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Speaker: Honourable Perry Trimper, MHA

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The House met at 1: 30 p.m.

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

Order, please!

I'd like to welcome the Members back to this House of Assembly and, as you've all noticed, we have some guests today I'd like to introduce.

First of all in the Speaker's gallery, I'm very pleased to welcome David Diamond Terri Jean Murray from Eastern Health, as well as members of the Burin Peninsula Eastern Health team: Evelyn Tilley, Glenda Webber, Diane Dunphy, Mary Williams Fewer and Heather Bungay. They are joining us this afternoon for a Member's statement and I must say a very special welcome to you and all that you've been doing.

Welcome to this House today.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: In the public gallery today, joining us from the Town of Stephenville, we have the Mayor, Mr. Tom Rose.

Welcome to you, Sir.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Also joining us in the public gallery, we have a student from Mount Pearl Senior High. He is job shadowing today and his name is Matthew Biggin.

Welcome to you, Matthew.

SOME HON. MEMBERS: Hear, hear!

Statements by Members

MR. SPEAKER: For Members' statements today we'll hear from the hon. Members for the Districts of Exploits, Fortune Bay - Cape La Hune, Stephenville - Port au Port, Terra Nova and Placentia West - Bellevue.

The hon. the Member for Exploits.

MR. DEAN: Thank you, Mr. Speaker.

Mr. Speaker, I rise in this hon. House today to recognize the Towns of Botwood, Peterview and Northern Arm, as well as Central Health on the joint hosting on April 11 of their annual Volunteer Appreciation Dinner, hosted this year at the Salvation Army Citadel in Peterview.

Each year sees the event hosted on a rotating basis by the three communities during Volunteer Week to honour the many volunteers in the region and to announce each town's Volunteer of the Year. The guest speaker for this year's event was Robert Hannaford of Northern Arm who spoke to the value of volunteers, with the evening coming to a close with Christine Luscombe of Botwood, Woody Hibbs of Peterview and both Maxine Fisher and Sheala Hart of Northern Arm being named their communities Volunteer of the Year.

Mr. Speaker, I ask all hon. Members to join with me in recognizing the sponsoring towns, Central Health and our volunteer community on this unique partnership and shining example of regional co-operation.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for the District of Fortune Bay - Cape La Hune.

MS. PERRY: Thank you, Mr. Speaker.

Mr. Speaker, it's an honour to stand today and pay tribute to a man that was the embodiment of what it means to be from the South Coast. Calvin Sheppard – or Calve as he was known – was hard-working, fun-loving and held in the highest regard by all who knew him.

He proudly married his life-long love, Margaret Yarn; they had two children, James and Megan; and Calvin became the well-known owner of Yarn's Store Limited. I can state personally that if you had the pleasure to spend time with Calve, he immediately left a positive impression on you and you had yourself a true friend. He had an infectious smile, a caring heart and treated all who knew him with the utmost respect.

Mr. Speaker, in the fall of 2017, many people were devastated to learn that Calve had been diagnosed with brain cancer. He fought this disease courageously, but on August 28, 2018 the stars on the South Coast shone dimmer when Calve passed away at the age of only 59 years old.

I ask all Members of this House to join me in paying tribute to Mr. Calvin Sheppard – a man who was loved, admired and respected by many and whose memory will live on for years and years to come.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for the District of Stephenville - Port au Port.

MR. FINN: Thank you, Mr. Speaker.

On Sunday, March 24, the Bay St. George Sick Children's Foundation held its 24th annual telethon at the College of the North Atlantic in Stephenville. Formed in 1995, their mandate is to lessen the financial burden on families with children that need to travel outside the Bay St. George region for medical appointments.

Over the past 12 years, the foundation has assisted hundreds of families, paying for over 800 trips, including 3,200-plus nights of accommodations, costing just over \$770,000.

This year's telethon raised \$52,303 over a nine-hour period, thanks to the generosity from individuals and businesses throughout the Bay St. George region, as well as those who made pledges from all across the country. I wish to say a sincere thank you to the foundation's chair, Marsha McInnis, her amazing board of directors, as well as the College of the North Atlantic, Eastlink and over 80 community volunteers who gave freely of their time to make this a success.

I ask all Members to join me in congratulating the Bay St. George Sick Children's Foundation on their successful telethon and applaud them for their ongoing efforts for assisting families in need.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for the District of Terra Nova.

MR. HOLLOWAY: Thank you, Mr. Speaker.

I would venture to say that every Newfoundlander and Labradorian living in or outside the province knows the ballad of "Saltwater Joys" or have sung to "The Pits" and "Sarah, Sarah, won't you come out tonight."

Formed in Glovertown in 1985, Buddy Wasisname and the Other Fellers have entertained us for more than 30 years. Throughout this time, band members' comedian Kevin Blackmore, songwriter Wayne Chaulk and accordion player Ray Johnson have played to sold-out audiences all across the country. Amongst their long list of accomplishments, this gut-busting trio have produced 20 albums containing 85 original songs, been recognized as Music Entertainer of the Year and Artist of the Year, received two ECMA nominations and been featured numerous times on CBC and CTV.

Mr. Speaker, on May 30, Kevin, Wayne and Ray will not be going up to the gravel pit; they will be off to St. John's to receive honorary doctorate degrees from Memorial University of Newfoundland in recognition of their tremendous contributions to the social, cultural and artistic fabric of this province.

I ask my hon. colleagues to join me in congratulating Dr. Kevin Blackmore, Dr. Wayne Chaulk and Dr. Ray Johnson on this milestone achievement.

Bravo!

SOME HON. MEMBERS: Hear, hear!

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

MR. BROWNE: Mr. Speaker, I rise today to recognize a group of health care professionals

who are making a difference on the Burin Peninsula.

As Members well know, issues relating to mental health and addictions have been on the rise across the province. Ensuring patients could access counselling services were crucial, but three years ago the wait time on the Burin Peninsula was eight months long, sitting at 180 people.

Talented members of the Eastern Health staff based in Marystown combined their expertise, compassion and desire to do good for those they serve and, along with government's support, changed the model of delivery from an appointments-based system to a walk-in service. This has cut the wait time to zero, eliminated the no-show and cancellation rate for appointments and has overall provided patients with timely access to the services they need.

This approach, which was pioneered on the Burin Peninsula, is now in play in other regions of the province such as Labrador City, St. Anthony and Harbour Grace.

The Burin Peninsula Eastern Health team will be officially recognized for their efforts at the National Health Leadership Conference this June in Toronto.

Mr. Speaker, I ask all Members of this hon. House to join me in saluting Members of the Burin Peninsula Eastern Health team. Each of you are making a difference. Thank you for your work and congratulations.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Statements by Ministers.

Statements by Ministers

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

MR. HAWKINS: Thank you, Mr. Speaker.

I rise today in this hon. House to provide an update on the K-to-six Mathematics Bursary Program.

Last year we announced \$40,000 annually for the program to encourage university-level teacher participation and enhanced learning in K-to-six mathematics content and instructional practices.

I am pleased to report that there has been a great interest throughout the province from school administrators, classroom teachers and specialists looking to ensure and enhance their knowledge and skills in mathematics.

The department has also received positive feedback from teachers and specialists that have taken advantage of the Bursary Program.

One mathematics program specialist wrote to say, "I would strongly recommend the Mathematics Bursary Program to a colleague, as it is a wonderful opportunity to enhance your teaching and learning proficiency in the area of mathematics. After completing my course, I definitely walked away with a broader, richer understanding of how to best teach mathematics in a K-6 setting."

Mr. Speaker, I encourage more eligible teachers and administrators who work with K-6 students, including substitute teachers, to consider availing of the bursary. Applications are being reviewed on a regular basis.

By implementing these recommendations included in the Premier's Task Force on Improving Educational Outcomes and the Education Action Plan, we are ensuring that students receive a high quality education that prepares them to succeed in whatever path they choose.

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.

I thank the minister for advance copy of his statement. The importance of good mathematics education is vital to Newfoundland and

Labrador's future, as we know that the jobs of tomorrow will likely require youth to have a solid footing in this subject. For example, in fields of engineering and data science.

Therefore, ensuring that our teachers, specialists and administrators have a good understanding of the best modern practices for mathematic education is important if we are to achieve that goal. But more importantly, we must ensure that the actual testing outcomes are seen to be improving. Newfoundland and Labrador still performs well below the national average, according to the last report of the Council of Ministers of Education. We must do all that we can to improve this situation and strive for nothing less than excellence.

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, too, thank the minister for the advance copy of his statement. I was glad to see this bursary as one means of enhancing teaching standards of practice for K-to-six mathematics and I'm glad it's flourishing, but I also look forward to seeing the other promises in the Education Action Plan for 2019 and 2020, such as a new assessment framework, new teaching standards of practice and revised courses in the faculty of education so our younger students can get the best math foundation possible.

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you.

Further statements by ministers?

The hon. the Minister of Fisheries and Land Resources.

MR. BYRNE: Mr. Speaker, more than 80 per cent of the wild fires that occur in Newfoundland and Labrador are preventable. In

2018, 106 out of 132 fires were caused by human activity, and 12 of those fires occurred before the normal fire season had even started in early April – a time when many people have the misconception that spring conditions are always safe for burning.

Although less area was burned in 2018 – we've very happy about that – the number of fire starts was up compared to 2017. Fast action by our excellent fire suppression crews ensured protection of more forest land last year, and reflects the ever-constant need for vigilance in forest fire prevention. I'm also very pleased to inform the House, Mr. Speaker, that we will be hiring 10 student firefighters this summer, who will gain valuable experience and bring their youthful energies to a demanding profession. This new initiative will be a fantastic source of employment for students in our forestry technician programs as well as the related fields of natural resources.

Mr. Speaker, while spring is traditionally the time of year to get outside and clear up our properties after a long winter, I cannot overemphasize the importance of exercising extreme caution when using fire during spring cleanup activities near forested land. Grass burning is a long-standing spring tradition in Newfoundland and Labrador, but the practice is not always safe. And while dead vegetation in fields and other open areas may appear wet in spring, it can ignite quickly under warm or windy conditions – and this is the cause of most fires that occur early in the season.

The 2019 forest fire season will be in effect from May 1 to September 30 on the Island portion of the province, and from May 15 to September 30 in Labrador. Under the *Forestry Act*, a permit to burn is required to burn brush on forested land or within 300 metres of forest land during the fire season, and failure to comply is an offence under this act.

Mr. Speaker, I urge all residents, please, take every measure possible to not become a forest fire statistic. Help protect our vital forest lands, as well as the dedicated fire suppression crews that work tirelessly to fight fires when the call comes in at great risk to themselves, by taking extra care to prevent forest fires.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Mount Pearl North.

MR. LESTER: I thank the minister for the advance copy of his statement. Mr. Speaker, the statistics presented in this statement are indeed very concerning. The fact that over 80 per cent of our forest fires in our province are preventable and the fact that the number of forest fire starts was higher in 2018 than 2017 should also give us pause for thought.

As the minister referenced in his statement regarding the grass-fire burning, I know in my own particular neighbourhood it's not spring unless you can smell a grass fire in the air. I remember on many occasions when the fire department would have to show up and prevent tragedy from happening, but it can quickly manifest into something very serious.

At this time of year, people often take the opportunity to clean up around their properties and it's certainly important to remind residents that brush and forest fires can be very dangerous and destructive. I encourage all people from across the province to take the necessary steps to prevent forest fires. This includes the management of our forests. It's most important that we manage our forests, harvest at the appropriate time, if not, Mother Nature will cause those forest fires.

I certainly wish residents, fire crews and certainly the new student firefighters a very safe and fire-free summer.

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 thank the minister for the copy of his statement. Horrific wildfires are causing

unprecedented devastation to human life and property on many parts of the globe – surely, the effect of climate change. In our own province, we see human activity causing forest fires, which put the lives of fire suppression crews at risk and destroy valuable forest assets.

As we may be facing hotter, drier and longer summers, and I think we're sure that's going to happen, I suggest to the minister, it may be time to consider a law banning grass burning as a practice, not just a caution to be safe.

Thank you very much, 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.

As recently as July 28, the Premier said his government's mission is to make sure rates don't go much above 17 cents per kilowatt hour when Muskrat Falls is fully online in 2021.

Can the Premier explain why he has now adopted a target rate of 13.5 cents per kilowatt hour –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: – which is not a Muskrat mitigation rate but a subsidy to the shareholders of Newfoundland Light and Power?

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

Well, any day that I get the opportunity to stand in this House and compare a very credible Muskrat Falls rate mitigation to the CHEAP that

we have out there, Mr. Speaker, simply put, people in Newfoundland and Labrador can't afford your plan, 17 cents is too much for ratepayers or taxpayers to pay in this province. They just simply can't afford that.

Mr. Speaker, the unfortunate thing to do, or for me today, is standing here and realizing that \$500 million a year right now would go towards Muskrat Falls rate mitigation that was never told to the people in Newfoundland and Labrador when your party, the PC Party, sanctioned this in 2012.

SOME HON. MEMBERS: Hear, hear!

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

MR. CROSBIE: Mr. Speaker, the Premier knows that Newfoundland and Labrador Hydro filed 14.67 cents per kilowatt hour with the PUB as the rate immediately prior to Muskrat Falls coming online.

Does the Premier agree that his plan to subsidize electrical rates down to 13.5 cents is a plan to –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

Please proceed.

MR. CROSBIE: – substitute Light and Power?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

Well, the 13.5 per cent base that we put in place today would be what we would see as the normal progression of rates that would be based on the Public Utilities Board, Mr. Speaker, just over 12 cents a kilowatt hour right now. Any increase in electricity rates impacts people of Newfoundland and Labrador. It impacts how competitive we are as a province.

I know the Leader of the Opposition there, under the Crosbie plan, is trying to defend 17 cents, Mr. Speaker, but that is even higher than when they sanctioned the project in the beginning. What we put in place today is a rate mitigation

plan that properly reflects where we believe this province will be in rates in 2021 when Muskrat Falls generation comes online.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Leader of the Official Opposition.

MR. CROSBIE: Mr. Speaker, the Premier knows full well because his government required the tabling of it that our plan fixes rates at 14.67 cents per kilowatt hour.

The biggest factor in the Premier's rate mitigation plan is \$200 million from the federal government which they have not actually agreed to pay.

How does an honest government spend \$200 million, which is part of a wish list?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Mr. Speaker, once again we hear the Leader of the Opposition, Leader of the PC Party, defending a 17-cent rate mitigation plan; way too much for people in this province.

We know that former PC governments had a problem with math. As a matter of fact, I can remember when the former minister of Finance said that math was not his forte. Well, neither is it the forte of the current Leader of the Opposition because he double counted \$150 million in his Crosbie plan.

SOME HON. MEMBERS: Hear, hear!

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

Order, please!

MR. CROSBIE: Perhaps the Premier could explain that if the \$200 million is not forthcoming from the federal government, where's he going to get the \$200 million?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Mr. Speaker, over the last 3½ years we've had a lot of success working

with our federal government, when you look at nearly \$80 billion worth of transactions. This is about financial restructuring. This is not about the federal government coming with a cheque, we've made that quite clear this morning.

The Public Utilities Board, in their interim report on February 15, said the greatest opportunity, the best potential, their greatest potential for rate mitigation when it comes to restructuring the financial arrangements with the federal government, they saw that as there, it was possible and it was our greatest opportunity.

Prime Minister Trudeau agreed to that, Minister Morneau and I had a meeting, we're working together expeditiously to achieve rate mitigation, and our current minister, Seamus O'Regan, who's in town today, attended the meeting.

We know we can achieve this.

SOME HON. MEMBERS: Hear, hear!

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

Order, please!

MR. CROSBIE: Now we found something out.

Now we know that the \$200 million is money which is going to be extracted down the road from our children and our children's children, typical of the leadership of this government.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: What does the Premier have to say to ratepayers who have invested massively in mini splits, and now find out that under his rate plan their investments were unnecessary?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Mr. Speaker, for the life of me, I've never heard anyone say you should waste electricity, except for the current Leader of the Opposition, the PC Leader.

He is now suggesting that people shouldn't make wise use of electricity. Why would anyone

who represents Newfoundlanders and Labradorians not want to make sure that people use their electricity wisely? Those who have made those investments, I would say thank you to them, because it now puts us in the position where we can use surplus energy, we can sell surplus energy and we can attract industry to our province.

Mr. Speaker, what I will not do is listen to the Leader of the Opposition that he says we're putting this out to future generations.

The single biggest challenge that we face in this province today is the impact of Muskrat Falls on every single generation out into the 2050s. Is he proud of that legacy?

SOME HON. MEMBERS: Hear, hear!

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

Order, please!

I ask for co-operation.

Order, please!

The hon. the Leader of the Official Opposition.

MR. CROSBIE: Mr. Speaker, it will be a relief to get on the campaign trail where I can get away from listening to continued whining from the Premier.

SOME HON. MEMBERS: Hear, hear!

MR. CROSBIE: Yesterday was the 75th anniversary of Hydro-Québec, and as part of the celebrations, Hydro-Québec promoted the development of Gull Island.

I ask the Premier: Is Nalcor or any of his officials in discussions to develop Gull Island?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: First of all, Mr. Speaker, very pleased to rise in this House today and listen first and foremost to the Leader of the Opposition, the Leader of the PC Party, just like we've seen previously leaders, defend the decision on Muskrat Falls.

Yes, I am looking forward to getting on the campaign trail too. Mr. Speaker, it took an inquiry get the truth out about the decisions that had made with the Muskrat Falls.

Now, when it comes to the question, Mr. Speaker, about Gull Island or any future developments, we are not talking about those kinds of developments. What we're talking about would be transportation and mining, but I can guarantee you this. We will never expose ratepayers or taxpayers of this province to a Muskrat Falls project, regardless of what happens in the future.

I am, like every single Newfoundlander and Labradorian, looking forward to 2041 when we get the Upper Churchill back.

SOME HON. MEMBERS: Hear, hear!

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

MR. CROSBIE: Somehow I think Gull Island went missing in the answer. Let's try our luck on the next one.

Hydro-Québec says we don't have a choice but to develop Gull Island with them.

Does the Premier agree?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: No, I don't agree, Mr. Speaker. What I look at when I talk to my colleagues in the Atlantic Provinces, we have about 1,700 megawatts of coal power that will need to be displaced in 2030. If the answer to that or part of the answer to that is future developments in our province, why wouldn't any responsible Premier take a look at that?

You see, co-operation and partnership is what this government is built on. Keep in mind, Mr. Speaker, it was the Leader of the Opposition, the Leader of the PC Party, just a few weeks ago said the best thing we'd be doing is fight against all the people that he's now suggesting are part of a solution for our future.

SOME HON. MEMBERS: Hear, hear!

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

MR. CROSBIE: Mr. Speaker, Ray Kroc, founder of McDonald's restaurants, said that he could create faster than his competitors could copy. I congratulate the Premier for attempting to copy the PC Party platform to repeal the insurance premium tax, but would ask him –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. CROSBIE: – why he intends to only go halfway.

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Mr. Speaker, I'm looking forward to a box of Kleenex that could actually have the PC platform on it because that's what you could put it on: a piece of tissue.

Mr. Speaker, we listened to people of our province and I can guarantee you it didn't take the Leader of the Opposition to actually convince me about insurance tax. We put in place a plan in 2016 that when we were in the position to do it, Mr. Speaker, we would relieve people of this province.

I didn't like the decisions that we made in 2016, but I'll guarantee you I like the track that we're on today, being in a position to give back to the people of our province, because they've asked us – regardless of what a former injury lawyer would have said, we're here on behalf of Newfoundlanders and Labradorians and we will give relief when relief is available.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

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

MR. BRAZIL: Thank you, Mr. Speaker.

Minister, I must question again how you can stand by and watch the Pharmacy Board force pharmacy technicians in this province to travel to another province to do their exam and, upon

their exam completion, register in that province and then apply to the Newfoundland and Labrador Pharmacy Board for registration here. How does this make any sense?

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

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

The Pharmacy Board is responsible for regulating the profession of pharmacy in this province. They have that autonomy under the act and we have no role as politicians in interfering with professional standards. There was a seven-year transition put in place and two years of bridging money provided by this government to enable those technicians, who wish to, to avail of it.

At the end of that, it was the decision of the Pharmacy Board that that program would terminate. Those people who went through it and were successful, I congratulate them. Those people who did not, we have worked with them as far as possible to try and accommodate their needs, but at the end of the day the decision is that of the Pharmacy Board.

SOME HON. MEMBERS: Hear, hear!

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

MR. BRAZIL: Thank you, Mr. Speaker.

But the minister is responsible for the quality of health care here and that includes every component here. So what he's saying is we'll take taxpayers' money, give it to a technician to travel to another province to do an exam, register there, then come back to this province and register with a board here that is qualified to be able to do the registration here in Newfoundland and Labrador. It still makes no sense to me. It makes no sense to people in the health profession and it definitely makes no sense to those technicians.

Minister, you still have time to prevent the valuable health professionals from being forced out of their positions. Will you work with Eastern Health to ensure that the pharmacy

assistants can work side by side with pharmacy technicians and pharmacists in our health care system as other jurisdictions allow?

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

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

The issue of pharmacy technicians and their licensing lies very clearly with the Pharmacy Board. Money was provided, courses were arranged and support was provided to tune of in excess of \$60,000 in the last year, Mr. Speaker.

At the end of the day, it is about standards. Those standards are set by the Pharmacy Board, not the Department of Health.

SOME HON. MEMBERS: Hear, hear!

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

MR. BRAZIL: Thank you, Mr. Speaker.

It's been three months since the minister announced that ophthalmologists could offer cataract surgeries in their clinics; yet, to date, there have been no surgeries performed in these clinics that would be covered under the announced program.

When can we expect people to be able to get life-altering cataract surgery in these clinics as was promised by your administration three months ago?

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

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

There is a transition committee established under the arrangement that was put in place by the Members opposite when they were in government to have surgeries and procedures transition from the RHAs into private-based offices. Negotiations with the NLMA are underway. We are now engaged in standard-setting activities to make sure that the people

who chose to go to a private clinic will do so with protection around quality and standards.

This will broaden access to cataract surgeries, but it has to be done right, and we are getting it right, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Conception Bay South.

MR. PETTEN: Thank you, Mr. Speaker.

The Liberal levy has collected in total \$160 million since it was announced. This is almost half the spending announced last week by the Liberals.

I ask the Premier: What is the estimated revenue for the 2019-2020 fiscal year?

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

MR. OSBORNE: Thank you, Mr. Speaker.

As the Member knows, the levy is going to be gone this year. There was legislation put in place to eliminate the levy, when the levy was put in place in the beginning.

We wouldn't have needed the levy if we weren't left with a fiscal mess by the Party opposite, but to get more direct and answer the question, Mr. Speaker, it's approximately \$60 million.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Conception Bay South.

MR. PETTEN: Thank you, Mr. Speaker.

As the minister pointed out, they're going to remove it at the end of this year, but we're asking why can't the Liberal government immediately put money back into people's pockets by eliminating it tomorrow?

I ask the Premier: Will you ensure that there is no levy charged on the residents of this province for the 2019-2020 fiscal year?

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

MR. OSBORNE: Mr. Speaker, I'm very proud to say that today the Premier made the announcement that we were eliminating the tax on automobile insurance.

SOME HON. MEMBERS: Hear, hear!

MR. OSBORNE: Mr. Speaker, that's putting money back in the pockets of the people of the province. But day after day, after day after day Members opposite stand and ask us to spend more money in Question Period, in petitions, and they ask us to eliminate taxes.

Mr. Speaker, we've employed a balanced approach on this side. We've gotten the province back on a sound fiscal footing. We are turning the corner, Mr. Speaker, from the mess that was left by the previous administration and I can guarantee you that as we can provide relief, we will provide relief. We did it again today.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. LESTER: I guess it's just a coincidence that possibly tomorrow there will be an election announcement.

The economic growth strategy for Newfoundland and Labrador was given to the Liberal government in February of this year. Today, on what could be the last week of their mandate, they release it.

Why didn't the Premier produce and follow a plan the very first day he came into office?

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

MR. OSBORNE: Mr. Speaker, what a joke – what a joke. Receive a report today and tell everybody in the province exactly how we’re going to deal with the report today – what a joke.

Mr. Speaker, we released the report today. We promised we’d release the report. We did indicate that the report was to inform budget 2019 and we indicated that we’d release the report, Mr. Speaker, shortly after the budget. I guess they’re going to complain that we actually did it before the budget.

SOME HON. MEMBERS: Hear, hear!

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

MR. LESTER: The McKinsey report reads: Unemployment rate is significantly higher than the national and only about half of Newfoundland and Labrador’s population of labour force age are employed.

How does the Premier expect the people to reelect them when he has failed to provide job growth in the province?

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

MR. OSBORNE: Oh my God! Mr. Speaker, we’ve had nine consecutive months of year-over-year job growth in this province.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. OSBORNE: Mr. Speaker, their budget of 2015 projected what the employment would be in this province. We have surpassed it. We surpassed what they projected.

SOME HON. MEMBERS: Hear, hear!

MR. OSBORNE: Mr. Speaker, *Budget 2015* projected what capital investment would be in this province. We have surpassed it. *Budget 2015* projected what retail sales would be today. We have surpassed it, Mr. Speaker. We have surpassed their projections of *Budget 2015*.

As I said last week, it was fudge-it budget.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The hon. the Member for Mount Pearl North.

MR. LESTER: While I’m not quite used to such a theatrical performance by the minister, I find it insulting, as do the families and friends of the over 20,000 people that have had to leave this province to find work.

The McKinsey report notes that for the province to meet its potential, government action needs to accelerate timelines, incentivize exploration and drilling.

I ask the Premier: How can you increase timelines if you do not stop the federal delays?

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

MR. OSBORNE: Mr. Speaker, the Premier and the Minister of Natural Resources have gone and spoken to Senate, they’ve spoken with the federal government.

We take the role of government very seriously. We are doing what we can to reduce the timelines. One of the recommendations in the report was to reduce the timelines, another recommendation was to incentivize exploration in this province. That’s the reason. He wanted us to immediately tell people our response to the report. Some departments are actually still working on some of the recommendations.

We made an announcement in Holyrood a couple of days ago. We made an announcement about MRO today. There will be several other announcements regarding McKinsey in the budget tomorrow.

As we indicated, it was to inform Budget 2019 and we will continue to work with that and *The Way Forward*, to inform *The Way Forward* and (inaudible) –

MR. SPEAKER: Thank you very much.

The hon. the Member for Mount Pearl North.

MR. LESTER: Interestingly enough, under this administration, the \$1 million McKinsey report recommends more money needs to be spent on more reports.

I thought in 2015 the people committed to paying Members opposite, Members of government, to lead the province, not a \$1-million report.

Can the minister explain to taxpayers that this was a good value for taxpayers?

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

MR. OSBORNE: Mr. Speaker, the report is suggesting that we can increase GDP somewhere between \$5 billion and \$12 billion, that we can add another 27,000 to 30,000 jobs in this province. If we get just a fraction of that, the investment is well worth it.

The announcement we made today regarding MRO has the ability to create hundreds of high-paying jobs in a globally growing industry. If we can just do that one announcement, that one project, it's worth the investment. It's talking about several other sectors where we can improve and increase the number of jobs.

We are determined to turn this province around. We're doing it. We're creating employment. We've got a track record of doing so.

SOME HON. MEMBERS: Hear, hear!

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

MR. LESTER: McKinsey highlighted top five high-potential priority sectors. One of them was ocean technology, which we are now playing second fiddle to Halifax. Two: offshore oil, which this government has just sold out under the Atlantic Accord and now falling victim to C-69, and the fisheries, which this government failed to get a federal fund to diversify.

Why have you spend four years doing the exact opposite of what McKinsey says you should have been doing to grow our economy?

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

MR. OSBORNE: Mr. Speaker, another example of why the Members opposite would be asleep at the wheel.

Mr. Speaker, our Premier and our Minister of Natural Resources have gone to the world, gone to the global oil industry, they've eliminated or reduced the risk of doing exploration in this province by doing the geoscience and the seismic work in this province. We've got almost 100 exploration wells registered with this province today, Mr. Speaker. If just one in five or one in six of those wells turns to a profitable project – the size of our oil industry right now is just at the infancy.

We've been doing the things we need to do to create jobs. We'll continue to doing whatever we need to do to create jobs. We make no apology for that.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Just a little reminder to all the Members, it is Oral Questions, I want to hear the questions and I want to hear the answers. I will not tolerate interruptions.

The hon. the Member for Topsail - Paradise.

Thank you.

MR. DINN: Mr. Speaker, the Seniors' Advocate, Dr. Suzanne Brake, was appointed on November 8, 2017.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. DINN: Thank you, Mr. Speaker.

Under the *Seniors Advocate Act*, Dr. Brake was required to file an annual report to the Speaker of the House of Assembly. This has not happened.

Mr. Speaker, why is the minister allowing this important work to fall by the wayside?

MR. SPEAKER: This question is out of order. It's a part of the Statutory Office world that's within the Speaker's office. If you'd like to discuss, I'd invite the Member to come and see me.

Another question please.

The hon. the Member for Topsail -Paradise.

MR. DINN: Mr. Speaker, the Seniors' Advocate was established to provide a critical voice to systemic issues seniors are facing and to make recommendations to government to improve senior services. It's now been five months since the report should have been presented.

I ask the minister: Will she explain why the voice of seniors has been silenced by this government?

MR. SPEAKER: I will tolerate the question.

The hon. the Minister of Children, Seniors and Social Development.

MS. DEMPSTER: Mr. Speaker, while you have already ruled that the question is out of order, I will take a minute to talk about how pleased we are because that it in independent office –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS. DEMPSTER: – of the House, Mr. Speaker, I will take a minute to say how pleased this government was to set up the Office of the Seniors' Advocate, certainly not a luxury. As one of the most rapidly-aging provinces in our country, we take the concerns of seniors very, very serious. That's why we implemented a supplement; \$122 million. We're reaching out to 47,000 seniors in this province, and 155,000 low income, helping them to meet their needs everyday. We'll continue to take care of the seniors in this province.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

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

Order, please!

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

While government was elected almost four years ago, only today, on the eve of another election, are they offering a hastily-concocted grab-bag of ideas on how to deal with power rate mitigation.

I ask the Premier: Knowing, as we all did, this was going to be a monumental problem, why did he wait until the last minute to pretend he has a plan?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER BALL: Thank you, Mr. Speaker.

Well, when you compare it to the leader of the Third Party, their plan, they have no rate mitigation plan, Mr. Speaker. They are suggesting that it's okay to subject ratepayers and taxpayers to some twenty-two-point-odd cents per kilowatt hour. That is not what we think is possible.

Mr. Speaker, I made it quite clear on many, many occasions in the last few weeks that before budget of this year we wanted to get out a rate mitigation plan. We also want to deal with the looming increases in insurance in our province. We will come through with a budget that reflects the priorities of Newfoundlanders and Labradorians.

Mr. Speaker, I wish that those \$500 million that we have to put toward rate mitigation could go to other priority areas and programs from Newfoundlanders and Labradorians, but we've been dealt with this and we're fixing this mess up.

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.

If the Premier is going to refer to our programs or our thoughts, he better get his facts straight.

One of the largest claims in government's so-called rate mitigation plan is \$200 million from the federal government.

I ask the Premier: Will he please tell the people of the province exactly how he has come up with the \$200 million figure from the federal government?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: First of all, Mr. Speaker, if you look at the plan, it clearly outlines – it starts at some \$725 million, which is the first requirement in 2021.

Mr. Speaker, some people ask questions, and I know they don't want to hear the good answers, but what we've outlined is a very factual representation of where the needs would be.

Mr. Speaker, it brings rates back to 13.5 cents. We've been able to come up with provincial resources of some \$525 million, all clearly outlined. It leaves us with \$200 million.

The PUB looked at some \$80 billion worth of transactions that would occur over the life of this project, the finances, and they all agreed that the best opportunity, the greatest potential, lies within restructuring; that would include the federal government, and the federal government agrees with that.

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.

There are no details on how they've come up with \$200 million as the figure. For the past month, on the eve of an unnecessarily early provincial election call, government has been flagrantly using its executive power to pile spending announcements on the people of the province.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS. MICHAEL: I ask the Premier: Does he really think the electorate will not see through his attempts to buy their votes with their own money?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Mr. Speaker, back in 2016 we outlined a plan for the future of this province. It was about growth and sustainability. It was *The Way Forward*. Embedded in all of this is how we actually increase economic diversification, how we give back when we're in the position to be able to do so. We were determined to discipline to keep a financial track in place.

Over the last 3½ years, I've listened to Members opposite ask for many, many different things. We've had the financial discipline to make the decisions. Mr. Speaker, today was an opportunity for us in this government to give back to the people of Newfoundland and Labrador.

I look forward to the budget tomorrow, Mr. Speaker, with how we maintain our fiscal track, yet give back to the priority areas of Newfoundland and Labrador.

I look forward to debating the NDP rate mitigation plan.

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.

This morning's dog-and-pony show on rate mitigation lists no details on the numbers government claims will be used –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS. MICHAEL: – to lower crippling Muskrat Falls power rates.

I ask the Premier: How does he expect people to believe his so-called plan will work with absolutely no detail on how government arrived at the numbers?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Mr. Speaker, one of the first things that we did when we looked at the impact of Muskrat Falls was bring back the Public Utilities Board. It was appropriate that we do that near the end, as the project would be getting completed because that left little risk then for the price of the project to escalate.

Mr. Speaker, we know this has an impact on electricity rates. We have put in place a plan that clearly describes where the money comes from; it clearly describes and is tied to some of the work that's been done by the PUB. We've had our discussions with the federal government. They know that we can achieve rate mitigation of \$200 million, that Member opposite if referring to, by restricting the financial resources or the financial structure of Muskrat Falls.

Mr. Speaker, this is good news for ratepayers and taxpayers in this province. The Member opposite can shake her head all she wants because they have no plan. We've put our plan in place. Where is yours?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

Time for Oral Questions is over.

Thank you.

Presenting Reports by Standing and Select Committees.

Presenting Reports by Standing and Select Committees

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

MR. REID: Mr. Speaker, I'm pleased to stand today to table the report of the Privileges and Election Committee on a point of privilege against the Member for Terra Nova respecting the release of reports of the Commissioner for Legislative Standards.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. REID: The Committee has studied the matter and considered it carefully. In light of the lack of statutory requirements and the lack of clarity and understanding around parliamentary tradition, the Committee recommends to the House that there be no finding of contempt in this matter.

MR. SPEAKER: Thank you.

Further presenting reports by standing and select committees?

Tabling of Documents.

Notices of Motion.

Notices of Motion

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

MR. OSBORNE: Thank you, Mr. Speaker.

I give notice that the House approve in general the budgetary policy of government.

MR. SPEAKER: Thank you.

MR. OSBORNE: Further, Mr. Speaker, I give notice that I will on tomorrow move that the House resolve itself into a Committee of Whole on Supply to consider certain resolutions for the granting of supply to Her Majesty, Bill 7.

MR. SPEAKER: Thank you, Sir.

Further notices of motion?

The hon. the Member for Bonavista.

MR. KING: Mr. Speaker, I give notice, seconded by the hon. Member for Harbour Grace - Port de Grave, that:

WHEREAS the Leader of the Opposition has finally admitted that the problems we have faced as a province over the last four years were inherited from the previous administration; and

WHEREAS the projected deficit for the year 2016-17 was projected to be \$2.7 billion if no action was taken, making it the largest deficit in the province's history; and

WHEREAS despite the fiscal situation we found ourselves in when forming office, we have drastically reduced our provincial deficit; and

WHEREAS government spending throughout the former PC administration increased by over 50 per cent, despite a decline in oil revenues; and

WHEREAS our government has stabilized spending to a manageable level, reduced our reliance on oil and diversified our economy;

THEREFORE BE IT RESOLVED that this hon. House supports the fiscal and economic plan for the province as laid out in budget 2019.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Government House Leader.

MR. A. PARSONS: Yes, thank you, Mr. Speaker.

The private Member's resolution just entered by the Member shall be pursuant to 63(3), the private Member's resolution to be debated this Wednesday.

MR. SPEAKER: Thank you, Sir.

Further notices of motion?

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

MR. REID: Thank you, Mr. Speaker.

I give notice that I will on tomorrow ask leave to introduce the following motion:

BE IT RESOLVED that the House of Assembly concur in the report of the Standing Committee on Privileges and Elections on a point of privilege raised against the Member for Terra Nova respecting the release of a report of the Commissioner for Legislative Standards.

MR. SPEAKER: Thank you.

Further notices of motion?

The hon. the Government House Leader.

MR. A. PARSONS: Mr. Speaker, I give notice that I will ask leave to move the following resolution respecting the appointment of a Citizens' Representative:

BE IT RESOLVED by the House of Assembly as follows: WHEREAS section 3 of the *Citizens' Representative Act* provides that the Citizens' Representative is to be appointed by the Lieutenant-Governor in Council on a resolution of the House of Assembly;

NOW THEREFORE BE IT RESOLVED that Mr. Bradley Moss be appointed as the Citizens' Representative effective May 1, 2019.

MR. SPEAKER: Thank you, Sir.

Further notices of motion?

Answers to Questions for which Notice has been Given.

Petitions.

Petitions

MR. SPEAKER: Sorry, I just want to clarify the Member for Humber - Bay of Islands has a petition?

MR. JOYCE: Yes.

MR. SPEAKER: Okay, Sir.

Petitions, Sir, you may proceed.

MR. JOYCE: Thank you.

WHEREAS the successful proponents for the new hospital in Corner Brook are scheduled to be announced this spring with construction anticipated to begin in the fall, and as this is estimated to be a four-year construction period, and as there are experience local tradespeople and labourers in the area.

THEREFORE we, the undersigned, petition the hon. House of Assembly as follows: To urge the Government of Newfoundland and Labrador to encourage companies that are awarded the contracts for the new hospital to hire local tradespeople and labourer, at no extra costs to the taxpayers, so that they can work in their own area, support the local economy and be able to return home to their families every evening.

Mr. Speaker, I present another petition here today, and there are people here from Bay Roberts, CBS, Meadows, Gillams, Gallants and Irishtown-Summerside.

Mr. Speaker, once again, I ask the government, they're making a lot of announcements now, and lot of good announcements, why not make the announcement now with the hospital that there'll be local people?

One of the things that a lot of people have brought up to me, a lot of local tradespeople, is there are a certain amount of people from outside Newfoundland who are renting houses right in Curling and Corner Brook, and they drive by them every day and they can't get work at the long-term care.

We see government on numerous occasions that they can ensure that local people are hired, so a four-year contract has to be given special consideration. I know the minister is working with TradesNL on this, but what a great news announcement for the Corner Brook, the Humber - Bay of Islands area, for the Baie Verte area, the Port au Port area and down the Northern Peninsula also for all the tradespeople that are well-qualified in the area to work for

four years. What a great announcement, saying that there will be local people hired.

Mr. Speaker, I have to say, and I said it again before, last year, tradespeople were willing to put up their own money so there'd be no extra cost to the taxpayers. I don't know where that was ever done before, where a certain trades group would put up money just to keep the local people home. They are well qualified. They will do a great job. What a good news announcement.

I would be at the announcement, I would make sure that I would applaud the announcement to keep people home for four years, to build and construct the hospital, well-trained, instead of having to drive by houses now where they know people from Nova Scotia are renting for two, 2½ years to do the long-term care facility, when there are qualified people in their town, they'd drive by those houses every day.

I urge the government to make sure the companies hire local. It would be a great news announcement before the election. I encourage the minister to continue work with TradesNL to ensure that's going to be done.

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you.

The hon. the Minister of Transportation and Works for a response, please.

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

I thank the hon. Member for the question. As the hon. Member alluded to, we are working with TradesNL, we're also working with the Newfoundland and Labrador Construction Association. Just last year, actually, we worked with the Construction Association to partner them and the proponents for the new acute care hospital with businesses throughout the province.

We had over 100 businesses, local businesses show up that day to actually have conversations with the people who will actually be building this facility.

What comes with Newfoundland and Labrador companies is Newfoundland and Labrador workers, so we will continue to work with the Construction Association and TradesNL to that end.

It just gives me an opportunity, too, to talk about our infrastructure plan. Just this past Friday, my colleagues from Gander and my colleague from Grand Falls-Windsor actually had the opportunity to announce the successful proponent for the two new long-term care facilities in Central; a great achievement for the people of Central Newfoundland and Labrador, and something that will bring local jobs and work for local companies.

Thank you very much, Mr. Speaker.

MR. SPEAKER: Thank you.

Further petitions?

The hon. the Member for Topsail - Paradise.

MR. DINN: Thank you, Mr. Speaker.

WHEREAS there needs to be sufficient resources to provide proper care for those who cannot speak for themselves, instances within long-term care and other regional health facilities have compromised the necessary care trained professionals need and want to provide; and

WHEREAS it is time our seniors and others in need are no longer ignored, but protected and treated with dignity, compassion and respect, along with all human rights and entitlements.

THEREFORE we petition the hon. House as follows: We, the undersigned, call upon the House of Assembly to urge the Government of Newfoundland and Labrador to provide the level of resources to ensure residents in long-term care and other applicable regional health facilities housing persons with dementia, Alzheimer's disease and other cognitive debilitating conditions receive appropriate safety, protection from injuries, proper hygiene care and other required care on a consistent basis.

Mr. Speaker, the Member for Mount Pearl - Southlands has brought similar petitions forward addressing the care for our seniors in the homes. It is no way a criticism at all of the competency and professionalism of our staffing, but there are instances occurring, for whatever reason, where elders are left unattended to care for themselves.

I call upon and urge government to step forward and have a look at this. I'm hoping the report from the Seniors' Advocate will highlight this as well. I'm hoping there will be some guidelines that will help elevate this issue.

Thank you so much.

MR. SPEAKER: Thank you.

Further petitions?

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

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

These are the reasons for this petition: Newfoundland and Labrador is the only province to still require an assessment and referral from the Centre for Addictions and Mental Health, CAMH, Gender Identity Clinic in Toronto. The wait time for an assessment at CAMH is approximately two or more years. In recent years, other provinces have improved their in-province assessment and referral processes in addition to increasing coverage and funding for gender-affirming surgeries. Without adequate MCP coverage these surgeries can cost thousands of dollars.

The Department of Health and Community Services is already engaged in investigating an in province assessment and referral process. Long wait times for gender affirmation surgeries often contribute to prolonged gender dysphoria and worsened mental health. Among transgender youth age 14 to 25 in Canada, 65.2 per cent considered suicide and 36.1 per cent made at least one suicide attempt in the last year according to a 2014 Trans Youth Health Survey.

THEREFORE we, the undersigned, call upon the House of Assembly to urge the Government of Newfoundland and Labrador to develop an in-province assessment process for gender-

affirming surgeries that would eliminate the need for an assessment by CAMH as the sole referral option, increase funding and coverage for gender-affirming surgeries through MCP and expand the types of surgeries covered to better reflect national standards.

Mr. Speaker, this has been an ongoing issue for years now and the transgender community and the health professionals that provide health services to the transgender people of our province, their families, the families of the transgender people who are waiting and waiting and waiting for assessments, who have to go to CAMH in Toronto for a procedure, for an assessment that can be done here by qualified, experienced health care professionals.

Mr. Speaker, imagine if our people who needed gallbladder surgery were sent to Toronto to have someone decide whether or not they need the gallbladder surgery, when we have the appropriate professionals here. What a waste of taxpayers' money. What additional stress to people who would need gallbladder surgery. This is absolutely ridiculous.

There is now no longer any reason to do this. Mr. Speaker, this is the third time now – I've presented this petition umpteen million times. I'm sure people in the House are saying there she goes again. Well, yes, there I go again, Mr. Speaker, because this is so important.

I ask the Minister of Health, once again: Will he stand up and respond to this? He has the ability to do that. Why will he not speak to the people of the province, to the transgender community of the province?

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you.

Further petitions?

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

MR. BRAZIL: Thank you, Mr. Speaker.

It's an honour to stand and present this petition. The Bell Island ferry service provides a vital transportation link and it's only eight minutes

from port at any given time, Transport Canada regulations do not require individuals to exit their vehicles during this commute and the provincial government's current policy related to mandatory exiting of vehicles puts people at a higher risk of injury than the possibility of having to evacuate the vessel due to an emergency. In May 2018, risk assessment recommended the Department of Transportation and Works continue to require passengers to vacate this vessel while travelling on the Bell Island ferry.

THEREFORE we, the petitioners, petition the hon. House of Assembly as follows: WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to hold public consultations to discuss the findings of the May 2018 risk assessment for the Bell Island ferry service.

Well, Mr. Speaker, I presented this a number of times and we've gotten to a very vulnerable time in the impact that this is having. Only this past week, we had a double amputee who was in such excruciating pain at the time, for eight minutes to port at any given time, with his attendant in his car, refused to leave the vehicle, to put on his prosthetics to try to get upstairs, to go across a deck, to add extra hardship to him, to take away his quality, dignity. He refused to go.

The ferry was delayed for four hours, supported by the thousands of people who travelled to and from that day. The department, after we had consultation, did reach out and did send a senior executive member to go down and discuss it. There were alternatives suggested about bringing an ambulance onboard with two paramedics to put the patient in the ambulance, or the traveller – because they're not even a patient; they're a traveller – to then sit in that same ambulance on the deck, with two more people, to go across to then be dropped off to put in their car, to get out and get in their car again to drive home.

Mr. Speaker, while I commend the department for at least trying to think of alternatives, there is an alternative, it's a simple one: Those who have serious mobility or health issues be allowed to stay with an attendant on deck. It is very simple for us to be able to determine the few that would

need to avail of this so we don't put them at a higher risk of injury and liability to the department.

We could also really design a very quick evacuation plan that would ensure that they would get to the muster station and to the lifeboats as quick as possible, keeping in mind it's anywhere from 22 to 28 minutes to deploy the lifeboats in the rare – never ever have happened in over 1.4 million trips that we would have to evacuate. Keeping in mind the design of these ferries are done on such a notice that if there was some kind of a catastrophe on board, 10 chances to one you're going in the dock to evacuate through your ramp or you're going to beach the boat to get out there.

We're asking the minister – I know he's very sympathetic and we had a great conversation. There is a solution here to ensure the half dozen or so people who need to avail of staying in their vehicle with their attendants because of their dignity and their health and the risk that we could find a solution there. I'm asking the minister to work with me and the people of Bell Island and the people of this province to find that.

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you.

The hon. the Minister of Transportation and Works for a response, please.

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

I thank the hon. Member for the petition. Mr. Speaker, just to the Member's point about the incident on Friday, we take anybody's accessibility, as a government, very seriously. Our senior officials were on hand Friday afternoon to work with the individual and his family. The circumstance is certainly something that we understand.

The reality is, Mr. Speaker, we want to work to find solutions to make it as most comfortable as we can for people when they're taking these trips, no matter what the distance. We actually have one ferry in the province that travels 500 metres and, quite similar, passengers are

required to exit their vehicles, no different than any passenger travelling on an airline has to follow the policies of air transportation, as you would find with Transport Canada.

Mr. Speaker, we had an independent report. We had a report that actually refuted some of that information. It's something that I look forward to working with the hon. Member opposite to find a solution that works for everybody.

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you.

Further petitions?

The hon. the Member for Mount Pearl North.

MR. LESTER: 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.

I've presented this petition several times and the minister gave us his grace of replying to it. I'm not sure whether it was in oversight or lack of knowledge of the provincial sales tax act, or maybe it was caught up in the heat of the moment and it was a little bit of a disingenuous comment. But the minister does hold the authority to remove the provincial sales tax on medical cannabis. When you look at it mathematically, basically, one month a year of a cost of purchasing a prescription is dedicated just to tax.

So as our society looks at better ways of treating diseases and medical conditions, medical cannabis is emerging as a highlight and providing a lot of diverse treatment options, and it's working really well. I personally do not use medical nor recreational cannabis, but many of my friends and people I am familiar with are in compromised medical situations, and versus opioids or anything, medical cannabis is providing a real alternative.

Why is that we are so wrapped up in revenue generation that we can't see that we are doing this on the backs of people who are already financially compromised through no fault of their own? I once again ask the minister to stand and explain if what I have learned from the provincial sales tax act is true, that he does indeed have the opportunity to make the sale of medical marijuana or cannabis exempt from sales tax.

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

MR. A. PARSONS: Yes, thank you, Mr. Speaker.

I call Orders of the Day.

MR. SPEAKER: Yes, Sir.

Orders of the Day

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

MR. A. PARSONS: First thing, Mr. Speaker, from the Order Paper, I would move Motion 9, that pursuant to Standing Order 11(1) that the House not adjourn at 5:30 p.m. today, Monday, April 15, 2019.

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

SOME HON. MEMBERS: Aye.

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

The motion is carried.

The hon. the Government House Leader.

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

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

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

MR. A. PARSONS: Mr. Speaker, I move, seconded by the Minister of Natural Resources, that Bill 2, An Act To Amend The Correctional Services Act, be now read a third time.

MR. SPEAKER: It is moved and seconded that the said bill be now read a third time, Bill 2.

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 (Barnes): A bill, An Act To Amend The Correctional Services Act. (Bill 2)

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 Correctional Services Act," read a third time, ordered passed and its title be as on the Order Paper. (Bill 2)

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

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

I call from the Order Paper, Order 4, second reading of Bill 3.

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 3, An Act To Amend The Automobile Insurance Act, be now read a second time.

Motion, second reading of a bill, "An Act To Amend The Automobile Insurance Act." (Bill 3)

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

MS. GAMBIN-WALSH: Mr. Speaker, today, we are introducing a bill that deals with a topic that has generated much debate in Newfoundland and Labrador, namely auto insurance.

With more than 376,000 vehicle renewals in 2018, we know it is a matter that affects many Newfoundlanders and Labradorians in all regions of our province from all walks of life.

Currently, Newfoundland and Labrador has the highest automobile rates in Atlantic Canada. When we went door to door in 2015, the need for insurance reform was a message we heard loud and clear. Residents told us that they wanted change. They wanted us to find a way to help stabilize insurance rates and provide the best product possible for Newfoundlanders and Labradorians.

We also know that consumers want choice. In both our government vision documents, *The Way Forward* and my mandate letter, direction was provided by our Premier to commence a review focused on identifying opportunities to lower rates that benefit consumers and also help bring stability to the automobile insurance industry.

In August of 2017, we provided the terms of reference to the Board of Commissioners of Public Utilities, the PUB, to conduct public consultations as well as two independent closed-claim studies. One closed-claim study focused on rising automobile insurance claims costs, the other focused specifically on claims related to taxi operators.

Mr. Speaker, we know the problems facing the taxi industry in Newfoundland and Labrador have been ongoing for more than 20 years. Our administration is the first which committed to addressing the issue.

The goal of the PUB's review was to help inform government's decision-making as we try to find solutions for consumers in our province, and we recognize that the taxi industry is a large consumer group of insurance.

I want to note, Mr. Speaker, that I will also be introducing Bill 6, An Act to Amend the Insurance Companies Act, which will also deal with remedies that will positively impact the taxi industry.

Mr. Speaker, the last review of auto insurance in the province was conducted between 2004 and 2005. The review resulted in a number of

changes over a two-year period including an implementation of a \$2,500 deductible on pain and suffering damages. The PUB's recent report on their review of the auto insurance industry noted that even with the highest premiums being paid in this province compared to the other Atlantic provinces, the total private passenger premiums paid by consumers for the past number of years were not sufficient to cover industry costs for this business. The estimated shortfall in 2017 was estimated to be 17 per cent or approximately \$190 on average.

The PUB's findings also pointed to pain and suffering damages as representing 64 per cent of the total amounts paid by insurers for bodily injury claims in this province. In addition, the amount of the average pain and suffering payments increased by 85 per cent, while the number of bodily injured claimants receiving pain and suffering awards increased to 99.4 per cent. These numbers highlight the increased pressures on both consumers and industry, Mr. Speaker. It also shows us that we didn't arrive at our current reality overnight, and we aren't going to be able to solve high insurance rates overnight either. Instead, we have developed a plan, each element of which will help address the priorities of consumers in Newfoundland and Labrador.

When we look at skyrocketing insurance rates, it is also important to have a discussion around road safety and good driving habits. It is imperative that the driving public in our province exercise care and control when they get behind the wheel. Increased safety on our roadways contributes to lower accident rates. This, in turn, has an impact on our automobile insurance rates. We need to truly understand the link between the two, as we explore measures to help stabilize rates in Newfoundland and Labrador.

Over the past several years, we have introduced a number of measures that are aimed at improving road safety. We have strengthened impaired driving, distracted driving, excessive speeding and street-racing provisions and included a new provision for stunting in the *Highway Traffic Act*. We enhanced move-over provisions, updated the act to reflect the legalization of cannabis, introduced a one-metre rule, and we are currently working with the

Canadian Council of Motor Transport Administrators on a national work plan for commercial motor vehicle safety.

We made amendments to the *Highway Traffic Act* which came into force in 2018, which placed the onus on the driver to prove the vehicle they were driving was insured at the time the proof of request was made. It's also placed onus on the person charged with an offence to prove there was an insurance policy at the time of the offence. The fines for failure to produce proof that a policy is in force were also increased from a range of \$25 to \$100 to a range of \$100 to \$175.

There are a number of additional measures we will implement in our continued focus on road safety and stabilizing insurance rates that do not require legislative changes to the *Automobile Insurance Act*. Rather, we can move forward and get the process started to bring them to fruition.

Mr. Speaker, we will adopt electronic proof of automobile insurance. This would be an immediate indication to law enforcement that the vehicle is not insured. Nova Scotia has already implemented this program and we are looking to align our use of electronic proof of automobile insurance with that of Nova Scotia.

There is existing authority under the *Electronic Commerce Act* and the Superintendent of Insurance can allow electronic proof of insurance through a bulletin.

Currently, Mr. Speaker, there is a requirement for ambulances, buses, school buses, taxis and commercial motor vehicles to notify the registrar in writing of a cancellation or expiration of an insurance policy. The regulations would be amended to require insurance companies to extend this requirement to every policy holder in Newfoundland and Labrador. This complements a change we previously made at our Motor Registration Division whereby we eliminated accepting an insurance declaration as proof of insurance at our counter services. Anyone who transfers ownership or renews a vehicle registration at an MRD office or government service centre must show their insurance card.

Mr. Speaker, we have constantly heard the debate about the plate-to-owner model and have

received numerous inquiries as to why our province has not adopted this system. All other provinces, with the exception of Newfoundland and Labrador and New Brunswick, require the plates to be surrendered to the registrar or remain with the original registrant upon the sale or transfer of ownership of a vehicle.

Currently, our province's Motor Vehicle Registration system uses mainframe technology. When it was established decades ago it was designed as a plate-to-vehicle system, meaning the plate is assigned to the vehicle and the vehicle is assigned to the owner. The implementation of a plate-to-owner program may help reduce uninsured drivers on our roadways; however, we recognize that there are still uninsured drivers in jurisdictions that currently have such a registration model.

Government will implement a plate-to-owner system. My department will work with the Office of the Chief Information Officer on a procurement process to bring this to fruition.

Mr. Speaker, time and time again, we are made aware of incidents whereby a driver is pulled over with no licence or registration, no insurance and unpaid fines. The act currently mandates that all insured drivers carry uninsured automobile protection to cover them in the event they are hit by an uninsured motorist.

In this province, benefits of up to \$200,000 are available for any one accident. Uninsured drivers impose costs which must be paid by those of us who are insured. This results in higher insurance premiums. In its report, the PUB noted that several US States have adopted the principal of no pay, no play, where uninsured drivers are prohibited from receiving compensation of filing a lawsuit for non-economic losses such as pain and suffering.

We have amended the act to prohibit access to the uninsured automobile fund for losses by uninsured motorists. This includes a 30-day grace period for individuals who, either through error or some other unforeseen circumstances, may have inadvertently had their policy cancelled and are working towards renewal.

It is important to note, Mr. Speaker, this amendment does not impact passengers, cyclists

or pedestrians who may be injured in an automobile accident. Auto insurance is mandatory and other drivers should not have to pay the cost for someone who refuses the responsibility of maintaining an insurance policy.

Mr. Speaker, on February 25 we released the *What We Heard* document arising from Service NL's portion of the auto insurance review that was outside the PUB's mandate. The document contained feedback from the public on a number of topics to help improve road safety in our province, including the use of traffic cameras.

During the fall of 2018, the Department of Transportation and Works conducted a pilot project to monitor the speed of vehicles travelling through highway construction zones. The department engaged companies to utilize camera-equipped monitoring technology at various construction sites along the Trans-Canada Highway. The cameras were set up to detect vehicles that were speeding, recognize vehicle licence plate numbers and record relevant information.

The pilot results confirmed that speeding in construction zones is a considerable issue in this province. With 20 to 55 per cent of all vehicles travelling at least 10 kilometres an hour above the posted speed limits. We also know that vehicles passing a school bus when its stop-arm and flashing lights are activated is a prevalent problem in Newfoundland and Labrador. Traffic cameras could provide a solution to this scenario as well, as they could capture video evidence of those who choose to disregard the safety of school children and inappropriately pass the bus.

Although it is not part of the bill we are introducing today, our government will develop amendments to the *Highway Traffic Act* to allow for the use of cameras as another measure of curb dangerous driving habits.

Mr. Speaker, we also received feedback from the general public regarding highway design and safety during our review. Last week in this hon. House, my colleague, the Minister of Transportation and Works, stated that our government will add centre-line rumble strips to the Veterans Memorial Highway this construction season. This will make the first

time in the province's history that rumble strips will be added to the centre line of a highway to alert motorists who inadvertently veer from their lane.

All of these measures aimed at improving driving behaviours and making our roadways safer must to be taken into consideration in any discussion around auto insurance and our focus on creating conditions to bring stability to our insurance rates. We will continue to work with safety advocates and law enforcement officials to identify opportunities to improve the safety of the motoring public in Newfoundland and Labrador.

Mr. Speaker, I'd now like to highlight the other options we have brought forward in this bill. I doubt any conversation about auto insurance doesn't begin with the cap versus the no-cap question. We met with the insurance industry, the legal community, the Consumer Advocate and the taxi industry on the findings of the PUB's report. We reviewed all the findings of the report and listened to the feedback from our stakeholders. Industry suggested to us that a cap was a solution if our goal as a government is to stabilize prices and attract competition for the benefit of consumers. The legal community suggested that the introduction of a cap would place undue strain and shift costs to the province's health care system.

During the review, there was a great deal of discussion on the implications of such a cap for claimants. In the PUB report, one claimant stated: I don't have a cane. I don't have a walker. You don't see a cast. To look at me, you really wouldn't say there's a whole lot wrong with me, but physically and psychologically I'm broken – I'm just a broken shell of a person right now.

There are a lot of strongly held opinions on a cap, including those from consumers who are adamant that it is their right to retain the right to sue. Insurers, on the other hand, also believe that a cap would be the best option to help stabilize rates. When we met with stakeholders to discuss the findings of the report, we could not find a common ground. At the end of the day, there was no consensus among the public or the key stakeholders on this issue.

Mr. Speaker, we are announcing today that we are doubling the deductible from \$2,500 to \$5,000, rather than placing a cap on minor injuries. This will be captured in the regulations. It is our intention to closely monitor its effectiveness in helping to stabilize rates.

Mr. Speaker, we have also amended the act to implement direct compensation for property damage. Under this coverage, an insured driver who is in a motor vehicle accident is compensated by their own insurance company for damages to the vehicle, regardless of who is at fault. This means that not-at-fault claimants do not have to deal with the at-fault party's insurer to be reimbursed for damages to their automobile.

The at-fault driver would continue to be reimbursed for physical damage to their vehicle under their collision coverage, provided this coverage was purchased. This coverage does not remove the concept of fault from loss recovery, but rather changes the source of the funds. It also does not change the claimant's right to sue for other damages. In essence, it can lead to a faster and more customer-friendly resolution of a claim.

Mr. Speaker, diagnostic and treatment protocols adopted in our jurisdictions typically address the most common injuries in automobile accidents such as sprains, strains and whiplash-associated disorders. They also specify how many chiropractic and physiotherapy visits maybe authorized based on the injury. The goal of these protocols is to get an injured individual on the path to recovery as soon as possible with timely and effective, evidence-based treatment specific to their injury.

They eliminate the wait time for approval from the insurer or referral from a doctor in order to access treatment. It also means the individual does not have to pay out of pocket, so there are no financial barriers to treatment. There is consistency in treatment for the injuries based on scientific evidence and the individual can choose their own treatment provider.

The costs associated with treatment under the protocols will be covered by the no-fault accident benefits coverage, and will become the primary payer over an injured person's health

benefits plan. This represents a significant change to the current system, and it is important that claimants are adequately informed of the new options with respect to making automobile insurance claims, as well as seeking treatment for injuries. Amendments to the act would adopt the protocols based on the processes implemented in Nova Scotia and Alberta.

Mr. Speaker, the PUB report noted that several industry submissions proposed changes to the existing tort procedural rules specific to motor vehicle collision claims in Newfoundland and Labrador in order to streamline bodily injury claims adjustment and settlement processes for accident victims that improve the efficiency of litigation.

We looked at Ontario's model whereby accident victims are required to apply for accident benefits, where it is available, before pursuing litigation. They require notice of the intent to commence an action within 120 days of a collision, must undergo examinations by certain health providers at the insurer's expense, if requested, and provide a statutory declaration describing the circumstances of the collision and the nature of the claim being made.

Ontario's act also states that a person can commence an action without complying with these requirements; however, the court will consider the non-compliance in awarding costs. We have amended our legislation to implement changes to the procedural process to align with those of Ontario. The act also clarifies that damages are reduced by the amount of accident benefits in order to avoid double counting.

Mr. Speaker, telematics technology is capable of collecting information about where, how and when a vehicle is driven. The information must be treated as personal information, and any programs utilizing telematics data must be optional and include consent from the policyholder. Telematics can provide significant vehicle and driver information that can assist with claims handling providing key accident details. Insurance companies can utilize telematics to monitor driver behaviours.

Reports providing information on sudden braking, acceleration, distance and time of day driven can be used to more accurately price

insurance policies, along with providing feedback to drivers to encourage safer driving practices and deliver financial incentive to safe drivers. As such, we are amending the regulations to implement underwriting guidelines concerning the optional use of telematics with further guidance to be provided in bulletins from the superintendent. My department will work closely with the Office of the Information and Privacy Commissioner in drafting of these regulations.

Mr. Speaker, as I stated earlier, Service NL conducted its own consultations on automobile insurance on topics that were outside the mandate of the PUB. One of those topics is the rate setting process itself. A total of 181 respondents took part, 94 per cent of whom identified as consumers. The majority of feedback was provided on the automobile insurance rate setting process, encouraging increased competition in the marketplace and improving highway safety.

The PUB had noted in its report that our province's automobile insurance market is highly concentrated compared to other jurisdictions and particularly the other Atlantic provinces. We have 98 per cent of the total premiums written by 15 insurers. When you consider common ownership, we have four insurer groups, which write 85 per cent of the premiums.

The report went on to say that, as a result, there is less competition and fewer choices for consumers in this province, which increases the potential for instability in the market. The Insurance Bureau of Canada proposed a flex rating framework for the province which would permit insurers greater latitude in setting the rates while also preserving regulatory authority. The requirements for the PUB would allow more flexibility, while at the same time ensuring rates are not excessive, inadequate or discriminatory.

The process would be amended so that the PUB would consider the impacts the rates may have on solvency of the applicant or whether they are excessive in relation to the financial circumstances of the company. The process would also be amended to place requirements on insurers to submit full filings for private passenger vehicles every three years, as in

Alberta. It will also provide a mechanism for (inaudible) approval of rates where the average of proposed changes is less than 3 per cent annually, and no more than an accumulative increase of 6 per cent over three years. This would also apply to commercial vehicle rates. Additionally, the rates approval process would no longer be required for fleet-rated risks, providing drivers a measure of control over their rates.

Taking fleet rating outside the PUB process is a potential path for taxi companies out of Facility Association. It would enable a fleet owner, such as a taxi company, to negotiate its own rate with a willing insurer. They have the ability to make their own case based on their safety record and measures they are taking to reduce accidents. With this reduction in cost and increase in rating flexibility, fleet rating could potentially lead to increased competition to the benefit of policyholders. We are amending the act to implement these changes to the PUB process, and this will also remove fleet rating from the prior approval rate process.

There is also a requirement for more information to be published by the PUB to be consistent with best practices in other jurisdictions, be transparent and make more information available for consumers in Newfoundland and Labrador.

Mr. Speaker, another matter that has garnered attention during our review was the use of winter tires. Quebec introduced mandatory winter tires, and reports indicate that after the first two seasons, road accidents decreased by 5 per cent. That's approximately 575 fewer people were injured annually in winter road accidents and deaths and serious injuries due to winter driving accidents decreased by 3 per cent.

A 2018 report from the Tire and Rubber Association of Canada found that winter tire usage in the Atlantic provinces was, in fact, 94 per cent today. That is the highest rate in the country, outside of Quebec. In Ontario, while winter tires are not mandatory, there is a requirement for auto insurance to give discounts to drivers with winter tires. The amount of the discount is not set out in law.

We did not want to place additional financial burden on residents of our province by mandating winter tires on vehicles in Newfoundland and Labrador. We did not want to impose such a requirement on low income individuals or families, including seniors, who may not use their vehicle during the winter months. Instead, we opted to align our province with Ontario, and allow for an incentive for those who choose to increase safety in winter by putting their winter tires on their vehicles. We wanted to provide that choice to the consumers of Newfoundland and Labrador.

As I said a few minutes ago, we already have a 94 per cent rate of winter tire usage, but our goal, of course, is 100 per cent. It is our hope that the savings realized through such an incentive would help increase their usage. More winter tire usage should result in fewer accidents.

Mr. Speaker, there are other legislative changes arising from our review of automobile insurance that I will deal with in another bill, which I will also introduce in this hon. House, particularly for consumers such as the taxi industry. Our government has listened to the people of Newfoundland and Labrador. We know that paying the highest insurance rates in Atlantic Canada is simply not acceptable. As I stated at the beginning of my comments today, however, there is no single quick fix to help stabilize insurance rates in our province. Rather, it requires a multi-pronged approach that, over time, will help realize benefits for the consumer in Newfoundland and Labrador.

We feel that we have struck an appropriate balance by providing solutions that not only benefit consumers in our province but the insurance industry as well. The majority of the amendments to the *Automobile Insurance Act* we have introduced today will come into effect on January 1, 2020. In terms of the diagnostic and treatment protocol changes, we want to ensure adequate time for us to consult with health professionals and also allow industry time to make their necessary changes to the processes, so a date will in fact be determined.

The provision which prohibits uninsured drivers from accessing the uninsured automobile fund and receiving compensation for non-economic

losses will come into effect on August 1 of 2019. I want to reiterate once again that a problem like this cannot be solved with one solitary solution and in one day, rather it requires a suite of solutions together that will help us realize stability in the area of auto insurance.

I want to thank the PUB for their tremendous effort in conducting the review, as well as providing us with a very comprehensive report that was instrumental in our decision-making. I want to thank the insurance industry, the legal community, the taxi operators, the Consumer Advocate, the road-crash victims, consumers and every Newfoundlander and Labradorian who contributed to the review process in any way. It is only by working together that we can find solutions that benefit us all.

I look forward to debating these amendments with my hon. colleagues in the House today.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Warr): Thank you.

I recognize the hon. the Leader of the Official Opposition.

MR. CROSBIE: Mr. Speaker, I understand I would have up to an hour.

AN HON. MEMBER: Yes.

MR. CROSBIE: Is it Mr. Chair or Mr. Speaker?

AN HON. MEMBER: Mr. Speaker.

MR. CROSBIE: Okay, I'll keep my eye on the clock, but I won't be going an hour, so everyone can relax. Although, there is something to be said about all of this.

Mr. Speaker, the situation in Canada, broadly speaking, is there's a spectrum between no-fault and fault-based compensation for automobile injuries, both property damage and personal injury, bodily injury. You have provinces like Quebec, for example, in which you have what's called pure no-fault, and that means that it's all

done like workers' compensation. Nobody's interested in who's at fault for the accident, you are compensated under a prescribed set of regulations that prescribe injuries, prescribe compensation for certain injuries, prescribe loss of income compensation and prescribe compensation for expenses.

What they don't prescribe and what they don't give you is compensation for what we like to call pain and suffering damages – pain and suffering and loss of amenities. So that's the pure form of no-fault and we can all think of it as similar to a workers' compensation type of system. Totally administered and, basically, legal counsel are not involved in the system, for the most part. It's administered by regulation, administered by regulators.

We actually are on the other end of the spectrum, along with British Columbia. Although, I think some changes are happening in British Columbia this year. In other words, we have a mixed system whereby most compensation is through the tort system; it's through third-party claims and it's based on fault.

There is a limited amount of compensation – and it's very limited – available through accident benefits, which this bill says it seeks to define, and the accident benefits are simply those benefits you're able to access under what's called section B. There's section B and section C and section A and all that. If you look at the form that your insurer sends you when get auto insurance, you'll see there are actually these little boxes on the form and there's a box called section A, there's a box called section B, a box called section C and so on and so forth.

So section A is no-fault benefits and it's optional under our system. You don't have to buy the no-fault benefits portion. However, it doesn't give you very much coverage at all; \$140 a week, that's way below poverty wage if you ever happen to rely on it; \$140 a week if you're unable to work and you have a wage loss. The total amount that you can access for therapy, for example, for physiotherapy, for acupuncture, for whatever is not covered by the MCP system, or the hospital system, that's limited to \$25,000. Now, that's okay for a number of injuries, but it's certainly far from adequate for anything

significant, and there are lots of injuries like that that require ongoing therapy with a cost that drastically exceeds \$25,000. That's the total and that's the cap on the compensation. It's an optional coverage.

My submission is that it would have been an improvement – and remembering that this coverage is very cheap, it would have been an improvement to our system of auto insurance to make it mandatory because we're the only province in the country where it's not mandatory, and to improve the level of benefits. That way there's a safety net under people who get involved in an auto accident, who suffer a personal injury, a bodily injury and may not be at fault, or may not have access to fault-based benefits. That's an improvement we're passing up the opportunity to make here.

Then, on the tort side, this is where most of the measures, most of the interventions, most of the inferences that this bill seeks to make, this is where they're happening. And I can't think actually of a better way into that than to use, as my text here, the Service NL, Justice and Public Safety, April 15, 2019 document intended for public consumption about these changes, backgrounder included and so forth, and it's entitled: Changes to Automobile Insurance Legislation Provide Better Value for Consumers.

Better value for consumers? Mr. Speaker, where is the better value for consumers? If we look into the text of the document, there is no promise here that consumers will get a product of equal value for less cost. That's nowhere in this document and it's nowhere in any of the documentation or in the legislation.

Where can it be said, where is the justification to be found to be able to say that these changes provide better value for consumers? Where is this value?

Mr. Speaker, if we look at the text here, it says: "The changes" – to automobile insurance legislation – "are intended to help stabilize insurance rates while enhancing consumer protection to benefit the people of the province."

Well, stabilize is a grand concept. In fact, it's a coinage of the auto insurance industry. They love to conjure with the idea of stabilizing

insurance rates. The problem with stabilizing insurance rates is you'll never know if it happened.

Is that a promise that rates will not go up next year or the year – no, it's not anything like that. It's not a target that can be measured. That's the great thing about talking about stabilizing, you're using a goal that no one can measure, so you can make any claim you want to about it. You can claim to have stabilized rates no matter if they go up 10 per cent next year or 5 per cent or 2 per cent or 20 per cent. You can always claim that you stabilized rates.

It goes on to repeat again, "... while enhancing consumer protection to benefit the people of the province." Enhancing consumer protection. Let's see what they say are the changes in here: "Some of the key changes to the legislation" I stop there because that's the problem right away. It says: "Some of the key changes to the legislation include an increase in the deductible from \$2,500 to \$5,000 for bodily injury claims"

The problem with that is that we're being told, and it's quite apparent, because that is not addressed in the legislation itself, so this document here is wrong about that. It's not in the legislation. No, it's going to be provided for in regulations. So, it's not in the legislation, the increase in the deductible for bodily injury claims.

I'm not sure it says that here, but I'm assuming we are to expect a definition of minor injury claims or some such concept like that. Again, that's being left to the regulations.

Now, the problem with that, Mr. Speaker, is that there was a great deal of evidence heard by the Public Utilities Board on minor injury claims or terminology to similar effect and the testimony was that it is next to impossible to come up with a serviceable medically sound definition of what a minor injury is in the context of compensation for automobile-related injuries. It will be an unending source of litigation.

Likewise, it's telling us, there will be "treatment protocols introduced for common injuries as the primary payer" Let me see if that makes sense here. "Some of the key changes to the

legislation include an increase in the deductible from \$2,500 to \$5,000 for bodily injury claims; introduction of treatment protocols for common injuries as the primary payer" I think we've got a bit of a mishmash there, but I'll just take: introduction of treatment protocols for common injuries.

What on earth are these treatment protocols and where are they going to come from? Perhaps the minister will have an answer for us on that one later on when we get to go into more detail, and she's nodding her head. I'm cheered to know that, but, again, that's going to be done through regulations and we don't get to debate that in here.

Then we come to "no access to the Uninsured Automobile Fund for losses by uninsured motorists" Now, we all deprecate, condemn the fact that there are people, and sometimes people who are flagrantly in violation, with accumulations of fines in the tens of thousands of dollars, driving out around on the highways, coming to the attention of the police, getting involved in accidents even. They are scofflaws and they are not paying for their insurance. They drive uninsured and they do so quite deliberately, so nobody has sympathy for those people.

But some of those people have dependants, some of those people have families, some of those people have wives and this measure would disentitle those folks in the case of injury, let's say in the case of a very severe injury, which disables them from earning an income, or death, and causes them to leave behind a widow and orphans. They're disentitled from making a claim, were it to be that the injury is not their fault but somebody else's.

Mr. Speaker, the problem with that is we have laws that provide for fines and convictions and so forth. There are sanctions through the normal quasi-criminal process and quasi-criminal law for providing sanctions for deterring people from driving around with no insurance.

My submission is that to deprive these individuals of any access to bodily injury compensation is to not consider the merits and the equity of individual cases, and may have devastating and far-reaching consequences to the

persons who are thereby deprived of their civil rights.

I look forward to hearing the minister explain whether she got an opinion from the Department of Justice on whether or not this is in compliance with the Charter of Rights, because we have a section, section 7 in the *Canadian Charter of Rights and Freedoms*, that gives people the right to security of the person; life, liberty and security of the person.

Looking at some of these nuts and bolts here – one other thing struck me. I listened to the minister who kindly put forward the statistic, I believe, that 94 per cent of drivers in this province use snow tires as things now stand; 94 per cent use of snow tires.

So, again, I looked at the document from Justice and Public Safety and it's telling me: "Proposed amendments will also provide a mandated insurance discount for winter tire usage" Okay, so that sounds like: I have winter tires, I'm going to get a break on my premium. Well, if 94 per cent of the drivers out there are already using winter tires, that's not going to be much of a break based on 6 per cent more.

MR. SPEAKER: Order, please!

I remind the hon. Member to direct his comments toward the Chair, please.

Thank you.

MR. CROSBIE: I'm sorry. I was just including the room.

MR. SPEAKER: Thank you.

MR. CROSBIE: That's not going to be much of a break if another 6 per cent start using winter tires.

Another problem here, and I'm looking at clause 3, it says: The act is amended by adding immediately after section 25 the following:

"25.1(1) Where a person intends to commence an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile, the person shall (a) serve written notice of the intention to

commence an action on the insured within 120 days after the accident"

Well, the first question might be: Why? Why would there be such an obligation? Who's been complaining about the need to get notice? What is the evil that is sought to be cured by this? Why the requirement to serve notice of an intention to commence an action on the insured within 120 days of the accident?

Although I question the wisdom of such a provision; furthermore, there is a problem because the legislation as proposed does not say: What is the consequence of not giving such notice. Is it intended that if the notice is not given that the person who has been involved in the accident and is claiming loss or damage from bodily injury or death arising directly or indirectly from the use or operation of a automobile, is it the case that the intention is that they shall not be permitted to make a claim for bodily injury or death if they don't give the notice?

Well, maybe, but it doesn't say so. It doesn't say that's the consequence. So, I'm predicting now that this is going to give rise to all manner of litigation; litigation to find out what the heck did the Legislature mean when it put those words in there.

If we go further down 25.1, this would be introduced into the legislation, 25.1(2) it says: "Notwithstanding subsection (1), a person referred to in subsection (1)" – that's a person who is in an accident and has to give the notice – "may apply to the Supreme Court for an extension of the notice period" – may apply to the Supreme Court for an extension of the notice period.

The problem with it, though, Mr. Speaker, is it doesn't tell you on what grounds the court would grant an extension. There's no rationale there in the first place for why notice would need to be given and, therefore, throwing it into the lap of the court to decide whether or not a person should get an extension without explaining why the notice requirement is there in the first place is going to leave the court at a loose end when it tries to figure out why and when and under what circumstances it should grant an extension. As a matter of fact, it's not

even clear why there should be an extension given that's no consequence to not giving the notice.

I think we've got a knot here that really needs to be untied and the legislation needs clarification. It needs clarification in respect to: What is the intention of the section when it says you've got to give notice? Is it that you can't take an action unless you give the notice? On what grounds would the court grant an extension of this? Why are we imposing all this bureaucracy on people anyway?

There are other redundancies in this legislation, Mr. Speaker. Section 4 of the bill, which would add 26.6 into the legislation by way of amendment. It's talking about: "In an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile, the damages to which a plaintiff is entitled shall be reduced by the accident benefit payments (a) received by the plaintiff; and (b) to which the plaintiff remains entitled."

Well, possibly what that's trying to say is you need to claim against your accident benefits first, and if you do, that you can't get doubly compensated from the tort based or section (a) benefits or tort based damages. Well, that's all very nice except that this is already the case and that section is completely unnecessary. It's already the case.

I'm now looking at what will be section 34.1, which has to do with diagnostic and treatment protocols. It's talking about a person being able to "elect to be diagnosed and treated in accordance with the diagnostic and treatment protocols prescribed in the regulations."

It's not clear what all the consequences are of making one election versus another election. Maybe we'll learn that from the regulations but it's hard to say what that is from this.

Again, I remarked on that a bit earlier: Where do they come from, on whose authority? What consensus amongst practitioners and treaters lies behind them? What is intended to be achieved by having these diagnostic and treatment protocols prescribed in the regulations?

Now, there's a curious provision (4), I'm looking at page 12 of the bill, it would amend subsection 60(1) of the act. There are a bunch of things that would be involved in an amendment: case management process – that's nice; examinations and so forth. Then there's one, "(f.6) prescribing rules for determining the degree of fault in various situations for loss or damage arising directly or indirectly from the use or operation of an automobile" – rules for determining the degree of fault.

Mr. Speaker, I had the advantage of having practiced in this area for a number of decades and I'm not aware that there's any problem that the courts have been having, or for that matter, lawyers who do this kind of work, or adjusters who do this kind of work, figuring out the determination of the degree of fault.

All of this has been well-reasoned, well-embedded, well-discussed. There's plenty of precedent out there that already at common law prescribes the "rules for determining the degree of fault in various situations for loss or damage arising directly or indirectly from the use or operation of an automobile."

What we're going to accomplish by having that put into a regulation is, as far as I'm concerned, only an opportunity for getting it wrong. It's not going to improve on the present situation.

I've just picked out a few things there. In some, we're not seeing that these proposed changes to the automobile insurance legislation provide, as the backgrounder or in handout claim, better value for consumers. We're not seeing where the better value for consumers is. What we're seeing is a load of bureaucratic regulations and impediments layered on top of what's already a fairly complicated situation, namely personal injury in the auto accident context, which is, if anything, going to cause extra expense.

It is a shotgun approach to give the impression of action and activity, and addressing a general perception in the public that insurance cost too much. It's an effort to give the impression to the public that something is being done about it without actually doing anything except making it more complicated.

Thank you.

MR. SPEAKER: The hon. the Member for Lewisporte - Twillingate.

MR. BENNETT: Thank you, Mr. Speaker.

I'm pleased to stand here today on behalf of people of the beautiful and scenic District of Lewisporte - Twillingate and speak to Bill 3, An Act to Amend the Automobile Insurance Act. As the department responsible for consumer protection, Service NL takes its roll very seriously.

Mr. Speaker, when our government developed *The Way Forward*, a plan for sustainability and growth in our province, we made better services and increased consumer protection a core element to this plan. A promise to review automobile insurance rates in our province was made, and today I am very proud to be part of the debate on solutions aimed at bringing sustainability to these rates.

We said from day one that our focus was on consumers in Newfoundland and Labrador. Our goal has been to help modernize the system so the people of Newfoundland and Labrador will see more benefits and better values. The goal of the PUB review of automobile insurance was to help inform our government's decision making in an effort to stabilize insurance rates and provide the best product possible.

Since the report was released in late January, government has met with representatives from the insurance industry, the legal community, Consumer Advocate, the taxi industry and Facility Association to review the findings. We all recognized from the start that we needed to work together if we are to find the proper balance.

As the Minister of Service NL stated, the high cost of automobile insurance did not rise in a short period of time. Rather, the rates escalated over time as a result of numerous pressures that were affecting both consumers and the industry. There is also a collective recognition that solutions came in many forms.

While we have introduced a number of legislative changes to address the high rates, there are a number of other measures we are also implementing that do not require amendments to

this act. There is also a recognition that measures we have already implemented in terms of road safety through numerous amendments to the *Highway Traffic Act* will also go a long way in helping us improve overall driver behaviours.

One area in particular I will focus on is that of uninsured drivers, and our minister alluded to this earlier. Every time an individual in our province gets behind the wheel of a vehicle, they are making a decision to abide by the rules of the road. When someone knowingly chooses to operate a vehicle that does not carry insurance, they also knowingly place an unnecessary risk on the other vehicle operators or pedestrians that they may encounter.

As the Minister of Service NL stated earlier, we have all heard of stories of individuals who have been pulled over with no licence, no registration or insurance, and have numerous unpaid fines. It is reported that the PUB noted that over a five-year period ending in 2016, there were 788 claims in the province with over \$26 million in damages paid in which a driver was reported as either uninsured or unidentified. This means that all of us who carry insurance in Newfoundland and Labrador are shouldering this burden on the system. The report from Oliver Wyman Limited, a consulting actuary for the PUB, stated in its findings that the average uninsured automobile claims is the highest in all of the Atlantic region.

Currently, automobile policies include coverage up to \$200,000 when involved in an accident with an uninsured driver. Additionally, each Atlantic province has an uninsured automobile fund to indemnify for claims by persons such as pedestrians or cyclists who do not have any coverage and suffer injury or damage by an uninsured vehicle. While it is important that this coverage exists for those, through no fault of their own, are impacted by an uninsured driver, the high cost of providing coverage remains. Those of us who do the right thing and ensure our vehicles are insured, must pay the costs of those who choose to disregard this law. As such, changes to the act will prohibit access to the uninsured automobile fund and an uninsured motorist for losses for uninsured motorists.

Mr. Speaker, we have made amendments to the *Highway Traffic Act*, which came into force in 2018, which placed the onus on the driver to

prove the vehicle they were driving was insured at the time of the accident. It also placed the onus on a person charged with an offence to prove there was an insurance policy at the time of the offence. The fines for failure to produce proof that a policy is in force were also increased from a range of \$25 to \$100, to a range now of \$100 to \$175.

Mr. Speaker, with the legislation we have introduced today, our government is zeroing in on this important matter that is affecting insurance rates for all Newfoundlanders and Labradorians. It is also important to note that these changes apply to individuals who unknowingly get behind the wheel of an uninsured vehicle. Some of us may find ourselves in a situation whereby we may have to drive a friend's or neighbour's car for a variety of reasons. The onus is on us to ensure the vehicle is appropriately insured, or confirm we are covered by our own insurance policy when operating another person's vehicle.

Mr. Speaker, there are a number of other measures we are introducing today that will also help us address the issue of uninsured. The adoption of a plate to owner system, electronic proof of automobile insurance and notification of insurance policy cancellation by insurers will help our efforts to get uninsured drivers off our roadways.

Recently, in the Speech from the Throne, our government also addressed the issue of unpaid fines. Mr. Speaker, outstanding fines owed to the province result in driver licence suspensions which in turn creates a barrier for vulnerable populations trying to gain meaningful employment. Our government committed to exploring the creation of a fines option pilot program which would enable those in marginalized groups with outstanding fines to settle the debt by performing community service work. This would provide social benefits to the community and to its participants.

Mr. Speaker, uninsured drivers is just one of a number of perennial issues affecting insurance rates which we have addressed in Bill 3. All of the measures we have addressed today were developed with several main themes in mind, namely consumer protection, consumer choice, and stability for the insurance industry.

Mr. Speaker, I will be supporting Bill 3 and ask all my colleagues to do the same.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: I recognize the hon. Member for Fortune Bay - Cape La Hune.

MS. PERRY: Thank you, Mr. Speaker.

It's an honour and a privilege to rise in this hon. House on behalf of the people of the beautiful District of Fortune Bay - Cape La Hune, as Members have all been speaking about their districts today, Mr. Speaker.

This bill is certainly a very important one, and the people of Newfoundland and Labrador have really been screaming to government for years for some changes in this regard. It's unfortunate, though, that we see them in the 11th hour, Mr. Speaker, of a sitting government. We should have another six months here, but it doesn't appear that that's going to be the case.

A bill, though, of this magnitude deserves sufficient time for debate, Mr. Speaker, and it appears that we'll be doing this bill and a similar bill and sitting tonight until they're done, which is really unfortunate because the people of Newfoundland and Labrador really deserve to have fair opportunity to get into the nuts and bolts of the legislation and the details. And as we all know –

MR. SPEAKER: I remind the hon. Member she should be speaking to the bill.

Thank you.

MS. PERRY: – it is the details that matter. So I will get into the background of the bill, Mr. Speaker, and talk about some of these proposed amendments that are being put forward so that at least the public can be aware of the detail of some of these changes, even though there won't be sufficient time for adequate analysis.

Newfoundland and Labrador has the highest automobile insurance rates in Atlantic Canada, as many speakers have already stated in this hon. House here today, Mr. Speaker. It's a major

concern for many residents, and one of the impediments that people consider when they're factoring in the cost of living in this province, particularly in the last three years.

Consumers currently pay 35 per cent more, on average, here in Newfoundland and Labrador for private passenger automobile insurance than our counterparts in the other Atlantic Provinces, and there hasn't been a review of the insurance industry since 2005. So 2017, in July of that year, another review was commenced – 12 years since the last one. It was a reference directing the PUB, from government, to undertake a review of the automobile insurance. The board was specifically asked to examine the impact on rates and implications for claimants of introducing a monetary cap on claims for non-economic loss for mild and minor injuries, and the impact on rates of continuing with the current deductible of \$2,500 or increasing the deductible.

So that was the terms of reference that was given to the PUB and the scope under which they undertook their review. It included a completion of a number of actuarial studies and consultant reports, collection of input from stakeholders through presentations, submissions and comments, as well as a public hearing.

The Insurance Bureau of Canada, which is a national association that represents 90 per cent of Canada's property and casualty insurers, suggested that the province help stabilize the industry by replacing the existing \$2,500 deductible with a \$5,000 compensation cap on minor injuries.

Mr. Speaker, I'm just looking at the clock and I'm wondering if the time is accurate. Where I'm the critic, I was thinking the time –

MR. SPEAKER: Yes.

AN HON. MEMBER: (Inaudible.)

MS. PERRY: Okay. I thought it was an hour for the critic starting out – okay, and the leader, yes.

The national association wanted to see the existing deductible increased from \$2,500 to \$5,000. Other groups, including a group of personal injury lawyers who organized the

campaign to protect accident victims, argued that a cap on insurance claims would negatively impact accident victims and limit their ability to receive fair compensation. So there was a lot, Mr. Speaker, for the PUB to consider.

Last year, in October, the Leader of the Official Opposition had announced our party was strongly opposed to any insurance cap and stated that any legislation that would bring in such caps is something our party would repeal and that we would also eliminate the insurance tax. So I do thank the Liberals for heeding the suggestion of the Leader of the Opposition in that regard.

The Public Utilities Board review of automobile insurance was delivered to government in January of this year, on January 29, and it was released to the public on January 31. While the report was comprehensive, it did not make any specific recommendations regarding a cap, Mr. Speaker.

So with that background, I'm going to endeavour to provide an overview of some of the proposed amendments, Mr. Speaker, but I really don't think there will be sufficient time to get through them all because they are quite substantial. Again, I'll say it's unfortunate that we have to debate it so quickly.

Clause 1, under accident benefits, adds a definition to the act. It will define accident benefits as "Section B Accident Benefits" which are currently set out in any standard automobile policy.

There will be a duty to notify the Registrar of Motor Vehicles. Section 6.01 will add the duty for insurers to "notify the Registrar of Motor Vehicles of the cancellation or expiration of a policy issued by the insurer."

According to department officials, there is currently a mandatory reporting requirement for the cancellation of vehicles such as ambulances, taxis, school buses and commercial vehicles but not private passenger vehicles. This section of the act, an amendment will ensure that such legislation exists for private vehicles as well. The goal of this change is to reduce the number of uninsured drivers who are driving on our roads.

There is also a proposed amendment with respect to notice and disclosure before action. Section 25.1 will be added to require that a person who intends to start an action following an accident must provide notice and disclosure to the person against whom the action will be commenced, and to satisfy other requirements before commencing such action.

That means under the proposed amendments, a person would have to serve notice of the intention to commence an action within 120 days after the accident or collision. They would have to provide the insurer with the information and documentation prescribed in the regulations within the time period prescribed in the regulations; – again, the regulations are not before us here today as we debate the bill – apply for accident benefits, if they have access to them; provide the insurer with a declaration describing the accident and the nature of the claim, where requested by the insurer; and to participate in the case management process set out in the regulations.

They would also be required to undergo an examination by classes of persons prescribed in the regulations, where requested by the insurer and at the insurer's expense, and this examination must not be unnecessarily repetitious or involve a procedure that is unreasonable or dangerous. The last component that will be required will be to provide evidence of identity, where requested by the insurer.

Another change that's going to be made in this bill is with respect to damages reduced by accident benefits payments. Section 26.6 will be added to provide that damages to which a plaintiff is entitled in an action for loss or damage from bodily injury or death arising directly or indirectly from the use or operation of an automobile be reduced by the accident benefit payments received by the plaintiff, or to which the plaintiff is entitled.

There will be changes as well, Mr. Speaker, with respect to direct compensation for property damage. Section 32.1 of the act will direct compensation for property damage coverage, as it is known in the industry – DCPD is what it's referred to, if I use that, direct compensation for property damage. This “would allow a driver involved in an accident who is not at fault to

seek reimbursement for damages to his or her automobile directly from his or her own insurer rather than from the insurer of the driver who was at fault.” The PUB review states that this type of coverage has been available in Quebec and Ontario for decades. It was introduced in New Brunswick in 2005, in Nova Scotia in 2013 and in PEI in 2015.

The PUB review determined that the implementation of this model was supported by the industry and the Consumer Advocate and it was generally found to be cost neutral, Mr. Speaker, but, again, the devil is in the details. They're still a lot that we haven't learned with respect to how this would be rolled out.

Diagnostic and treatment protocols are also subject to change in this act, Mr. Speaker. Currently, individuals with private health insurance must use their private health insurance benefits prior to accessing those provided through accident benefits in the auto insurance. Concerns have been raised that this diminishes the value of private health benefits and results in those benefits not being available for other injuries that could occur.

Section 34.1 sets out the establishment of protocols for injuries with direct billing to a driver's insurer, paid prior to accessing private health insurance. The type of injuries, as well as the diagnostic and treatment protocols, will again be set out in the regulations, Mr. Speaker.

Access to the uninsured fund, this is a rather significant change that we will see forthcoming in the new legislation, Mr. Speaker. Currently, uninsured motorists can avail of the uninsured fund. This fund protects those individuals who are not required to carry insurance such as passengers, pedestrians and cyclists.

So, you're driving your vehicle, it's your vehicle, but you have passengers aboard, Mr. Speaker, and you don't have extra insurance coverage purchased for passengers. In the past, these people would have been covered under the uninsured fund; however, the proposed amendment to section 45.1 will prohibit the owner or driver of an uninsured automobile from applying to the Facility Association for payment of damages for injuries arising out of the operation, care or control of an automobile.

If the other driver is at fault, the uninsured person can still sue. Officials noted that in some American states this policy is referred to as No Pay, No Play. Provisions are included to provide a 30-day grace period in the event a person overlooks to renew their insurance and the policy lapses. The 30-day grace period is only provided in instances where a person had maintained continuous insurance coverage for the previous 12-month period. So only in that circumstance would such a waiver apply, or such grace apply.

Officials noted that this change is being modelled on a practice in the state of Kansas, actually, in the States, and they're hoping that it will encourage greater compliance with the mandatory insurance requirement. Again, the goal being to ensure that everyone has mandatory insurance in place.

A regulation-making authority regarding rate filing and exemptions is also spoken to under section 49 of the bill before us here today. This section will be amended to allow the Lieutenant-Governor in Council, which is Cabinet, to prescribe by regulation the time period in which an insurer is required to file its rates with the Public Utilities Board. It will also be amended to allow Cabinet to exempt an insurer from the requirement to file its rates with the PUB. The proposed changes are modelled on Alberta and will require full-rate filing every three years, and permit exemptions for rate changes no more than 3 per cent annually and no more than 6 per cent cumulatively over three years. Reforms to the rate-setting process were part of the terms of reference as well.

In terms of publication of more information by the Public Utilities Board, the act speaks to this in section 55.1, which is going to be a new section that will be added to require that the Board of Commissioners of the PUB publish the information set out in the regulations respecting decisions or orders of the Public Utilities Board in the manner and time period prescribed by the regulations. Department officials noted that currently there's not much information published on the PUB website. So the goal of this change is to provide consumers with more information to assist them in making informed choices.

There's also a regulation-making authority to mandate discounts and implement improvements to the rate-setting process and procedural reforms.

I realize some of this stuff may appear dry, but it's very, very important, this act. It's hugely important and it will have an impact on many people in Newfoundland and Labrador, so it is crucial that each and every one of us endeavour to understand it and how it will affect each of our individual circumstances.

Section 60(1) will be amended to allow Cabinet to mandate rate reductions when automobiles are equipped with winter tires. Section 60(1) will also be amended to allow Cabinet to mandate rate reductions where automobiles are equipped with telematics. That would be technology that monitors vehicle usage and driver behaviour.

With the use of telematics, Mr. Speaker, real time data regarding driver habits such as braking and speed can be sent to insurers, or in the case of taxis, straight to the dispatch, but the cost for telematics can be considerable. That is something that, as times change and we become more of a technological society, we may see an increase in telematics.

In terms of statutory review, the section 64 of the act is amended to require that the minister consider every five years whether a review of the act, the regulations or other matters related to automobile insurance is necessary. As I stated when I started to speak, Mr. Speaker, it has been since 2005 since there has been a review of this act. In five years time, whether or not it's a thorough review involving the PUB, or at least even a review by the minister and department officials, it will be looked at five years hence.

As has been stated already, most of the proposed amendments, which we are debating here in this hon. House today, will come into force on January 1, 2020. Changes preventing uninsured drivers from accessing the uninsured fund, however, they are going to be coming into effect much sooner. They will be in place by August 1, so that's only two months away, Mr. Speaker.

I would like to take some time to note that there is an increased deductible, and while it's not referenced directly in the body of the bill, there

is a policy choice that has been made to increase the deductible from the current amount of \$2,500 up to \$5,000, Mr. Speaker.

So, quite a significant bill, quite a lot of changes, as the previous speaker before me, the Member for Windsor Lake, pointed out, there are still some questions and concerns that we do have. Hopefully, there will be ample time during Committee of the Whole to not only pose the questions, but to also get the answers that we really should have as a public and as an hon. House before finalizing any final votes on this legislation.

I thank you, Mr. Speaker, once again for the opportunity to rise to my feet in this hon. House. I look forward to the rest of the debate on the bill.

Thank you.

MR. SPEAKER (Trimper): Thank you.

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

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

I'm glad to stand and speak to Bill 3 dealing with the *Automobile Insurance Act*, an amendment to the act, not a new act. I think it's important to note, as has been noted by the minister and by other speakers, the reason for the bill is that the act, finally, after quite a number of years, was reviewed.

The last review took place in 2004-2005. Finally, after 12 years, government set terms of reference for a review of the act to the PUB on August 14, 2017. So that was 12 years after the previous report. Then the PUB released its final report this past January.

So it's important, because an awful lot of things can happen in that length of time from 2005 to 2019. Fourteen years is a long time waiting for a review, because there have been all kinds of changes; changes even with automobiles and how automobiles work. There is just a need, I think, to do reviews like this much more frequently than every 12 or 13 years.

I actually think we could be doing reviews of a lot of legislation in a more timely fashion in this Legislature. We've had too many pieces of legislation coming after something has been not reviewed for decades and, in some cases, you get a piece of legislation, which you had the other day, for example, where the bill we were passing was making changes to another bill that had not yet been proclaimed after something like 10 years. I may have the years wrong on that one, but it was quite a long time. I think it was 10 years.

So I think the fact we have such an in-depth bill here today is a sign that we needed to have this review before. Now we do have a change because the new legislation says that there would be a statutory review every 5 years, and that came as a result of the consultations that were carried on by the PUB. I think that what's important to point out is the PUB did the review that was asked for by government and the PUB did a great job of consultation.

All parties agreed that the last review in 2004 and 2005, that last review was way too long and we needed to have the length of time for reviews in legislation. So I think that's extremely important, that we now know in five years' time there will be another review – extremely important.

We had people coming to us about this bill or about issues that were in the bill, as I'm sure the other parties did as well. There certainly was lobbying going on by people concerned about the changes that would be made to the *Automobile Insurance Act*. I think it's important, and the minister pointed it out, that one of the biggest issues that was an issue of concern –

MR. SPEAKER: If I could ask the Members just a little quieter, please.

Thank you.

MS. MICHAEL: – was whether or not there would be a cap that would be put on for injury awards. There were two major groups arguing one side and the other side on this; one was the legal community and the other was the automobile insurance community.

I have to say that I'm very, very happy that government went with the recommendation to not put a cap on injury awards. It's extremely important. The minister read out the witness of one person who presented to the PUB and that was pretty moving, and I just don't mean emotionally moving. I think it could also move you to really be angry that somebody who has been so damaged because of an accident, probably is not getting insurance for the treatment that he or she needs. I don't know if it was a man or a woman or who it was.

I'm sure we all have to know people in our lives who were in accidents, automobile accidents, and because of soft tissue injuries, really did not receive insurance for the care they needed, because soft tissue injuries can go on. Trying to heal soft tissue injuries can take such a long time. I think it is so good that the PUB recognized that and that government recognized it as well.

We have to make sure that people receive the care that they need, receive the treatment that they need, and if it takes five years, it takes five years. I've known people who have taken that long because of a car accident and the soft tissue injuries that ensued from that accident.

As the minister noted, and I think it's logical because of that, because there's no cap, officials noted that the current \$2,500 deductible, which is listed in the regulations, will be doubled to \$5,000. Of course, that's to try to make up for the fact that there will not be a cap.

I'm really glad about that. There was a bit of a debate going on and some seeing the legal system as just being in there for their own benefits, but, in actual fact, the people I met with were very sincere in what they presented as the reasons for not having a cap on injury awards; so very important.

The other thing I'd like to speak to – I'm not going to go into all the details of the bill. The minister did an excellent job in going through all the details, and I don't have an argument with any of those details, so I will not be going into those, but I do want to speak about the need that we have in our province with regard to highway safety.

When we were briefed on this bill, one of the things that was talked about was what other policy decisions government wants to make in conjunction with this legislation, and they had to do with a focus on highway safety. There have been numerous amendments to the highway safety act over the past few years and that work is going to go on. One of the upcoming amendments to the *Highway Traffic Act* will be the adoption of traffic cameras. I think this is so important.

A couple of times now I've said in the House, and the other day in response to the minister, I've said that we do need to have more policing on our roads and highways when it comes to traffic safety. Policing can happen in many ways. One way is by having more RNC and RCMP on the roads because we do not have enough. Another would be through the adoption of traffic cameras.

There's been a pilot project at highway construction sites, but this has to be enlarged and so Service NL will be working with the Department of Justice and Public Safety to get camera footage enforceable in court. I think that's so important because there's no sense of having the cameras if the evidence on the cameras in the footage cannot be used in court. That's going to be extremely important.

We have to do something to make sure that people take more seriously the rules of the road. We all have stories and I'm sure statistics would back up our stories. We all have stories of here in St. John's, for example, people driving 70, 80 kilometres an hour on a street in the city, many times.

We have some larger streets, you take, for example, Portugal Cove Road and Torbay Road where you have maybe four lanes for quite a distance. I've had cars – when I'm doing 50 – passing me, not passing me but going along in the lane next to me definitely doing 60 or 70 over and over again. It happens all the time.

I've seen neighbourhoods where people have put up signs: Please drive slowly, children around. People shouldn't have to put up that sign in the neighbourhoods but they do.

It does, though, say to me – and I don't think I've ever said this before in the House – I really wonder at 50 kilometres an hour being a good speed in residential areas. I actually think it should be lower than that. We have had accidents in residential areas because of drivers driving way too quickly.

Now, if we say 30 maybe they'll go 50, but if we say 50 you're going to have some going 70. That's what we have because it's not just on the main thoroughfares, like the two roads I just mentioned, we have a lot of thoroughfares like that, but also in residential areas you see people driving way, way too quickly as well. Residents shouldn't have to put up signs.

Now, I know these signs aren't enforceable. I know that if somebody ignores them it's because they're just put up by somebody who has children on the street and are concerned about their children, but they are a sign that if residents are putting up signs like that on their streets, it's because people are driving too quickly on the streets.

So, we have a number of things that need to be looked at when we're talking about highway – well, traffic safety – both on our roads and on our highways.

We hear over and over again about how many people who don't have insurance. Just my own personal story; the very first accident that I ever was in where I was hit by another car, the other car didn't have insurance. It seems like that happens over and over and over again.

So, anything that we can do to get people more aware, make people more responsible for safety so that we don't have as many accidents, will be extremely important.

I like the suggestion that government – this is not in the legislation, but we were told in the briefing this will be happening – will be adopting a licence plate to owner motor vehicle registration system. I think that's extremely important because it really holds the driver accountable for what happens in that car.

We're told that government is enthusiastic about this switch, and I really hope it will not take too long to accommodate that change. Apparently,

there will have to be a new computer system, a new program put in place in order for this to happen. So I hope it won't take too long.

I'm not going to continue speaking, Mr. Speaker. Overall, this bill is a good bill, and there may be some questions, some small details to bring up in Committee but nothing to challenge the bill itself. It's too long coming, but now we know that the next review will be in five years, so we won't have such a period of time again without a review.

Thank you very much, Mr. Speaker.

MR. SPEAKER: Thank you.

The hon. the Member for Mount Pearl - Southlands.

MR. LANE: Thank you, Mr. Speaker.

I'm glad to have the opportunity to stand and speak to Bill 3. Once again, I will say that the Member for St. John's East - Quidi Vidi has somewhat stolen my thunder. A lot of the bullet points that I made here, she's covered most of them. I'm glad to see my wisdom is rubbing off on her, or maybe it's the other way around – she says it's the other way around.

Anyway, I'm not going to get into every little detail of the bill, the minister has done a good job explaining it. Certainly, the Leader of the Official Opposition raised, I thought, some good points. I'll be interested to see perhaps some of the questioning that will occur in Committee. Of course, the Leader of the Opposition is someone who is very, very experienced in these matters. I think he has a great insight that perhaps a lot of us might not have. So I'm certainly looking forward to that and hearing the answers to those questions.

With that said, from a general point of view, I am very pleased to see that this review is happening. I'm glad to see now that there will be a legislated five-year review so we don't go so long before reviewing it again.

I understand the concept of the – I guess, sort of in lieu of the cap there has to be a little bit of give and take, some winners and losers on all sides because it is a contentious issue that a

decision was made that we won't go with a cap but we will increase the deductible from \$2,500 to \$5,000 on those injuries. So I guess that was kind of sawing it off in the middle to some degree in trying to find some reasonable balance to both sides of the argument.

Of course, I'm sure all Members of this House received emails. I had a couple of meetings with people on both sides of the argument, from people in the insurance industry and the legal community. Obviously, both of those entities – let's face it, they all have skin in the game and it's not necessarily, from either one of them, totally about the consumer because they all have their own interests.

Obviously, the legal community want to continue to litigate these claims because the more litigation they can do and the higher rewards they can gain, well then that's more money in their pocket when they're representing clients who were in accidents. So they obviously have a bias in that regard. From the insurance companies, of course they're making huge profits, and they want to continue to make huge profits. So, obviously, the insurance industry has its own self-interest as well.

My concern is more so for the consumer. Although I do appreciate that both of those other entities provide services and they certainly are entitled to make a living and to earn profits, but, by the same token, I think our major concern here should really be about the consumer and about the rates for consumers.

I think it's also important to note that there is no magic bullet here. It's not as simple as making a change in legislation and all of a sudden everybody's insurance rates are going to go down. That's just not realistic. I really don't think there's anything that could be done. I think if you looked at the review of the PUB and so on, they, I think, came to the same conclusion: There are certain things we can do and suggestions to try to help things, help stabilize things, but at the end of the day there is no magic bullet that's going to all of a sudden see everybody's insurance rates go down significantly. It's just not realistic.

I think the most important thing that we can do is on the prevention side. I can sort of make that

analogy to – prior to getting into politics I worked as a safety professional for years, and so very familiar with that concept of safety. The concept of how the workers' compensation system works and how employers would be trying, obviously, to get their workers' compensation rates down. We've seen that happen, but it's happened primarily through prevention. If you're not having accidents, you're not paying the costs and therefore rates can do down.

I think you can draw a very similar analogy when it comes to automobile insurance. If all these accidents aren't occurring, then the costs are not occurring and, in theory, that should drive the costs down because we're simply not having the accidents. I think that's really where the focus needs to be.

I was very pleased to see there's some recognition here and some actions as it relates to the concept of uninsured drivers. We all know that's a big issue. I'm sure we've all heard it from people over the years. No doubt, it is a concern.

A lot of times when you see these people get caught by the police that owe thousands of dollars in fines, tens of thousands of dollars in fines in some cases, a lot of times what's actually happening is related to people who are driving an old junker, I'll call it, an old beater, whatever, no licence, no insurance, no registration. They get hauled over by the police. They get tickets for no insurance, licence, registration. They seize the car and probably a couple of weeks later that same individual goes and gets another heap of junk somewhere for a couple of hundred bucks and no licence, no insurance, no registration; does the same thing over.

It keeps repeating itself over and over and over again. You start racking up \$1,000, \$2,000, \$5,000, \$10,000, and some of these people are people who really have nothing to lose. You can't get blood from a turnip, so they'll just continue on doing it. Of course, they're not getting incarcerated for it because we don't have room at the inn, so to speak, for people who are breaching the Criminal Code let alone people who are committing offenses under the *Highway Traffic Act*. So it's sort of a vicious cycle.

We have to find ways of addressing that issue. One of the things that I think we can do, and I'm glad to see it's being addressed because it's something I've raised numerous times in the past, is the concept of having a licence plate going with the individual verses going with the car. They're going to look into that apparently. So that's good. That's good. I'm glad they're going to do that and I think that would certainly go a long way and would help.

I think winter tires is an issue we hear raised all the time. Of course, there are some people who are saying winter tires should be mandatory. I think what government is doing, as I understand it, they're taking more of a carrot versus a big stick approach. Instead of saying you must have winter tires, they're taking the approach of, if you have winter tires, then you could receive some sort of a discount on your insurance because you have them. So, again, it's the carrot versus the stick. The only issue, I guess, is – the Leader of the Official Opposition – if his numbers are correct that 94, 95 per cent of the people have winter tires anyway, I'm not sure what kind of a discount would be available by getting that other 5 per cent on board.

A good point he raised there. I don't know if those numbers are correct. I'm taking him for his word that they certainly would be.

Another thing that hasn't been raised here today, but it's something I throw out there to the minister, I'm sure she's heard it as well, because I've heard it from a number of people in the past when it comes to vehicle safety, insurance and all those things is, there are a number of people out there who would like to see the mandatory vehicle inspections back again.

Now, I don't know if that's something that's even been considered. I know there were definitely flaws with the system in the past. We all have heard those stories about people just getting inspections written out without the inspections actually occurring and all this kind of stuff, but I do throw it out there just for the purpose of the debate because it is something that some people have said to me from time to time, we should get vehicle inspections back. I don't know if that was ever considered, or whatever, but I throw it out there.

As the Member for St. John's East - Quidi Vidi threw out there as well, which I think is a very important point in terms of prevention of accidents, vehicle safety and so on, increased police presence on our highways. I think that's an important piece. I don't know what the numbers are now compared to what they used to be. I don't know if we're any lower, or higher, or the same, I don't know, but I just know that, anecdotally, there have been a number of times that I personally have noticed in the last few years where I've driven, say, to Grand Falls, Corner Brook or whatever, and not lay my eyes on an RCMP, not see one police car.

I've experienced that myself. I've had a number of people who've said the same thing to me. Now, maybe it just happens to be coincidence that the time you happen to drive by is the time that they're down off the highway, maybe in one of the communities responding to a call, maybe they're in court, maybe they're on lunch, maybe they're on a shift change, who knows. I would just point out that there doesn't appear to be a large police presence on the highway – doesn't appear to be.

The same thing from time to time you will see the RNC, for example, here on the Outer Ring Road, periodically. I come in here daily because of the House or just to be in the office, and more often than not, 99 times out of 100, I don't see any RNC, for example, on Pitts Memorial with the radar. I have seen them but not very often.

That could be like the Autobahn out there from time to time. I tend to have a bit of a heavy foot myself, admittedly. I've got to be watching it. I've been driving on that and people whizzing by me as if I wasn't even moving, had to be going at least 150, 160 or higher, they're going that fast.

So, that's something that, if you want to prevent accidents and the cost of insurance because of accidents, then more police presence on the highways and in the city streets dealing with speeding vehicles and unsafe driving, I think that's something we need to concentrate on.

There were other things, of course. We mentioned there's a pilot project for cameras. I think that's good. If we can utilize technology, as the government is going to try to do, I

understand, or is doing in a pilot, that's a positive thing. I would certainly encourage government to continue down that road of, at least, testing it to see how it works.

Now, we all know that technology, like anything, doesn't always work, and I think that's why piloting is good. We've seen those moose detectors, for example, out there by Salmonier Line, or before you get to Salmonier Line, and we know what a colossal failure they were, but I suppose at least you had to try it. They tried something, it just didn't work.

I'm not sure if the cameras – I think they're using cameras in other places all around the world, in the States and other parts of the country, so if it can work there, I can't see why it couldn't work here in Newfoundland. I'm glad to see that's being, at least, explored.

Of course, there are other things that we could be doing like the rumble strips, I think, they're going to put in on the Veterans Memorial. Something needs to be done there for sure, based on the tragedies that have occurred on that section of highway. I'm not sure what makes that section any worse than some of the other sections of the highway. It's a beautiful road but for some reason, unbeknownst to me, we continue to have tragedies out there. So, things we can do there, I think if we put in some more passing lanes, rumble strips and stuff like that. So, if we can incorporate those type of things to make the road safer, then that's what we should be doing.

Certainly, the other thing is the road conditions with ruts and potholes and stuff like that. We know that's an ongoing challenge, for sure, but some of our roads are in pretty rough shape, there's no doubt, and that's something that if you want to prevent accidents, then the roads need to be fit to drive on and safe to drive on. In the wintertime, they have to be cleared and salted and so on when people are having to utilize them.

These are all things that, from a prevention point of view, we could and we should be doing to help bring down, to help prevent the accidents from happening. I think the best chance we have to bring down insurance rates is to bring down the accident rate.

Now, I am sure that the insurance industry, no doubt, people will argue that they will try to – you bring accidents down, the costs go down, and that just means more money in their pockets. I know there are people skeptical who would say that, but it's going to be hard to justify if you can show a significant decrease in the accident statistics, they're going to be hard-pressed to justify not bringing down insurance rates. I think that's somewhere we certainly need to go.

Of course, the other piece in all this that's going to bring an immediate change to the insurance rates, an immediate reduction, is the 15 per cent provincial insurance tax, which was put on in Budget 2016, and I'm glad to see that it's going to be removed.

I know the minister, in her opening statement, talked about going door to door in 2015 and consumers wanted change that was going to reduce the cost of insurance, and, certainly, adding 15 per cent tax on the insurance did the exact opposite. So, I'm glad that's being corrected now and it's going to come off. That would be helpful and welcome news for sure. Although, I've already heard from a number of people who were very skeptical about the timing, but, nonetheless, if it's gone, it's gone, and that's a good thing.

With that said, Mr. Speaker, I'll take my seat. Generally speaking, I don't have an issue with the bill. I won't commit to voting for it, although I probably will, until at least Committee is done and I hear the answers to some of the questions that are being raised by the Official Opposition, just to make sure that everything is in order and makes sense. Other than that, it's a long time coming. I'm glad to see it's being done.

Thank you, Mr. Speaker.

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

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

It is indeed a privilege to get up here again today to represent the beautiful District of Cape St. Francis and the beautiful people in the District of Cape St. Francis. I hope I get the opportunity to say that in the future.

Anyway, Mr. Speaker, I have to thank the people over in Service NL, and during the briefing there was a number of people there from the Department of Justice, and I thank them for the briefing that they gave us. It was very thorough. There were a lot of questions that were asked at the time, and, I have to say, this is a bill that has a lot of people like lawyers, people in the insurance industry; it is very divided how people look at this in those different industries, but, at the end of the day, we need something for the consumers, for the residents of Newfoundland and Labrador.

When we first started talking about this bill in the briefing, the very first thing that was mentioned is that automobile insurance in Newfoundland and Labrador is the highest in Atlantic Canada. Not only the highest by a little bit, it's the highest by about 35 per cent more that we pay in this province than they do in other parts of Atlantic Canada.

I went one time to the Insurance Bureau of Canada, they had a breakfast and I think you were there, Mr. Speaker, they had charts that they showed us, talked about claims and everything else like this.

I've been speaking to a lot of people in my district and, obviously, insurance costs always comes up. In this House, for the last number of years, since *Budget 2016*, I think once we got up here and a lot of debate that we did in this House, especially on this side of the House, talked about the tax on insurance and what it was doing to the economy, what it was doing to residents.

I gave an example one day of my next door neighbour who's an elderly gentleman and the cost for him going and getting insurance. People who are on fixed incomes, you do your budgets up and, then, all of a sudden, your insurance cost has gone up by 15 per cent, just like that, and the effect that that had on so many people. I think we all had it. I'm not just saying on this side of the House, I'm sure Members of the other side of the House, when they went and spoke to people in their constituency that they had the same reaction that I did, Members of my caucus and everybody else did.

So, back in the current *Budget 2018*, there was a great announcement, government across the way thought it was a great announcement, they were going to take 5 per cent off over four years. They were going to do 1 per cent in January last year then they were going to reduce it by 2 per cent, then by 1 per cent, but that was by 2022. They changed their plan come election time to take it all off all together and I'm glad. I'm glad they did. I really am glad they did, but it's strange that in 2018 their plan was to go to 2022 before they just took off 5 per cent, but now that it's election time – it's great.

Now, I'm not saying anything bad about it, I can understand sometimes in election time you have to do stuff like that to make sure that the people out there think that you're doing something great, but it wasn't in their original plan and it really amazed me that – it's pretty strange. I just think that maybe –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. K. PARSONS: I know the Minister of Finance got up today and said we found the money but –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. K. PARSONS: – I think they found a lot of money last week also; they found like \$350 million last week.

I asked this question in the House one time before about insurance and what we were paying on insurance rates.

AN HON. MEMBER: Relevancy.

MR. K. PARSONS: I think it's really relevant. I really think it's really relevant to people in the province. I know it is relevant to the people in my district.

I asked this question to the minister one day about this and he said: Where are we going to find the money? Where do you think we're going to find the money? Anyway, last week or this week, they found a lot of money. I don't

know why they found so much money and how they did find such money, but I got a funny feeling we may have an election call pretty soon. That's just my prediction. I'm not really sure –

AN HON. MEMBER: They won Set for Life.

MR. K. PARSONS: They won Set for Life, maybe that was it, but *Budget 2018* took off – until 2022 they were going to take off 5 per cent. So, something changed all of a sudden –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. K. PARSONS: – that now they're going to take it all off. I applaud that. I really want it because I'd like to see everybody (inaudible), but I'm just a little bit weary on the reason why it was done.

Now, Mr. Speaker, during the briefing, we had a good discussion, and, like I said, the insurance rates in this province are way too high, way too high, but the review that was done by the Public Utilities Board, that was done this year, they didn't come back with any recommendations as such. They came back with this is what they saw, this is what they found. Then they went back, and we all had the debate back and fourth and I know there was different consultations with different groups and everybody had a different opinion. I like some of the stuff that's in there. There's some stuff I have questions on.

One thing during the briefing that was interesting was compensation for property damage and how that's going to be compensated now. What normally happens is if I have an accident – and the minister can correct me when she gets up afterwards on how I understood this – is that at-fault driver insurance has to deal with the other insurance company. Now, that's going to change so that if I have an accident, I deal with my own insurance company, they're the ones that'll pay out, which is good because I think that it'll make for a faster resolution to the claims. Obviously, when you're dealing with people that you know, it's a friendlier way to do things, so I kind of like that. I think the question that we had over here is that by doing this I thought it'd be a higher cost and stuff like this, but, basically, it'll cancel each other out, really.

The other thing: mandatory reporting of cancellation of insurance. Right now, that's done when you use commercial vehicles, taxis, ambulance, bus, school buses, they're required, right now, if I called the insurance company, if I'm a bus driver or own a bus, the insurance company has to notify Motor Registration that that's no longer insured, so then they can say, well, that bus, hopefully, will be taken off the road. I'm not sure what they do at Motor Registration once they get notified of that now, but I listened to the minister today because I did have a question on this.

So, for example, it's been a huge problem when it comes to insurance, some people will go and if they need a vehicle transferred or they need to get their licence or get whatever, they'll only get insurance for a short period of time and then cancel their insurance. Apparently, that happens a lot, and I think it does happen a lot, and that's probably why we see a lot of it.

So, if I call my insurance company now, automatically there's a policy in place now that will force the insurance company to notify Motor Registration that the insurance for so-and-so's car has just been cancelled. Then, hopefully, some way this will trigger, through the RNC or the RCMP, or both, and they'll have a record, then, that says vehicle with licence plate number whatever, that insurance was taken off that vehicle, and maybe that will help get some of these people off the road.

I know we're talking about rates, mainly, and the cost to the consumer, but safety has to play a major factor, too, and when we got uninsured drivers off the road, obviously, whoever would go and do that, they're causing safety to individuals, persons, and it brings up a lot.

There are a couple more, too. We talked about – actually, I think, and I'm almost sure, actually, a lot of the taxi companies, through a major cost in St. John's, has this telematics, which they have – I don't know how it's really ran, but I believe it's ran through a GPS and computers and whatnot.

I spoke to a taxi industry. For example, a person told me about how their company is doing it. Say, for example, they're going up Portugal Cove Road and they're going 80 kilometres an

hour in a 50 kilometre-an-hour zone. That will automatically get registered back to the taxi company, and right off the bat, they know this is what's happening. So the taxi industry is really being aggressive, and I know it's a very costly system.

When you look in other provinces, especially – I'm not sure, they told us the name of the province. I think it is Ontario, and it could be New Brunswick or Nova Scotia, I'm not quite sure, but they have people who deal with Allstate Insurance. There's a policy under Allstate Insurance that if you have this in your vehicle there's a major reduction.

So what could happen, if this comes into effect in Newfoundland and Labrador, is that the insurance company can go back into the system – and it's volunteer. It's not something that's mandatory. It will be something that will be voluntary if you want to deal with that insurance company, but they'd be able to go back through that system and see whether you were speeding during the accident or see whether you ran a red light. I don't know how they do it but there are ways to tell how this is done through this system. Probably if there are consumers who want a reduction in their rate, if they install this in their vehicles this would be a way the insurance companies can reduce the cost to the consumer.

Also, I know my colleague for Mount Pearl - Southlands spoke about winter tires. I did ask a question at the briefing about where – they said they didn't have a stat for Newfoundland and Labrador. The stat was basically for Atlantic Canada. It said winter tires are used on 94 per cent of the vehicles in Atlantic Canada. Now, I don't know what the stat is for Newfoundland.

Again, my understanding is we didn't want to bring in mandatory snow tires because I think some people believe that all seasons are better or whatnot. And it could be the point that maybe – I know some seniors that are in my district don't drive in the wintertime hardly at all. They just don't use their vehicle. So mandatory tires for them would be an added cost.

I fear that a mandatory cost would probably result in a bit of gouging that could be done also. I don't say that they're going to do it but it

would open the door that if it's mandatory for snow tires, all of a sudden I'd hate to see the price of snow tires go to the ceiling because you have to have them. I'd like the protection like that too, because that's what happens a lot of times.

Mr. Speaker, we did talk about, and it's something we've brought up on this side – and two of the Members on the side of me mentioned it already today – was the plate to vehicle idea. I believe that's probably the best way to regulate or to stop what's happening with a lot of uninsured vehicles in the province, because you're responsible for that plate. What happens right now is people who buy vehicles, it could be the number one selling feature for that vehicle is that it's licensed.

Right now we're into April. They could buy one that got licenced, say, in March. So I'm good for 11 months with a vehicle that I don't have to – you know, they go buy a vehicle, they have no insurance on the vehicle. Once you're driving around with it, as long as the plate shows that that vehicle is good until next year, then, you know. So by taking the plate with the person, the vehicle stays with me. That plate stays with me all the time, so that plate is mine.

They talked about it in the briefing. Apparently it would be a huge cost to the system to change over because everything right now in Newfoundland and Labrador is done as a result of the vehicle. It stays with the vehicle rather than the person. What would happen would be the whole system would have to be changed.

While the minister mentioned that in her statement here today and while it was mentioned over there and through the Briefing Notes and the (inaudible) that we did get, it was mentioned there but I don't see it happening in the near future. Now that's just what I got from being at the briefing and asking the questions, that there were reasons, there was this reason and that reason, but it's a concept that I think most people would say, well, if it takes a lot of uninsured drivers off or takes the responsibility of a lot of these people on the road with no licence, no insurance and nothing, then that's what we should do. Apparently that's what the answer was when the question was asked.

Mr. Speaker, the minister also mentioned about the *Highway Traffic Act* and, yes, there has been some good legislation. I'll give the department credit, there's been some real, good legislation brought to this House of Assembly and we've all discussed it.

When I was critic for Service NL, I got up and talked about the move-over laws and we talked about things like stunting and people were out there driving erratically and what we needed to do. Those laws are great to bring in, because anytime we can do anything for safety on our highways is very, very important. We travel them, our families travel, and I know a lot of Members from this House of Assembly probably travel a lot more than I do back and forth to their districts and have bigger districts and I want to make sure everybody is safe on the highway. So anything, any improvements we can bring in to the *Highway Traffic Act* is important.

Mr. Speaker, overall, like I said, we'll get into Committee and we'll have some discussions with this. There are some good points to it. There are some questions we'll have, and it'll depend on the type of answers we get from the minister to see which way we'll look at this bill now.

Again, at the end of the day, I know the constituents in Cape St. Francis are looking for some relief. It's a difficult time in the province. There are a lot of people really finding it difficult. They look at it as the tax on insurance, that's one of those things that has made it difficult for them. I'm glad today that the government has decided to take that away. We'll see what the details, number one, are in the – I hope they'll do it immediately, but we'll see what the deal will be in the budget tomorrow. Maybe they'll take the reductions off the 300 taxes they added too, and maybe they'll eliminate the 50 other taxes they added on in 2016.

Thank you very much.

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

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

I'm happy to stand here today and speak to Bill 3, which is An Act to Amend the Automobile Insurance Act. It's one that certainly we've been looking forward to debating in this House. And there's been a significant process behind this bill being here today. In fact, this was a promise that was made some time ago. It's been repeated, whether it was in *The Way Forward*. So I commend the minister and her department for all the work they've done in pushing this piece of legislation forward, which I think is certainly welcomed by most quarters of this province.

When I look across the way, I know that some Members – I think the independent Member, and I believe Members of the NDP have spoken their support. I'm not quite sure about the Official Opposition yet, and where they are with that. But I will tell you, I would actually be quite surprised if they are not supportive of this piece of legislation. I would be quite surprised. I think they will. I understand how the process works and they have to ask questions, and that's how it should be. I'll talk a little bit more about that now in a second.

I guess I have an opportunity to correct some of the information that comes out, or answer some questions. That's the whole purpose of this process. The Member for Cape St. Francis, who I certainly have, aside from his support of the Boston Bruins, I generally think he's a decent person. But I will say, he mentions – because there's one word in one of his quotes, he said 300 new taxes. But the word new is not there, because, in fact, his administration when he was there, actually had brought in and raised a number of those. A small point, but I need to put that out there. I just want to make sure we have accurate information.

I'll talk about the bill, but – again, I will segue into something positive. The Member mentioned that he was a part of a briefing on Friday. And, you know what, I'm glad he went to the briefing. That's what we need to have. He was there along with members of the staff, Members of the Third Party staff were there, and what that speaks to is when we talk about legislation, the fact is we need to have good, diligent reviews of legislation, and I'm going to speak to two points on that that I think are important.

The fact is we're debating a situation here that has arisen basically almost from a decade and a half of not much was done. The last review was 2004-05, and nothing was really done after that. I get what the Member is saying, talking about relief. We all feel the same way, but this was not a situation that was created overnight. This was a situation that evolved over time unchecked, and now I think we have introduced measures that will help to reduce the rates that are there, but at the same time will protect the rights of individuals and victims, as well.

One of the points that's in this piece of legislation that I think is important is a very simple one, is a five-year statutory review. The fact is we will not allow legislation and these changes to just be ignored until the next point where we reach crisis, where taxi companies are out talking about the issues, when citizens are talking about it. So I think everybody is supportive of that. I think it's an important issue.

Coming back to the briefing and why that's important – again, maybe I'm a tad sensitive because I take my role as Government House Leader quite serious. What I've done, and I look at my experience being in the Opposition, talking about our ability to get reviews, to get briefings, to have time to review. I remember being threatened when I was on the other side; threatened by a former Government House Leader that you're not going to get your briefing if you don't sit down, stuff like that. That's what we dealt with. Now, I will say, nobody on the other side was a Government House Leader at the time.

So, it offends me when a Member stands up today, the Member for Fortune Bay - Cape La Hune, and says, well, we haven't had enough time. I find that offensive because it's simply not true. I will point out an interesting tidbit. In 30 minutes of Question Period today, not one single question was asked on this topic; not one single question was asked by the Member on this topic.

Again, I digress, I can look at the *Hansard* here. Oh, sorry, the Leader may have asked one. There were questions on a number of topics, but this topic, which was so important and the Member is so distressed at not having enough time, did not prompt a single question on the topic.

Now, I understand others not asking questions because they've gotten up and spoken positively about this amendment that's being put forward, but to talk about the fact you haven't had enough time, that's just incorrect. In fact, there was more time given to this than there's been to a number of pieces of legislation that when I sat on that side, we just never got that time.

I would also point out, if you're so concerned about the bill, if you're so concerned – again, if I'm going to get criticized for what we're doing here, not allowing enough time – and I would say, we can be here as long we need to this evening and we also have time on Wednesday to debate this, but if you're going to complain about not having the time, you should probably go to the briefing. You should probably go to the briefing. If it's so important, go to the briefing.

It's not the Member for Cape St. Francis, he was there. He was there. He stood up today and made his points. He was at the briefing. Another Member says I didn't have enough time, but also didn't have enough time to go to the briefing. So, I'm just putting that out there. I think that's important.

Now, I will come back to – I've sat and listened to a number of speakers on the other side and speakers on this side. I think that this today, as we announced, is a number of measures that taken together will lead to – again, I still think the most important thing when we talk about insurance is theoretically the need to not use it. That's why we need to promote deterrence, enforcement, prevention.

I think some of the steps we've taken here today were working towards that, and we know there's more that has to be done. We know there's more. Again, just within Justice and Public Safety, our police officers are doing a great job but they're going to work more with communities because it's municipal leaders that are saying we want to be a part of enforcement as well. We want to work with you and support what you do, and that's a big step.

The independent Member for Mount Pearl - Southlands, plate to owner, something he – you know what, he has brought it up in this House before, written letters on it. So I'm glad to see his support of – it's going to take some time.

There is a significant cost to the implementation, but one of the issues we have in this province when we talk about uninsured drivers is we also talk about the fact that there are currently about \$40 million owing in fines in this province.

Now, not all of that is traffic related. There's a significant amount of that that is not traffic related. In fact, a lot of it is dated over time, but when we talk about the fact that we – that one step, I think that one investment will lead to a return on the investment down the road when – we all know the steps that people take to get around it. It has been talked about.

That's one that I'm really looking forward to down the road when we talk about Transportation and Works and what they've done with traffic cameras in construction zones. I speak about it as somebody who has lost a friend, a person working with Transportation and Works in a construction zone and lost their life because of negligent driving. That's something we need to do more of, and in conjunction with Justice and Public Safety. We've seen that just the mere presence has a deterrent factor. Not just a ticket, but knowing the camera is there has a deterrent factor.

So, there are steps we will take. We'll move forward, but when we look at the measures that are listed in this, when we talk about the mandatory notification of the registrar about the cancellation of a policy, I can honestly say that is something that I have literally been contacted about by constituents in my district who say, is this the case? I said, sadly, that is the case.

Today's announcement is something that people will get, people will understand and I think they'll appreciate, because the fact is the vast majority of people respect rules. The vast majority of people follow the law. The vast majority of people buy insurance, pay for their insurance, but for those that are out there that choose not to, for whatever reason, it wears on those individuals that are following and paying premiums and doing all that. Which is also why – I will be surprised if the Member for Cape St. Francis does not support a law that talks about uninsured right, somebody who has chosen to not have insurance, has chosen not to and places everybody at risk.

Again, the Leader of the Opposition has spoken out against that. Now, we'll have a discussion on – he says there's a charter case in my discussions with Dr. Barb Barrowman QC, former clerk of Supreme Council. She doesn't think it's an issue. As much as I respect the Leader of the Official Opposition and his legal opinion, I also trust the people within the Department of Justice and Public Safety because they're not actually losing their right to sue. They're losing their right to go to that facility association. The fact is I still agree with the move. I still agree with it.

We have a situation where uninsured – we all know the reasons, and I totally understand and empathize with many who are in the situation but that doesn't excuse it. That does not excuse it. It is against the law to do so, and you're placing others at risk. I find it hard to believe that people will go out to their districts when they talk to constituents and say, I'm not going to vote for that bill because I don't agree with that. That's going to be an interesting conversation, is what I would say, Mr. Speaker.

I look at the changes that the Minister Responsible for Service NL has brought in here. It's just a number of different things that I think together will work. Treatment protocol, something that I would note was supported by the insurance industry as well as the campaign, as they are called, Insult to injury, protecting the rights of victims. There was bipartisan support of that. So that's something they said we should do. You know what, I think it will lead to savings down the road. When we're taking measures more quickly to protect the health of individuals, then I think we're in the right direction.

We talk about the increase of the deductible. One of the Members opposite, I can't remember if it was the Leader or the Member for Fortune Bay - Cape La Hune, talked about there is no assurance here. Well, in order to get that assurance, you would actually have to go against the stuff that you talked about. I don't know what steps they would've taken in to give the assurance that they needed the rates are going to go down because there is no silver bullet here. There is no magic answer to this, but I think the steps that we have here are going to lead to reduced premiums and certainly to stability.

When we just talk about the rate-setting process, which, again, the insurance industry has issues, and they did a very good job of presenting their case. One of the issues they had was with the rate-setting process and now what we're doing is we're putting some stability into that as well. In many cases, the process was so onerous that they did not go into it because it would just consume so much time.

When we talk about having the PUB still being a part of this, and I thank the PUB for their time and listening to the evidence brought forward by many people, when we talk about the direct compensation, when we talk about the statutory review, overall I think this is a very strong piece of legislation. But do you know what? Here's one of the things that I think is important. If we find out in four years or five years, theoretically, that we were wrong – and my God, it's amazing for a government Member to admit the possibility they might be wrong – the statutory review will be one-third of the amount of time that it's taken since the last fix.

So within five years, we'll be able to come back and say what worked, is there something that didn't work; but, in the meantime, I can guarantee you there are multiple departments across government that will be taking steps, as outlined by the minister today and by the Premier and as well by our department, saying here are the other things that we're going to do, they will take some time but we're moving in the right direction. I think consumers will get stability. I think consumers have not lost their rights. That's an important thing.

Again, even without the announcement today by the Premier of the insurance tax removal, I think this bill was doing a significant number of things. I would have supported this wholeheartedly before, but in conjunction with that – and again, you only have to talk to somebody, and I'm going to give him a shout-out, everybody knows someone like George Murphy who has been involved in the taxi industry and just hearing today from him talking to his colleagues saying we've got immediate support here. We already have remedies here. Do you know what? That industry is supportive of the steps we are taking.

We have victims' rights, individuals that are supportive, we have the legal community that's supportive, we have the taxi industry which is supportive and we have the Consumer Advocate who's supportive. Again, I know the independent Member is supportive, I know the NDP are supportive, so before I take my seat and we move forward, my question is to the Official Opposition: Are you supportive of the people of this province as well?

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: If the Minister of Service NL speaks now, she will close debate.

The hon. the Minister of Service NL.

MS. GAMBIN-WALSH: Mr. Speaker, as I said earlier in my remarks, the need for insurance reform was a message our government heard loud and clear.

The comprehensive report we received from the PUB was an important decision-making tool for this government. It clearly articulated the increased pressures on both consumers and the insurance industry in our province. It also showed us that we didn't arrive at our current reality overnight, and we know we aren't going to be able to solve the high insurance rates overnight, either. We've developed a suite of measures that, when implemented, will provide the best product possible for consumers, responsive to their priorities.

The majority of amendments to the *Automobile Insurance Act* that were introduced here today will come into effect on January 1, 2020. In terms of the diagnostics and the treatment protocol changes, we want to ensure adequate time for us to consult with the health professionals, and also allow the industry time to make their necessary changes to their processes, so a date will be determined.

The provision which prohibits uninsured drivers from accessing the uninsured automobile fund and receiving compensation for non-economic losses will come into effect on August 1, 2019. As the Minister of Justice and Public Safety just said, I am sure and we're all sure here in this

House that the majority of people want to follow the law. Automobile insurance is the law, Mr. Speaker.

As it pertains to the mandatory vehicle inspections, statistics nor studies could prove nor disprove that inspections increase or decrease accidents. Police officers will be notified by MRD when MRD is informed of a cancelled insurance policy. The Leader of the PC Party was asking for a definition of minor injury earlier, and he was alluding to a cap, from my understanding listening to him. I was trying to decipher what he was saying because the majority of the population prefer plain language, so he may have to come back and clarify that because I believe it was in plain language but it was alluding to a cap, and I understand that he didn't support a cap, so I'm not really certain what he was saying there.

So again, I wanted to say how proud I am to be a part of the government that has listened to the people it serves and today is bringing forward a very important piece of legislation. These changes and these additions and the removal of the insurance tax today will definitely help consumers of Newfoundland and Labrador. I want to thank my hon. colleagues for their support of the amendments debated here today.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Is the House ready for the question?

The motion is that Bill 3 be now 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.

AN HON. MEMBER: Division.

MR. SPEAKER: Division has been called.

I would ask the House Leaders to please call in your Members.

Division

MR. SPEAKER: I look to the House Leaders; are you ready, gentlemen?

MR. A. PARSONS: Yes.

MR. SPEAKER: Is the Opposition House Leader ready?

Is the House ready for the question?

So is it the pleasure of the House to adopt the motion?

All those in favour, please stand.

CLERK: Mr. Andrew Parsons, Ms. Coady, Mr. Haggie, Ms. Dempster, Mr. Hawkins, Mr. Crocker, Mr. Mitchelmore, Ms. Gambin-Walsh, Mr. Warr, Mr. Davis, Ms. Haley, Mr. Letto, Mr. Brown, Mr. Bragg, Mr. Bennett, Mr. Finn, Mr. Holloway, Ms. Pam Parsons, Mr. Reid, Mr. Hutchings, Mr. Brazil, Mr. Kevin Parsons, Ms. Perry, Mr. Dinn, Mr. Petten, Ms. Michael, Ms. Rogers, Mr. Lane.

MR. SPEAKER: All those against the motion, please rise.

CLERK: Mr. Speaker, the ayes: 28; the nays: zero.

MR. SPEAKER: The motion has been carried.

The motion has been passed, the bill has now been read a second time.

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

MR. A. PARSONS: Presently.

MR. SPEAKER: Presently.

The hon. the Government House Leader.

MR. A. PARSONS: Yes, Mr. Speaker, I call from the Order Paper, Order 5, second reading of Bill 6.

MR. SPEAKER: We require the bill to be read, I'm sorry. I apologize.

CLERK: A bill, An Act To Amend The Automobile Insurance Act. (Bill 3)

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

When shall the bill be referred to a Committee of the Whole House? I understand it's presently.

MR. A. PARSONS: Presently.

MR. SPEAKER: Thank you, Sir.

On motion, a bill, "An Act To Amend The Automobile Insurance Act," read a second time, ordered referred to a Committee of the Whole House, presently, by leave. (Bill 3)

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

MR. A. PARSONS: Yes, take two.

Mr. Speaker, I call from the Order Paper, Order 5, second reading of Bill 6.

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

MS. GAMBIN-WALSH: Mr. Speaker, I move, seconded by the Minister of Advanced Education, Skills and Labour, that Bill 6, An Act to Amend the Insurance Companies Act, be now read a second time.

Motion, second reading of a bill, "An Act To Amend The Insurance Companies Act." (Bill 6)

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

MS. GAMBIN-WALSH: Mr. Speaker, I'm delighted to rise once again to continue the dialogue on automobile insurance in our province by introducing a bill to amend a second piece of legislation in our efforts to help stabilize insurance rates.

As I stated when Bill 3 was brought to the floor of this House, the problems facing the taxi industry in Newfoundland and Labrador have been ongoing for more than 20 years. Like the ballooning costs of automobile insurance in our province overall, we didn't get here overnight.

Since I became Minister of Service NL, I have gained an even greater appreciation for the importance of the taxi industry to the provincial economy and the valuable service they provide. I have also come to realize their dedication to helping their industry be the best it can be.

Along with a specific focus on taxis during the insurance review, we also met with representatives of the industry on a number of occasions and together implemented a number of measures to help strengthen their industry. Effective July 1, 2018, policy amendments came into force focusing on skilled drivers experienced in driving in provincial road conditions, driving history, passenger safety and safer vehicles. A zero tolerance policy for drugs when operating a taxi came into effect on December 18, 2018.

In *Budget 2018*, our government approved a one-third reduction in the tax of auto insurance over four years. This would particularly benefit those paying the highest rates such as taxi operators. Today, Mr. Speaker, the Premier announced that we will be removing the tax from auto insurance.

Mr. Speaker, while the rising cost of insurance premiums for the taxi industry has been a problem for a long, our government is the first administration to deal directly with the matter by trying to find solutions.

In 2017, when we initiated the review of the auto insurance system by the PUB, we included a closed-claim study specific to taxi operators. According to the PUB, every taxi operator spoke to the amount that they have to pay for automobile insurance and the large increases in recent years. One operator stated that he has had a clean driving record for 14 years, yet his overall rate increase was that of 470 per cent in just under five years. He indicated that in 2013 he paid \$1,890, while his renewal rate in 2018 was \$8,895. The findings of the PUB report demonstrates that the insurance pressures facing

the taxi industry have been ongoing for many years.

One such pressure is reliance on Facility Association, an unincorporated non-profit organization for all automobile insurers. The PUB report indicated that the organization currently insures over 95 per cent of the taxi industry in Newfoundland and Labrador. It is the insurer of last resort for the taxi industry and other drivers who are unable to get insurance in the regular market.

Facility plays the same role in other province and territories with private insurance; Alberta, Ontario and the Maritime provinces and their territories.

After making no rate applications between 1993 and 2012, Facility Association has filed rate increases almost yearly since then. In fact, the total cumulative rate increases for taxis over the period of 2012 to 2018 is approximately 244 per cent. This increase was largely driven by increases to third-party liability premiums and this is the predominant coverage for taxis compromising approximately 90 per cent of the total written premiums.

Mr. Speaker, as I stated when I introduced Bill 3, the goal of the PUB's review was to help inform government's decision-making, as we try to find solutions for consumers in our province. We recognize that the taxi industry is a large consumer group of insurance in Newfoundland and Labrador. I would now like to speak to measures we are introducing that will specifically assist taxi operators throughout Newfoundland and Labrador.

The PUB's report drew attention to the expense provision set out in Facility Association's plan of operation. The commission rate of 6 per cent is intended to provide for recovery of the estimated operating expenses associated with writing automobile insurance in the province and is based on agreements between Facility and its servicing carriers.

With the large increase in taxi premiums in this province, there is potential for brokers to be overcompensated with the continuation of the 6 per cent commission. A lower commission rate would help reduce the premium required by

Facility Association for this class of business and will be easier for companies to implement rather than introducing a dollar cap, like in Ontario, where for many years the commission rate has been 6 per cent with a maximum commission of \$370 per vehicle per year. As such, Mr. Speaker, we have decreased the commission for taxi business to a more acceptable amount of 3 per cent. We calculate that based on current rates this will provide savings of between \$210 to \$470 per taxi per year.

Mr. Speaker, another reform of automobile insurance, which could help realize improvements in the auto insurance product for high-risk drivers, is that of risk-sharing pools. This is a form of risk-sharing where insurance companies come together to form a pool of drivers who are of higher risk but do not necessarily fall within the description of the risk outlined by Facility Association. The pool is distributed among all insurers operating in a market and can protect drivers from higher premiums associated with Facility Association.

The PUB noted in its report that several industry participants, as well as the Consumer Advocate, proposed the introduction of risk-sharing pools. We have amended the legislation to allow Facility Association to develop an all-comers, risk-sharing pool for Newfoundland and Labrador. The pool will require all insurers, brokers and agents to participate in the program.

Mr. Speaker, when I introduced Bill 3, An Act to Amend the Automobile Insurance Act, I spoke to changes to the rate-setting process. One of those changes is that the rate approval process would no longer be required for fleet-rated risks. Fleet rating allows for direct negotiation by the risk manager through their broker or directly with the insurer to address their risk profile and risk management system.

In essence, this will give vehicles managed in fleets such as taxis a measure of control over their rates. We feel this measure will be a direct benefit to taxi operators in Newfoundland and Labrador. As I said earlier, we did not want to place additional financial burden on residents of our province, but we wanted to allow for an incentive for those who choose to increase safety

in winter by putting winter tires on their vehicles.

Studies have shown that in provinces such as Quebec where winter tires are required, after the first two seasons, road accidents do decrease by 5 per cent. That's approximately 575 fewer people being injured annually in winter road accidents, and deaths and serious injuries due to winter driving accidents did decrease by approximately 3 per cent.

In Ontario, for example, there is a requirement for auto insurers to give discounts to drivers with winter tires. The regulations will be amended to require insurance to apply a winter discount, as previously implemented in Ontario. This is another measure that can assist taxi operators in the province in finding insurance savings.

Mr. Speaker, we will also amend the regulations regarding the optional use of telematics, with further guidance to be provided in bulletins from the superintendent. The information gathered through this process provides a report on the driver's performance, distance, time of day driven, and other data, and will be used to more accurately price insurance policies. Insurance companies would have the ability to utilize telematics to monitor driver behaviour. This would include taxis as well. In fact, some of the taxis are presently using telematics today with success. It would also provide feedback to drivers to encourage safe driving practices and provide financial incentives to safe drivers.

Mr. Speaker, our government is very proud of the work that has been done on auto insurance in the province in an effort to help consumers, including the taxi industry. Time and time again, our Premier indicated the importance of finding a balanced approach in identifying opportunities to lower rates that benefit consumers and help bring stability to the automobile insurance industry. Again, I want to thank the PUB for their work on this matter leading to the review. I want to thank members of the insurance industry, the legal community, the taxi industry and, again, the road-crash victims, the Consumer Advocate for the province, and consumers as a whole, as well as anyone who made their thoughts known on this very important topic.

It was apparent throughout the process that we needed to take a closer look at measures for taxi operators in our province, recognizing their value in our towns and communities. It is our sincere hope that the measures we have introduced today will result in positive outcomes for this industry. These measures are also a signal of our willingness to continue to work together to find solutions, recognizing that the issue of high insurance rates cannot be solved in one day, Mr. Speaker.

Thank you.

MR. SPEAKER (Warr): Thank you.

The hon. the Leader of the Official Opposition.

MR. CROSBIE: Thank you, Sir.

Mr. Speaker, on the subject of fees, the Explanatory Note on Bill 6, An Act to Amend the Insurance Companies Act, says: The current rate of commission for brokers to write policies for taxis and limousines is 6 per cent and this amendment will mandate brokers to cut that amount in half to 3 per cent. Officials noted that most other provinces have a 6 per cent commission rate and this change, based on current rates, could result in between \$200 and \$470 in savings per vehicle for the taxi industry.

So that savings is said to emerge here from having of what appears to be the industry standard rate of 6 per cent. I don't know if the minister has explained this yet or not, but she might get a chance a bit later. I don't believe that the 6 per cent is legislated in any way. I assume that it's just an industry standard.

We're told here that it's also standard in most other provinces, 6 per cent commission rate, but that now the government is going to interfere in the marketplace and tell brokers that they're charging double what they should be charging and they should be charging half.

Now, this kind of regulation is regulation of fees that organized professions and disciplines charge. This kind of intervention in the marketplace is normally done to protect consumers, vulnerable consumers. It might be stretching the concept of a vulnerable consumer somewhat to include taxi owners in this concept

when it comes to fees charged by brokers for placing insurance.

We, on this side, would be interested to know the minister's explanation for how much consultation occurred with the brokerage industry around this, how the 3 per cent was arrived at as fair compensation and whether or not the minister has any concern that this intervention in the marketplace to lay down and dictate the maximum fee a broker can charge may cause distortions in the marketplace and possibly even drive certain brokers away from providing the business.

Thank you, Mr. Speaker.

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

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

I'm very pleased to stand and speak to the second of two bills introduced to this hon. House aimed at stabilizing insurance costs for Newfoundlanders and Labradorians. Unlike the Leader of the Opposition, or the PC Party, I actually care about the taxi cab operators as well. I've had many, many opportunities to meet with them over this process in my previous role as the parliamentary secretary for Service NL.

When our government announced this review of automobile insurance, a particular focus was going to be placed on the taxi industry in this province through a closed-claim study. I know this quite well because I was the one that announced it in the media centre at the time.

While we had heard the concerns of the operators for some time – maybe the Leader of the Opposition could hear that as well – the Public Utilities Board report echoed the same concerns, stating that the taxi industry faces particularly acute challenges with respect to rising insurance costs.

We recognize the majority of taxi businesses in the Atlantic provinces, including Newfoundland and Labrador, are currently insured through Facility. This Facility Association is an unincorporated, not-for-profit organization of all automobile insurers licensed to sell in

Newfoundland and Labrador as well as Nova Scotia, New Brunswick, Prince Edward Island, Ontario, Alberta, the Northwest Territories, Nunavut and the Yukon, so very well placed throughout the provinces in our country. There are separate programs and rates for each jurisdiction, though, Mr. Speaker. It's very important to understand that it's separate for each jurisdiction.

The Public Utilities Board report states that in Newfoundland and Labrador, Facility insures over 95 per cent of the taxi industry in each Atlantic province. Since 2013, Facility Association has filed almost yearly rate applications. The total, as the minister mentioned earlier, cumulative rate increase over that period from 2012 to 2018, for all coverages combined, for approximately 244 per cent increase. That is not good, Mr. Speaker.

The Public Utilities Board report indicates that in 2018 the calculated total premium for a taxi with a clean driving record was \$7,058, and for a taxi with multi accidents and/or convictions it would have been \$15,753. Those numbers are staggering, Mr. Speaker.

During phase 1 of the review, the Public Utilities Board engaged Oliver Wyman Limited to complete taxi summary statistics and also engaged Cameron & Associates Insurance Consultants to conduct an audit of taxi claims to determine the cause of poor claim experience. This included details regarding the underlying causes of the loss and the high claims costs incurred, as well as recommendations to be considered to reduce claims, costs, as well as rates.

Mr. Speaker, throughout our province we understand the important role these taxi operators and these individuals play within the transportation network that we all utilize from time to time. Whether you live in one of our major cities or reside in one of the more rural parts of our province, taxis provide valuable services. The very nature of their business means they spend countless hours on our roadways, thereby subjecting themselves to higher insurance rates.

I have many friends that drive in the taxi industry, Mr. Speaker, and I know these fees and

insurance rates are debilitating for them. I really feel for the very good drivers that do operate in this industry, and there are many, many good drivers that operate in this industry. It's unfortunate that there are some bad ones in the industry, but many of the changes we've already talked about are going to help this industry quite substantially and in the longer term will help them lower rates over time.

While rate setting decisions are made at arm's-length through the Public Utilities Board, we wanted to explore options to help stabilize rates for the taxi industries as we all are consumers. It also subjects them to potentially more accidents on the road, as I mentioned earlier. So, Mr. Speaker, it's important that we try to get this right.

As the Minister of Service NL stated in her remarks, the high insurance rates for taxi operators has been largely driven by increases to the third party liability premiums as this is the predominant coverage for taxis, comprising approximately 90 per cent of the total written premium.

Our government, including our Premier, met with industry representatives to hear their concerns and reiterate that we were exploring all options. No locks were going to be left unturned to stabilize rates for the taxi industry. This commitment was in addition to the considerable amount of work already being completed between government and the taxi industry toward improving the industry as a whole.

Today, we are here in this hon. House to debate changes to insurance legislation we feel will benefit taxi operators. Measures such as reducing the commission costs associated with a taxi business from 6 per cent to 3 per cent should translate into real savings in the industry. My colleague, the Leader of the Opposition and the PC Party doesn't see that as a benefit. I think it's a 3 per cent benefit on a large number for these taxi operators, and anything we can do to alleviate some of those concerns that they're facing is a positive step in the right direction.

A lower commission rate would help reduce these premiums required by the Facility Association for taxis and would also be easier for the companies to implement. Risk Sharing

Pools are another reform of automobile insurance which could help realize real improvements in the auto insurance product for high-risk drivers.

The amendments we have made today already will allow the Facility Association to develop an All Comers Risk Sharing Pool in this province. All insurers, brokers and agents would be required to participate in this program. Furthermore, removing fleet-rated risks from the rate setting approval process in Bill 3 is another benefit for the taxi industry. This would give vehicles managed in fleets, such as taxis, a measure of control over their rates which is always, always important.

Mr. Speaker, all areas of reform brought forward today would also benefit taxi operators and would be expected to have greatest impact on those paying the highest premiums in our province, such as taxi operators.

Mr. Speaker, when we set out to review automobile insurance in this province, our goal was to identify opportunities to keep rates as low as possible that benefits consumers and help bring stability to the automobile insurance industry. A considerable amount of work has been done in an effort to bring stability about. I'd like to thank the staff in Service NL, the staff in Justice and everyone that worked together to bring these to fruition here today. I encourage all hon. Members in this House to stand with us and support this piece of legislation. Just like the previous legislation, this piece of legislation also represents another step in enhancing consumer protection in Newfoundland and Labrador.

I'll end on that note, and I encourage all hon. Members, including the one from the beautiful District of Cape St. Francis, to stand up with us and the taxi operators in this province and support this good piece of legislation that we're bringing forward here today.

Thank you very much, Mr. Speaker.

MR. SPEAKER: Thank you.

The hon. the Government House Leader.

MR. A. PARSONS: Yes, thank you, Mr. Speaker.

Given the hour, what I'm suggesting to my colleagues is that, if they're agreeable, we will break now and resume at 6 p.m. and resume debate on Bill 6 at that time.

MR. SPEAKER: Can I get you to repeat that again, please?

MR. A. PARSONS: Mr. Speaker, we will break now until 6 p.m., at which time we will return – with leave from my colleagues – and debate Bill 6.

MR. SPEAKER: Thank you.

Leave?

SOME HON. MEMBERS: Leave.

MR. SPEAKER: This House stands in recess until 6 p.m.

Thank you.