April 2, 2012

HOUSE OF ASSEMBLY PROCEEDINGS

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The House met at 1:30 p.m.

MR. SPEAKER (Wiseman): Order, please!

Admit strangers.

Statements by Members

MR. SPEAKER: Today we will have private member statements from the Member for the District of Port de Grave; the Member for the District of Signal Hill – Quidi Vidi; the Member for the District of The Straits – White Bay North; the Member for the District of St. John's East; and the Member for Burgeo – La Poile.

The hon. the Member for the District of Port de Grave.

SOME HON. MEMBERS: Hear, hear!

MR. LITTLEJOHN: Thank you, Mr. Speaker.

I stand in this hon. House to recognize Mr. Vernon Petten for his fifty years of volunteer service as Treasurer of the Port de Grave Pentecostal Tabernacle.

Mr. Speaker, a special service was held recently celebrating Mr. Petten's fifty years as treasurer of his church. He received notes of congratulations from our Premier and from former pastors of the church. As well, Mr. Petten has travelled on several church missions to countries like St. Lucia, Zambia and Montserrat building schools and churches for those less fortunate than ourselves. He devotes many hours to the Gideon's where he is, you guessed it, their treasurer. Mr. Petten is well known throughout the district for his many years of community service and volunteerism.

I ask that all members of this House join me in congratulating Mr. Petten on recognition of his dedicated service to church and community.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

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

I rise today to recognize a constituent, and one of the Province's outstanding artists.

Jillian Keiley, founder of Artistic Fraud theatre company, has been named the next artistic director of English theatre at the National Arts Centre.

For at least the next four years, Jill will bring her own magic touch to one of the largest stages in the country, this country's foremost showcase for all the performing arts. Happily, she will also continue to direct one show a year here at home.

Anyone who has paid even cursory attention to Newfoundland and Labrador theatre in the past couple of decades knows about Jillian Keiley's extraordinary body of work. We all have our favourites - my own was *Emile's Dream*, but *Fear of Flight*, *Tempting Providence*, *Under Wraps* and *Oil and Water* are other stunning examples of the unforgettable production she has given to us.

Jill is directing Andy Jones in his adaptation of Molière's *Tartuffe* this summer at the New World Theatre Project in Cupids, then heads to Ottawa.

I ask all hon. members, Mr. Speaker, to rise and join me today in congratulating Jillian Keiley on being appointed artistic director of English language theatre at the National Arts Centre.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for the District of The Straits – White Bay North.

MR. MITCHELMORE: Thank you, Mr. Speaker.

Mr. Speaker, I rise today to congratulate a team from my district which celebrated a couple of firsts on the weekend of March 22 through March 24.

The St. Anthony Polar Bears under twenty female hockey team won the Provincial A Tournament, held in Whitbourne. Mr. Speaker, just making it to this level of the tournament was an accomplishment, as it was the first time any team from St. Anthony has ever competed in the A division. This makes the team's win even more worthy of congratulations.

Last year, the Polar Bears won in the C division. This would normally have moved the team up to the B division, but Hockey Newfoundland and Labrador thought the team's talent and determination merited the leap to the top division. The young women on the team, some of them as young as fourteen are: Sarah Blake, Sarah Cull, Holly Earle, Johanna Elliott, Brooke Noseworthy, Kerry Patey, Joanne Payne, Megan Pynn, Heather Richards, Dana Saunders, Rebecca Sexton, and Karley Slade. The coaches are Barry Pynn and Tonya Noseworthy.

Mr. Speaker, I ask all hon. members to join me in congratulating the St. Anthony Polar Bears undertwenty team for their historic win.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. MURPHY: Thank you, Mr. Speaker.

Mr. Speaker, I rise in this House today to tell you of the fiftieth anniversary of my Alma Mater, Gonzaga Regional High School.

Gonzaga High School officially opened for classes on September 4, 1962. Since then, thousands of students have passed through the hallowed halls, and Gonzaga holds its place in Newfoundland and Labrador's educational history. Mr. Speaker, I, myself, am among those alumni. As I told this House

last week, my time at Gonzaga and the teachers I encountered there were major contributors to the person I am today.

To celebrate the school's anniversary, a committee of volunteers has put together several events. These events include the fiftieth anniversary Alumni hockey and tonight's "Gonzaga's Got Talent" event at the Arts and Culture Centre.

I encourage all graduates, former teachers and staff of Gonzaga to visit the official Web site for more details of upcoming events to help us celebrate the fiftieth anniversary of one of Newfoundland and Labrador's best high schools. The address for that is www.gonzaga50.ca.

Go, Vikings!

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

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

I rise today to recognize and congratulate Mr. Paul Osmond of Channel-Port aux Basques upon his receipt of the Canadian Coast Guard's Commissioner's Commendation. This is the highest award the Coast Guard gives to its service members.

The award was presented to Mr. Osmond in Ottawa on December 6 by Coast Guard Commissioner, Mr. Marc Grégoire. Mr. Osmond was also presented with an award of distinction by Deputy Commissioner of Operations, Ms Jody Thomas.

Paul is a leading seaman aboard the CCGS Henry Larson. The ship was stationed at Resolute Bay on August 20, 2011 when a First Air charter flight crashed near the community's airport. Mr. Osmond, who is a Coast Guard rescue specialist, flew by helicopter from the ship to the scene, along with three other crew members. They were first on the scene where unfortunately only three of the plane's fifteen passengers survived.

When he is home in Port aux Basques, Mr. Osmond volunteers his skills at the Bruce II Sports Centre, and is also a volunteer for Red Cross Disaster Services.

Mr. Speaker, I ask all members of this House to join with me in extending congratulations to Leading Seaman Paul Osmond on his receipt of this prestigious award. All the best to Paul and his family.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Speaker is somewhat surprised today that all hon. Members did not take advantage of the opportunity to wish the Clarenville Caribous congratulations on winning the Herder, but despite my surprise, we will move on to the next order of business.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: We move on now to ministers' statements.

Statements by Ministers

MR. SPEAKER: The hon. the Minister of Innovation, Business and Rural Development.

SOME HON. MEMBERS: Hear, hear!

MR. HUTCHINGS: Thank you, Mr. Speaker.

Mr. Speaker, throughout Newfoundland and Labrador, small and medium-sized enterprises are becoming increasingly more innovative. This is leading to new economic and business opportunities at home and abroad.

Expansion into new markets is critical to the success and future growth of any business. This growth is not only benefiting the companies themselves, but the communities in which they operate, and the Province as a whole.

Export-related activities are important generators of wealth and prosperity, and contribute to the social and economic development of Newfoundland and Labrador. They create jobs, stronger communities, and stronger companies. In terms of direct and indirect employment alone, export activities create one in four jobs in our Province.

The strength of the local business community is a result of strong partnerships, combined with the provincial government's strategic programs and services. This has created a business-friendly environment where enterprises can succeed and develop their export markets.

We as a government want to celebrate those successes and the entrepreneurs who live in our towns and our communities.

Recently, at St. Francis School in Harbour Grace, I had the opportunity to meet with the next generation of innovators and business leaders. While speaking with these young minds, I launched a call for applications for the 2012 Export and Innovation Awards.

These awards recognize individuals, businesses, groups, and institutions that have excelled in the areas of innovation and exporting.

Applications are open for three awards: Innovation in Business, Distinction in Innovation, and Exporter of the Year. They will be reviewed by a panel of judges and announced at a ceremony on May 25 at the Delta Hotel and Conference Centre in St. John's.

Previous winners represent a diverse range of industries such as Hi-Point Industries in Bishop's Falls, and Dynamic Air Shelters in Grand Bank.

I encourage all businesses to submit an application. I also call upon all members of this hon. House to submit an application for a successful business in their district. The deadline for applications is Friday, May 4, 2012.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon, the Member for the District of St. Barbe.

MR. BENNETT: Mr. Speaker, I thank the minister for his advance copy.

Truly small business is the backbone of a modern economy. Small business happens when somebody sees an idea, sees a need, and fills it. These are the same people who pledge all of their funds, they commit all of their time and family resources, and they struggle, generally, scrimp, save, work day and night, and make a success. Sometimes after five years, ten years, or fifteen years, they become an overnight success. So it is indeed encouraging to see the minister with this statement. Clearly, export opportunities are very important to small business.

This brings me to some of the subject matter of the recent federal budget, wherein I saw the cuts to ACOA. One of the agencies that ACOA funds is the community-based development banks, the small banks that provide venture capital to small businesses throughout all of Atlantic Canada. I certainly hope that the minister will advocate to the federal government that any cuts to ACOA, if at all, are certainly minimal and that they not be focused on the operating budgets and the lending budgets of the small, community-based development banks.

I thank the minister for his announcement on the awards. Clearly this will be distributed through my district as well as all others.

Thank you.

MR. SPEAKER: The hon. the Member for the District of The Straits – White Bay North.

MR. MITCHELMORE: Thank you, Mr. Speaker.

I would like to thank the minister for an advance copy of his statement.

I would first like to congratulate previous recipients and encourage small to medium export businesses in all districts to submit applications for this year's award.

Our strategic location as the most easterly point in North America should serve as a driver for rural and urban exports. This, of course, is given that the government chooses to further invest in advanced telecommunications and IT infrastructure to bridge regional investment gaps.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Minister of Child, Youth and Family Services.

SOME HON. MEMBERS: Hear, hear!

MS JOHNSON: Thank you, Mr. Speaker.

Mr. Speaker, I rise today to recognize a very important milestone for the Department of Child, Youth and Family Services.

On Friday, March 30, I visited Happy Valley-Goose Bay to welcome the ninety-five Child, Youth and Family Services staff who transitioned from the Labrador-Grenfell Regional Health Authority to the

department. This was a wonderful opportunity to meet with new staff and to share in acknowledging that together we have completed the transition process.

Mr. Speaker, the amount of groundwork and preparation that went into the regional transitions was significant. To transition approximately 700 staff in a span of one year is no small feat and I would like to express my appreciation to all Child, Youth and Family Services staff as it was made possible by their hard work, dedication, and co-operation.

Since the beginning, our government stated that we are committed to transforming and revitalizing child, youth and family services from the ground up. This meant more than just the creation of a line department. This meant undertaking key systemic improvements that allow our frontline staff to better serve our most vulnerable children and youth. This includes the redesign of the new provincial organizational model, proclaiming the new Children and Youth Care and Protection Act, establishing a new Training Unit and Adoptions Division, and creating a new Quality Assurance Division.

Numerous other improvement projects are being finalized, including a new continuum of care for children in need of protection, a comprehensive child care strategy, and a review of our Behaviour Management Program as well as the Adoption Act, to name just a few. Every program area is being assessed and the department is implementing a quality improvement process to track performance.

Mr. Speaker, I look forward to building upon this strong foundation as we continually strive to offer the best possible supportive services to children, youth, and their families throughout our Province.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

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

I thank the minister for an advance copy of the statement. We want to commend CYFS on this milestone. The new department was announced in March 2009 and now we have a transfer complete from all social workers from the regional health authority to the department. These social workers do face many challenges. According to the workforce report in 2011, April, there was a total of thirty-nine vacancies within the four regional health authorities; twenty-five of those in the CYFS division.

Government has said they are adjusting caseloads and supervisors for these social workers to make the caseloads more manageable. We commend government for these actions and hope that we stick to this commitment. We hope the adjustment in caseloads will help decrease the challenges that are faced by social workers, as well as enhance the services for children and their families.

We have over 700 children in care, and of those over 200 are from Aboriginal communities. Social workers have to deal with these difficult issues, not just working with the children but with the families as well. These social workers, as well as all others in this Province, do tremendous work. We certainly appreciate their effort and significant contributions.

Thank you, Mr. Speaker.

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

MS ROGERS: Thank you, Mr. Speaker.

I, too, thank the minister for an advance copy of her statement. I congratulate staff in the department for working hard to accomplish this huge transition while maintaining services. I hope that the new continuum of care for children in need of protection will include more social workers so caseloads do become manageable and children and families get the attention that they need.

More resources must go towards prevention in helping families so fewer children have to be removed from a home. Providing more resources to families and investing in prevention must be part of protecting and safeguarding children at risk.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Oral Questions.

Oral Questions

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

MR. A. PARSONS: Mr. Speaker, the PUB concludes that the information provided by Nalcor in the review is not detailed, complete, or current enough to determine whether the interconnected option represents the least-cost option for the supply of power to Island Interconnected Customers over the period of 2011-2067 as compared to the Isolated Island Option.

My question to the Premier: What are we going to do now?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Mr. Speaker, while I must say that I am disappointed and puzzled by the report from the PUB, nevertheless my responsibility as Premier is to make sure that all the information that is available to us is made available to the people of the Province before we go to the sanction decision.

To that end, Mr. Speaker, we have engaged MHI to review all the sanction numbers, Decision Gate 3 numbers. They will be made available, as well, pending reports, especially those on natural gas and wind. When all of that information is in the public purview, Mr. Speaker, which we expect will not be until probably the end of June, we will call the House together for a full debate in case the House is not sitting at that time.

SOME HON. MEMBERS: Hear, hear!

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

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

Almost \$1 billion has been spent on this project to date. I ask the Premier: Are you now prepared to stop spending taxpayers' money on this project until a full, independent review of all options is completed?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Mr. Speaker, when you are looking for a full, independent analysis which is what we were trying to do with the PUB review wherein we spent nine months and over \$2 million and did not get any recommendation from the PUB, the value we got from it was the report from MHI. Otherwise, the PUB walked away from its responsibility, the terms of its mandate, to give us a recommendation. A recommendation that had already been endorsed by Navigant, by Manitoba Hydro, by the Consumer Advocate Mr. Johnson and his expert Knight Piésold, and Dr. Wade Locke. They all concur that it is the least-cost and we need the power. The PUB was not able to arrive there.

SOME HON. MEMBERS: Hear, hear!

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

MR. A. PARSONS: Mr. Speaker, government's much hyped PUB report on Muskrat Falls is not what they were expecting. It is amazing that even though the government did all they could to limit the scope of the PUB's review, they came back with a damning report.

I ask the Premier: Are you going to discredit the PUB report, just as you have every other criticism of Muskrat Falls?

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Mr. Speaker, I did not get a report from the PUB. After nine months and \$2 million, the reason that the PUB put forward was they could not make a recommendation because they did not have sanction numbers, Decision Gate 3 numbers. Mr. Speaker, they had known for a long time, as has everybody else in this Province, that those numbers would not be available until June. When they asked for an extension, they only asked until the end of June. How were you going to get the numbers in June to have MHI do an analysis and write a report to the end of June? It is very puzzling, Mr. Speaker, but be that as it may, my responsibility is to the people of the Province. Members opposite have been demanding a debate. Your request is now being accommodated.

SOME HON. MEMBERS: Hear, hear!

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

MR. A. PARSONS: Mr. Speaker, the PUB concluded that the information which government made available during the review was considerably less detailed and comprehensive than the information that Nalcor has today.

I ask the Premier: Why did you withhold this information from the PUB, and will you now commit to making all information public as we have called for on many occasions?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Mr. Speaker, the terms of reference that were given to the PUB asked for recommendations on two critical questions that had been raised time and time again about the Opposition as to whether or not we needed the power and whether this was the least-cost option. They were to base that information on the feasibility numbers that were provided in Decision Gate 2; that is their mandate. What they have come back and said – we are not prepared to make a recommendation unless we have sanction numbers, Mr. Speaker. The question is, when they asked for an extension at the end of December to the end of June, it was for public consultation purposes. Nowhere in any of their communications with us have they indicated that they needed sanction numbers for a recommendation.

SOME HON. MEMBERS: Hear, hear!

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

MR. A. PARSONS: Mr. Speaker, the PUB stated that government has been relying on Decision Gate 2 numbers for Muskrat Falls. These are concept studies or feasibility level stage numbers. Additionally, the PUB said that the numbers government put forward for the isolated-island option are even less detailed.

I ask the Premier: Why are you so confident in this project if only 5 per cent to 10 per cent of the details have been worked out?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Mr. Speaker, we have explained time and time again as we move through this process that it is a gated process, where you identify a number of activities in one gate and you complete all of them before you move to decision two. What we have in decision two gate, Mr. Speaker, is the result of a feasibility study that answers fundamental questions and allows you to make a decision on whether or not to go forward. That information was solid enough for us to move into the next tranche of the examination of this project. We provided all of that information in the mandate to the PUB, the mandate they accepted to review those numbers (inaudible).

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

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

MR. A. PARSONS: Mr. Speaker, the PUB has put up a giant stop sign on this project. They stated that there seems to be a strong and widely held belief that supply options such as natural gas, additional wind, and Upper Churchill power could be viable options.

So I ask the Premier: Will you now allow for the detailed study of all options, including natural gas, to meet our energy demands up to 2041?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Mr. Speaker, the very first thing I suggest for the Acting Opposition House Leader is that he read the PUB report, because it does not say any of that. What it does say – there is no new information, Mr. Speaker, in the PUB report. All of the information that is in the report that was released on Friday has been in the public domain for some time. What the PUB has said is that they are not prepared to make a recommendation on the two fundamental questions, even though Navigant was able to; even though their own expert was able to, Manitoba Hydro; even though the Consumer Advocate and his expert, Knight Piésold, and Dr. Wade Locke, were all able to make recommendations and qualify the results, the PUB has refused to do so.

SOME HON. MEMBERS: Hear, hear!

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

MR. JOYCE: Mr. Speaker, the MP for Labrador, Peter Penashue, has emphatically stated that the federal government will not reverse its decision to close the Maritime Rescue Sub-Centre in St. John's.

I ask the Premier: Since it is obvious that your letter-writing campaign with Ottawa is not having an effect, what are you now prepared to do to intensify your efforts to have the sub-centre in St. John's remain open?

MR. SPEAKER: The hon, the Premier.

PREMIER DUNDERDALE: (Inaudible) centre since the decision was made. We put innovative ideas and offers of partnership before the federal government in order to maintain the centre, Mr. Speaker. We will continue to press our case. It is disheartening that so far it has fallen on deaf ears, Mr. Speaker. We remain very, very concerned.

My most recent meeting on this was with Rear-Admiral Gardam, who is responsible for all of this, Mr. Speaker, and again reiterated my concerns and asked for his vigilance in terms of what is happening off the waters of Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

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