

December 9, 1999 HOUSE OF ASSEMBLY PROCEEDINGS Vol. XLIV No. 49

The House met at 2:00 p.m.

MR. SPEAKER (Snow): Order, please!

Before we begin our routine proceedings, the Chair would like to welcome a number of groups to the House of Assembly today.

First of all I would like to welcome, on behalf of all members, Mrs. Gwen Mercer, President of the Avalon Chapter of the Mothers Against Drunk Driving, who is seated in the Speaker's gallery.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: As well I would like to welcome ninety students from three of the Canadian Issues classes in Mount Pearl Senior High. These students are accompanied by their teachers, Mr. Darrell Penney and Mr. Jim Locke.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: As well, I would like to welcome ten participants in the Youth Service Canada program. This is sponsored by the Lower Trinity South Development Association. They are accompanied by teachers Betty Tuck and Patricia Cumby, and assistants Francis and Mildred Glynn.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Signal Hill-Quidi Vidi.

MR. HARRIS: Thank you, Mr. Speaker.

With the consent of hon. members I would like to draw to the attention of Members of the House the swearing in today of the hon. Mary Elizabeth Heneghan to the Federal Court of Canada. Beth Heneghan is the granddaughter of P.J. Lewis, a former member of this House of Assembly, and has practiced law in St. John's since 1980. She is, I think - members will note - only the second appointment to the Federal Court of Canada from Newfoundland since Confederation in 1949, and the first woman appointee. I think it is worthy of note in this House of Assembly. I should add that it is a very well received and popular appointment amongst the Bar and Bench of this Province. We wish to congratulate her on her appointment and wish her well as a judge of the Federal Court of Canada.

MR. SPEAKER: The hon. the Premier.

PREMIER TOBIN: Mr. Speaker, I would like to associate myself with the comments just made by the Leader of the NDP. Indeed, Beth Heneghan is a distinguished lawyer and practitioner of the law, and has recently been elevated to the federal court, the circuit court, which will travel around the country and thus will be located in the city of Ottawa.

Madam Justice Heneghan has been a stalwart and effective advocate on behalf of her clients. I confess today that I have been on the receiving end, as Minister of Fisheries and Oceans, on one occasion of her effective and energetic and, I'm happy to say, on that occasion not too persuasive, but just about, representation.

I know that all members take a measure of pride in seeing such a distinguished individual, a citizen of our Province, a lawyer, take on these important duties. This reflects well upon the whole of the legal community of our Province and it is with pride that we wish her well in her new endeavor.

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

It clearly demonstrates what we have known for a long time - that the world sees this place, this Province, as a place of opportunity.

Our intention now is to let private enterprise do what it does best: to operate this company to the best of its ability and to build a stronger economy in this Province through identification and implementation of new business opportunities.

My department will, of course, work closely with NLDC to offer advice and assistance wherever we can.

I would like to welcome today Mr. Tim Lo, our Taiwanese partner, and Mr. Brian Dobbin, the Newfoundland and Labrador partner, to the gallery today.

SOME HON. MEMBERS: Hear, hear!

MS KELLY: They have both worked diligently to bring this idea to fruition.

I invite my hon. members to join me in welcoming this new company to our Province and in wishing them every success in helping to develop our economy.

SOME HON. MEMBERS: Hear, hear!

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

MR. FRENCH: Thank you, Mr. Speaker.

I would like to thank the minister today for a copy of her statement in advance, and to also thank the minister today - which we kind of got away from in this House - I am glad that the minister today read her statement in the House rather than rushing off to a press conference to announce it ever before it was mentioned in this House.

Minister, I would like to say as well that we are also very, very pleased to welcome these two gentlemen to the House today. We are very, very pleased to see new endeavors started in the Province of Newfoundland and Labrador, and hopefully this will create employment which is much needed in our Province. I can only ask you that if there are some special arrangements which have been made with this company, if there is anything in taxes and that sort of thing, over a period of time you will table such documents in the House.

Again, I thank you for a copy of your statement. This is, to me, at least a little bit of good news.

MR. SPEAKER: The hon. the Member for Signal Hill-Quidi Vidi.

MR. HARRIS: We certainly join in welcoming the investment interests from the Taiwanese company and the two gentlemen to the House today. If \$7.39 million represents a minority interest, then we can be very pleased that the full amount of capital will be used for investment in this Province.

I have a little concern of the name of the company, Newfoundland and Labrador Development Corporation, however. It is perhaps confusion with our former Crown corporation and a former corporation called NALCO which operated in the early sixties. I am a little concerned with the confusion this might create in the minds of the public and other investors as well. I certainly hope that this company is able to find worthy investments for their capital and create jobs and economy activity in this Province.

MR. SPEAKER: The hon. the Minister of Mines and Energy.

MR. GRIMES: Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. GRIMES: Mr. Speaker, the government is introducing in the Legislature today a bill which amends the Electrical Power Control Act and the Public Utilities Act. I would like to take this opportunity to place these amendments in context for hon members - more particularly in the context of the changes in our electrical industry over the last few years.

There has been an electrical industry in Newfoundland and Labrador for about 100 years. By the earlier 1960s, power was still in short supply and many communities still had no service at all. Government, as a matter of public policy, became a major industry participant in the 1960s with the development of the Bay d'Espoir generating plant and the provincial transmission grid. For the next thirty years, into the early nineties, we continued to have sufficient supplies of power for both our residential and commercial uses and for industrial developments through an ongoing program of plant construction by Newfoundland and Labrador Hydro. During that time, decisions on what plants to build were made by Hydro and the elected government of the day.

In 1994, government investigated the possibility of privatizing Newfoundland Labrador Hydro. Our neighboring province, Nova Scotia, had just done so the previous year; but the people of Newfoundland and Labrador clearly indicated they are more interest in continuing to own and operate our own utility more so than the residents of Nova Scotia were. The government of that day heard the voice of the people, and Hydro continues to be owned by the people of Newfoundland and Labrador.

Likewise, this government also listens to the people. This government has no intention whatsoever of privatizing Hydro.

SOME HON. MEMBERS: Hear, hear!

MR. GRIMES: In fact, the amendments contained in this bill are designed to restore Hydro to what government believes, and what it understands the people to believe, a Crown corporation should really be. Over time, amendments to the various pieces of legislation which govern the electrical industry have gradually moved Hydro in the direction of commercialization, with a concentrated focus on the corporation itself and its bottom line for profit, to the point where government, by law today, can no longer use the efforts of the corporation in the best interests of the general public. Through these amendments that are contained in this bill, government will restore its ability to have Hydro carry out projects which are in the best interests of all Newfoundlanders and Labradorians.

Mr. Speaker, this bill will allow the Cabinet to exempt specific projects from the need for approval by the Public Utilities Board, as is required today. At present, this approval process is not able to adequately consider and give weight to the special function the people demand of their public utility. The Electrical Power Control Act and the Public Utilities Act, as currently written, require Hydro to undertake only those projects that best serve the bottom line profit objective of the corporation and no other public interest is able to be considered. This bill, which recognizes the special role of Newfoundland and Labrador Hydro and its unique ability to act in the best overall interest of the Province, is in keeping with the approaches employed by almost all other Canadian jurisdictions which still own their own electric utilities.

Mr. Speaker, in short, the current legislation, as it stands today, was developed to accommodate the potential privatization of Hydro. This government has no such intention and is therefore providing in this bill for the proper functioning of a publicly-owned utility which the people of this Province fully support.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!