottawa? Because I can tell you, back in 2016, I did receive a response, and I can tell you that the federal government said, at the time, they're going to do wide consultations around the environmental assessment process. I was pressing and pressing saying: Well, that's great, something needs to be done with CEAA because the timelines, the requirements around Canadian environmental assessment, the fact that exploration wells are on the project list, wasn't working for Newfoundland and Labrador, and has not been working, I can tell you, Mr. Speaker.

So, we have been – since those early days of 2016 – making representation to the federal government, putting in briefs, putting in submissions and now what's happened in Ottawa is – I think it was back in probably late 2017 or late 2018 – the federal government put forward a bill called the *Impact Assessment Act*, it's Bill C-69 that actually replaces CEAA 2012.

Now, I know, Mr. Speaker, that the resolution speaks to continuing to press on CEAA 2012, I understand that. I support the fact that will continue to press on CEAA 2012, but allow me to advice everyone in this House, and everyone in the province and probably the country, that

the CEAA 2012 is being replaced by C-69. C-69 has been passed through the House of Commons. It has been passed, Mr. Speaker.

So, we have been petitioning, working to ensure that C-69, which is the *Impact Assessment Act* that replaces CEAA 2012, is changed to reflect what our requirements are here in Newfoundland and Labrador.

I can tell you, Mr. Speaker, not only have I engaged the federal government, I engaged every minister of natural resources across the country. It was this government, through me, that first raised it at the federal-provincial-territorial meetings back in '17 and '18, talking about this. It was through work that I had done, Mr. Speaker, to bring together all the ministers across the country to say this is a serious issue. We kept bringing up C-69 as a concern for resource development in our country.

As a matter of fact, I have plenty – I will actually table, Mr. Speaker, comments on the consultation papers of the proposed impact assessment. I'll also table what we submitted to the Senate Standing Committee. I'll table those, Mr. Speaker, as I move forward.

Again, the resolution doesn't even recognize that that bill they were talking about is going to be replaced by C-69. Now, in fairness, perhaps he thinks that it will fail in its process through the Senate. Maybe the Member opposite has a crystal ball and says even though it passed the House, it may not pass the Senate. That could happen, Mr. Speaker, that could well happen.

I can tell you, reverting to CEAA 2012 is not an answer for this province. It's not an answer for this province, Mr. Speaker. We have concerns about CEAA, 2012. The fact that exploration, a 30- or 60-day well, has to go through a process that could take up to 1,000 days – I could tell you, it could take up to 1,000 days to get an exploration project, Speaker, so changes are required. So if it's not C-69, certainly we need amendments or changes to the whole process.

Let me tell you what we're going to do, Mr. Speaker. I've been presenting all the way through to the federal government. I've met with multiple ministers on this issue, a tremendous number of officials on this issue. I have officials

that are meeting with officials; I'm meeting with officials. My colleagues across the country are well engaged now. I've had conference calls with them, continuous dialogue to make the changes that are required to C-69 and, indeed, some of the changes that if C-69 does not progress through the Senate process, that we would make some changes to the CEAA, 2012.

So let me tell you two things: On CEAA, 2012, we have made representation to the federal government on a regional environmental assessment. I'm going to repeat that: a regional environmental assessment. What that does, is basically takes in the offshore Newfoundland and Labrador and, through a joint panel, federal and provincial – so again respecting the joint management principles – that they would look at doing basically a regional environmental assessment offshore Newfoundland and Labrador that would cover our most prospective areas.

I need to talk about how prospective our offshore is. But it will cover our most prospective areas. This regional environmental assessment, when completed, the goal is that once it's completed and once it's well understood what a 30- or 60-day well, what impact it could have offshore, really taking into consideration what I'm going to say is the most prospective area, that a company that would like to an exploration drill – so what I'm going to call routine exploration, routine seismic, routine geological work, that is well known and well accepted, that is well understand, they would be able to go into C-NLOPB and say I would like to apply to drill an exploration well. Then, through a process with C-NLOPB, and understanding that a regional environmental assessment process has been taken, they would then be able to drill their well. So a much shortened timeline.

Much more internationally competitive. If you're drilling a well offshore Norway right now – I'm talking exploration here – an exploration well offshore Norway, within four to six months you'd have your permit to go out. That's what we're aiming for, for exploration.

We have a plan called *Advance 2030*. We really working to have a hundred exploration wells within the next decade, and I think we're really

on track. I can tell you that there are five different operators right now that are moving forward with plans to do exploration wells. That's pretty exciting in offshore Newfoundland and Labrador. For the first time since the early 1990s, ExxonMobil is doing a full exploration well offshore Newfoundland in a new area, so that's pretty exciting for us.

While that process is ongoing, we're still working on the C-69. So C-69, we made representation on basically five different areas. The first is around respecting the Atlantic Accord. I'm sure the Member opposite who spoke so passionately about the Atlantic Accord would appreciate that, but of course we do as well. We're proud Newfoundlanders and Labradorians and are proud of the fact that we do have an Atlantic Accord and that offshore resources are considered the same as on land. Unlike CEAA, 2012, that happened in 2012, we have said you have to respect the joint management principles of the Atlantic Accord and you can't unilaterally have the minister of the environment make decisions around offshore Newfoundland and Labrador. That's the first thing we've spoken to them about.

Second thing, Mr. Speaker, we've spoken to them about timelines, and we really have to be globally competitive. So, we have to compare ourselves with jurisdictions all over the world – oh my goodness, I'm running out of time already – whether they be Norway or Gulf of Mexico, but we have to really make sure that we talk to timelines.

The third biggest thing we're talking about is in placing in legislation, ensuring in legislation the policy intent around the regional environment assessments, and around the role of C-NLOPB. So, we've talked to them about those things.

I'm happy to table a little chart that we have done that talks about these five issues, and I'll be happy to table that for Members of the House of Assembly. But I will say this: Whichever bill we're talking about, whether it's CEAA, 2012 that is about to be replaced by C-69, we want to ensure that we are globally competitive, environmentally focused, but globally competitive.

We have to protect our environment. I keep saying that in this House. That is of urgency and importance to all of us in Newfoundland and Labrador. We don't want to skip any steps but we want to improve the process.

I can tell you, I've been dealing with stakeholders, we have almost a regular meeting of the stakeholder group that I assembled to deal with these issues and as we've talked about in Question Period today, the Senate is coming here on April 23. I encourage those who want to have a voice in this to speak to the Senate.

I would like to move a friendly amendment, Mr. Speaker.

I move, seconded by the Minister of Health and Community Services, that the private Member's resolution currently before the House be amended – it's a friendly amendment – by inserting the words "continue to" after the words "urge the Government of Newfoundland and Labrador."

This is a friendly amendment, Mr. Speaker, because I wouldn't want anyone to think, in Ottawa, that we have not – we have abdicated that responsibility on the *Environmental Assessment Act*, even though it is about to be replaced by the C-69, Mr. Speaker.

I wish the Members opposite had added to their discourse this morning, if they had added to their discourse about C-69 we could have spoken more eloquently on that bill, which I think is critically important to the growth and development offshore Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Warr): Thank you.

MR. HUTCHINGS: Could I speak to the amendment?

MR. SPEAKER: Pardon?

MR. HUTCHINGS: Could I speak to the amendment, please?

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

MR. HUTCHINGS: The Minister of Natural Resources, to her proposing the amendment, indicated it was a friendly amendment. I'd just like to clarify, we have not seen the amendment and usually a friendly amendment references the fact that all parties would agree to it. So, we look forward to hearing the amendment.

MR. SPEAKER: Order, please!

We'll recess the House to take a look at the amendment.

MS. MICHAEL: Point of order, Mr. Speaker.

MR. SPEAKER: Order, please!

I recognize the hon. the Member for St. John's East - Quidi Vidi on a point of order.

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

I'm not questioning your judgment there; however, I did not hear an amendment moved and seconded and brought to the floor. Without that, I don't know why you would be going out to look at this amendment because it wasn't presented as an amendment.

MR. SPEAKER: Order, please!

In my opinion, the amendment was brought forth during the minister's speaking time, and we were just going to take a recess to have a look at the amendment to see if it was in order.

MS. MICHAEL: Mr. Speaker, point of order.

MR. SPEAKER: Order, please!

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

MS. MICHAEL: But isn't it supposed to be moved and seconded?

MR. SPEAKER: It was moved and seconded.

MS. MICHAEL: Well, we certainly did not hear that on the floor here, Mr. Speaker.

MR. SPEAKER: Order, please!

Order, please!

The House is in recess so we can have a look at the amendment, and we will also look into the mover and the seconder as well.

Recess

MR. SPEAKER: Order, please!

After visiting the Broadcast Centre, we can confirm that the friendly amendment was moved by the Minister of Natural Resources and seconded by the Minister of Health and Community Services.

In saying that, the amendment is in order as well.

The hon. the Opposition House Leader.

MR. HUTCHINGS: Thank you, Mr. Speaker.

Certainly a pleasure to rise today to speak to this private Member's resolution, and also comment on an amendment that was laid down by the Minister of Natural Resources, which is not a huge change but I guess gets to the emphasis of the original amendment was to have an immediate action, and this goes to sort of continuous action, which leads us to believe we're happy with the current action that's being taken, which is probably not the case, from our perspective, and that's why the need for the original motion.

This deals specifically with oil and gas development in our province, where we've come from in the past 30 years in regard to developing that industry, and look at some of the regulatory framework that we've seen over the past number of years developed in Ottawa, and what's that doing in terms of limitations and the exploitation of the rich natural resources we have off our coast, being both oil and natural gas.

This draws back to, and it's mentioned in the resolution, the Atlantic Accord, which we're all quite familiar with, in 1985. It's interesting today we're talking about various acts, CEAA, 2012, Bill C-69, which are all generated at the federal government level and in Ottawa. We go back and look at 1985 and look at the Atlantic

Accord, and what the general intent was of that – and that was a battle.

It preceded a case going to the Supreme Court of Canada in making a determination of who owns and who should get the benefits; who actually owns those resources off our coast, and that preceded 1985 and it was a case that went to the Supreme Court of Canada. At the time, former Prime Minister Pierre Elliott Trudeau went to the Supreme Court and it was the determination that that was held by the Government of Canada, and Canada in regard to those resources.

So leading up to 1985, there was much discussion about shared jurisdiction and how wealth and 100 per cent of royalties would be retained by Newfoundland and Labrador as if it was on land. As we know, in 1985, subsequent to that, there was agreement made between the Government of Canada, the Mulrooney government, and the Peckford administration here in this province related to shared jurisdiction and to ensuring that we would be the principal beneficiary of the wealth and royalties and revenues from the offshore as if it was on land here in this province. And that started a process of self-realization or self-identity for Newfoundland and Labrador in being able to share in that vast wealth that was off our coast.

We've carried on since that, since 1985, and we've seen a tremendous amount of exploration and getting into our first production platform and increasing that to four, now with the fifth one looking to be started. All of that has been the generation of the oil and gas. But it's all been driven from the Atlantic Accord. We know there were amendments made in 2005 in regard to an assessment of being principal beneficiary and if we are and what that means. Back then in 2005, there was identification made that we weren't and we received a \$2 billion cheque and offset payments up to \$3.2 billion.

Recently again, as mentioned in this amendment, or this resolution, the Atlantic Accord, we've also heard the current administration talk about renewal, which certainly extends out to a large extent to a very, very long period, which is of concern, and is significant in regard to the overall context of the Atlantic Accord and causes major concerns for

many on this side, and certainly the province, as we've heard over the past number of weeks.

Specifically, with the Atlantic Accord in this resolution, it talks about offshore development and the approval process that is tied to the Canada-Newfoundland and Labrador Offshore Petroleum Board, which was created out of that 1985 Atlantic Accord, and was that shared jurisdiction. The C-NLOPB would be responsible for licensing, the overall regulatory framework, all of those items, but it would be a shared responsibility. So you would have representation on the board of the C-NLOPB that would be equal to Canada and Newfoundland and Labrador. That would be the entity that would oversee that. The vision would be that things like environmental assessments, other regulatory frameworks would be shared or at the very least have control here in the province.

This resolution talks to offshore development and approvals being completed within a certain time frame, which is so important. It talks about 270 days, and in certain circumstances now it's taken in excess of 30 months.

So when you look at investment and the big oil and gas companies, other investors, and they're looking around the world to the environment that they're operating in, what's the taxation climate, what's the agreements that are in place with sovereign governments in terms of those developments of those public resources and what's the rules in place, a significant part of that as well is the regulatory framework and how long do we need to wait, if we're investing in a particular property in the world in terms of exploitation of the resources, how long does it take to get up and running. Obviously, there's a time frame in terms of that investment and where you're going to invest in the world. This goes specifically to that in regard to the time frame. And you're competitive with other places around in the world in regard to what those time lines and what they are.

So, it's extremely important. What this resolution does is calls on our provincial government to recognize the intent of the Atlantic Accord and the Canada-Newfoundland and Labrador Offshore Petroleum Board, which is a regulator, and look at that the responsible

authority for things like environmental assessment rests with that entity here and have that authority here.

When you're looking at projects under the Canadian Environmental Assessment, CEAA, and look at things like exploration wells should be removed from that project list. As I said, that goes back to the issue of timelines, of getting more production off our coast. We need the exploration because the exploration is the first stage. We've done a lot of investment in terms of seismic work, in terms of developing the data for land sales, which has been very successful over the past number of years.

Once that data is laid out there to seismic work, the investors out there can see, with some degree of understanding, what could possibly be there in regard to the find. So that proceeds then to a purchasing in the land sales that in the past number of years have been close to a billion dollars. Then, from the land sales, to proceed into exploration permits to do more detail in regard to what actually is there. That's what we're talking about there.

The exploration component of it too, obviously, as we know, it looks at drill rigs being off our coast. It looks at Newfoundlanders and Labradorians being part of those drill rigs, finding good employment. It also is to supply services that are required for the drilling operation. All of that, collectively, helps drive our economy and helps maximize the benefits of those resources offshore. That again was the intent of the Atlantic Accord, that we'd be principal beneficiary, not only in the sense of royalties, taxes that are received but in terms of supply chain and in terms of local identity, local companies, local employers and local employees have opportunities to maximize every possibility it can in that industry.

You're growing the expertise and the corporate knowledge as well and intellectual knowledge of the industry and growing that expertise that when it is there and when it is developed, it is not only used in this jurisdiction, it can be exported all around the world. That's what makes it so important in terms of recognizing that we have a process to ensure that due process is done, without a doubt, but is done in a manner that's competitive with other jurisdictions and

the fact that other jurisdictions can do it in a shorter and more efficient period indicates that it can be done and should be done so we can move activity in our offshore ahead.

I think the minister earlier – the Minister of Natural Resources – talked about the environment, certainly protection of the environment in terms of the regulatory framework, which we totally agree with. You can mitigate risks and you should always mitigate risks. You should do what needs to be done in terms of the environmental assessments, but that's not an issue here. The resources, the knowledge, the expertise is available. This is about timelines.

We've also had today, in Question Period, some discussions about the consultative process that we've seen through the current administration in Ottawa, the Liberal government, in regard to what's encountered in the environmental assessment, who should be consulted and how vast should those consultations be.

We've seen, under some of the new legislation, we're looking at folks that really have no specific tie to the activities off our coast, having access or even funding at particular times to be able apply for funding to give direction or give opinion during the environmental assessment process of what's going on in this jurisdiction off our coast. That's certainly concerning.

We recognize that people who are duly affected have concerns, legitimate concerns, both from an economic and social point of view, have every right to intercede in a time frame and to give their opinion of why something shouldn't proceed based on economics or on social factors – very well understood, but when you go beyond that and open it up to wide-ranging groups, interest groups, that don't have a connection to it, that is certainly concerning because that gets to our economic and social well-being as a province in Newfoundland and Labrador. So, that's a concern we have.

Bill C-69 needs to be adjusted to be reflective of the fact that these timelines need to be adjusted, and not adjusted as we're hearing possibly, not be in the new legislation but be in a regulatory amendment, I guess, afterward. We would want the changes to be in the legislation.

We understand now Bill C-69 is gone through the House of Commons. The Senate is now hearing various discussions and proposals on it and then, at some point, they'll review it, make changes to what originally came from the House of Commons and then refer it back to the House of Commons again for final approval.

In that process, we've tried to make representation that any amendment, or what we want to be changed in terms of Bill C-69 should be done in the legislation, not done in regulations that would never have to go back to the House of Commons again, if needed, or wanted to be changes on a whim by this administration or the other administration, it could be done by Cabinet or Lieutenant-Governor in Council, which is not where it needs to be, so that's where the second component needs to be. Any amendments need to be done in the actual legislation that are to be entrenched in the legislation.

I talked about the environmental assessment piece of this. The C-NLOPB, in terms of prior exploration permits and drilling, have always held that knowledge and has always carried out that function. So that would lead one to believe that over our 20 or 30 years of knowledge and expertise, that has been developed here in this province, and that expertise now exists. So why you would want to expand that out or take it away under Bill C-69 is certainly worrisome and not truly understand why that would be, so it needs to be kept with the expertise with that regulatory framework, that knowledge base that has been built, that corporate knowledge and what's transpired in the past and how it was done, and it certainly needs to be maintained in that context, and that's what this motion asks for the Members of this House to approve.

Now, I've spoken to, and others have as well, other groups and agencies that support the oil and gas sector here in the province, Noia and others like that who have companies or employees or those that are engaged, and see the return and how it helps our economy to have a quick turnaround in regard to this regulatory framework. They're all certainly supportive in regard to this needs to be changed, what we see when it goes back to the House of Commons, is something that's reflective of our identity here, which is recognized through the Atlantic

Accord, through the C-NLOPB, that they become the regulator and the control of this environmental assessment piece, and that goes long term.

I know the minister got up and talked about their plans for 2030, *Advance 2030*, and doubling production in regard to our offshore oil and gas. We have vast amounts of gas out there as well that's not even touched yet, and when we look at this regulatory framework and the environmental assessment, we need to be very nimble in terms of how we work with new investors in developing the oil side and the natural gas side as well. So that's why this is so important, a motion like this, that collectively we support it, the current provincial government do more, continue to advocate, continue to be very strong with the federal government, which seems to have a bend towards slowing up activities.

We're seeing it in western Canada in regard to pipelines, we're seeing it off the coast of BC in regard to tanker traffic which may even have concerns for us in the future, here on the East Coast but was well in regard to exploration and permits and how that process is done.

So this is a very important resolution, it's very topical for what's happening in Newfoundland and Labrador and what's happening in Canada and I certainly look forward to all Members here in the House supporting it and the current government being more active and more aggressive on the national scene in pushing the best interest of Newfoundlanders and Labradorians as it relates to our oil and gas sector.

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you.

The hon. the Minister of Municipal Affairs and Environment.

MR. LETTO: Thank you, Mr. Speaker.

It's a pleasure for me to rise today to speak on this PMR. Before I get into the PMR and not to get away from the relevance parts of it, I want to just address one of the things that the Leader of the Opposition said during his remarks – or, may I rephrase that, failed to say when he addressed

the C-NLOPB. He left out a very important letter in that – a very important letter he left out of that acronym. In fact, he left it out when he said what it meant to –

AN HON. MEMBER: (Inaudible.)

MR. LETTO: No, he did not.

The C-NLOPB, Mr. Speaker, is the entity that we're talking about and it's the Canada-Newfoundland and Labrador Offshore Petroleum Board, Mr. Speaker. So you know you're in trouble when you got the Leader of the Opposition omitting the biggest part of this province.

Having said all that, I'm going to continue on with my remarks. Mr. Speaker, when it comes to the PMR and this motion, I think both sides are actually saying the same thing that we want to push Ottawa to make sure that we have a good agreement under C-69. The only difference is that this motion addresses mostly CEAA, which C-69 is replacing and, we all know what happened in 2012 when they took the C-NLOPB out of the process altogether.

What we're saying, Mr. Speaker, and what our government is saying, what our Premier has said and what our minister has said – in fact, on February 28, 2019, both the Minister of Natural Resources and the Premier travelled to Ottawa to address the Senate Committee on the federal Bill C-69.

Mr. Speaker, the fact of the matter is we're doing what the PMR asks us to do and we're continuing to do what the PMR has asked us to do.

Mr. Speaker, the objectives of that trip was to advocate for the following changes to the proposed *Impact Assessment Act*, Bill C-69. So we're not dealing in the past, we're not dealing with CEAA, we're dealing with the new bill, C-69, that replaces CEAA. The policy intent on the role of the C-NLOPB must be enshrined in legislation to ensure certainty and clarity.

So our Premier, our minister, our government, we're doing what this PMR is asking us to do. And the C-NLOPB should be designated as the responsible authority for offshore oil and gas

environmental assessments, as was originally conceived and enacted.

When you read the PMR it says that the House of Assembly urges the Government of Newfoundland and Labrador to continue to press the Government of Canada to affirm that the Canada-Newfoundland and Labrador Offshore Petroleum Board, established under the Atlantic Accord, should be the responsible authority for conducting environmental assessments of offshore products under the Canadian Environmental Assessment Act.

Now, Mr. Speaker, when we're doing what they're asking us to do today, it just boggles my mind that we would be even discussing this, because we're continuing to do what we've been doing since we took government. Clarity and certainty are also required on regional assessments. So without these changes, Bill C-69 could deter investment in our offshore and mining sector as well, without improving environmental protection or increasing public acceptance of development.

We know that we have to remain competitive, not in Canada, not in North America; we have to remain competitive globally, because that's what this industry is. No different than the mining industry, by the way. But I'll focus my remarks on the offshore oil and gas. We have to be competitive globally. We also have a responsibility, and that responsibility is to our environment, is to our fishery, is to the sea. We have that responsibility as a government. So we don't want to lose focus of that and sacrifice one, and compromise one for the other. That's not what we're about. We want to do both, and that's why it's important that we get C-69 right.

That's why we're doing the things that we're doing and we will continue to do those things, Mr. Speaker. We'll continue to do them, but we have to work together. It's not something that we can do in isolation. This is a provincial matter and that's why I think that both sides, the intent is probably the same, but we just need to bring it into the present and focus on what needs to be done, and that's focusing on getting C-69 right.

That's why it's important when the Senate Committee comes here on April 23, I

understand, that all parties take the opportunity to sit down with them and make sure that what Bill C-69 looks like at the end of the day is not a deterrent to our industry, because it is a very important industry for us, it has been for a number of years, it will continue to be for many more. Like I said, we cannot sacrifice the environment for that.

So, how do we ensure continued investment in the oil and gas industry in an environmentally responsible manner? First of all – and this is what the Premier and the minister brought to Ottawa – Bill C-69 has to be in keeping with the joint management principle of the Atlantic Accord; that's number one. Number two, approval timelines of environmental processes must be benchmarked and comparable to international jurisdictions such as the UK and Norway.

The minister mentioned that in her remarks, how big the Norwegian industry is, and the UK industry in the North Sea, because that's our competitors. They're our competitors. They're doing the same thing as we're doing. They're drilling for oil, they're taking oil out of the seabed, they're selling it on the world market, no different than us, but we have to remain competitive with those people.

Legislation should include and clarify the role of the C-NLOPB in environmental assessment, and we totally agree. We've been saying this ever since we've taken government that the C-NLOPB must be the body that allows the province to do this.

The designated project list must exclude well-understood projects and activities such as exploration, geophysical activities and expansions of existing offshore projects. Mr. Speaker, I guess what that is saying is we need to know what we have before we can develop it. The development of any industry in the offshore is where the action is, and is when it becomes environmentally challenged. That's why we need to be able to put in place a regime that allows for the protection of the environment, but allows, also, those companies to extract the very valuable resource that we have out there.

The act should articulate the role and function of regional environmental assessments. So, we're

doing our part as a government, we're taking the message to Ottawa, and we need to do that, and all sides need to do that because it is a very important part of our economy, and the economic benefit that it adds to this province. For instance, 25 per cent of provincial GDP and 41 per cent of exports over the past 20 years has come from the oil and gas industry. The previous administration was very fortunate, and reaped a lot of benefits from that resource.

We have 25 per cent of Canada's conventional light crude. We have 5,641 people directly employed as of September 2017. When we have a population of just over half a million people, it's significant. We have produced 1.8 billion barrels since 1997, so we have a proven resource, and we have proven that we can extract the oil in an environmentally friendly manner. Yes, we've had some hiccups; we've had a few mishaps unfortunately. These things were controlled in a timely manner and we've learned from them, and we've put in regulations and restrictions that we've learned from any mishap that we may have had.

In royalties, \$19.8 billion in cumulative royalties; \$56.1 billion in industry expenditures since 1966; and over \$506 million spent on research and development, education and training since April 1, 2004. So we know how important this industry is to our province and to our people.

We agree with what this PMR is saying. We totally agree that we need to keep pushing Ottawa to make sure that we get Bill C-69 right for the benefit of the people of Newfoundland and Labrador now and well into the future.

Mr. Speaker, just as a point of interest, in the oil and gas industry today in Newfoundland and Labrador, we have four producing oil and gas projects. We have the Hibernia Project, which was discovered in 1979, which was towed to the Hibernia oil field and positioned on the ocean floor in June of 1997. That was beginning of our oil-producing era and our oil-producing industry, and it began producing oil in that same year.

The Terra Nova oil field was discovered in 1984 and was the second one to be developed on the Grand Banks, offshore Newfoundland and

Labrador, and production began in 2002. White Rose, first oil was achieved on the SeaRose FPSO on November 12, 2005, making it the province's third offshore oil development. The White Rose is located on the northeastern Grand Banks and we know how important that particular project is to us.

The Hebron oil field was discovered in 1980 and it's estimated to produce more than 700 million barrels of recoverable resources. In *Advance 2030*, we recognized that we have much more potential in our oil and gas industry in Newfoundland and Labrador and it will continue to be a major part of our economy. We must be in a position so that we can develop that resource, as I said, competitively on the global market, but not forgetting our responsibility and our duty to the environment of the land and the sea around us.

Mr. Speaker, in closing, I just want to say that we've worked very hard, both the Premier, the minister, our government and the officials – we cannot forget the officials, especially those at Natural Resources who work very hard day after day after day to make sure that we are producing in an environmentally and safe manner, Mr. Speaker, because that's what it's all about. It's all about the safety of our people and to make sure that people come home at the end of their turnaround to their families.

We have to continue to focus on that, and the C-NLOPB is playing a major role in that. We have people in our department who care about the future of our province, who care about the future of the industry and who care about what's happening out there today.

It's a very volatile environment. Sometimes it can get pretty rough out there, at least as we've seen over the years, and we don't need to go into the disasters that has happened to this industry since its conception. Mr. Speaker, that gives us more resolve to move ahead and to make sure that we get Bill C-69 right, right for production so that we can continue to produce the resource and to enhance our economy. It's important that we do it in an environmentally friendly manner and it's important that we do it safely so that people who work on those projects can have a safe and very, very productive environment.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

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

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

I'm pleased to stand this afternoon and speak to the private Member's motion dealing with the C-NLOPB and environmental assessments. It is a private Member's motion from the Official Opposition, as anybody watching has seen.

Before going into the main points that I'll be making, I'd like to refer to a couple of things that were just said by the Member for Labrador West. He pointed out that we have to be competitive globally. He also pointed out that we have responsibility to take care of the environment, but we have to do that in the context of being competitive globally.

I find that very interesting because, when I look globally, I see things happening where there are some examples of countries moving ahead and putting environment before oil production. The one that really stands out is quite recent. The Government of Norway has made a decision. It refuses to drill for billions of barrels of oil in the Arctic. Now, the industry is upset about it, but that didn't stop Norway from doing it, because they recognized the dangers, the value of the environment in the Arctic. They are listening to the people of Norway. They're listening to people around the world who are so concerned about the pollution that is being caused from fossil fuel. The recognition that while that oil is there in the Arctic under the Lofoten archipelago, 1 billion to 3 billion barrels of oil and they're saying leave it, leave it for the good of the environment.

So, in being competitive, I think we need to also look at what we can learn from what's going on elsewhere. In being concerned globally, I hope that doesn't mean we go full steam ahead, keep exploring, keep drilling because somebody else is doing it. Well, some others aren't doing it, and Norway isn't doing it. Norway has shown that

they have always seen the need for being concerned about the environment and about safety issues and the need for dealing with the environment and the safety issues separate from the regulatory agency of Norway, the body that regulates the oil and gas.

And that's the main point of what I wanted to talk about here today, Mr. Speaker, because I'm quite disturbed by this motion, a motion which does not recognize the problem of having a regulatory agency also in charge of its own assessments of the environment. So an agency that's there regulating industry – working with industry, really, really helping industry as it develops in the sale of land hand in hand with industry, and at the same time that same agency is supposed to regulate itself with regard to safety and the environment.

The history has been given of how we've gotten to where we are with the current Bill C-69. But what hasn't been mentioned by either the Official Opposition or those who've spoken from the government is that in 2015 the –

SOME HON. MEMBERS: Oh, oh!

MS. MICHAEL: – Mr. Speaker, I have a hearing problem, and –

MR. SPEAKER: Order, please!

MS. MICHAEL: – I'm being very distracted.

MR. SPEAKER: Thank you.

Carry on, please.

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

In 2015, the Harper government in Ottawa tried to develop regulations under the CEAA, 2012 act to make boards responsible authorities – boards like the C-NLOPB – which would transfer the responsibility for offshore oil and gas environmental assessments from the Canadian Environmental Assessment Agency to the C-NLOPB. He was trying to do that, he was starting to take steps to do that, because in actual fact the 2012 legislation did not put the environmental process in the hands of the C-NLOPB.

But those regulations actually got abandoned when the Liberal government took over in 2015 after Harper. There's not much about the Liberal government in Ottawa that I'm pleased with, but one thing they did was set up an expert panel to make recommendations for new EA legislation. I want to quote some of the things from that panel, because it was things from that panel that resulted in the situation now that the Official Opposition wants to reverse.

The panel concluded – and this is really germane to our discussion – “an authority that does not have concurrent regulatory functions can better be held to account by all interests than can entities that are focused on one industry or area and that operate under their own distinct practices.” So in other words, a body like the C-NLOPB is not the kind of body that should also be in charge of taking care of the environment and making decisions about assessing the impact of exploration and drilling.

The panel also added: “regulation and assessment are two quite distinct functions that require different processes and expertise.” Now, we've been saying that for a long time, and in the past 10 years we based it on the recommendations from Commissioner Wells and the recommendation that he made when he led the inquiry into the Cougar helicopter tragedy. His recommendation, which this government, I think, has proven it doesn't agree with, or else we would've seen it in the latest Atlantic Accord agreement, and certainly the Official Opposition mustn't agree with it because they wouldn't be saying what they're saying, but what Commissioner Wells said is what we've been holding for a long time, and Norway saw that.

Norway has a separate regulatory agency, separate from the assessment and environmental assessment agency. Australia also has the same thing. They saw, after a period of time, that they needed to have a separate agency for assessments. So in Norway, it happened in 2004, when they created their petroleum safety authority. In Australia it was a bit later than that, but both of them, after years of experience recognizing that it was a conflict, and that if you were going to have full assessment of ongoing development, it couldn't be the regulatory agency that would be doing it.

So obviously, we can't possibly support this motion here today, and I'm extremely surprised that this government is not looking at what has happened in Ottawa as actually leadership on this issue. The government in Ottawa actually listened to what the panel said. And this is not a matter of – and I get disturbed when I hear it being used this way – nationalism and control over our environment because the environmental assessments that have been done in the past have been some very significant ones, for example, in Labrador.

I, myself, was on the Environmental Assessment Panel that studied Voisey's Bay. That was a joint panel and joint panels can always happen. The one around Voisey's Bay was really interesting because the joint panel involved four governmental bodies: the federal government, the provincial government, at that time the Labrador Inuit Association – it was prior to the Nunatsiavut being formed – and also the Innu Nation.

Those four groups together, under the rules of the CEAA environmental assessment, were a joint panel who made all decisions together. The same way with the Lower Churchill, actually. It was a joint panel under CEAA as well. They didn't have the Indigenous groups in there in the way that they had them in in Voisey's Bay, but it was a joint panel between the federal and provincial.

So, having the responsibility totally under the new agency, the replacement for CEAA, having the responsibility there is not being anti our province, it's not being anti-Newfoundland and Labrador. It's actually showing how concerned we are for our environment and that there is a federal-provincial responsibility together.

Now, one way to have the province and Ottawa work together on environmental assessment would be to set up a separate agency parallel to C-NLOPB that wouldn't be regulatory, but that would be the body that would do assessments. Then, that joint body could be named an authority, a responsible authority. That would fit. That would definitely fit. But neither the Official Opposition nor the government are in agreement with having that kind of a body, but at the same time they now want environmental assessment to come in under the C-NLOPB and

it just makes absolutely no sense whatsoever. It's very disturbing.

Now, there are things about Bill 69, in spite of what I've said, that are things that I don't absolutely agree with. There will be things about Bill C-69 that I want to have to say, not here, but as they continue to work on it. Because they are suggesting that there be a body where the petroleum industry would be actually involved in some of the decision making, some of the discussions and some of the decision making. I have a concern with that because there would be too much of a conflict of interest in having people from industry actually involved in any aspect of decision making around the assessments. They can be consulted with, but to actually be part of decision making, to me, is rather problematic. So there are things around Bill C-69 that aren't the best.

However, making sure that environmental assessment stays where it does under the federal agency is extremely important. Bill C-69 includes amendments that will come into force later, requiring the minister to refer offshore EAs – this is what I was looking for – to a review panel that includes members of the petroleum boards, and although the minister will set the terms of reference, and the final decision will be with Cabinet, it will give the boards more say.

Now, there have been many critics who have spoken out on this and have a fear that that type of makeup of that panel, which will be the panel setting the terms of reference, will undermine this independence and credibility, and I agree with that. I've been part of actually setting terms of reference for an environmental assessment panel, and I think the way in which it has been done by CEAA is the way to continue, which is not the way that Bill C-69 is saying, because the way it happens under CEAA now is that first of all the panel does consultation, wide consultation, puts the terms of reference together based on the wide consultation, and then gets feedback. So it's not just petroleum boards who are part of setting the terms of reference, it's the panel listening to the whole community, listening to everybody who has a concern in the development that's being assessed.

So while I do see flaws and weaknesses in the current legislation in Bill C-69, I certainly don't want to see the C-NLOPB conducting environmental assessments of offshore projects, and certainly do not want to see certain offshore activities, such as the drilling of exploration wells, exempted from environmental assessment. That would be catastrophic, actually, to go in that direction, yet this is what is being suggested by the Official Opposition. It would be catastrophic.

So if we want to talk about being affected by the global situation, let's be affected by the global situation that involves a country like Norway taking the brave step it's just taken, involves a country like Australia, which does have the assessment separate from regulation; let's broaden our vision and understanding of what we mean when we say we're globally competitive; let's realize that competition is more than the dollar that we're making; let's be competitive about saving our environment as well.

MR. SPEAKER: Order, please!

MS. MICHAEL: Thank you, Mr. Speaker.

MR. SPEAKER: I remind the hon. Member her speaking time is expired.

The hon. the Member for Placentia West - Bellevue.

MR. BROWNE: Thank you, Mr. Speaker.

It's indeed an honour always to stand in my place and speak on behalf of the good people of Placentia West - Bellevue. I should, I think, give a special shout-out to my good friend, Shirley Coady, who messaged me earlier this afternoon. She's watching at home, so it's always nice to see people who are engaging in the debates that happen here. So, hello, Shirley, and we'll see you home the weekend, I'm sure at some point.

SOME HON. MEMBERS: Hear, hear!

MR. BROWNE: In any event, Mr. Speaker, it's certainly a pleasure for me to stand and speak to these private Members' resolutions. And in case you haven't been like Shirley and been following along all day, if you're just joining in,

I will take a moment just to read what the amended resolution would look like.

Where it says: WHEREAS the intent of the Atlantic Accord – which was just renegotiated by the Premier, a landmark deal for Newfoundland and Labrador, Mr. Speaker – is that offshore development approvals should be completed within 270 days, and such approvals are currently taking in excess of 30 months;

BE IT RESOLVED that the House of Assembly urge the Government of Newfoundland and Labrador continue to press the Government of Canada to affirm that the Canada-Newfoundland and Labrador Offshore Petroleum Board, established under the Atlantic Accord, should be the responsible authority for conducting environmental assessments of offshore projects under the *Canadian Environmental Assessment Act, 2012* (CEAA), and that exploration wells should be removed from the CEAA project list.

Mr. Speaker, my colleagues, the Minister of Natural Resources, the Minister of Municipal Affairs and Environment have eloquently spoken on the importance of the offshore, the importance of not only getting it right when it comes to the offshore, the importance to our economy that the offshore has, but the importance that is environmentally to getting it right as well.

So you certainly have very important priorities that we must protect and advance at the same time. As the Minister of Natural Resources said, the key – I certainly agree with this – is ensuring that we are environmentally sustainable but also globally competitive, because we are in a global environment and we have to ensure that we can attract investment to the province because that creates jobs. We know that oil and gas accounts for a great section of our GDP already. We want to increase that, and in doing so we must remain competitive.

I should also emphasize that the motion brought forth today, what we are supporting, and of course there's one small amendment just adding the word "continuing," because this government has been very active on this file. I will remind Members that on February 28 of this year the Minister of Natural Resources and the Premier both travelled to Ottawa to address the Senate

Committee on federal Bill C-69. From what I understand, no Members of the Opposition have done this, although we did hear today that they're perhaps in plans on that, so we will certainly stay tuned on that.

The objective of the trip was to advocate for the following changes to the proposed *Impact Assessment Act*. The policy intent on the role of the C-NLOPB must be enshrined in legislation to ensure certainty and clarity. The C-NLOPB should be designated as the responsible authority for offshore oil and gas environmental assessments, as was originally conceived and enacted. So it's very, very interesting. If we look at CEAA, which was passed in 2012 under the Harper regime – the same regime that some Members opposite wanted to become a part of, that took and took and took away from Newfoundland and Labrador – the Harper regime put this in place, stripped the C-NLOPB of this role, and our position is that it should be reinstated with the C-NLOPB.

Without these changes that I just referenced, Bill C-69 could deter investment in our offshore and mining sectors, without improving the environmental protection. So if the goal of C-69 is to advance more environmental sustainable protection, our view is without these changes that don't happen, and you have an adverse impact to competitiveness and attracting that investment. So on both counts, we believe that there does require some changes to achieve both goals, and we certainly think that public acceptance of this bill would not be as favourable without these changes.

One big change, when we look at the minister and the Premier's testimony in Ottawa to the Senate, the big change, of course, when you compare the intergovernmental relations from this government versus the last, is we actually get let in the door. We're not shoved to the corner of Wellington Street or kicked out of Langevin Block, out of the prime minister's office. We get in the room, we make the case for Newfoundland and Labrador and we make known the views of this province. We mightn't be kicking and screaming or hauling the flags down, but there is value in working and collaborating with one another. Just look no further than the \$2.5 billion agreement negotiated by the Premier – \$2.5 billion, a

sustainable, assured revenue stream for the Atlantic Accord, and no flags are down.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Trimper): Order, please!

MR. BROWNE: They're still up proudly, proudly flying.

Mr. Speaker, that's all right, they're a bit sensitive over there because this is a better deal than what they got when they were in government –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. BROWNE: – the Atlantic Accord. But that's fine, they'll have their opportunity. I'm certainly willing to stand up on the record of this government and the fact that the flags are still up – the flags are still up, I say to my colleagues, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

Order, please!

I remind the Members no heckling, no interruptions.

MR. BROWNE: Well, we got in through the door (inaudible) I say to my colleagues opposite.

AN HON. MEMBER: (Inaudible) standing in the corner in the rain.

MR. BROWNE: Standing in the corner in the rain and couldn't get anything done with your phantom fisheries fund, I say, Mr. Speaker. They announced the federal fisheries fund and forgot the federal government.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. BROWNE: Imagine that, had a federal fisheries fund and forgot the federal government, Mr. Speaker. And then they went up kicking and

screaming on their phantom fisheries fund up in Ottawa. Couldn't even get in, the prime minister kicked them out, the same prime minister the leader wanted to run for them. That's their record on federal-provincial relations.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

I remind all Members I'm trying to offer the MHA for Placentia West - Bellevue some protection and I would ask for your co-operation, please.

Thank you.

The hon. the Member for Placentia West - Bellevue, please.

MR. BROWNE: Mr. Speaker, it's striking a nerve because it's true. This government has delivered. We've gotten things from Ottawa they couldn't even dream of. Look at all the money they were going to sink into the science building down in the university, \$125 million. This government got \$100 million from the federal government for the Core Science building done on the Parkway.

SOME HON. MEMBERS: Hear, hear!

MR. BROWNE: Mr. Speaker, just look at the search and rescue –

MR. SPEAKER: I will remind the Member to be relevant, please. Just get back to the relevance.

Thank you.

MR. BROWNE: They totally let things slip, Mr. Speaker, including the environmental assessment process through this CEAA. So I just remind all of my colleagues, of course that we have been making great strides with respect to the oil and gas sector in this province. The Minister of Natural Resources launched *Advance 2030*, and we're seeing great, great success in the future.

Just a couple weeks ago, Mr. Speaker, the minister and I had the opportunity to be in Bull Arm in my district, where the West Aquarius

with Seadrill is undergoing a retrofit there, and it's creating jobs in rural Newfoundland and Labrador. You look just across the way from Bull Arm and it's the Come By Chance refinery is there.

So there are lots of impacts the oil and gas has on rural communities, which is why the resolution that we're debating here today, Mr. Speaker, is so important. Because the impacts that the assessment process on the oil and gas sector, the impacts of those policies have great impacts on communities in this province, including the capital city. Including rural communities like those that surround Bull Arm, or like Come By Chance, or like Marystown, which have fabricated so much for the offshore. So that is why I felt compelled that I should stand in my place and speak to this, because it is so important to our economy.

Resource extraction is becoming cleaner, digital and more innovative. Our economy, there is no doubt it, requires safe and environmentally responsible extractive industries. The changes that we have been requesting the federal government make to the *Impact Assessment Act* are to ensure we meet the objective of improving our economic and environmental competitiveness. As our offshore expands, these economic contributions will continue to increase.

So, Mr. Speaker, Members would probably know that right at present there are eight projects undergoing environmental assessment in our offshore, and an efficient regulatory regime is key to moving these projects forward and advancing our goal of doubling oil production, as outlined in *Advance 2030*.

I feel very strongly that it is important, as I said earlier, that we proceed in an absolutely environmentally sustainable manner, but that we also remain globally competitive. Because if you can't attract companies to come here from different places in the world, then they can shop and do business elsewhere. It's just like going to Sobeys; if you don't like there, you can go to No Frills. So it's important that the oil companies of our world, it's important that they see Newfoundland and Labrador as a place to invest.

So how do we ensure continued investment? Well, for starters, Bill C-69 has to be in keeping with the joint management principle of the Atlantic Accord. Newfoundlanders and Labradorians have to be the principal beneficiaries of that, which is the deal that the Premier negotiated.

Secondly, I would say approval timelines of environmental processes must be benchmarked and comparable to international jurisdictions such as the United Kingdom and Norway. The legislation should include and clarify the role of the C-NLOPB in environmental assessment. The designated project list must exclude wells under steward projects and activities such as exploration, geophysical activities and expansions of existing offshore projects, and the act should articulate the role and function of regional environmental assessments.

These are just but a few measures that this government has been advocating to the federal government. Again, we actually get in the door, people let us in in Ottawa and we work with Ottawa and get results on behalf of the people of Labrador. As I said, they don't push us out in the rain. I can guarantee Members opposite that there's no one pulling our strings, Mr. Speaker, and I can tell the Members opposite there's been lots of success by working with the federal government but standing up for Newfoundlanders and Labradorians when we had to, and that's exactly what we'll continue to do.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: I now recognize the hon. the Member for Windsor Lake who will close the debate on Motion 9.

The hon. the Member for Windsor Lake.

MR. CROSBIE: Mr. Speaker, thank you greatly.

I've listened to the remarks of various Members, and I thank them for those remarks, including the Minister of Natural Resources. I'd like to start by saying that the government has a program called *Advance 2030*, and that program

aims to double offshore oil and gas output by 2030, and also the revenue there from. We should all be afraid, very afraid, that the government is not going to achieve that target. In fact, the government may not achieve that target by 2050, or at all, if this job killing –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: – if this resource-extraction bill, if this anti-investment bill, the legislation we have under discussion right now and its replacement legislation, which was discussed at some length by the Minister of Natural Resources, are not stopped in their tracks and their effect of undermining our future prosperity stemming from the development of the offshore is not neutralized and negated immediately.

The minister was correct to go back over the history, and I'll just correlate some of that with her. The C-NLOPB and the Nova Scotia equivalent board, C-NSOPB, did lose their responsible authority status in the Harper restructuring –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: – and legislation for the new CEAA in 2012. Newfoundland and Labrador fought against that and both Harper and Trudeau ministers, the ministers under those governments, promised at various times to restore responsible authority status to the offshore boards. But that didn't happen, as federal environment has been the strong player versus the other federal departments.

Now, with the reduced status of the National Energy Board – renamed the Impact Assessment Agency of Canada – and the new CEAA, Canadian Energy Regulator, and with the addition of social and other vague criteria and final authority with Cabinet, there will be more uncertainty and the already serious withdrawal of investment capital, particularly foreign capital, is likely to continue and this is bad medicine for the Newfoundland and Labrador offshore.

Mr. Speaker, it's instructive to review the histories and the web of interconnections involved in some of the major players in the background here. We all recognize the name Gerald Butts. He's a Canadian political consultant who served as principal secretary to Prime Minister Trudeau from November 4, 2015 until his resignation February 18, 2019.

From 2008 to 2012 he was president and CEO of the World Wildlife Fund Canada, a global conservation organization. In his resignation letter, he said that there is one issue on which we – I guess collectively – would be judged above all others and that issue is climate change.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

I ask for your co-operation.

Thank you.

MR. CROSBIE: Seamus O'Regan – who we know as our representative in the federal Cabinet, a Member of Parliament – was a World Wildlife Fund Canada board member from January 2008 to September 2012. World Wildlife Fund Canada seeks to support and even surpass Canada's commitment to protect 10 per cent of its marine spaces by 2020. It strongly supports and encourages efforts by Canada and other nations around the world to develop and implement networks of MPAs with high ecological standards – that's marine protected areas. These would be off limits to industrial uses, including oil and gas extraction, commercial fishing and seabed mining.

I would read from a statement by Megan Leslie, the current CEO, replacing Gerald Butts who said: "Oil and gas exploration and exploitation is not compatible with ocean conservation, and WWF-Canada is concerned about opening up any kind of protected area to these activities."

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: "Closing marine refuges to fishing activity without restricting other industrial activities like oil and gas makes no

sense, and jeopardizes conservation goals. The Northeast Newfoundland Slope was declared a marine refuge to protect fish nurseries and cold-water corals and sponges, which would be put at risk by oil and gas activities.”

I’m just reciting this as background now, the World Wildlife Fund, and the people who are connected with that, close to the federal government in Ottawa, the Liberal government in Ottawa –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: – and close to the government of the Members’ opposite. Their champion in Ottawa, if you will.

The vice-president of oceans conservation for the World Wildlife Fund says: “... we question whether it’s even appropriate to task the offshore petroleum board with the role as lead regulator on environmental protection since it was primarily established, as stated in the Accord Act, to ensure economic benefits from oil and gas, rather than environmental protection....”

“How then can the government allow for oil and gas development in marine refuges, and seriously entertain the possibility of lifting the moratorium on oil and gas licences in Arctic waters?”

Mr. Speaker, the progress of a kind of Frankenstein’s monster which is replacing the legislation under consideration in the resolution, known as Bill C-69, has scared off investment in Canada’s resource sector on land, in Alberta, in Saskatchewan, and it is having that effect on our offshore as well.

A report, for example, is published by the C.D. Howe Institute that stated that in its present form Bill C-69 risks amplifying political risk and further impairing confidence in Canada’s resource sectors. We’re included in that. It doesn’t address Ottawa’s past failures to adequately consult Indigenous peoples, which resulted in the federal Court of Appeal quashing Cabinet’s approvals of the Northern Gateway and Trans Mountain expansion pipeline.

There has been a downdraft in investment in the natural resource sectors. Since 2014, annual capital investment in these sectors has fallen by \$50 billion, roughly 20 per cent of capital spending across all Canadian industries. In this context, Bill C-69 would further discourage investment in major projects. All of things offshore from our coastline here are major projects. We believe that the legislation risks congesting the assessment process with wider public policy concerns. It will exacerbate the political uncertainty with a highly subjective, public interest standard that would likely apply to every project subject to an assessment.

It will mean that every project that triggers federal assessment will face a subjective, political decision. This is because Bill C-69 removes the significant adverse environmental effects threshold before requiring a political justification decision by the federal Cabinet. It piles new, poorly defined, mandatory considerations into assessments. Definitions of effects are very broad and could recognize any possible concern that might be raised about a designated project, and it lacks a standing test for purposes of who participates in review hearings, compounding the risk of blowing out timelines and crowding out stakeholders with real skin in the game.

Mr. Speaker, we’ve seen some of that out-of-control process in terms of the questions I asked earlier in Question Period, when I adverted to a memorandum of understanding, which was signed three months ago, in which it is stated and laid down by the authorities that there are 63 Aboriginal groups outside the boundaries of Newfoundland and Labrador, which have been invited to be consulted and are required to be given information about the progress of the Bay du Nord Project – 63 groups outside of Newfoundland and Labrador.

Mr. Speaker, the government should indeed take this threat to our future hope of jobs and prosperity, and indeed fiscal stability and sustainability as a province, and indeed our very place in Confederation with the utmost seriousness and redouble its efforts to impress upon the Government of Canada that Bill C-69 must not fly.

The government should insist that our exploration wells be removed from the CEAA, 2012 project list immediately and assign the C-NLOPB as the responsible authority for environmental assessments. The government should make sure the Newfoundland and Labrador offshore oil and gas sector is exempt from Bill C-69.

C-69 would take away the Atlantic Accord right for Newfoundland and Labrador to decide on the pace and mode of the development of our offshore resources. We should be following C-NLOPB's development plan process, which is broader than an environmental assessment and covers many of the issues of the impact assessment under C-69.

As well, Mr. Speaker, the government should redouble its efforts to exclude any significant resource potential from the Government of Canada's international commitment to protect 10 per cent of marine areas. Ninety-six per cent of the Cape Freels project is currently included in the marine refuge; 96 per cent of the refuge is in waters deeper than 800 metres, even though 98 per cent of all trawling fisheries occurs in waters less than 800 metres deep. So, the question is: If this a fisheries closure area, what fishery is being protected?

Mr. Speaker, soft peddling these concerns to the Government of Canada is no longer an issue. Resort, if necessary, must be had to legal remedies.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

Is the House ready for the question?

First of all, on the question of the amendment.

All those in favour of the amendment?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against the amendment?

SOME HON. MEMBERS: Nay.

MR. SPEAKER: In my opinion, the ayes have it, so the amendment is carried.

On motion, amendment carried.

MR. SPEAKER: Second question.

All those in favour of the motion as amended?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against the motion as amended?

SOME HON. MEMBERS: Nay.

MR. SPEAKER: In my opinion, the ayes have it.

In accordance with Standing Order 9, this House does now stand adjourned until tomorrow at 1:30 o'clock.

Thank you.