

December 5, 2012

HOUSE OF ASSEMBLY PROCEEDINGS

Vol. XLVII No. 64

The House met at 2:00 p.m.

MR. SPEAKER (Wiseman): Order, please!

Admit strangers.

Today we are very pleased to welcome to the public galleries twenty-two individuals from the Turks Gut Seniors Group from the District of Harbour Main.

Welcome to our Assembly.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: We are also very pleased to welcome the Mayor of Rigolet, Charlotte Wolfrey, to our Assembly.

Welcome.

SOME HON. MEMBERS: Hear, hear!

Statements by Members

MR. SPEAKER: Today we have members' statements from the Member for the District of St. John's North, the Member for the District of Mount Pearl South, the Member for the District of Bonavista South, the Member for the District of Port de Grave, the Member for the District of Signal Hill – Quidi Vidi, and the Member for the District of The Straits – White Bay North.

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

MR. KIRBY: Mr. Speaker, I have the honour today to pay tribute to an individual who has demonstrated the principle of inclusion at a school in St. John's North.

Colleen Hogan is a physical education teacher at Leary's Brook Junior High. Like all teachers, she is aware of how challenging life can be for a student of that age who is in any way different from others.

This year, she had one student who uses a wheelchair, and, noticing that the student could not participate in gym class, Colleen Hogan went out and asked Easter Seals for – not one wheelchair for the student, Mr. Speaker, but wheelchairs for the whole class.

Here is what Colleen said on the NTV News when this story was featured on their program, "Who are the students that are facing obstacles in our schools? Sometimes they are the ones who are being bullied.

"Instead of looking at the obstacles and looking at the weaknesses, include them. Give them opportunity. Empower them. That's what this is all about."

Mr. Speaker, I ask all hon. members to join me in thanking this extraordinary teacher, Colleen Hogan, for the valuable lesson she has taught her students and all of us.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. LANE: Thank you, Mr. Speaker.

Mr. Speaker, it gives me great pleasure to rise in this hon. House to recognize an individual who has made a tremendous contribution to the City of Mount Pearl. Gerald Coombs is a long-time resident, educator, high school principal and community volunteer in my community.

He has served in many volunteer capacities within the city through his long-time involvement in such groups as the Mount Pearl Lions Club, Mount Pearl Frosty Festival, and Mount Pearl Youth Opportunity Fund, just to name a few, Mr. Speaker. His volunteer contribution has not gone unnoticed, as he has received numerous awards of recognition and service from the Lions Club and is a former Mount Pearl Citizen of the Year.

Earlier this fall, I had the honour to present Gerald with the Queen's Diamond Jubilee Medal for his outstanding service to our city. Gerald is a living testament to the profound impact that volunteers have on community life.

I would therefore ask all members of this hon. House to join me in congratulating Gerald Coombs on his many accomplishments, and thank him for his exemplary community service.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. LITTLE: Thank you, Mr. Speaker.

Honourable colleagues, I rise today to honour Doug Robbins, Deputy Mayor of Bonavista, in the District of Bonavista South. He deserves to be recognized for his years of volunteer work and dedication.

Doug has been a key member of the Terry Fox Run, the Rick Hansen Wheels in Motion, the Cancer Relay for Life, and he acts on the following committees: dialysis, come home year, tourism, Bonavista Days, health care, fisheries, finance, recreation and Tip-A-Vista. He has devoted twenty-eight years of service as the former manager of Bonavista Cabot Stadium, organizing countless recreational events. He provided community leadership during the blackout ice storm and Hurricane Igor, and he is an active member of the Salvation Army.

Doug has most recently been awarded the Queen's Diamond Jubilee Medal for his timeless dedication to his community. Over the years he has also received the Ambassador of Recreation Award, an award from Newfoundland Amateur Hockey Association, a thirty-year recognition certificate, a certificate of achievement for custodial care course, a Bonavista Day Committee Volunteer of the Year award, and a Cy Hoskins Memorial Award of Merit.

Mr. Speaker, please join me in acknowledging such an honourable member of our Province, Mr. Doug Robbins.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Port de Grave.

MR. LITTLEJOHN: Thank you, Mr. Speaker.

I stand in this House today to recognize the Turk's Gut Heritage Seniors Group, made up of seniors from Holyrood to Bay Roberts.

This group has achieved significant growth in the last year, tripling their membership to forty-seven active members. This is significant in a region where over 40 per cent of the population is now considered a senior.

They meet each Wednesday from 11:00 o'clock to 3:00 o'clock and their meetings could include a guest speaker, low-impact exercise, line dancing, and of course a meal and socialization. This broad range of programming attracts members and provides for a healthy, active club who are engaged in their community and beyond.

They are active fundraisers, using flea markets and a fall fair in support of their chosen charity, the Canadian Cancer Society. This past weekend, Mr. Speaker, at the Eastlink Telethon, in aid of Daffodil House they became platinum sponsors with their \$1000 presentation. This support assists the Canadian Cancer Society's efforts in providing a home away from home for those who need cancer treatment from across the Island and Labrador.

I ask all members to join me in congratulating the success and initiative of the Turk's Gut Heritage Seniors Group for providing a great service to their region.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

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

Today I stand to honour one of our community's most outstanding artists.

Lois Brown has made countless contributions to dance, theatre, and film. She has written and directed many plays. She co-wrote, directed, and performed in our first digital film, *The Bingo Robbers*. She is a founding member of Neighbourhood Dance Works.

Some of her most exciting work is in the fusion of dance and theatre.

Rick Mercer is just one of many who credit Lois as a major career influence. In Rick's case, he cites Lois's four years as an English teacher at Prince of Wales Collegiate.

In August past, the Newfoundland and Labrador Arts Council honoured Lois with the ninth annual 2011 Rhonda Payne Theatre Award. The award helps women theatre artists in this Province who are struggling to achieve their goals as actors or writers.

While Lois is certainly an established artist, she said at the time she was very moved to receive an award that recognized she is still facing challenges and reaching her goals.

Mr. Speaker, I ask all hon. members to join me in congratulating Lois Brown for receiving the 2011 Rhonda Payne Theatre Award.

SOME HON. MEMBERS: Hear, hear!

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

MR. MITCHELMORE: Thank you, Mr. Speaker.

Mr. Speaker, I rise to thank five people in my district who have combined music and fundraising in St. Anthony for nearly twenty years: the Pumper Boys, comprised of Will Joe Simmonds, Jerry Kean, Willis Whyatt, Ron Cull, and Norman Cull. There were other members over the years, but these five were the core.

Ron Cull named the band in the mid-1990s when they played their first show to raise money for the fire department's pumper truck. The Pumper Boys continued playing every year for the fire department fundraiser, and other good causes, hardly ever accepting money for their lively performances.

They frequently entertained the residents of the John M. Gray Centre and Shirley's Haven Interfaith Home.

They played simply to provide a service to the community. I can assure you that their traditional folk music enlivened many gatherings.

The fire department held an appreciation night for the band on September 12 and their service was not quite finished; the Pumper Boys donated their equipment to the fire department for use in future fundraisers.

I would ask all hon. members to join me in thanking the Pumper Boys for two decades of musical service to the St. Anthony area.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Statements by Ministers.

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, today I am pleased to rise in the hon. House to mark International Volunteer Day and celebrate the invaluable contributions of volunteers.

Throughout Newfoundland and Labrador, thousands of people give freely of themselves. Whether it is serving on a town council, assisting seniors, or serving as a volunteer firefighter, giving is something that is woven into the fabric of Newfoundlanders and Labradorians.

Economically and socially, volunteers play a significant role in our communities. They are on the ground in all regions of the Province supporting and promoting the growth of communities, local industries, and local economies.

On an individual level, the rewards of volunteering are not monetary in value. They are much deeper than that. The feeling of contributing to the greater good is something that cannot be overestimated or weighed.

In November, I had the opportunity to speak at a conference that attracted delegates from the volunteer non-profit sector from across the country. As well, my colleague from the District of Port au Port recently addressed the Association of Fundraising Professions annual awards. We certainly both came away from these events with an even greater appreciation of the value of volunteers in our Province.

Through the newly formed Office of Public Engagement, which includes the Voluntary and Non-Profit Secretariat, we will continue to work closely with all stakeholders to develop programs and services to help meet their collective needs so they can best function, grow, and continue to contribute to the development of our communities.

In the coming weeks, the Newfoundland and Labrador Statistics Agency will be conducting a census of the sector. The data collected will be used to help better shape policy to ensure that we have the necessary resources in place. We look forward to hearing from our volunteer and non-profit sector. We certainly value their input and their contributions.

While this day has been officially set aside to thank volunteers, it is something we should be doing not just one day of the year, but every day.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

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

I thank the minister for an advance copy of his statement. I also thank him for making sure none of it was redacted.

I cannot think of a better day to celebrate than Volunteer Day, which again, was established by the United Nations in December of 1985. The fact is, here in this Province we are second to nobody in terms of volunteerism amongst our communities. Our volunteers have shaped our history, shaped our communities, and shaped our lives. The fact is that our volunteers are the lifeblood of our communities.

In my own district I see examples every day of the passion, the dedication, and time that they put in to make sure that the lives of other people benefit, especially children. They often say that volunteering is a thankless job, but we all stand here together today to thank each and every volunteer for their immense contribution to our Province.

I am pleased to see that the Newfoundland and Labrador Statistics Agency will be conducting a census in the volunteer sector. We need to make sure that they are getting the support that they need so that they can continue providing the valuable service that they do.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Member for The Straits – White Bay North.

MR. MITCHELMORE: Thank you, Mr. Speaker.

I, too, thank the minister for an advance copy of his statement. Volunteers are the backbone of our many communities and deserve praise. I commend IBRD for working with the Statistics Agency to obtain a census of the sector.

Programming needs to change, and I would like to see a social enterprise fund with flexible terms. The department already gives grants to companies. There is a significant return on social investment. The volunteer and non-profit sector will be a force of sustainability and renewal in Newfoundland and Labrador with adequate government programs and supports.

So, I encourage this, and thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Minister of Education.

SOME HON. MEMBERS: Hear, hear!

MR. JACKMAN: Thank you, Mr. Speaker.

I rise today to provide an update on an important early childhood learning initiative now well underway in the Province.

Earlier this year, I announced the Department of Education had embarked on a pilot project which involves the distribution of resource kits to parents at key points in their child's early development.

The project, undertaken in partnership with regional health authorities at twenty locations throughout the Province, involves the distribution of three separate resource kits to parents as their child turns two months, four months, and six months old as part of their routine public health clinic visits.

Mr. Speaker, we are getting tremendous feedback on these resource kits, which contain vital information for parents on how to ensure their child has the best possible start in life. They also include play materials, books, and CDs designed to support parents in their efforts to help their child develop the emotional, social, and language skills that will form the foundation of all future learning.

We are on track to begin distributing these first three resources kits Province-wide this spring. At that time, we will also begin piloting more parent resource kits, this time aimed at parents of children aged twelve and eighteen months. Those will be distributed Province-wide in 2014. Resource kits for parents of children aged twenty-four and thirty-six months will be distributed the following year.

By the end of 2015, Mr. Speaker, every parent in this Province will receive a total of seven parent resource kits from the time their child is two months old up to the age of three years.

Mr. Speaker, there is more brain development between birth and age three than at any other time in our lives. So we are very pleased to see the first of these parent resource kits being so well received – and that the importance of play-based learning in a child's early development is a message that is being heard throughout the Province.

It is parents, Mr. Speaker, who are every child's first teachers. As a government we recognize this and we are committed to providing them with information and tools to help their children – our children – develop the knowledge and social skills that will prepare them well for school, and for life.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

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

I thank the minister for the advance copy of his statement. The return on investment for early childhood learning is considerable with research showing approximately three to one, so I am glad to see government's emphasis on this area. Children are incredibly impressionable in the first years of their lives and play-based learning has been shown to facilitate that development.

Full-day kindergarten shows tremendous potential in the social and cognitive development of children. We know government is considering the option, but they cite classroom space as a significant obstacle to moving forward. Yet rural schools are closing, while government lags on making this decision on

full-day kindergarten. I do encourage government, in their commitment to early childhood learning, to decide on full-day kindergarten before they close any more schools.

Thank you, Mr. Speaker.

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

MR. KIRBY: Thank you, Mr. Speaker.

Thanks to the minister for the advance copy of his statement. I would say that our party welcomes this investment and myself, as a father of young child, welcomes this investment in early year education.

We have come a long way in this area, but just last year, Mr. Speaker, we were rated as the lowest in Canada in the area of early childhood education. So, I encourage government to continue to work on these initiatives. Hopefully, at some point in the near future, we will lead rather than lag in the area of early childhood education in Canada.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Does the Member for St. John's South have leave?

AN HON. MEMBER: No leave.

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

SOME HON. MEMBERS: Hear, hear!

MS SULLIVAN: Thank you, Mr. Speaker.

Mr. Speaker, I rise in this hon. House today to promote awareness of our provincial chronic disease self-management program. Improving Health: My Way was launched in December 2011 with the release of the Provincial Chronic Disease Policy Framework.

Mr. Speaker, Improving Health: My Way is a free, six-week program offered by each of the four regional health authorities. Anyone with a chronic health condition is welcome to attend, and may also bring a family member or friend. Workshops run for two-and-a-half hours a week and are hosted by trained workshop leaders, who themselves have a chronic health condition. The program covers topics such as nutrition; proper use of medications; appropriate exercises for strength and flexibility; communicating effectively with family, friends and health care professionals; and, techniques for dealing with pain and fatigue.

Mr. Speaker, our government invested \$500,000 for training, program delivery and evaluation to implement this program and will continue to fund this initiative on an annual basis. We have also provided \$300,000 to improve access to services for people with diabetes living in remote areas of the Province using telehealth equipment; to establish a network for health professionals to assist people living with chronic pain; and, to fund several community groups that have developed initiatives to focus on chronic health conditions.

To date, Mr. Speaker, 345 people with conditions such as diabetes, arthritis, chronic pain, heart disease and many other chronic diseases have participated in this program in forty-four communities across the Province. These individuals have learned new skills to allow them to feel more confident in managing their conditions on a daily basis.

Mr. Speaker, we recognize that there is a strong need for this program given our high rates of chronic disease and I encourage people to participate. We know from our early feedback, that individuals are receiving great support and are leaving feeling better able to manage their chronic condition.

Mr. Speaker, the Improving Health: My Way program is designed to enhance regular treatment and disease-specific education such as cardiac rehabilitation or diabetes education and is especially helpful for individuals with more than one chronic health condition. To learn more, I encourage individuals to call the self-management co-ordinator in their health region or the provincial HealthLine.

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 thank the minister for the advance copy of the statement.

I commend the 345 people with chronic conditions who participated in these programs. We are glad they took the initiative to participate and be a part of this worthwhile initiative, but we do have larger issues at play here. Chronic disease is the leading cause of death here in Newfoundland and Labrador. Diseases of the circulatory system, cancer, and respiratory disease account for approximately 75 per cent of the deaths in this Province. Our population is aging, the rates of chronic disease are rising, and the health care system needs to respond to the changing circumstances.

We are not doing a good job of preventing and managing chronic disease and that is coming from our Province's Auditor. The government did promise a chronic disease strategy over four years ago, and with that we expected specific action items and timelines. Basically, what we got was a vague framework.

We have poor health outcomes in many areas and it is part of the government's responsibility to lead the way for management and prevention. More needs to be done in terms of an overall strategy, and I hope it is sooner than very, very soon.

Thank you, Mr. Speaker.

MR. SPEAKER: The hon. 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 applaud the people who are plugging into this new program. It is important that we use the best in cutting-edge technology so people can be part of managing their chronic diseases. Yes, peer counselling can be a part of that; however, with 47,000 diabetics in this Province and growing, we need more than peer counselling to address this growing crisis.

In 2011, the Auditor General called for more screening programs, more clinics, and more education and management programs led by specialized nurses, access to cheaper medications, devices and supplies. We need more primary health care teams. The regional health authorities need resources to provide this. The alternative is more disease and suffering, and hundreds of millions more spent on dialysis machines.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Does the Member for St. John's South have leave?

Oral Questions.

Oral Questions

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

SOME HON. MEMBERS: Hear, hear!

MR. BALL: Thank you, Mr. Speaker.

In a few minutes, we will begin a two-hour discussion on the Premier's private member's resolution on Muskrat Falls – two hours of discussion on an \$8.7 billion project.

I ask the Premier: Why did you deny all MHAs access to witnesses and reduce this project to a two-hour, mere discussion?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Mr. Speaker, I had a colleague here in this House of Assembly who used to refer to having a face like a robber's horse. It is coming in real handy today for the Leader of the Opposition, Mr. Speaker.

Over twenty times the Opposition parties asked for a debate in this House, Mr. Speaker. They wanted three weeks to prepare. We gave them the three weeks to prepare, Mr. Speaker, and said: Absolutely, if that is what you need, you can have it. We are coming to the House of Assembly prepared to dedicate a whole week of debate to the Muskrat Falls Project, sit morning, noon, evening, if necessary, Question Periods dedicated to Muskrat Falls, Mr. Speaker, and the Leader of the Opposition turned it down. Now, he has the gall to stand here in the House of Assembly and ask us why we are not debating Muskrat Falls.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The hon. the Leader of the Official Opposition.

MR. BALL: Thank you, Mr. Speaker.

The Premier mentioned having the gall to ask for a debate, I will always ask for a debate that means something, that is not a charade. We asked for witnesses, you were afraid to give us access to the witnesses. That is exactly what happened.

SOME HON. MEMBERS: Hear, hear!

MR. BALL: Mr. Speaker, the Premier had many options to debate this project in the House but she chose the most limited form possible. I say shame on you, Premier. Limiting the debate on Muskrat Falls to a two-hour PMR is an insult to democracy.

I ask the Premier: How can you justify ramming this project through without any debate or any independent regulatory oversight?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Yes, Mr. Speaker, he will always have the gall to ask for it and then he will always find a way to get out of it, too, by denying it. Because not only did we offer that opportunity, Mr. Speaker, we offered to give them back all the time they had used up in the Address in Reply to the Speech from the Throne, Mr. Speaker.

We have looked for every creative way that we could find to actually get the members opposite to come to the House of Assembly prepared to debate this important issue, Mr. Speaker. They have weaseled their way out of it, Mr. Speaker, at every, every opportunity. They do not want to talk policy with regard to Muskrat Falls.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The hon. the Leader of the Official Opposition.

MR. BALL: Thank you, Mr. Speaker.

The only person who weaseled their way out was the Premier. All we asked for was access to witnesses. We have been looking for information since July on a number of those issues. We still do not have it, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. BALL: The Muskrat Falls Project is estimated to cost at least \$8.7 billion. This is the largest expenditure of public dollars in our history but the Premier does not think this deserves regulatory oversight or even a proper debate in this House. We now know the Premier plans to prevent the PUB from even setting rates on Muskrat Falls' energy.

I ask the Premier: Why are you cutting out our energy watchdog and preventing the PUB from setting rates, something that we have not seen since Confederation?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Let me remind the Leader of the Opposition, that it was his own party who removed hydro developments of this type from regulatory overview by the PUB, Mr. Speaker, and that is the truth. The record speaks for itself, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DUNDERDALE: Mr. Speaker, there have been ample opportunities to question witnesses. There has not been one opportunity to talk to Nalcor refused, when the request has been made by Opposition Parties and by the people of the Province, Mr. Speaker.

Mr. Speaker, the Leader of the Opposition has not even used up his own time in the Reply to the Speech from the Throne. He does not want to talk about policy with regard to Muskrat Falls, Mr. Speaker. They want to misinform, to divert, Mr. Speaker, and to spread misinformation about the project.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The hon. the Leader of the Official Opposition.

MR. BALL: Thank you, Mr. Speaker.

Well, if the Premier was paying attention, she would have found out that I spoke for thirty minutes here last Wednesday and I do intend to speak again.

SOME HON. MEMBERS: Hear, hear!

MR. BALL: The other thing that she did not say as she told her story is that the last project – that this was completely about export. It was not about the ratepayers of this Province, and the Premier knows that.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. BALL: Mr. Speaker, Stephen Harper has made it quite clear in his term sheet that the energy rates charged to Newfoundlanders and Labradorians must cover the cost of the Muskrat Falls Project. In order to get the loan guarantee, the Premier has to ensure that the rates are high enough to cover the cost, no matter what the overruns.

I ask the Premier: Why are you removing the PUB from rate setting and allowing energy rates for all Newfoundlanders and Labradorians to be set by the officials at Nalcor?

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

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Thank you, Mr. Speaker.

With or without the loan guarantee, there would have to be a guaranteed revenue stream for the banks or lenders to provide the money for this project, Mr. Speaker. Even without the loan guarantee, this would have been made available to the banks.

What we have essentially done here, Mr. Speaker, we have outlined what we project the rates to be. Those rates that we have outlined in our paper, electricity rates forecasting, include, Mr. Speaker, the capital cost of the project, operation and maintenance, the interest during construction, cost of

financing, and all of the costs that we see. Basically, what we have in here are the rates that we see the people of this Province having to pay less than without Muskrat Falls.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Mr. Speaker, what we have seen is a rate calculator that really has not worked that well from what I have seen here. All the things that the minister just talked about could have easily been done by the PUB, and the minister knows that.

Mr. Speaker, Nalcor Energy is exempt from the Access to Information act and the Auditor General cannot even make a public report on the vast amounts of money shuffled into this corporation. A great legacy, I would say, brought to you by the authors of Bill 29.

I ask the Premier: Will the four new companies that are managing the Muskrat Falls assets enjoy the same secrecy as Nalcor? How will the people of the Province get access to this information?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Mr. Speaker, Nalcor was a provincially-owned Crown corporation established here in this House of Assembly when the rules were set aside, the same as we offered to do on this Muskrat debate so that we could have a full discourse. Nalcor is not exempt from the Auditor General. The Auditor General can go into Nalcor and do its regular auditing work, Mr. Speaker.

When there is an exception – when there is an exception, Mr. Speaker - and when the Auditor General finds that Nalcor has not operated properly, that exception is noted right here in the House of Assembly, so the Opposition parties know, the people of the Province know, and the government stands accountable for Nalcor. No secrecy here, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Mr. Speaker, what I just heard from the Premier is that she is not going to allow access to this information of these four new companies. That is what she said. Mr. Speaker, it is clear that the Premier has backed the people of this Province into a corner. To get the loan guarantee we are completely at the mercy of Nova Scotia – a publicly-traded company, Emera.

If Emera walks away, will Nalcor commit to build the \$1.5 billion Maritime Link or risk losing the loan guarantee?

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

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Thank you, Mr. Speaker.

Mr. Speaker, first and foremost, the Prime Minister indicated the other day that he had been assured by Emera and the Premier of Nova Scotia that they were committed to building the Maritime Link. Mr. Speaker, in relation to the loan guarantee itself, the requirement for the loan guarantee is sanctioned – sanctioned by Nalcor and Emera as the proponents of the project.

Once sanction is complete, then the loan guarantee applies. Nalcor can then take the document itself, go to the banks and say we have the loan guarantee, and start to negotiate the funds that are required, Mr. Speaker. The key issue in this case for the loan guarantee is the sanction.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: We all know that after sanction Emera can opt out of building this Maritime Link. Actually, if you read the *Chronicle Herald* today you will see that.

Mr. Speaker, the people of this Province are on the hook for billions in spending on Muskrat Falls. The Minister of Natural Resources has finally admitted that interest during construction is a factor in rising costs. With the Maritime Link now estimated to cost \$1.5 billion and \$1 billion during construction, the new cost would be around \$8.7 billion.

Since your own expert Dr. Wade Locke said if the project was to exceed \$8 billion – will you now reconsider and go to the PUB?

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

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Thank you, Mr. Speaker.

Mr. Ed Martin, the president and CEO of Nalcor, has made it clear from day one that, along with the capital cost, there is a cost of interest during construction, Mr. Speaker, but it is the capital cost of the project, which is the \$7.2 billion going up to \$7.4, \$7.5, depending on the cost of the Maritime Link.

Mr. Speaker, the interest during construction, however, will be rolled into the cost of the project in 2017, and the Province will get both a return on its equity and all of its investment through the revenues that will be generated. As I indicated in this House the other day, Mr. Speaker, we estimate that by 2020-2022 there will be \$120 million available to the Province as a dividend to repay equity and interest during construction.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

Well, term 3.5 of the term sheet is a condition precedent, which means that the conditions must be satisfied if the loan guarantee is to become a reality. Term 3.5 requires that all necessary Aboriginal consultation obligations have been complied with and satisfied to the guarantor – in this case, the federal government.

So I ask the Premier: Can you confirm if the Government of Canada is satisfied with this term and that it has been met with respect to Nunatsiavut and NunatuKavut?

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

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Thank you, Mr. Speaker.

The consultation clause is certainly one that the federal government is satisfied with. Mr. Speaker, consultation you have to look upon, I would suggest, as a spectrum. On the higher end of the spectrum are the Innu, who have land claims in the Muskrat Falls area. We then have the Nunatsiavut government, who then have a zone or have an interest, and they have been consulted, Mr. Speaker.

Even though the NunatuKavut government is at the lower end of the consultation range, we have consulted them and we have provided money for them to present at the environmental assessment, Mr. Speaker. All consultations required for Aboriginal communities have been conducted.

We are very proud, Mr. Speaker, of the relationship that we have with the Innu Government and the signing of that New Dawn Agreement, which is really a historic occasion in this Province.

SOME HON. MEMBERS: Hear, hear!

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

MS JONES: Thank you, Mr. Speaker.

Mr. Speaker, Muskrat Falls is being built in Labrador, and the rules of adjacency should apply, yet Labradorians will receive no long-term benefits past the development stage of this project.

I ask the Premier: Why did you choose to pay a development royalty to the Innu and fail all other Labradorians by excluding them from receiving any long-term benefits?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Mr. Speaker, our first obligation was to the Innu people. Muskrat Falls falls squarely within their land claims area. The first and most important set of negotiations were with the Innu and, as the minister just said, a historic moment in the history of Newfoundland and Labrador when after thirty or forty years of attempts we have the New Dawn Agreement with the Innu.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Mr. Speaker, not only do they receive benefits from the development of the Lower Churchill, they get redress for the Upper Churchill – something the Province does not have. In developing Muskrat Falls, not only do we provide the least-cost alternative for ratepayers in Newfoundland, Mr. Speaker, we enable development in Labrador, creating thousands and thousands of jobs.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Opposition House Leader.

SOME HON. MEMBERS: Hear, hear!

MS JONES: Thank you, Mr. Speaker.

Other Aboriginal groups have concerns and claims in Labrador as well, and their issues should be adhered to, Mr. Speaker.

While government is touting the shutdown of Holyrood as one of the greatest benefits of Muskrat Falls, residents of twenty-one coastal Labrador communities will have to inhale diesel smoke and toxic waste.

I ask the Premier: Why are you prepared to sacrifice the coastal communities of Labrador in order to provide power to the Island of Newfoundland, to Nova Scotia, and to the Eastern seaboard of the United States?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Mr. Speaker, let me begin by saying that the rights of all Aboriginal peoples are respected by the Government of Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Right now we have an obligation to consult outside of the Innu Nation, Mr. Speaker, and we are doing that. If the other groups are successful, especially NunatuKavut, in having a land claims recognized and their status recognized then the Government of Newfoundland and Labrador will recognize that as well.

Mr. Speaker, we are not running a line to the Coast of Labrador because, as you have stated, and based a lot of your arguments against Muskrat Falls on the fact that ratepayers have to pay for the electricity that is generated. The amount of electricity that is required in coastal Labrador is very small. If we were to run Muskrat Falls, people would not be able to pay their light bills.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Opposition House Leader.

SOME HON. MEMBERS: Hear, hear!

MS JONES: Thank you, Mr. Speaker.

Those same residents in Northern and Southern Labrador pay some of the highest diesel rates in the Provinces, despite a subsidy already being provided by the government. There is absolutely no room for commercial growth in any of those communities and systems are at a full capacity.

I ask the Premier today: As compensation for bypassing the communities, are you prepared to bring those residents' electricity rates in line with those being paid by other Labrador customers?

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Mr. Speaker, in Western Labrador the cheapest electricity rates in Canada are being enjoyed by residents, so adjacency does mean something. It is not the Government of Newfoundland and Labrador subsidizing these twenty-odd communities, but ratepayers in Newfoundland and Labrador to the tune of over \$40 million. We all pay to try to keep the cost down in coastal communities, Mr. Speaker. We have –

AN HON. MEMBER: Is that a complaint?

PREMIER DUNDERDALE: Not at all – not at all, but it is not –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Oh,

MR. SPEAKER: Order, please!

PREMIER DUNDERDALE: Mr. Speaker, I am just saying that the people of Newfoundland and Labrador share in the responsibility of keeping rates down everywhere in the Province.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Member for Torngat Mountains.

MR. EDMUNDS: Thank you, Mr. Speaker.

It is clearly stated in the Labrador Inuit Land Claims Agreement that the Province has a duty to consult. It states that the minister shall consult the Nunatsiavut Government where it is determined to be any impact on water use in the Labrador Inuit Settlement Area.

I ask the Premier: Why are you failing to follow the requirements when it comes to the Labrador Inuit Land Claims Agreement in respect to Muskrat Falls?

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

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Yes, thank you, Mr. Speaker.

At the announcement of the federal loan guarantee on Friday, I had the opportunity to speak to the President of the Nunatsiavut Government, Sarah Leo. I indicated, Mr. Speaker, that we are certainly open to discussions in terms of listening to what they have to say. The Premier has indicated that.

A meeting has been requested by their Minister of Lands and I have agreed to meet with him to hear what issues he has, Mr. Speaker. It does not mean at the end of the day that we are going to agree on the matter, but consultation is a process of discussion, it is a process of conversation. I am going to meet with the minister and that comes as a result of discussions between the Premier and myself with the Nunatsiavut Government. That is consultation.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Leader of the Third Party.

MS MICHAEL: Thank you, Mr. Speaker.

Emera has announced they will sanction the Maritime Link without waiting for a URB review, knowing they can walk away later for a \$60 million fine if the Utility's decision is negative and the deal sours. The ratepayers of this Province have no such remedy.

Mr. Speaker, I ask the Premier: How can she sanction a project that lays all this considerable risk squarely on the backs of the ratepayers of this Province?

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Yes, thank you, Mr. Speaker.

You see what happens when you read a document; you recognize then that it is sanction that is the key issue. Mr. Speaker, we have been assured by the people at Emera that they did not say they were going to walk away from the project. What the people at Emera said in that interview was that they are fully committed to the project, Mr. Speaker.

From our concern and what the concern of the Opposition Parties was the other day, how could we sanction without the loan guarantee? They have admitted on the other side apparently today that the loan guarantee comes with sanction, Mr. Speaker. It is sanction that is the key to this project for us, because we are suiting our own power needs and the needs – contrary to what the member opposite is saying – of industrial development in Labrador.

SOME HON. MEMBERS: Hear, hear!

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

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

The minister knows that contrary to here, the URB will make the final decision in Nova Scotia.

Mr. Speaker, the loan guarantee notes –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS MICHAEL: – that government must show it has the money Nalcor will need to build the Muskrat Falls plant and transmission lines with or without Emera building a Maritime Link. In other words, government must have a Plan B if at any time Emera chooses to walk away.

Mr. Speaker, I ask the Premier: Will she allow the people of the Province to see her Plan B?

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Mr. Speaker, we have a Plan B, Plan C, Plan D, but we have never had to talk about anything except Plan A.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Plan A, Mr. Speaker, because Plan A is in the best interests of the people of this Province. It has been drawn up by our experts, our own experts – experts we are so proud of on this side of the House, Mr. Speaker – at Nalcor.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: It has been validated, Mr. Speaker, by authority after authority after authority, and that final validation came from the federal government of Canada, who are underwriting a \$6.3 billion project, Mr. Speaker, and the Prime Minister says: at no risk to the people of Canada. That is good (inaudible).

SOME HON. MEMBERS: Hear, hear!

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

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

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

MS MICHAEL: Mr. Speaker, the Premier has signed a document which stipulates she must remove the regulatory agency which protects this Province's ratepayers, effectively locking the ratepayers for decades to Muskrat Falls power regardless of the cost. She will also remove any regulatory protection ratepayers now enjoy.

Mr. Speaker, I ask the Premier: With no firm markets for the excess power, inevitable cost overruns –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS MICHAEL: – and without protection from the PUB, how could she have made such a drastic commitment on behalf of the people of this Province?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Mr. Speaker, the government has vision.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Mr. Speaker, the government has hope for Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Mr. Speaker, the government has a plan for Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Part of that plan is providing for the energy needs not only of ratepayers here on the Island, Mr. Speaker, but for industrial development in Labrador.

Across the way you hear managers of decline – no vision, no hope, no plan, Mr. Speaker. Squarely the people of this Province have said they do not want that; they fully endorse the Government of Newfoundland and Labrador and their energy development plan.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Leader of the Third Party.

MS MICHAEL: Thank you, Mr. Speaker.

Mr. Speaker, yesterday the Minister of Natural Resources said government will remove the Public Utilities Board from setting rates for the hydro project. This will make Nalcor a law unto itself.

Mr. Speaker, I ask the Premier: How could she make such an irresponsible and undemocratic decision to leave the Province's ratepayers unprotected?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Mr. Speaker, I am not placing the fortunes of the people of Newfoundland and Labrador into some foreign entity over which we have no control. Nalcor is owned by the people of Newfoundland and Labrador. They work for us; Nalcor works for us, and let me tell you, Mr. Speaker, that Nalcor is a regulated company and they have a regulated rate of return set by the PUB. Everything they earn beyond that regulated rate of return either gets reinvested on behalf of the people or returned to the government of the people. You see, Mr. Speaker, this is some of the challenge, because even the basics of how energy is managed here in this Province are not well understood by the people opposite.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The Leader of the Third Party.

MS MICHAEL: Thank you, Mr. Speaker.

Mr. Speaker, we learned yesterday that Nalcor was buying equipment and infrastructure from one subsidiary of Manitoba Hydro while contracting another to review the project for which these services were intended.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS MICHAEL: Mr. Speaker, I ask the Minister of Natural Resources: How much have they paid to Manitoba Hydro for the material they purchased for the Muskrat Falls Project?

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Thank you, Mr. Speaker.

I am not aware of the amount right off, Mr. Speaker, but I certainly will find that. As I indicated yesterday, the temporary accommodations are needed to continue construction. There are approximately temporary accommodations for 250 people.

AN HON. MEMBER: (Inaudible).

MR. KENNEDY: Someone took it from me, actually.

Mr. Speaker, 250 people – and what we are doing now, we will build a permanent camp for 2,000 people, which will be started construction in the spring. That paper probably does have the answer on it.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. MITCHELMORE: Thank you, Mr. Speaker.

Mr. Speaker, my constituents with monthly power bills of \$250 will face proposed rate increases, bills of basically \$350 a month in 2017 under Muskrat Falls. We have seen fairly stable rates for years, regulated by the Public Utilities Board, yet government's loan guarantee is contingent on removing the PUB from regulating electricity rates.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. MITCHELMORE: Mr. Speaker, I ask the Minister of Finance: Does he expect low- to middle-income families seeing their electricity bills go up this much over five short years will still have the ability to pay?

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Thank you, Mr. Speaker.

Mr. Speaker, I would recommend to the member opposite that he have a look at the paper released called Electricity Rates Forecasting.

Now, we can do one of two things. One, we can continue to burn oil, and rates are going to go up anyway. They are going to go higher, and we can send \$6 billion, Mr. Speaker, to offshore oil companies, or we can take that \$6 billion, Mr. Speaker, we can stabilize rates in this Province for the ratepayer. We can use that \$6 billion to produce a revenue generating asset where the water will run down the Churchill River for a hundred years, Mr. Speaker, and there will be revenues for our children.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

MR. MITCHELMORE: Mr. Speaker, this project is not affordable on the current electricity prices unless the rates go up a lot. Paying high rates for electricity harms the consumer and small business, and stagnates economic development. If people in five years see a jump in their power bills that takes \$100 a month out of their pockets, that is \$100 that cannot be spent at a restaurant, at a gas station or a grocery store. This has economic implications.

I ask the Minister of Finance: Has the Province fully considered the social and economic implications of removing the rate stabilization formula by raising rates to the proposed 15.3 cents per kilowatt hour in just five years?

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Yes, thank you, Mr. Speaker.

The cost of producing a kilowatt of energy at Holyrood today is 18.5 cents, Mr. Speaker, going up to 22 cents in 2017. Mr. Speaker, I do not know where the member has been, but rates went up \$45 per month between 2000 and 2011, they are going up another \$30 per month between 2011 and 2016. They have gone up \$75 a month, Mr. Speaker, for the average ratepayer since 2000, and that has nothing to do with Muskrat Falls.

With Muskrat Falls, Mr. Speaker, the increase in rates will be half of what it will be without Muskrat Falls. So, I fail to see the logic in the NDP saying that it is going up, Mr. Speaker. I do not get it.

SOME HON. MEMBERS: Hear, hear!

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

MR. KIRBY: Mr. Speaker, while other provinces have moved to introduce specialized para-professional positions to support students with special education needs, this Province continues to provide insufficient resources for special education programs and services. One of the most damaging impacts of the minister's continuing inaction is lost school time for students with special needs and lost –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. KIRBY: – work time for parents who are expected to take their students, their children out of school on short notice. This lost school time is often not included in any reports.

What plan does the minister have to deal with this problem?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Minister of Education.

SOME HON. MEMBERS: Hear, hear!

MR. JACKMAN: Mr. Speaker, this Province is recognized as one that has a very comprehensive program provincially around special education. Let me just give the hon. member a few facts.

Our total budget for education is \$867 million. We put \$100 million, Mr. Speaker, into special education services. One in every seven teachers in this Province, Mr. Speaker, goes into special

education. No one can speak to the commitment of this government about our commitment to special education services, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for St. John's North, on a very quick question without preamble.

MR. KIRBY: Mr. Speaker, how long is the minister planning to allow these undocumented suspensions to continue? Will he fix the problem or continue to ignore it?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Minister of Education.

SOME HON. MEMBERS: Hear, hear!

MR. JACKMAN: Mr. Speaker, I am hoping the hon. member is not suggesting that the teachers and the parents, and all those who work through an ISSP process –

AN HON. MEMBER: (Inaudible).

MR. JACKMAN: He is babbling, Mr. Speaker.

Mr. Speaker, I hope that he is not suggesting that all of those people who are involved in the ISSP process are somehow neglecting students. It would never be the case. There is a process in place, Mr. Speaker, and those who are involved in it make decisions in the best interests of the children.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The time for Question Period has expired.

MR. KENNEDY: Mr. Speaker, if I could (inaudible) point of order.

MR. SPEAKER: The hon. the minister, you were rising on a point of order?

MR. KENNEDY: I made a mistake when I referred to the rates going up. If it went up \$4,500 a month we would be paying about \$6,000 a month right now, Mr. Speaker. What I meant is between 2000 and 2011, rates went up \$45 and then the additional amount was included.

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

MR. KING: Mr. Speaker, I call Orders of the Day. From the Order Paper, Mr. Speaker –

MR. SPEAKER: One moment please.

The hon. the Government House Leader has called Orders of the Day.

All those in favour of the motion?

SOME HON. MEMBERS: Aye.

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

Motion carried.

Orders of the Day

Private Members' Day

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

MR. KING: Thank you, Mr. Speaker.

Given that it is Private Members' Day, I call from the Order Paper –

MR. KIRBY: A point of order.

MR. SPEAKER: Order, please!

The hon. the Member for St. John's North, on a point of order.

MR. KIRBY: Mr. Speaker, it is not quite 3:00 o'clock yet. According to O'Brien and Bosc, page 1172, Presentation During Routine Proceedings, "A maximum of 15 minutes is provided for the presentation of petitions."

I would suggest perhaps that we should have petitions before the hour of 3:00 o'clock comes.

Thank you.

MR. SPEAKER: Are you speaking to the point of order?

MR. KING: Yes, two points, Mr. Speaker. My understanding is in our own Standing Orders take precedence over O'Brien and Bosc. To quote what the member just said, my understanding is he said a maximum. It does not say there has to be a minimum time provided. My understanding is that at any point in time the Government House Leader has the right to call Orders of the Day.

MR. SPEAKER: Standing Order 32 in our own House dictates that the Orders of the Day can be called by the government and there will be a vote on that, which we have just concluded. The Government House Leader has indicated correctly that if our own Standing Orders are in fact silent, then we refer to another authority. Our first order of authority is our own Standing Orders, which Standing Order 32 is pretty clear.

There is no point of order.

The hon. the Government House Leader.

MR. KING: Thank you, Mr. Speaker.

Given that we are in Private Members' Day.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. KING: Thank you, Mr. Speaker.

Given that we are in Private Members' Day, I call from the Order Paper, under the section Motions, a private member's motion put forward by the Member for Virginia Waters.

MR. SPEAKER: I call upon the Premier to introduce the motion that is on the Order Paper in her name.

The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Mr. Speaker, I move the following private member's motion, seconded by the Member for Mount Pearl South.

THEREFORE BE IT RESOLVED that this House now supports the development of the Muskrat Falls Hydro Project.

Mr. Speaker, Newfoundlanders and Labradorians are an incredible people with a storied legacy of hard work, heroism, and survival. Strength and resiliency have been bred into us through centuries of adapting to challenges and overcoming hardship. Our people are resourceful and innovative, having coped in the face of scarcity and limited economic means.

We are determined and tenacious, with 500 years of persistence in spite of our harsh climate and geographic location. Newfoundlanders and Labradorians, Mr. Speaker, have a remarkable optimism and an unparalleled work ethic and, throughout history, we have been adventurous and courageous.

Now, as we look unflinchingly into the future, we must hold fast to those characteristics. This is the time like never before to focus our resourcefulness, resilience, innovation, and work ethic.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: We must go forward to the next chapter of history with characteristic courage and a well-developed visionary plan to seize the opportunities before us. This starts, Mr. Speaker, with energy self-sufficiency and Muskrat Falls.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Mr. Speaker, the project to develop Muskrat Falls is an undertaking of historic proportions. It will bring lasting benefits to the people of Newfoundland and Labrador. Because it is such an enormous undertaking with far-reaching impacts, this government determined from the outset to proceed carefully with all due diligence. We wanted to be certain that the people of the Province were not only protected but indeed received every possible advantage.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Truly, Mr. Speaker, this project works at every level. It provides the lowest rates to the people of the Province. It will provide thousands of jobs. It will generate more than \$1.9 billion in labour and business income during construction. It will promote industrial development in Labrador. It is environmentally responsible. It will drive our economy. It will make us energy self-sufficient.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Mr. Speaker, it led to a historic agreement with the Innu of Labrador that benefits both them and our Province.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: It is the best answer to our question: What is the least-cost option for supplying needed power?

Nalcor, upon determining that we would need additional electricity by the end of the decade, analyzed all possible scenarios in an effort to decide which was the best way of supplying reliable power at the least possible cost. They considered all the options that have been brought forward, including wind and natural gas, among others. The experts at Nalcor concluded there were only two viable options: refurbish the Holyrood plant and build small hydro projects around the Province; or develop Muskrat Falls.

As Nalcor continued to study the options, factoring in the cost of renovations to Holyrood, the expense of oil to keep it going, the eventual replacement of the plant, along with the cost of building several small hydro projects and the accompanying transmission lines, they came to the conclusion that this was really a short-term and expensive solution to a long-term problem.

It would not meet our needs over the long term and it did not address the real problems of pollution associated with burning Bunker C oil to run Holyrood and the costs associated with such an option were much higher.

That plant is, Mr. Speaker, in fact, among one of the worse polluters in Eastern Canada. Through their analysis, Nalcor's team of experts determined that the best option for providing reliable power to the Province was to harness the hydro resource at Muskrat Falls. It would supply the power we needed at the lowest possible rate and allow us to break our dependence on oil.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Then, Mr. Speaker, Nalcor and the government made the project even more advantageous by forming a partnership with Emera of Nova Scotia that will provide us with a link to the mainland of the continent and destroy Quebec's monopoly on the power corridor in this part of Canada.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: That reason alone, Mr. Speaker, was almost good enough of a reason to enter into an agreement with Emera. However, Mr. Speaker, the deal was better than that.

In addition to providing us with a corridor to get our power to the United States border, Emera will build the Maritime Link between Newfoundland and Nova Scotia. Furthermore, we will – we will:

Newfoundland and Labrador, Nalcor – control 65 per cent of the capacity on the Maritime Link for thirty-five years, at which point we will own the whole transmission link for \$1.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Not only, Mr. Speaker, will we have the critical corridor to get our power off the Island, someone else will build it and we will be able to use most of the capacity until we own it in thirty-five years.

Since November, 2010, when the project was announced and Emera and Nalcor initialled the agreement in principle, we have engaged the most knowledgeable experts in the energy sector worldwide to evaluate this project, and the results have all been made public. Nalcor's experts analysed the project; then they asked Navigant, a company well known and respected in the energy sector, to review their work to determine if there were any omissions. Navigant endorsed the project and confirmed that Nalcor's analysis was solid and in line with industry standards.

Our government put the project to the PUB, who brought in Manitoba Hydro International. MHI's experts, who have vast expertise in major hydro projects, verified that Nalcor's work was in line with best practices. The Province's Consumer Advocate, Tom Johnson, endorsed the project as the cheapest option.

When the Decision Gate 3 analysis came, we went back to the PUB's experts and asked MHI to conduct another review and to report to us again on Nalcor's work. They did, and confirmed once again, Mr. Speaker, that the skilled professionals at our energy corporation – which, by the way, is owned by the people of Newfoundland and Labrador, and whose profits go back to the people of Newfoundland and Labrador – were right.

We need the power, and developing Muskrat Falls is the best way to supply it at the lowest possible rates to the people of the Province.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Mr. Speaker, government hired Ziff Energy of Calgary, which confirmed that the Muskrat Falls proposal was superior to the natural gas options put forward as alternatives. If that was not enough, Mr. Speaker, we asked Wood Mackenzie to look at Ziff's report. They not only agreed with Ziff's analysis, but went further to say that Ziff likely underestimated the advantage of Muskrat Falls over natural gas because it underestimated the expense of producing natural gas to fuel Holyrood.

Nalcor and the Province also commissioned analyses of virtually every other option, including wind power, which was ruled out as a viable option to provide the amount of electricity needed. Mr. Speaker, the problem with wind power is that wind is too weak or too strong, so electricity cannot be generated. When the wind drops off, the windmills stop turning and no power is made. When the wind is too strong, the windmills' blades flatten and fail to generate power. For this reason, wind will always require a backstop. Wind alone is not an option. The experts have concluded that wind at a penetration level of more than 10 per cent is simply not advisable. Muskrat Falls is less expensive to consumers than wind power and that makes it preferable.

All of these studies, Mr. Speaker, have been released to the public. Others, including the Province's Consumer Advocate, and expert economists such as Memorial University's Dr. Wade Locke, have done their own analyses and come out and endorsed the project.

The banks and lending agencies have done their own analyses, Mr. Speaker. The Government of Canada completed its own analysis of the project and on the basis of that work determined it is a financially sound project of nation-building proportions.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Mr. Speaker, the fact of the matter is that this is not only a good project; it is a thoroughly researched, analyzed, and studied project that enables the people of the Province to enjoy a vast array of far-reaching benefits. Companies whose reputations would suffer in the global market if they perform substandard or biased work have all agreed with Nalcor: that the Muskrat Falls Project is based on solid ground financially as well as in concept design and engineering, Mr. Speaker.

Mr. Speaker, the Muskrat Falls Project is good for the people of Newfoundland and Labrador on so many levels. First and foremost, it will address our immediate need for power and the looming energy deficit. Homes and businesses continue to need power; we need to plan for it now.

There are a host of other advantages associated with this development. Everyone in the Province will benefit from stable rates and the power provided by this development. Mr. Speaker, without Muskrat Falls, our electricity rates will be tied to the oil market, with increases continuing and power rates rising unchecked. With Muskrat Falls, our rates will remain stable for generations.

During construction phase, Mr. Speaker: thousands of jobs created, 3,100 people working at the height of the project; total income from construction: \$1.9 billion available to businesses here in the Province, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: We will achieve energy self-sufficiency and break the stranglehold Quebec has had over future economic development in Newfoundland and Labrador, Mr. Speaker. This development will open doors to future clean energy developments at Gull Island, which we will move to after we sanction this project.

Mr. Speaker, we are truly, truly an energy super-warehouse and this project is a game changer for Newfoundland and Labrador. This is the new Newfoundland and Labrador: bold, confident, self-assured, and increasingly self-reliant. Now we are ready to take this Province to the higher plateau of prosperity and self-reliance.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. BALL: Thank you, Mr. Speaker.

It is certainly a privilege for me to stand here today and speak to this private member's resolution.

Earlier in Question Period there were some questions around how we got to this situation. I just want to clarify one thing for people who are listening at home and some people who are in the galleries: in June of this year we started the process on this debate. We actually sent letters to the Premier's office and there was no response. In September we did the same thing, with a seven-point plan. It was clearly one thing that we were looking for in this debate and that was access to some of the witnesses that even government officials had easily been accessing for a number of weeks. It was not anything unusual that we were looking for; it was just access to the same people that government had used to file many of the reports that they had.

It was one of two things: it was either the government just did not want us to see this or they did not have the confidence that they thought they did, and it was very simple. As a matter of fact, we sent many letters, even to various departments. In July we sent letters, for instance, to the Department of Finance and today we still have not gotten responses from those, many months later.

Mr. Speaker, I want to go back to November of 2010 when we first heard about the Muskrat Falls development publicly. I, like many other Newfoundlanders, listened to this, and we looked forward to what would have been a project that would actually change the history of our Province, that would indeed make a difference.

I listened to it, and the overarching principles of the development of the Lower Churchill, indeed Muskrat Falls, sounded good to all of us as people of this Province. It would be more green, it would meet the domestic needs of the Province and, indeed, we would see Holyrood close.

These were things that we all wanted to see as a people in the Province. We then would have an export option. We were led to believe that this export option would give us an opportunity to create more financial benefits, because we have known for quite some time that we were very dependent on oil, and we wanted to get away from being dependent on oil. To develop our energy products would have been the way to go.

In the 2000 Energy Plan, 2041 became very much a focal point. It was 2041 that our destiny and our faith would change. It was there, it is right on page 1.

As the project moved along and as this evolved a couple of years later, it became quite obvious that the export option, for instance, component of the Muskrat Falls development, it just was not as easy. Things were changing with our neighbours south of the border. The shale gas revolution, and now a reality means that, that export option, certainly in terms of where we can make money, no longer exists.

Then we moved on to support mining developments in Labrador, Mr. Speaker. There was no question – and many people who know me and have listened to what I have said, and the many times I have spoken on Muskrat Falls over the years, I have said very openly that using Muskrat Falls power to support the mining industry in Labrador is something that we should do; but, there was one thing, Mr. Speaker, that we left out of this project which prevents that from happening.

Number one, we still do not have power purchase agreements in place with those mining companies. Number two, the most important thing, is we do not have transmission capability to do that. That piece of infrastructure is still not there. Today, it is not available to bring this power to Labrador West. It is fine to say you want to support it. It is fine to use words that we want to support the mining

industry in Labrador, but where are the actions? We do not see them. The transmission assets that are required in Labrador are not part of this project at all. Indeed, they are not available, Mr. Speaker.

Mr. Speaker, as we moved on there were a couple of things about the project. We started getting numbers back. At Decision Gate 2 – which was a process that was outlined by the developers – we were told that this project would come in at \$6.2 billion. How much would it cost? It was always a concern. At Decision Gate 3, when the numbers were announced, it was announced at \$7.4 billion.

Now we know, of course, with the updated numbers from the Maritime Link that this project is now at \$7.4 billion, and that does not include the interest during construction. This is a cost because somebody within the next five years must pay for that. There is a cost to having this money available to us.

As things went on and the negotiations continued we became aware that the loan guarantee would be something that would add value to this project, and there is no question it does. We heard last week that this would mean there would be about \$1 billion that would be available to offset some of the cost and some of the financing on this project. What we needed in order to make that happen was a partner.

Mr. Speaker, I have been fortunate enough over my twenty-five years of being in business and I have had many partners. I have had great relationships with partners in business over the years. I can honestly say, in all of those twenty-odd years of working in partnerships, I have never once been with a bad partner. I can honestly say, even today, partners I have been working with and moved on from, I still consider them friends.

What we always do going into any partnership, there is one thing that is extremely important. You had better set the rules of engagement in place in the beginning because at some point there will be an argument. There will always be a very frank discussion that you will have to have, and you will need the terms and the rules of engagement in place that will satisfy and get you through those tough times.

When I look at where we are today with the loan guarantee, we need the region, we need Emera, and we need Nova Scotia in place with certainty for this to happen. As I stand here today, Mr. Speaker, I am not left with any degree of comfort that this loan guarantee is in place because of our partner in Emera. There are a number of things, regardless of what we say, and words sometimes say a lot more than our actions could.

I just want to read this. This is December 5, so it is fairly fresh stuff. "Emera Inc. said it will apply to the Nova Scotia Utility and Review Board for a rate increase to cover the cost of the Maritime Link by mid-January, after it has signed an agreement to build it. If the Utility and Review Board decides the Maritime Link is not in the interests of ratepayers, Emera Inc. will have several choices: its shareholders can finance the entire Maritime Link, it can look for partners or it can walk away from the project."

Mr. Speaker, those are not my words today. These are the words of Emera. I did not say this.

Can I stand here today, with a degree of certainty, that I have my partner in place? Can I stand here in all fairness and know that the loan guarantee is in place with certainty when I read this today from Emera? As I said, Mr. Speaker, these are not my words. These are the words of Emera.

Mr. Speaker, one thing I do know, if we are to count on this partner, we need to get this certainty in place because we have a billion dollars at stake here. So, ask yourself: Why is this important? There is another very good reason why, Mr. Speaker, this is important. We are about to sanction and begin a project where we could have a few billion dollars spent on this project before Emera even has to make up their mind, if they indeed want to be our partners.

By then, what could happen? We could be in a position, if they decide to walk away from the project, well then we will have no choice but to say: Do we pay for the Maritime Link in today's dollars of \$1.5 billion, or do we walk away from the loan guarantee? These will be the only two choices that we have. That is what read here today.

Now, Mr. Speaker, fifteen minutes goes by pretty quickly. There is a lot I would like to say, and there is a lot I know I will not say today. I will have another opportunity, I am sure. The Premier, as she spoke today, mentioned that one of the things that were key to this project was protecting the people of the Province. There is an institution that we have had in place since after Confederation. Their mandate was to protect the ratepayers of this Province.

Now, I am not going to ask members opposite or members on this side who that group was. I think we all know who that group was. It was the Public Utilities Board right here in our own Province. Their job was to make sure that we had the best rates available.

This particular project, for the first time in our history, that will not happen. Our rates will be decided by someone else. It will be decided by a power purchase agreement that will be put in place by Nalcor and Newfoundland and Labrador Hydro. It will not be the PUB in this particular case. That power purchase agreement will be done for fifty years, and it will have to include the overruns on the project. The ratepayers of this Province will be responsible for 100 per cent of the overruns on the project, and that will have to go back into the rates, because the federal government says that we must generate enough revenue to cover off these costs. That will be in the power purchase agreement.

So, Mr. Speaker, this is definitely something that we have not been accustomed to, but it is part of this project. It is something that we will have to live with now if this project gets there.

Now, Mr. Speaker, I see I have about four minutes and thirty seconds on the clock. What I would like to do is move an amendment to the resolution. I would like to move to amend the resolution by adding immediately after the word "project" the following: subject to a clear endorsement by the Board of Commissioners of Public Utilities after a complete and unrestricted review, unlimited by arbitrary constraints of time and scope. So it will read:

THEREFORE BE IT RESOLVED that this House now supports the development of the Muskrat Falls Hydro Project subject to a clear endorsement of the Board of Commissioners of Public Utilities after a complete and unrestricted review, unlimited by arbitrary constraints of time and scope.

That is seconded by the Member for Cartwright – L'Anse au Clair.

MR. SPEAKER: The Chair will take a few moments to consider the admissibility of the amendment to the motion. The House will take a short recess. I remind members as well as I did earlier the week, the bells are not working in all areas of the precincts of the House, so be mindful of that as you may stray from your tiered chairs.

Recess

MR. SPEAKER: (Inaudible) by the Leader of the Opposition. The Chair has ruled that it is not in order.

With the time remaining on the clock, the hon. the Leader of the Official Opposition.

MR. BALL: Thank you, Mr. Speaker.

Mr. Speaker, another piece of the project that I would like to spend a few minutes just talking about and raising attention – when you look at the financing on the project, we now see there is about \$733 million in this project that will be used for a contingency on an escalation fund. Mr. Speaker, I think all we need to do is look at any current projects that we have within the Province, even those that have been funded by government and those that have been funded by private companies outside of government. We all know that in this day and age, a 10 per cent contingency or less is really not a whole lot to count on.

All you need to do is look at some of the history. You just look at Vale for instance, Mr. Speaker. Right now we are about a 50 per cent overrun on that project. It started out to be around \$2.8 billion, now in excess of \$4 billion.

We just need to look around our own building here; last week you heard the minister respond to the cost increases that we saw here, another 50 per cent. Cost overruns are a significant portion of everything that we do with project management right now. In this particular case, \$733 million on a project of \$7.7 billion, to me and in my opinion, it is insufficient.

What happens then? How do we find ourselves? What is the position that we are in if we have to deal with cost overruns? Mr. Speaker, it is quite clear in every report you read that we, the ratepayers of this Province, are responsible for those cost overruns; this government is responsible for those cost overruns.

One other thing, as I try and make one more point, is of course about the revenue stream from this project. Government has decided that 40 per cent of the – as ratepayers of the Province, we will get 40 per cent of the power. Any other revenue generated from the remaining 60 per cent of this power, 20 per cent we know going to Emera and the other 40 per cent, if they go to mining companies or if it goes to export, will not come back to offset rates in this Province. We know that. This is a policy of this government. They have decided to go in a different direction. Mr. Speaker, for me, if I am paying the bill, I expect to get 100 per cent of the value of that bill.

Mr. Speaker, I would like to move one other amendment, Amendment 2. I move to amend the resolution by adding immediately after the proposed resolution the following clause:

AND BE IT FURTHER RESOLVED that final sanction of the Muskrat Falls Hydro project be subject to a clear endorsement by the Board of Commissioners of Public Utilities after a complete and unrestricted review, unlimited by arbitrary constraints of time and scope.

So it will read:

THEREFORE BE IT RESOLVED that this House now supports the development of the Muskrat Falls Hydro project; and

BE IT FURTHER RESOLVED that final sanction of the Muskrat Falls Hydro project be subject to a clear endorsement by the Board of Commissioners of Public Utilities after a complete and unrestricted review, unlimited by arbitrary constraints of time and scope.

Thank you, Mr. Speaker.

Seconded by the Member for Cartwright – L'Anse au Clair.

MR. SPEAKER: The Chair will consider the amendment as proposed by the Leader of the Official Opposition and the House will take a brief recess to consider the admissibility of the amendment.

MS JONES: A point of order.

The hon. the Opposition House Leader, on a point of order.

MS JONES: Mr. Speaker, I know the amendments that are being proposed, and I certainly respect the ruling from the Chair. I guess I am just wondering at what opportunity we will have to speak to the amendment that we put forward before the ruling, because we feel that according to O'Brien and Bosc, the amendment that my colleague just proposed is indeed in order and it meets with the requirements under amendments within the legislation. I do not know if there is an opportunity to debate an amendment with regard to a private member's resolution before the Speaker makes a decision, Mr. Speaker.

MR. SPEAKER: There is; I can speak to the point being raised. If the amendment is in order, it will stand on its own, and the Speaker will so rule. If the amendment is not worthy of standing on its own, the Speaker will so rule as well. So, in putting the amendment forward, it should in and of itself speak for itself and be determined whether it is in order or not, and the Speaker will so rule.

We will take a brief recess to consider the amendment as put forward.

Recess

MR. SPEAKER: Order, please!

The Speaker has considered the amendment as proposed by the Opposition Leader and rules that the proposed amendment is not in order.

The hon. the Minister of Natural Resources.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Thank you, Mr. Speaker.

Over the last number of months I have spoken on numerous occasions about all aspects of Muskrat Falls. Today, I want to talk about why I am voting for Muskrat Falls, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: I was appointed the Minister of Natural Resources approximately thirteen months ago and, during that time, I have immersed myself in Muskrat Falls.

Mr. Speaker, based on my legal training, I adopted what I would refer to as a contrarian view. I set out to disprove the premise, or to prove it, whatever way you would look at it. I asked questions about Muskrat Falls, Mr. Speaker, unending questions, did not accept obvious answers, and looked at all aspects.

We will hear, Mr. Speaker, at times people accuse us of going to do Muskrat Falls at all costs. Well, I can tell you that that is not the way our Premier and our government has approached this question. The overriding question for us is and always has been: Is Muskrat Falls in the best interests of the people of Newfoundland and Labrador?

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: As I will review later, our Premier has demonstrated, especially over the last couple of weeks, that Muskrat Falls would only proceed if it met that test.

The last year, Mr. Speaker, as minister, has been a difficult but a good year. What I mean by that, Mr. Speaker, is unlike the Upper Churchill deal, the Muskrat Falls Project has received extensive public scrutiny and resulted in significant public debate.

Mr. Speaker, I also recognize that although legitimate issues are raised, we, as politicians, can never satisfy everyone. This is just the reality, Mr. Speaker, of all political situations, but especially Muskrat Falls.

I believe that all Members of this House of Assembly, no matter what their political stripe, strive to do what is best for the people of Newfoundland and Labrador. I also believe, Mr. Speaker, that all MHAs are motivated by a desire to serve our people, motivated by a love of our Province, and a belief in our people and our Province.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: As a government, Mr. Speaker, we have an added responsibility. We have to make decisions. Oftentimes, Mr. Speaker, in politics the easiest thing to do is to do nothing, but that is not why we were elected. As leaders, we must lead, and this involves making tough decisions. In times of intense public criticism – sometimes personal – we could simply have left Muskrat Falls to someone else, to another time, to another day; however, that would be an abdication of our responsibility, Mr. Speaker, to ourselves, to the people of this Province, and to our future generations.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: It is not simply enough, Mr. Speaker, as a government to do that which is popular and which gets you elected. We have the obligation to ensure a better and brighter future for our children, our grandchildren – the main reason most of us enter politics. I firmly believe, Mr. Speaker, that the development of Muskrat Falls helps achieve that goal.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Mr. Speaker, as we are all aware, this Province's politicians have been haunted by decades by the spectre of the Upper Churchill. That deal, Mr. Speaker, has resulted in billions of dollars going to Quebec and us receiving a lot less for our resources.

I have read extensively on the Upper Churchill since being elected, and while I agree that we must learn from the mistakes of the past, we cannot be paralyzed by fear of making decisions. History, oftentimes, judges past events harshly, Mr. Speaker. It is easy to be a Monday morning quarterback, but politicians cannot shy away from making tough decisions, for fear of what the history books will say. We have to make decisions based on the best information that we have available to us today.

While no one can predict the future, Mr. Speaker, especially in this ever-changing energy world, we can do what we have done with Muskrat Falls: identify and assess risk, and attempt to minimize it. We must, as we have done, Mr. Speaker, rely on the expertise of those who advise us – those proud Newfoundlanders and Labradorians who work at Nalcor.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: At this point, Mr. Speaker, I want to say a special thank you to Ed Martin, Gilbert Bennett, and all of the people at Nalcor for their professionalism, their dedication, and their integrity in these trying times.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Mr. Speaker, as we talk about the present, isn't it a great time to be living in Newfoundland and Labrador, as our Premier has said?

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Our people, Mr. Speaker, have never been more confident. Our economy has never been more vibrant. Our opportunities have never been greater. Opportunities are such, Mr. Speaker, that we must either seize them when they exist or let them pass us by. That is where we are with Muskrat Falls, Mr. Speaker. We are not going, as a government, to let that happen, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: We are using, Mr. Speaker, money from our non-renewable energy resources to transition to a future renewable resource-based economy. Long after our oil is gone, Mr. Speaker, the water will still continue to flow down the Churchill River, and will continue to produce revenues for decades and decades of future Newfoundlanders and Labradorians.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Mr. Speaker, every Premier since 1972 has attempted to develop the Lower Churchill Hydro Project. Quebec has always stood in our way. Mr. Speaker, while not the primary benefit of Muskrat Falls, as the Premier has said, one important benefit of Muskrat Falls – and let's not underestimate this – is that we escape the clutches of Quebec.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Mr. Speaker, we have to be able to take control of our own resources. If we have an intransigent Quebec, then we have to work with a co-operative Nova Scotia, Mr. Speaker, and Government of Canada.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Mr. Speaker, in November, 2010, the Muskrat Falls deal was announced by then Premier Danny Williams with then Minister of Natural Resources, our current Premier. Mr. Speaker, I want to thank our former Premier Danny Williams for having the vision to develop Muskrat Falls.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Our former Premier, Mr. Speaker, was known for his vision, courage and determination. I can assure the people of our Province that these are traits that are possessed by our current Premier, Mr. Speaker, and that we see on a daily basis.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Mr. Speaker, over the last couple of weeks I have had the opportunity to watch our Premier in action, in time of stress, in dealing with the federal loan guarantee, and, Mr. Speaker, on two separate occasions I have seen her willing to walk away from the federal loan guarantee unless she achieved the benefits that were in the best interests of the people of our Province.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: I want to thank her personally, Mr. Speaker, for the opportunity to work with her on this project. I am proud to have witnessed how strongly she has stood on the principle that everything we do, Mr. Speaker, is in the best interests of the people of our Province, and especially in relation to Muskrat Falls.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: Mr. Speaker, the Premier went through some of the chronology earlier today. We have been two years, Mr. Speaker – well, we have been more than two years. We have been forty years making a decision of whether or not to develop the Lower Churchill.

Mr. Speaker, we went to the PUB, there was no decision. We were criticized by the Opposition parties for not having explored the alternatives, so we explored the alternatives. Not only did we explore them, Mr. Speaker, we released all of these reports publicly.

We looked at wind, Mr. Speaker. We looked at natural gas, both the importation, Mr. Speaker, and the building of a pipeline from the Grand Banks. We retained companies; we retained experts to do this, Mr. Speaker. We had Manitoba Hydro International review the Decision Gate 3 numbers. We had Manitoba Hydro International do a report on wind. We had Ziff Energy out of Calgary do reports on natural gas, Mr. Speaker.

We looked then at the issues of the legal options. Could we use 92(a)? What about the good faith clause? What about the regulatory actions? We released a paper on that, Mr. Speaker. We looked at Gull Island. We released a paper on that, Mr. Speaker. We looked at the issue of the Upper Churchill. Could we wait until 2041? We released a paper on that, Mr. Speaker. We released papers on Labrador mining environmental benefits, electricity demand forecast and electricity rates.

What have we heard in the last month since we have released these reports? What substantive issues have come to us, Mr. Speaker, where someone has said to us, you are wrong? No, Mr. Speaker, what do we hear? What we hear is: Go back to the PUB.

Well, Mr. Speaker, let me tell you that the rigorous economic analysis performed by the Government of Canada prior to granting the loan guarantee is something that no PUB or regulatory board in this country could duplicate. It was, in essence, Mr. Speaker, a financial audit. What did the Prime Minister and his ministers decide at the end of the day: that this was a nation-building project. It was of regional and economic significance, Mr. Speaker, and it had significant environmental benefits to the Province of Newfoundland and Labrador and the country of Canada as a whole.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: So, Mr. Speaker, not to criticize those who criticize – because criticism is something that we have to, in a democracy, ensure people have the right to speak, but it does not mean they are right.

Why is it, in this Province, that people from outside, every time we go to national meetings, people say: I wish we had Muskrat Falls; I wish we had your hydro resources; and I wish we had your oil resources?

So what do we do, Mr. Speaker? We put that forward as our approach and our attitude. Our attitude in this Province is positive: that this is our time. We are going to take those God-given resources and we are going to make the best of them, but we are not going to live in fear, Mr. Speaker, of what tomorrow may bring. We are going to live in the day, look to the future, but make the best decisions. That is what we are doing.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: What did all of these reports conclude? Muskrat Falls is by far the best option on a purely economic analysis, Mr. Speaker, not only from an environmental perspective. What greater legacy can we leave our children and grandchildren than a truly revenue-generating economic prospect, but also one that is environmentally sustainable and environmentally sensitive, Mr. Speaker? What we are doing is making a decision that has to be made.

Now, Mr. Speaker, before I leave this today, I want to talk also about why we are doing it. We recognize, Mr. Speaker, our seniors, the way that things – the difficulties they have. We recognize the difficulties that single mothers have. What we are doing is we are going to reduce rates. They may not see the benefits initially, but this will bring rates down. That \$6 billion that will go offshore will now stay in this Province and provide revenues for generations to come. Mr. Speaker, we have to pay electricity bills, and we have to have electricity.

So, Mr. Speaker, as we look to the future, it is an exciting time to be in this Province. It is with some trepidation that I approach this project, Mr. Speaker, but I can tell you: any concern or caution I had thirteen months ago is now out the door. I believe firmly, Mr. Speaker, Muskrat Falls is in the best interests of the people of Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: That, Mr. Speaker, has not been a process for me where the conclusion was foregone. It has been a process I have worked through with my colleagues, with the Premier, and with the people at Nalcor.

Mr. Speaker, my earlier comments lead me inexorably to this conclusion: Muskrat Falls is in the best interests of the people of Newfoundland and Labrador. It is the time to do it and the time to do it is now, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MS JONES: Thank you, Mr. Speaker.

I certainly feel privileged to be able to rise and speak to the private member's motion that is before the House today. I say privileged, Mr. Speaker, because I am one of only six that will probably get to speak to this motion today. There are probably forty Members of the House of Assembly that will not have the opportunity, and that is unfortunate.

Mr. Speaker, I listened very attentively to the Minister of Natural Resources, as I always do when he speaks in this House. I listened when he talked about the reports that have been done around this deal and the work that government and Nalcor have put into this. I do not think we have ever disputed that as an Opposition. I do not think we ever have. We have asked for it on many, many occasions. We have begged for information, reports, and all the rest of it to be tabled, but we have certainly never disputed the fact that a lot of that work had been undertaken.

Mr. Speaker, I also want to join the minister in acknowledging today the former Premier, Danny Williams, who is in the House of Assembly. Actually, Mr. Speaker, it is unfortunate that he is not here on the floor of the House of Assembly, because if he was I think you would see a little different deal today than what we have before us. I think we would indeed see a deal that was going to return excess revenues to the people of the Province in a fair manner and not leave it to just the ratepayers at no matter what the cost to pay it down. That is not the case.

Mr. Speaker, more importantly, I would have hoped that the government of the day would have seen it right and proper to have benefits afforded to the people of Labrador, and that is where I find this deal so sad. Mr. Speaker, once again we are seeing the people of Labrador being left out of one of the major development projects on the doorstep of our land.

Mr. Speaker, I want to tell you a little story about Labrador because there are three main events in our history that have shaped us as people, as Labradorians. It has shaped our culture. It has given us the strength and tenacity and determination that you always see with Labradorians. Mr. Speaker, it is oftentimes those events in our history, that I will talk about, that leads us to grasp for what we need as opposed to fighting for what we deserve.

One of those events was the decision of the Privy Council in 1927. Mr. Speaker, that was the decision that determined the location of the boundary between Canada and Newfoundland as it related to Labrador. It was made, Mr. Speaker, by the highest court in the British Empire. It took six years for the decision to be made and never was there consultation with the people of Labrador, never.

In 1923, Mr. Speaker, it was said in *The Daily News* that the sale of Labrador – and at that time Newfoundland was trying to sell Labrador to Canada and the price was rumoured to be \$60 million. That was not the first time that Newfoundland tried to sell Labrador, Mr. Speaker.

Once again, in 1931, between the period of 1928-1931, history will document that Newfoundland's financial position was deteriorating rapidly and the gap between revenue and expenditure was growing relentlessly and greatly. In 1931, once again, they made a formal offer to sell Labrador to Canada, this time for \$110 million.

Just think if that would have happened. Where would we be today as a Province? Where would be today? We would not be here talking about developing Muskrat Falls. Indeed, we would not, Mr. Speaker.

Again, Mr. Speaker, in 1925, the third time when Newfoundland tried to sell us it was then to Quebec. Ironically, Quebec did not want to take him up on the offer to buy out Labrador at that time. That was one event that shaped us in Labrador and shaped the way we think today. That was only one event, Mr. Speaker. The second event was the development of the Upper Churchill.

When you stand in the House and you talk about jobs on this project, I will never say to you there will not be jobs created. There will be a lot of jobs created. They will be created in my district. They will be created in Happy Valley-Goose Bay. They will be created in Labrador West, but they are short-term jobs. They are not long-term benefits for people who are adjacent to a resource, two very different things.

If I lived in Happy Valley-Goose Bay today and I was a business owner, I would be filling every room that the Premier or the Prime Minister came to, to talk about Muskrat Falls, because it could mean bread on my table. It could mean a contract. It could mean short-term financial revenue for me and the people who I employ, but where are the long-term benefits?

The Upper Churchill gave us jobs too, Mr. Speaker. There were almost drafts on the Coast of Labrador at the time in the 1960s. My father was one of them. He went to work on the Upper Churchill. He made the most money he ever made at that time in his life, probably more money than most people in our community. Guess what? He came home and for forty years after that we paid the highest prices of electricity of anywhere else in North America, not in Newfoundland and Labrador.

I will acknowledge the former Premier for putting the subsidy in place on those rates and bringing them down after forty years. Let's talk about, once again, another big development that will bring jobs to the people of Labrador, but not long-term benefits.

The third thing, Mr. Speaker, was the mining industry, the iron ore industry. When the iron ore industry started in Labrador, another big development project, they had to determine how they were going to transport iron ore. Mr. Speaker, the decision of the day was to transport it through Quebec, not through Labrador, not to build a railway to Happy Valley-Goose Bay.

Although, I have heard stories that at the time the government of the day did give it some consideration. The reality of the day was that at the time IOC was filling their board of directors with people from the United States, from Americans. The markets were in the US and in Europe, and the proximity of Sept-Îles appealed to the investors.

Newfoundlanders and Labradorians did not have a say. Labrador had no control over where iron ore deposits would go and be processed, and we watched for over fifty years iron ore going out of Labrador to Sept-Îles. We watched a community of less than 1,000 people grow to a town of 25,000, based on resource development out of Labrador. We watched revenues from mining operations go to

the coffers of the provincial government while we did not have roads, while we still drive gravel roads.

We watched all this happen. We watched communities today that still do not have infrastructure, communities that do not even have a freight vessel to bring freight and passengers in and out of their tiny rural and isolated communities, after sixty years of contributing to some of the greatest royalties of this Province.

Those are the things, Mr. Speaker, that cause us in Labrador to often look, and look very deeply into where the long-term gains are going to be, because we have had a history of it, a complete history of it, Mr. Speaker.

Today we are faced with similar decisions, the Lower Churchill or Muskrat Falls being one of them; we are also faced with decisions about the next great iron ore deposits out of Labrador. Today, Mr. Speaker, we take about 29 million metric tonnes of iron ore out of Labrador. In the short term we will take about 37 million metric tonnes and in the long term we will take 88 million metric tonnes of iron ore out of Labrador in the future.

While we can stand here today and project that, and project 100 years of revenue, we cannot stand in this Province today and talk about how we are going to give electricity to these mining companies to foster that particular development – we cannot. We can say we are prepared to, but we also prepared to sell it to someone else. We have set no rates. We have not decided how we are going to build transmission capacity. We have no negotiated deals, but we do know we have 100 years of iron ore production. We know that we are going to triple the production we have today, and yet we do not have the infrastructure or no plan to support it.

We do not have a plan to build the railway to support that, knowing that the one that is in place does not have the capacity; Quebec once again is far ahead of us in developing their own proposals and their own estimates around it.

Mr. Speaker, today when we are developing this deal, we really need to look at what has shaped Labrador in the past and what is going to shape it in the future. I was so disappointed to not see a benefit agreement in this for the people of Labrador. If there was one thing I wanted, it was the benefit agreement.

Mr. Speaker, maybe it will come – maybe it will come. When it does, Mr. Speaker, I will be happy to see it. As it is today, it is nonexistent. That is not good enough for the people of Labrador. It is not acceptable and I would expect that they deserve more and they should get more.

Mr. Speaker, I would like to move an amendment to this motion. I really believe that it is in the best interests of the public to have complete oversight on this project. I move the following amendment to amend the resolution by adding immediately after the word "that" the following: notwithstanding that the Board of Commissioners of Public Utilities has not conducted an unrestricted review of the project,

The final resolution is contained here, Mr. Speaker, and it reads:

THEREFORE BE IT RESOLVED that, notwithstanding that the Board of Commissioners of Public Utilities has not conducted an unrestricted review of the project, this House now supports the development of the Muskrat Falls Hydro Project.

Seconded by the Member for Burgeo – La Poile.

MR. SPEAKER: The Speaker will take a brief recess to review the proposed amendment to determine if it is in order.

The House stands recessed.

Recess

MR. SPEAKER: Order, please!

The Speaker has had an opportunity to review the proposed amendment made by the Opposition House Leader and rules that the amendment is in order.

I ask the Member for Cartwright – L'Anse au Clair to continue her comments.

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

I am sure there will be much discussion, as my amendment is to refer it out for external review by the Public Utilities Board.

Mr. Speaker, contingent upon that, of course, would be to –

MR. SPEAKER: This is a point of order.

MS JONES: Yes.

MR. SPEAKER: Unless we have a different resolution than I have, it does not make any reference to a referral out.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

I just want to make sure that the House is clear on the amendment that is being ruled in order, which is the one put forward by the Member for Cartwright – L'Anse au Clair, which is the third one we have had tabled today, and not as the member just referred.

MS JONES: Thank you, Mr. Speaker.

I do apologize. The amendment is there and all members do have a copy of it.

Mr. Speaker, I just have minute or so left and, in doing so, I want to quote from a letter from a sixteen-year-old student in my district, a young girl by the name Kailee Poole from St. Lewis Academy. When she wrote me this note, it talked about a whole lot of different things. It is actually on my Facebook and Web site if people want to look at it.

One of the things she did say is that we did not even get consulted about this project and we had no say in it whatsoever. I would have to ask hon. members, when you have a generation of students today saying that, Mr. Speaker, and it goes back to 1927, in Labrador's history, it is not good.

What I would say, Mr. Speaker, to hon. members is that Labrador is not paralyzed by fear, but rather confronted with a reality. That reality is a history of resources being drained and a future of fostering economic benefits for others, while we continue to struggle to catch up to the twenty-first century. That is the reality of where we are in Labrador, Mr. Speaker and I would expect that on the heels of the next great megaproject that there would be further benefits for the people of Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Before I acknowledge the next speaker, the Speaker would like to acknowledge the presence of the former Premier in the gallery today.

Welcome, Sir, to our gallery.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: I believe the former Minister of Natural Resources is also in our gallery.

Welcome, Sir, to our gallery.

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.

What a historical day! I am so proud to stand here today and support the main motion put by our Premier on Muskrat Falls.

Every day we get to make important decisions in this House of Assembly, but none, in my mind, as significant today, what we are doing here today. Today as MHAs, all MHAs, we get to vote on the future path to prosperity for our children, our grandchildren, and their children, Mr. Speaker. Today, when we all stand in our place we need to put the rhetoric aside, we need to put the politics aside, we need to park all of that, Mr. Speaker, because our future generations are far more important than any of that.

When my daughter who is three becomes my age, Mr. Speaker, I want her and her peers to be thankful, thankful for the government of the day and, hopefully, the Opposition of the day, all united, had the vision and foresight to look out for them by way of this very important vote today. To be thankful that we had the vision to diversify our economy and to put them on a path of self-reliance, not idly sit by and manage decline, as some would want, or in the words of the Opposition Leader: wait for change.

Before I go on, Mr. Speaker, I would like to acknowledge some people who got us to this point today. First and foremost: our Premier. For the last nine years, I have served with our Premier and particularly in the last two years while she has been Premier. On that note, Happy Anniversary, Premier, because it has been two years this week that she has been our Premier.

SOME HON. MEMBERS: Hear, hear!

MS JOHNSON: I can say with all sincerity that she is an extremely hard worker, a very strategic thinker, very intelligent, but, Mr. Speaker, I would say that the best quality of our Premier is that she is very principled.

SOME HON. MEMBERS: Hear, hear!

MS JOHNSON: In every single decision that we make in this government, our Premier's principles have been steadfast. She always tells us you will never have to question your decision if it is based on principle and not for popular politics. That is so true, Mr. Speaker. That was very evident with the loan guarantee, because she was not giving in until all of the conditions that are in the best interests of Newfoundlanders and Labradorians were part of that guarantee.

I also want to thank Prime Minister Harper for endorsing this project and for contributing to the project to the tune of \$1 billion, as this would have been the additional interest costs had we not received the loan guarantee. We have often had disagreements with the federal government; we will likely continue to have disagreements with the federal government, but, Mr. Speaker, while we disagree at times, we give credit where credit is due.

The reality is that this Prime Minister did not have to give us anything, Mr. Speaker. When we look at the last election, he did not even get one seat from the Newfoundland part of the Province. He was true to his word and he even said himself he believes in the merits of Muskrat Falls, and it is because it is a sound project. He even went on to say: so sound that it is of no risk to Canada. He even did it despite Quebec's opposition, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MS JOHNSON: He saw what we saw, what our Premier saw: that there is a green, sustainable future for our children and for the country as a whole.

I also want to acknowledge the Minister of Natural Resources. He has worked tirelessly to shape the future of this place. His team at Nalcor, despite what others think, is second to none, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MS JOHNSON: There is an old proverb that I love and it speaks to what we are doing here today. It says: we do not inherit our resources from our ancestors; we borrow them from our children. This is so true, especially when it comes to our non-renewable resources.

Today, with Muskrat Falls, we will move to 98 per cent renewable energy and, in the process, close one of our Province's largest polluters. Mr. Speaker, for all that we have borrowed from our children, today is our chance to give back to them in a big way.

Just on Holyrood for a minute, Mr. Speaker. Holyrood burns 18,000 barrels of oil a day. With increases in oil prices, that is why we have seen rate increases to electricity users over the last number of years. Holyrood also emits 1.2 million tonnes of greenhouse gases and other harmful emissions. By shutting it down, that will be equivalent to taking 300,000 cars off the road.

Mr. Speaker, with Muskrat Falls, not only are we ensuring a greener future for the people of Holyrood, the people of the Province, as well as other provinces and states through exports, we are ensuring we have a stable, competitively-priced supply of power for our residents. Instead of us

sending money out of our Province and country to oil companies, we will be investing in and contributing to our wealth right here in the Province, Mr. Speaker.

On the issue of Holyrood, I am pretty certain when it comes time to stand in our place today that the NDP will stand up and vote for Muskrat Falls. Mr. Speaker, in April 2008, the Leader of the NDP, when responding to a message I had about Earth Day, said, and I quote: "...I think the Province could also celebrate Earth Day in a much bigger way by announcing that it will take action regarding... the Holyrood Generating Plant."

SOME HON. MEMBERS: Hear, hear!

MS JOHNSON: "This is one of our worst polluting industries in the Province. We should not wait another ten years for the Lower Churchill project to come on stream before we get rid of this polluting energy source."

Just then, later in June, she went on to say: "...no matter what happens with the Lower Churchill, it is still so far in the future that there will still be more damage done there in spite of the cleaner fuel that they are using." The same day she said: "The Province will benefit, the government will benefit, but we have to make sure" – this is the Leader of the NDP, the current leader – "that if this goes ahead – because all parties say it should go ahead – that in twenty years time we do not have people in Labrador wondering why they were left behind."

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Verge): Order, please!

MS JOHNSON: That was 2008, Mr. Speaker. I am going to give you a little snippet of 2009, and the theme continues. In 2009, Mr. Speaker, she says: "While the province is involved in small green projects the major polluters that government controls – Holyrood – is still sending greenhouse gas and pollutants into the air." Her theme is consistent from year to year: "The Holyrood generating plant is, perhaps, the largest pollutant of eight contributing facilities in the province... Why is the government not doing anything about the Holyrood generating station now instead of waiting?"

SOME HON. MEMBERS: Hear, hear!

MS JOHNSON: Now, Mr. Speaker, that is the NDP.

What did the Liberals have to say about Holyrood, Mr. Speaker? Let us see what the Liberals had to say. This was quite interesting. In their Red Book of this past election, this is what they had to say - it is right from page 19 of their Red Book - "Holyrood has a useful projected life of another 25 years until 2035 without major investment." Seriously. "A New Liberal Government will utilize Holyrood for its maximum useful life..." without major investment.

Now, Mr. Speaker, it is not too late for them to change their minds, of course, we are here today to vote on this. I am sure they will stand in their place today and tell the people of Holyrood that they will not have to wait another twenty-three years to live with this polluter in their backyard –

SOME HON. MEMBERS: Hear, hear!

MS JOHNSON: – and to live with it as it is, because they are not going to put anymore money into it until 2035, and then we will have to see.

Mr. Speaker, here is another reason I believe that the Liberals are going to stand in their place and vote for this important motion today. In the words of your own Opposition House Leader, on June 1, 2010, and I will quote it, in case you cannot remember. She said "'everyone in this province wants to see the Lower Churchill project developed,' the project is still years and years away from becoming a reality.

"It's been a soapbox for the government. It's been a platform for them to basically stand as fighting Newfoundlanders and taking on Quebec." – which is not a bad cause, by the way – "But at the end of the day we're nowhere near getting a deal done on the Lower Churchill," she said.

Mr. Speaker, when they did not think we could pull off Muskrat Falls, they supported it. So now the day has come, we have pulled it off, where will you be today? I hope you will stand in your place.

SOME HON. MEMBERS: Hear, hear!

MS JOHNSON: I hope they will stand in their place and step up to the plate for our children, your nieces, your nephews, your grandchildren, and their children, Mr. Speaker.

Mr. Speaker, I had the opportunity with Cabinet to visit Churchill Falls earlier this year, and it was absolutely an amazing thing to witness. It has been operating there since the early 1970s without a hitch. It speaks to the expertise that we have in this Province, and the expertise at Nalcor. Might I add, they are also providing power to one of the most difficult customers to deal with, that being Quebec, Mr. Speaker.

Mr. Speaker, while we had ultimate confidence in the experts at Nalcor, there were those who did not – those across the way from us, Mr. Speaker. So, what did we do? We hired further experts who, again, validated the work that was done by Nalcor. Mr. Speaker, so many experts and consultants have reviewed this project. We have had Navigant, we have had Ziff, we have had the Consumer Advocate, we have had Dr. Locke, we have had bond rating companies, and of course MHI, PUB's own expert, Mr. Speaker.

If the Opposition has some hidden expert with any questions that have been unanswered, Mr. Speaker, I believe they have a duty to present that to us. To present us with their concerns because to date, for the last two years, and despite the 200 presentations publicly, despite all of the briefs to the Opposition, we have not heard one negative word in terms of the principles of this project, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MS JOHNSON: One of the consultations that was carried out by Nalcor was to the Joint Councils in my district, Mr. Speaker. It was a great opportunity for them to ask questions, to see the merits of the project. After the event, people were in awe that this project is so significant. One of the members came up after to myself and Gilbert Bennett, and he is a well-known red colour, shall I say. He is a known Liberal, but he did come up to us and said, when he came tonight –

SOME HON. MEMBERS: Oh, oh!

MS JOHNSON: This is a very serious issue. If we could have the member's attention from St. John's North we would really appreciate it, Mr. Speaker.

He said to us that night that he did not know a whole lot about Muskrat Falls before that presentation and he walked out of the room feeling that he owned it, that he is part of something big, part of something special. That speaks to what I hear from people at the university who I have talked to, students.

I know and I respect the presentation put forward, the letter put forward by the Opposition House Leader, but I can provide numerous letters and comments in terms of students as young as six years old who want this project because they want a green future, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MS JOHNSON: Mr. Speaker, this is the question that I come back and ask myself all the time and scratch my head, because I really do not get this: Why would we as a government, why would we as a Premier, why would any of my colleagues or myself, why would we want to do something that is not in the best interest of our current and our future generations? Why? We would not, Mr. Speaker. That is the answer and that is exactly why we are doing this today.

Mr. Speaker, Muskrat Falls is a game changer for the entire nation, but most importantly for the people of the Province. All forty-seven MHAs have to make a choice today –

AN HON. MEMBER: (Inaudible).

MS JOHNSON: - including the member opposite who is going on right now. A lot is riding on this decision, Mr. Speaker. Our children's future is at stake.

We have a choice to make, Mr. Speaker. There is a choice here for all of us today. One: do we invest in Holyrood and pray that people conserve power beyond 2017, keep the greenhouses gases pumping out, have residents continue to increase the rate of return for shareholders of oil companies, stay isolated in terms of connection for power to the Atlantic Provinces and beyond, not have a power source to welcome our mining investors in Labrador, and manage for decline; or two: do we want to seize the opportunity that is before us today to become a sustainable, self-reliant, green Province and secure and ensure that the future is bright for my daughter, your son, your nieces (inaudible) –

MR. SPEAKER (Wiseman): Order, please!

The member's time has expired.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

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

Here we are at 4:37 o'clock, so I guess I have, what – how many minutes?

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

AN HON. MEMBER: Eight minutes.

MS MICHAEL: Eight minutes, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS MICHAEL: I was outraged enough, Mr. Speaker, at the fact that the Premier brought in a private member's motion on the Muskrat Falls Project knowing that a private member's motion would only allow for two hours of debate in this House. I am even more outraged now.

It is bad enough that not everybody gets to speak to a private member's motion. I am even more outraged now that as the leader of an Opposition party in this House, I am relegated to about seven minutes to speak, Mr. Speaker, because the Premier chose to do it this way.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The Speaker has recognized the Leader of the Third Party and I would ask your indulgence to pay attention.

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

If we had a government motion here on this floor, the rules of the House for debate would have been able to have been followed. Everybody in this House would have had a chance, Mr. Speaker, to speak to this issue.

No, this government has always manipulated this issue from day one. From the day they decided they wanted to develop Muskrat Falls, they have manipulated the process.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS MICHAEL: The fullness of that, Mr. Speaker, has happened when the Premier brought in the private member's motion. Never in the history of this country has a private member's motion by a Premier, a leader of a government, been brought in without consultation with all parties.

There was one other in this country and that was here. It was the former Premier of this Province, Premier Williams, over the Atlantic Accord. He had the decency and he had the knowledge of how to behave, that it was a joint agreement of all parties to bring that in, Mr. Speaker.

MR. KING: Point of order.

MR. SPEAKER: Order, please!

The hon. the Government House Leader on a point of order.

MR. KING: Mr. Speaker, we are into a debate on the Muskrat Falls motion. The member has strayed significantly from the topic at hand; now she is introducing comments that refer to the decorum and integrity of an individual on this side of the House and I say she is out of order.

I would ask you to consider that point.

MR. SPEAKER: There is no point of order.

I recognize the Leader of the Third Party to continue.

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

The point I am making, Mr. Speaker, is that we are into a totally non-democratic process with this discussion here today. It is the largest expenditure this Province will ever make and what I have to point out, Mr. Speaker, because there are people in this Province who are not aware: every single cent of this project is on the backs of the people of this Province.

The debt will be paid on the backs of the people of this Province. All of the cash that goes to Nalcor will be cash from the money of this Province, which is the people's money. It is the people of this Province who will be the ratepayers who will be paying the exorbitant amount for electricity that will be demanded by Muskrat Falls.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS MICHAEL: On top of that, Mr. Speaker, if there are worse cost overruns than Nalcor and the government have projected and the experts who I have been speaking to, and have been speaking out publicly – this government will not recognize the experts who have been speaking out publicly; those experts who have been speaking out publicly, Mr. Speaker, estimate that it is going to go beyond what they are projecting, that in the industry out there you allow 30 to 35 per cent for cost overruns. They have allowed 12 per cent. We know for sure that it is even going to be more expensive than the \$7.7 billion that it became yesterday with the news on the Maritime Link.

Mr. Speaker, it is the people of this Province; the government has been talking about caring about their children and their grandchildren. I hope they are caring about their grandparents right now at this moment, and the grandparents in five years time, and the grandparents in ten years time as well, because, Mr. Speaker, we do not have the money – 514,000 people getting into what could be around a \$9 to \$10 billion project. That is what we are dealing with: 514,000 people.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

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

I cannot use my whole speech, so I am choosing what I have to say here.

Mr. Speaker, in this democratic process, we are used to democracy in this House; I am going to give an example of how democracy works in this House.

Our budget this year, Mr. Speaker, for the Province was actually \$7.4 billion and we took seventy-five hours of debate in this House to talk about that budget of \$7.4 billion – seventy-five hours of debate. We had Estimates meetings with departments. We were able to go into their budget. We were able to ask questions of why they were spending so much in a certain area. We were asking to find out what was happening with the different programs. Were programs delivering what they were supposed to be delivering?

We know what it is to have a democratic discussion around our Budget, Mr. Speaker. For some reason, this government has decided that an expenditure that is even more than our annual Budget this year gets no debate. We cannot have a debate where we actually get into the issues. Every single time, Mr. Speaker, that I have asked a question in Question Period on the issue of Muskrat Falls – and it is every single time – no answer comes back answering the question to the point of what my question was about.

The government has gotten up and they go around in circles. They have never given direct answers. That is told to me over and over again by people who watch. Why can't they at least answer one question that is put to them, just one? Why can't they reveal once what you are asking? They will not do that, Mr. Speaker.

The hon. member before me talked about the alternatives, and there has been other talk about the alternatives too. Mr. Speaker, the reports that came out this fall were jokes. They were not in-depth analysis, Mr. Speaker. Some of them, for example, Ziff, were done by experts whom the Minister of Natural Resources bumped into at a cocktail party while on tour in the United States. Mr. Speaker, these were done quickly, they were done without in-depth analysis, and they were not a full analysis of what an energy plan for this Province should be.

What we need is an energy plan. Mr. Speaker, just to show how undemocratic the process is here today, we have been asking for the terms of reference for all of those reports. They came out today at 3:01 p.m. – 3:01 p.m. they came out, while we were here in the House debating. That is how democratic our process here, Mr. Speaker, is.

Talking about the alternatives, they did those reports to the letter of the law. Those reports certainly are not what the Joint Environmental Assessment Panel was calling for. They recommended an independent analysis of alternatives to meet domestic demand. That is much broader than what they were talking about, Mr. Speaker. Every study that has been done, everything that they have looked for has been in their framework: We want to do Muskrat Falls at all costs.

The federal NDP worked hard, and Jack Harris when he was the Leader of the NDP here worked with them to get the federal government to agree to a loan guarantee. The project that we expected –

MR. SPEAKER: Order, please!

It now being 4:45 p.m., Standing Order 63.(6) dictates that the Chair must call upon the mover of the motion to conclude debate.

The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Thank you, Mr. Speaker.

Mr. Speaker, our history has been marked by economic hardship, despite relentless hard work and struggle for a better life. The story has unfolded that way in part because of developments that saw our resources leave our shores to benefit someone else; however, things have been changing and we have come a long way in the last fifty years.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: The daily struggle for survival our grandparents and great-grandparents faced is unheard of today. Newfoundland and Labrador has gone from being the poorest Province in Canada to one of its leading economies, Mr. Speaker, experiencing nothing less than an economic transformation.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Mr. Speaker, we are at an unprecedented time in our history, a time when we have choices. We no longer feel compelled to leave our Province for work. We can choose to stay in Newfoundland and Labrador or we can choose to go, and our people are as skilled, talented, and educated as any in the world, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Competing and shining in any marketplace. Our aspirations for ourselves and our families can be met right here in Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Today, Mr. Speaker, we are at a crossroads in our history where we stand face-to-face with momentous opportunity to ensure that our prosperity is grounded and will endure, not just for our children but for their children and grandchildren – and yes, Mr. Speaker, even beyond that.

This is the new chapter in our economic history, to be written by those of us sitting here in this Chamber. A new chapter that will require careful stewardship of revenue, wise planning for success, and the same courage, Mr. Speaker, that saw this government succeed in the past, as we negotiated more favourable agreements than some thought possible.

Successes do not just happen, Mr. Speaker. They are engineered in a series of well-planned steps – first, in recognizing the opportunity, and then acting deliberately to turn that opportunity to your advantage. You build your team. You gather information. You do your homework. You make connections. You run the numbers. You do everything you need to do to move forward with the advantages of knowledge and strength, and when you are confident the opportunity is worth seizing, you make your move.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: That is the responsible approach for any organization, especially governments. We engage the best people; we perform due diligence required to get the facts we need. When the options are clear, Mr. Speaker, we move forward boldly to make the choice that is in our best interests.

It takes courage and it takes determination to hold out for the best choice. We have, in the past, been criticized for our boldness. We had the boldness under Premier Williams to achieve a fair deal on the Atlantic Accord. We have stood firm to achieve equity in our offshore projects. We fought to achieve better terms for the Voisey's Bay development. That has consistently been our approach as a government, and Newfoundland and Labrador is stronger and more prosperous today because of the course we have taken.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: We have come so far, Mr. Speaker, but we are only part way through the journey. Today, we are enjoying the benefits of resource development as never before in our history. However, we must keep looking ahead with vision for the future. This is not the time to rest on our accomplishments. This is the time to build on what we have achieved, use the strength we have gained to multiply the benefits over and over for generations to come.

We are indeed at a pivotal point in our history. Since 2007, our government has been looking forward, casting a vision, and planning how to move from such a heavy reliance on non-renewable resources and find another way forward.

We completed an audit of available resources, quickly discovering that Newfoundland and Labrador is an energy super-warehouse, and coming to the realization that if we plan carefully, complete due diligence, act responsibly, and show courage, we can become an integrated energy economy so sought after by other jurisdictions.

The oil resources currently under development – without further discoveries – will be viable up to 2035, before reserves go into serious decline. In addition, the Province's tremendous mineral resources will sustain us for quite some time. However, Mr. Speaker, it is the undeveloped opportunity we have in hydro, wind, and – when the technology is developed well enough for commercial use – tidal energy that will sustain us.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Mr. Speaker, our vast renewable energy resources make us the envy of every other jurisdiction in North America. Now is the time, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Now is the time to make wise decisions about investing revenue from our non-renewable resources to build a sustainable future based on renewable energy sources that will support our economy for years to come.

As we face this next critical decision, the Muskrat Falls Development, we must remember what is at stake. It is not just about our history on the Churchill River. It is about our future as a self-supporting people and an economic and energy leader in Canada.

Two years ago, our Province's energy corporation Nalcor, and Emera of Nova Scotia, announced an agreement to pursue the development of Muskrat Falls hydro power. That agreement represented a pivotal point in our approach to electricity generation.

We have historically been under siege by Quebec with regard to electricity exports. Now we have broken that siege.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Mr. Speaker, successive governments in this Province have tried to develop the resources of the Lower Churchill, including Muskrat Falls, for decades, primarily to export the power to generate a healthy profit. Quebec has blocked our path at every turn, even going so far as to flout the terms of an American agreement by which they are bound to give provinces like ours the ability to wheel power fairly across their territory to market. Instead of allowing us access, Mr. Speaker, they have used regulatory red tape to block us, holding us hostage to our geography and preventing us from developing our energy riches and getting them to the market.

We will no longer be held hostage, Mr. Speaker. We will break Quebec's grip on us. We as Newfoundlanders and Labradorians will determine our own destiny.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Breaking Quebec's log-jam on our development is truly a monumental occurrence, as significant, Mr. Speaker, as any in our history. It represents a paradigm shift in our relationship with Quebec, enabling us to negotiate from a position of strength. In fact, by opening up a new trans-national energy route and showing national leadership in promoting the development of clean energy, we have captured the attention and support of the Government of Canada, who has committed to and provided a loan guarantee.

The federal support will reduce the cost of the project and the savings will go directly to electricity ratepayers in the form of savings on electricity bills to the tune of approximately \$1 billion.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Mr. Speaker, the Prime Minister made his commitment and he honoured his commitment. We have a legally binding, irrevocable guarantee that will benefit every ratepayer in this Province. The benefits of this project are first and foremost accrued to the people of Newfoundland and Labrador, both in the immediate future and for the next 100 years and beyond.

Let us be clear, Mr. Speaker, Muskrat Falls is the key to a sustainable, prosperous future with an economy based on energy self-sufficiency. It is the path forward, Mr. Speaker, as we continue this journey to bring Newfoundland and Labrador to the full measure of her potential. The next step is we move from a very prosperous but short-term project-based economy to a renewable economy capable of sustaining itself year after year, decade upon decade, for centuries to come.

Let us not mistake the importance of this opportunity, nor the significance of the timing. Right now, we have the ability to tap into vast reserves of hydroelectricity that we can use to power our economy. Furthermore, in addition to having needed hydroelectricity to satisfy our needs, we can use that to open the doors to wind and tidal electricity generation, unlocking such wealth potential, as we have only dreamed of in the past.

It will put us in a position of strength as we negotiate with Quebec in discussions on wheeling power from future developments, like Gull Island, and will open the door to tapping our unlimited energy generation from other energy resources. It is one of the most significant projects of our entire history, Mr. Speaker, and a critical step in our journey to lasting renewable and sustainable prosperity.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Newfoundlanders and Labradorians are saying it is the time to move ahead, time to seize the opportunity, to move our Province forward. Now is the time for boldness. Our ingenuity, our vision, our leadership has brought this far-reaching project to reality. Now we must demonstrate the foresight, the courage, and the commitment to take the next steps into the future.

It is time for the Opposition to stop playing political games and do what is right for the people of the Province.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Mr. Speaker, we have refuted with fact every criticism, every alternative, and every argument brought forward by this project.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER DUNDERDALE: We have proven our case, Mr. Speaker, and we do not stand alone in the conviction that this is the right path forward.

While the Opposition Parties have not advanced one evidence-based argument to show a flaw in the project, instead, relying on rhetoric with nothing to support their criticism. A whole cross section of Newfoundlanders and Labradorians, Mr. Speaker, and Canadians has understood the importance and benefits and they support this project.

SOME HON. MEMBERS: Hear, hear!

PREMIER DUNDERDALE: Mr. Speaker, along with federal Opposition Parties, a long list of supporters here in Newfoundland and Labrador – even the French newspapers in Quebec support us today, Mr. Speaker, and chastising their own government for their criticism – we have the Government of Canada not only endorsing the project, but saying something more. The Prime Minister said this project is in the national interest and, on that basis, requires support, Mr. Speaker.

When we outlined the requirements to make the agreement work for the people of Newfoundland and Labrador, the Prime Minister listened. When we go into negotiations with the federal government or any other entity, we will have the relenting determination and the force of our argument, Mr. Speaker, and it is the force of our argument that will make the difference at the end of the day.

Energy for Newfoundland and Labrador is the golden key. Squander it and we miss an opportunity that may never come again. This is a good project, the right project for Newfoundland and Labrador.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The House will deal with the amendment first.

Is it the wish of the House to endorse the amendment as put forward by the Opposition House Leader?

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

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

SOME HON. MEMBERS: Nay.

MR. SPEAKER: Motion defeated.

We will deal with the main motion.

All those in favour of the main motion?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against?

SOME HON. MEMBERS: Nay.

MR. SPEAKER: Motion carried.

AN HON. MEMBER: Division.

MR. SPEAKER: Division has been called.

Summon the members.

Division

MR. SPEAKER: Are the Whips ready?

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

All those in favour of the motion, please rise.

SOME HON. MEMBERS: Hear, hear!

CLERK: Ms Dunderdale, Mr. King, Mr. Hutchings, Ms Shea, Mr. Davis, Ms Sullivan, Mr. O'Brien, Mr. Jackman, Mr. Marshall, Mr. Kennedy, Mr. Hedderson, Mr. Verge, Mr. Littlejohn, Mr. Granter, Mr. Cornect, Ms Johnson, Mr. McGrath, Mr. French, Mr. Dalley, Mr. Felix Collins, Mr. Sandy Collins, Mr. Kent, Mr. Lane, Mr. Hunter, Mr. Dinn, Mr. Brazil, Ms Perry, Mr. Kevin Parsons, Mr. Little, Mr. Cross, Mr. Pollard, Mr. Peach, Mr. Crummell, Mr. Forsey, Mr. Russell, Mr. Osborne.

SOME HON. MEMBERS: Hear, hear!

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

CLERK: Mr. Ball, Ms Jones, Mr. Andrew Parsons, Mr. Edmunds, Mr. Joyce –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

CLERK: – Ms Michael, Mr. Kirby, Mr. Murphy, Mr. Mitchelmore, Ms Rogers.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

CLERK: Mr. Speaker, the ayes thirty-six, the nays ten.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The motion is carried.

This being Wednesday, and it is now 5:00 o'clock, this House stands adjourned until tomorrow, Thursday, at 1:30 p.m.

I remind members of the Management Commission that we meet here at 5:15 p.m.

Thank you.