



SPEECH FROM THE THRONE

March 12, 2014

Opening of the
Third Session
of the Forty-Seventh
General Assembly
of the Province of
Newfoundland and Labrador



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**Delivered at the Opening of
The Third Session of the Forty-Seventh
General Assembly of the Province of
Newfoundland and Labrador**

**by His Honour
Chief Justice J. Derek Green,
The Administrator of the Government
of Newfoundland and Labrador**

**on behalf of His Honour
The Honourable Frank F. Fagan, CM, ONL, MBA
Lieutenant Governor of Newfoundland and Labrador**

Learning Lessons of Perseverance

Mr. Speaker and Members of the House of Assembly:

On the first of March, **young athletes from across Newfoundland and Labrador** converged on Clarenville to put their skills to the test in the spirit of friendship, fair play and the pursuit of worthwhile goals at the 2014 Newfoundland and Labrador Winter Games. All of them were keenly aware that, just a few days earlier, a young figure skater from Marystown realized her dream of competing on Olympic ice. Kaetlyn Osmond well earned her place in Sochi among the best athletes in the world. After years of work and perseverance, she stood on the podium alongside her teammates to claim for Canada the first-ever silver medal in Olympic team figure skating. Like the Brad Gushue curling team eight years ago, Kaetlyn has taken her place in Olympic history and made our province and our country enormously proud. Our athletes' pursuit of excellence is a clarion call to the best in each of us. It is not luck or magic but courage and perseverance that takes us from where we happen to be to where we want to be and ought to be. Our athletes serve as role models for all of us in showing us what it means to truly persevere. In 2016, the province's athletes will meet in Conception Bay South for the Newfoundland and Labrador Summer Games. That same year, Newfoundland and Labrador will be proud to support the Special Olympics Canada Winter Games in Corner Brook, the first-ever to be held in Newfoundland and Labrador.

Honouring Our Heroes' Sacrifices

Mr. Speaker and Members of the House of Assembly:

The year 2016 will also be the centennial anniversary of the horrific Battle of the Somme at Beaumont-Hamel during the First World War. We shall never forget those sacrifices demanded on that day and in the months and years that followed. In November 2013, our government launched **Honour 100, our First World War Commemoration initiative**. Through a series of initiatives, we will remember and honour these heroes, past and present, by encouraging communities and organizations throughout the province to work together and engage our youth in appreciating the legacy they have been given.

Striving for Social Justice

Mr. Speaker and Members of the House of Assembly:

Let us never forget that it was largely young people fighting on the fields of Europe and elsewhere who won the freedom we enjoy today to build a more just and equitable society. Young people continue to shape our destiny in profound ways. Indeed, some of the most passionate defenders of our hard-won freedoms and **social justice** are our youth. When young people challenge us to do more and do better, we need to listen and to actively engage them in making our society everything it can be and ought to be.

To honour the sacrifices of its heroes, Newfoundland and Labrador established a living legacy called Memorial University. Memorial has grown from a small campus to include the Grenfell Campus at Corner Brook, the Marine Institute and other centres. Today, that legacy is also embodied in College of the North Atlantic, which has just celebrated its 50th anniversary. Nothing promotes social justice more effectively than equitable access to a **post-secondary education**. Cumulatively, this government has invested more than 230 million dollars since 2005 to freeze tuition fees, making Newfoundland and Labrador's students the envy of the country with some of the lowest tuition fees in the country and the best student aid program in Canada. Our government will continue to support post-secondary students and institutions in the year ahead so young people from communities throughout Newfoundland and Labrador can continue to enjoy access to the high-quality advanced education they need to secure the opportunities before them.

Helping people secure opportunities is a fundamental goal of the **Poverty Reduction Strategy**, launched in 2006. With total investments surpassing 900 million dollars, this strategy in just eight years has helped Newfoundland and Labrador reduce reliance on income support to the lowest level in our province's history. In 2003, we had one of the highest levels of poverty in the country. A decade later, we are tied for second-lowest and celebrated nationally for leading the fight against poverty. This year, the government will publish the second progress report on the strategy's effectiveness and use those findings, in cooperation with our community partners, to build on the successes we have already achieved. By sharing more fairly the benefits of our newfound prosperity, we can continue to achieve a more equitable balance of opportunities for our people, whatever their particular needs.

The government continues to be concerned about **vulnerable populations**, and is committed to better understand the challenges they face and the ways we can address them. We will follow through on the government's Blue Book commitment and conclude the study which will help us gain a better understanding of homelessness issues throughout Newfoundland and Labrador. We will announce investments to build on those we have already made to improve access to housing. We will release an Adult Literacy and Essential Skills Strategy that will help people find employment and effectively manage their career choices. We will continue advancing the Strategy for the Inclusion of Persons with Disabilities.

Continuing **investments in policing** will better protect people from crime, while a new penitentiary will better protect correctional officers and the inmates they guard. We will introduce new legislation and procedures to coordinate efforts and resources to locate missing persons.

The government will soon unveil a new **Violence Prevention Initiative Action Plan** to build on the 2006 Violence Prevention Initiative. The government will address cyber violence, sexual violence and the impacts of social media along with bullying and harassment against our children. We are committed to building safe and caring communities where violence is unacceptable.

Improving the lives of our vulnerable **children** remains among our highest priorities. The government has commenced the implementation of the remaining two levels of its Continuum of Care Strategy by developing a training program for level 3 specialized foster homes and evaluating a Request for Proposals for level 4 contracted staffed residential placements. It will soon proclaim the new *Adoption Act*, giving more children the benefit of permanent homes. It will soon proceed with the proposed new child care legislation and regulations to advance its 10-year Child Care Strategy. The budget will also include initiatives to advance early childhood education, building on a host of initiatives in recent years to improve the education of children of all ages. Our government will continue to make investments in the province's K-12 schools, improving existing infrastructure while replacing aging school infrastructure and meeting demands for classroom space in growth areas. Specific details will be provided in this year's budget.

Social justice also means caring more effectively for our seniors and others in need of special care. In 2012, we launched our 10-year long-term care and community support services strategy called Close to Home. Since its launch, we have implemented several new initiatives to advance the strategy. This year, we will launch the Paid Family Caregiving Home Support Option and the Community Rapid Response Teams Pilot Project. We will soon open the new long-term care facility in St. John's to complement other facilities we have already opened in other regions. Other significant advances in **health care** will be announced in the coming budget. Today in Newfoundland and Labrador, we have more physicians than ever before, 54 per cent more registered nurses per capita than the Canadian average, and among the shortest wait times in the country for benchmark areas of radiation therapy, bypass surgery, hip and knee replacement and cataract surgery. We have moved forward with 35 major health care infrastructure projects throughout the province during the past decade and anticipate completing 12 of those in 2014. In the coming year, we will also see advances in province-wide 911 services and other health and safety initiatives to build on the significant gains we have already made.

Social justice includes public safety. We are cognizant of the fact that this is the anniversary of the tragic crash of **Cougar Helicopter Flight 491** five years ago and the loss of 17 lives. Our government has accepted all 29 recommendations provided by the Wells Inquiry and has fully implemented 16 of those. We continue to advocate for the implementation of all 29 recommendations and work with all partners, including the Government of Canada, to make that happen. We also urge the Government of Canada to work with our government in commissioning a comprehensive review of marine safety in waters off Newfoundland and Labrador with a view to ensuring that Canada – arguably the world's greatest coastal state – becomes the global leader in marine safety.

Investing With Oversight to Grow Our Economy

Mr. Speaker and Members of the House of Assembly:

Our story of economic growth over the last decade is one of which others can only dream. We have seen growth, significant growth, in major economic indicators, such as capital investment and retail sales. Today, more people are working in our province than ever before and incomes are higher than they have ever been. Our income growth is second only to Alberta's. We are proud of where we have come and

will do everything in our power to maintain this momentum. We maintain the lowest personal income tax rates in Atlantic Canada. Through our tax reductions, we have now put nearly 600 million dollars a year back into the pockets of Newfoundlanders and Labradorians. While others have suggested we increase corporate income tax, we instead strive to make our province competitive. We committed last year, and in our **10-year Sustainability Plan**, to return to surplus in 2015-16, and we will maintain that commitment. Over the longer term, we will work to reduce our expenses and reduce our net debt. Our government is committed to continue consultations with stakeholders to ensure the long-term sustainability of our pension plans, recognizing that the liability for pensions and other post-retirement benefits is the main contributor to our province's net debt.

We continue to invest strategically, on behalf of the people of Newfoundland and Labrador, **to grow business opportunities in regions that need them**. That is precisely the approach we are taking by securing a brighter future for the Corner Brook Pulp and Paper operation, by installing a third transmission line in western Labrador to promote mining industry growth, by investing in aquaculture on the south coast, in the cranberry industry in central Newfoundland, in fisheries innovation in coastal communities, in our seal industry, in our ocean technology industry, in our culture and tourism industries, in our high-tech research and development sectors, and in other sectors where public investments are leveraging private investments, sustaining jobs, creating real opportunities in our communities and growing our province's economy. Consider why public investments like this make good sense. To date, for example, the province's Research & Development Corporation has committed to invest 17.9 million dollars in 88 Arctic-related harsh-environment R&D projects under the government's Arctic Opportunities initiative. These investments are leveraging three dollars for every dollar invested. In aquaculture, our 25 million dollar investment has leveraged 400 million dollars. We have seen a 75 per cent surge in growth in the past year alone. All governments in Canada make strategic investments like this, including the federal government. In fact, we are proud to be partnering with Ottawa on many initiatives that are helping businesses grow and communities thrive throughout Newfoundland and Labrador. Investing to grow makes eminently good sense, and in this year's budget, further specific initiatives will be unveiled to keep us growing forward.

Investing in infrastructure also grows communities by attracting opportunities. In 2014, the province will reach 95 per cent broadband coverage, with over 400 more communities connected than in 2003. In Labrador, we will make significant progress on the Trans-Labrador Highway. In the coming months, we will begin the development of a comprehensive transportation strategy. Having listened to the industry, we have already moved to facilitate an early start to road work and Municipal Capital Works so we can maximize our construction season and align with industry needs.

We have clearly demonstrated our commitment to municipal infrastructure through significant investments over the past decade. Since 2008, together with our federal and municipal partners, we have invested over one billion dollars, and we are ready to do more. There are more aspects to **strengthening municipalities** than infrastructure, however, which is why we have been busy working with municipalities and consulting on a comprehensive review of the provincial-municipal fiscal framework. A final report will be prepared in time to inform the budgetary process a year from now. This year, a new equitable and sustainable formula for Municipal Operating Grants has come into effect for communities with populations of less than 11,000. No town is receiving less than in prior years and approximately 80 per cent are seeing an increase.

Public investments in infrastructure attract private investments in industry, and that means **employment and opportunity** for our people. Our employment, training and apprenticeship initiatives have prepared many for the 70,000 jobs that have started opening up across our province. This year, the government will release a Workforce Development Strategy as we continue to ensure our people are ready to tap into the opportunities and reap the benefits. Soon, the government will be releasing its Population Growth Strategy, which will provide a roadmap for efforts to encourage people to live, work and build families in communities across Newfoundland and Labrador.

A solid foundation for growth today, just as in the past, is trade. The Comprehensive Economic and Trade Agreement with Europe will soon slash tariffs on local fish products in the world's greatest seafood market, driving new growth in our **fishing sector**. In the meantime, the government is collaborating with processors and the union to ensure the province is ready to make the most of the opportunities as they open up. The provincial fishery is now ideally positioned to capitalize on unrestricted access to European seafood markets and become more globally competitive with the creation of a 400 million dollar federal-provincial fund to support industry enhancements.

CETA will not only increase sales of Newfoundland and Labrador's world-class fish and seafood products into the lucrative EU marketplace, but also create new opportunities for emerging service and knowledge-based industries such as oil and gas and ocean technology. We are also **trading** throughout the Americas and in Asia. Half a world away, people know who we are and what we have to offer.

Growth in our energy sector is the principal reason Newfoundland and Labrador has gone from straggler to economic leader in Canada. To make the most of every opportunity in the energy sector, this government created Nalcor, a corporation owned solely by the people of Newfoundland and Labrador. Our energy corporation works in the best interests of its shareholders, who are the people of the province. Its vision is to build a strong economic future for successive generations of Newfoundlanders and Labradorians. In addition to being an active participant in the development of our energy warehouse, Nalcor will make money for the people of the province. Today, the people of the province, through Nalcor, own equity stakes in three **offshore oil projects**. We operate a world-class fabrication facility at Bull Arm. Just last year, through Nalcor's geoscience program, we announced the discovery of three new offshore basins in the Labrador Sea. In addition to the new basins, a fourth previously established basin was discovered to be much larger than originally understood. Most recently, the government and Nalcor, on behalf of the people of the province, collaborated with the federal government and the Canada-Newfoundland and Labrador Offshore Petroleum Board in the development of a new land tenure system for our offshore area that will position Newfoundland and Labrador with the leading exploration jurisdictions in the world. Having predictable scheduled licence rounds marks a change in Newfoundland and Labrador's ability to attract new global exploration investment.

The government's vision for Nalcor is grounded in our province's first-ever comprehensive Energy Plan, which the government launched in 2007. After seven years of steadfast commitment to this plan and a series of strong investments, we are now seeing this vision bear fruit. Nalcor is a strong, multifaceted entity capable of negotiating and, where necessary, competing with other major participants in the energy sector. By channeling our returns from oil development into renewable-energy initiatives like Lower Churchill development at **Muskrat Falls**, Nalcor will ensure the benefits flow to Newfoundlanders and Labradorians for generations to come, whether we are attracting industries that need power or selling power for revenue. No longer will the province be as exposed to the ebbs and flows of the oil sector, because through Nalcor, the people of the province will have a diversified and resilient energy portfolio.

The Muskrat Falls Project will generate some 25 billion dollars in revenue to the province over the life of the project. That is a strong, strategic energy investment providing long-term returns to the province of Newfoundland and Labrador. But Muskrat Falls also means the island of Newfoundland will no longer be an isolated electrical system. With the Maritime Link and **interconnection to the North American grid**, we can sell power that is excess to our needs or import power in emergency situations if our supply ever falls short, as it did in January.

The government, in its 2007 Energy Plan, recognized how profound a change being connected to the North American electricity grid would be and committed to a thorough review of the implications and the opportunities. We recognize the importance of ensuring strong oversight and governance mechanisms.

Muskrat Falls will come on stream around four years from now. In the meantime, in January of this year, as jurisdictions across North America coped with the coldest winter in memory, residents of the Island endured electricity supply shortfalls, **power outages** and rolling blackouts. The disruptions for some were particularly significant. People have a right to know why the outages happened and what we can do to ensure they do not happen again. The Public Utilities Board has commissioned a review of the recent power outages. The government supports this review.

However, the government also has a role to play in order to restore public confidence in the electrical system. To that end, the government will commission a **comprehensive independent review of the operation, management and regulation of the electrical system**. The government's review will focus less on the specific events related to the recent electricity issues and more broadly on ensuring the Newfoundland and Labrador electricity system has the optimal structure, controls and authorities to ensure an appropriate balance between reliability and affordability, specifically as it transitions to North American interconnection.

Opening Up the Government to the People

Mr. Speaker and Members of the House of Assembly:

A government functions best when it is open to the people it serves. Soon after coming to office in 2003, this government enacted the toughest disclosure legislation in our province's history to reform electoral law, public accounting, lobbyist registration and information access. Our government has always strived to be open. However the people of the province have expressed concerns that we are not open enough and we are listening. We are launching an **independent review of our Access to Information and Protection of Privacy legislation** even sooner than the date required by law and will place the review in the hands of independent, impartial individuals with in-depth knowledge of governance, law and journalism. We are committed to ensure this legislation reflects the most balanced statutory framework in the country and the world.

We are prepared to do far more than that. We believe much more information should be disclosed to the public, even before it is requested. Government departments and agencies ought to **disclose information as a routine way of doing business**. To that end, this government is launching an Open Government Initiative, one purpose of which will be to share data and other information that anyone will be able to access freely online.

That is just the start. The **Open Government Initiative** means even more than the release of data and information after decisions have been finalized. A truly open government engages people in the decision-making process itself. The Open Government Initiative will provide meaningful opportunities for Newfoundlanders and Labradorians to do just that. Through a range of activities, the government will ask the people of the province to share their ideas and insights. We are encouraging Newfoundlanders and Labradorians to get involved and help shape the vision for the future of the province.

Newfoundlanders and Labradorians should recall a sizeable list of measures this government has already taken to improve governance practices and openness, from giving the Auditor General full access to the House of Assembly to the *House of Assembly Accountability, Integrity and Administration Act*. In addition, the government will bring forward legislation to protect those who report wrongdoing. In the spring session of the legislature, the government will introduce, as its most significant legislation, the province's first **whistleblower legislation**.

Mr. Speaker and Members of the House of Assembly:

These are but some of the initiatives the government will undertake in the weeks and months to come. Although one speech cannot define them all, it will become clear through the budget and other announcements that the government's agenda moving forward this year is ambitious. At the helm of the government for approximately five months is a new Premier, the Member for Humber East. When assuming this responsibility in January, and in the weeks that followed, he listed the principles and goals that he hoped would define his administration. These principles are reflected in the measures I have outlined here today.

To briefly summarize, they are:

- the principle of perseverance, which is embodied by none better than our athletes;
- the principle of sacrifice, which was demonstrated best by those who have defended our freedom;
- the principle of social justice, which means sharing the benefits of our success more fairly and equitably;
- the principle of investing responsibly, with due diligence and oversight, to grow our economy; and,
- finally, the principle of opening up the government to the people who own it: the people of Newfoundland and Labrador.

With these five principles to guide us, we will build a society in which all of us can feel truly in control of our destiny – each of us individually and all of us together. The Premier and the government are listening to what people have to say and are prepared to act on what they hear. Newfoundland and Labrador deserves no less. Through courage and perseverance, we as a province will continue our journey from where we once were to where we want to be and ought to be.

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Estimates of expenditure will be laid before you in due course and you will be asked to grant supply to Her Majesty.

I invoke God's blessing upon you as you commence this new Session.

May Divine Providence guide you in your deliberation.

Thank you.

