



**House of Assembly**  
*Nova Scotia*

DEBATES AND PROCEEDINGS

Speaker: Honourable Gordon Gosse

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Third Session

WEDNESDAY, DECEMBER 7, 2011

TABLE OF CONTENTS	PAGE
TABLING REPORTS, REGULATIONS AND OTHER PAPERS:	
Health & Wellness - Nurses' Uniforms: Tendering Process - Info, Hon. Maureen MacDonald.....	4932
INTRODUCTION OF BILLS:	
No. 134, Petroleum Products Pricing Act, Hon. Stephen McNeil.....	4932
ORAL QUESTIONS PUT BY MEMBERS:	
No. 540, Prem.: Layoffs - Bowater Guarantees, Hon. S. McNeil .....	4932
No. 541, Prem. - State of the Prov.: Truth - Admit, Hon. J. Baillie .....	4933
No. 542, Prem. - Rural Economy: Crisis - Admit, Hon. S. McNeil .....	4935
No. 543, Prem. - FCA: Manitoba Model - Superiority Confirm, Mr. Z. Churchill .....	4936

No. 544, Prem. - Electricity Rates: Nova Scotians - Assistance, Hon. J. Baillie .....	4938
No. 545, ERDT - Grants/Loans: Approach - Abandon, Mr. G. MacLellan .....	4939
No. 546, Health & Wellness: Long-Term Care - Wait Lists, Hon. C. d'Entremont.....	4942
No. 547, Energy: Hydro-Québec - Contact, Mr. A. Younger.....	4944
No. 548, Justice - Youth Advocate Prog.: Funding - Details, Mr. A. MacMaster.....	4946
No. 549, Fin. - Mining/Quarrying: Fuel Tax - Exemptions, Mr. A. Younger.....	4947
No. 550, Justice: Maintenance Payments - Enforcement Plan, Ms. K. Regan .....	4949
No. 551, Health & Wellness: Home Oxygen Serv. - Vendor Lists, Mr. L. Glavine.....	4951
No. 552, Health & Wellness - Home Oxygen Serv.: Vendors - Tendering, Mr. L. Glavine .....	4952
No. 553, ERDT - State of the Prov. Speech: Writers - Min. Advise, Mr. K. Bain .....	4954
No. 554, Health & Wellness - Lucentis: C.B. - Availability, Hon. Manning MacDonald .....	4955
No. 555, Health & Wellness: Lyme Disease Meeting - Min. Invitation, Ms. K. Regan.....	4957
OPPOSITION MEMBERS' BUSINESS:	
PRIVATE MEMBERS' PUBLIC BILLS FOR SECOND READING:	
No. 68, Elimination of Bonuses in Power Rates Act Hon. J. Baillie .....	4960
Mr. H. Epstein.....	4963
Mr. A. Younger.....	4965
Mr. C. Porter .....	4967
No. 70, Ratepayer Fairness Act Mr. A. MacMaster.....	4971
Mr. M. Whynott .....	4974
Mr. L. Glavine.....	4976
Mr. A. MacLeod .....	4979
ADJOURNMENT, House rose to meet again on Thur., Dec. 8 <sup>th</sup> at 12:00 noon.....	4982



House of Assembly  
*Nova Scotia*

**HALIFAX, WEDNESDAY, DECEMBER 7, 2011**

**Sixty-first General Assembly**

**Third Session**

**9:00 A.M.**

**SPEAKER**

Hon. Gordon Gosse

**DEPUTY SPEAKERS**

Ms. Becky Kent, Mr. Leo Glavine, Mr. Alfie MacLeod

MR. SPEAKER: Order, please. We will begin the daily routine.

**PRESENTING AND READING PETITIONS**

**PRESENTING REPORTS OF COMMITTEES**

**TABLING REPORTS, REGULATIONS AND OTHER PAPERS**

MR. SPEAKER: The honourable Minister of Health and Wellness.

HON. MAUREEN MACDONALD: Mr. Speaker, yesterday in Question Period the honourable member for Hants West asked me questions about opportunities to bid on nurses' uniforms for a company in his riding. I've had an opportunity to look into that and I'd like to table the information of the tenders which, for the members of the House, are on the Capital District Health Authority Web site.

MR. SPEAKER: The report is tabled.

## **STATEMENTS BY MINISTERS**

## **GOVERNMENT NOTICES OF MOTION**

## **INTRODUCTION OF BILLS**

**Bill No. 134 - Entitled an Act to Repeal Chapter 11 of the Acts of 2005. The Petroleum Products Pricing Act. (Hon. Stephen McNeil)**

MR. SPEAKER: Ordered that this bill be read a second time on a future day.

## **NOTICES OF MOTION**

## **ORDERS OF THE DAY**

## **ORAL QUESTIONS PUT BY MEMBERS**

MR. SPEAKER: The time is now 9:14 a.m. and we will finish at 10:44 a.m.

The honourable Leader of the Official Opposition.

## **PREM.: LAYOFFS - BOWATER GUARANTEES**

HON. STEPHEN MCNEIL: Mr. Speaker, Bowater pitted worker against worker, neighbour against neighbour. The Premier says that this company must keep costs down to stay competitive in a declining market. They've already cut 100 jobs; they've already forced concessions from the workforce; every Nova Scotian is already going to subsidize the power through their power bills; and the members of the municipality are going to pay more on their taxes. So my question to the Premier is, did the Premier get any guarantees from Bowater that more people will not be laid off after he turns over \$50 million?

HON. DARRELL DEXTER (The Premier): Mr. Speaker, the agreement set out with Bowater called for the operation of both of the paper machines that are located in the Bowater facility. The agreement calls for the renewal of that facility, increased efficiency in the plant, lower costs. It is designed to keep the mill operating and, of course, is a key part of the economic architecture of the South Shore.

MR. MCNEIL: Mr. Speaker, the question to the Premier is, does he have a guarantee that more people will not be laid off - and he's unwilling to admit to that. Small businesses around this province are suffering. We still have more than 50 small businesses owed a few million dollars from SWSDA. The province put itself ahead of those small businesses and refused to let them collect that money that they were owed. Giving money to small businesses ensures that money stays in this province, while giving money to Bowater and the Royal Bank ensures that we see more of our money sent elsewhere.

Mr. Speaker, my question for the Premier is, why is the Premier more interested in giving money to Bowater and RBC than compensating these local, small entrepreneurs?

THE PREMIER: Mr. Speaker, Bowater Mersey has been operating in this province since 1929. It has been a key part of the economy of our province, employing thousands of Nova Scotian families for generations. We stand up on behalf of the people of the South Shore. We invest in that business because it's good for the Province of Nova Scotia.

MR. MCNEIL: Mr. Speaker, he stands up for the people of the South Shore? He's signing a deal that's going to allow \$23 million to leave here to go to Quebec, and he's more willing to pay the Royal Bank than he is to pay the small entrepreneurs who are creating jobs from one end of the South Shore to the other.

Mr. Speaker, the Premier's solution to this problem was to cut a \$50 million cheque to a company that is laying off 100 Nova Scotian workers. We're also on the hook for commitments to Nova Scotia Power, the municipality, and the Port of Halifax. This deal could cost as much as \$90 million to the taxpayers of Nova Scotia. So my question to the Premier is, what other options did the Premier explore before deciding to give Bowater as much as \$90 million of taxpayers' money?

THE PREMIER: Well, Mr. Speaker, we went through many iterations of possible support in order to ensure that that asset continued as a going concern in our province, because on this side of the House we're actually concerned about the 2,000 people who are part of the Bowater family and jobs because we have confidence in our province. I hope the Leader of the Opposition enjoys his throne of pessimism.

MR. SPEAKER: The honourable Leader of the Progressive Conservative Party.

#### **PREM. - STATE OF THE PROV.: TRUTH - ADMIT**

HON. JAMIE BAILLIE: Mr. Speaker, today is the day to talk about the state of the province. We can only imagine what fantasy the Premier will spin in his speech this afternoon on this topic, but for the benefit of this House, the real state of the province is that it is one with among the highest taxes, rising power rates, and rising fees that are making life unaffordable for too many families and unworkable for too many businesses.

Mr. Speaker, the Premier's answer to all of that in this House is to introduce risky job-killing labour laws like we have before us. So my question to the Premier is, will he do the right thing and admit the truth today about the real state of the province and take responsibility for it?

THE PREMIER: Mr. Speaker, I intend to take full responsibility for where the Province of Nova Scotia is because we are on the right path. We are turning the corner on 20 years of the worst economic conditions in the country, put in place by former governments. We are finally digging ourselves out of the hole we were put in by the former government.

MR. BAILLIE: Mr. Speaker, I have to admit I was wrong. The fantasy actually began just here and now this morning, it didn't even wait for this afternoon.

Mr. Speaker, the Premier has chosen to blatantly politicize the agreement around Bowater. It is reported in this morning's ChronicleHerald - and I will table the document - he is quoted as saying, "It's a political issue." That is a shame. It is unacceptable to the families and workers and community members in Queens County who have asked all Parties to work together in a non-partisan fashion. Yet the Premier has decided that it is, after all, a political issue.

MR. SPEAKER: Order, please. I know it's early in the morning, but let's have a little bit of civility in here this morning.

The honourable Leader of the Progressive Conservative Party has the floor.

MR. BAILLIE: Mr. Speaker, I actually believed that all three Leaders were sincere when they said that this was an important issue that should be beyond politics. That's why I raised the point that the Premier said yesterday that in his view it is a political issue. That is a shame to the families and the workers and to the community of Queens County, and in fact the entire South Shore, where the fact of the matter is, there are 6,500 people without work.

MR. SPEAKER: Question.

MR. BAILLIE: My question to the Premier is, will he stop playing politics with issues like this and address the real state of the province in his speech today?

THE PREMIER: Mr. Speaker, I'm as shocked as the Leader of the Progressive Conservative Party that a political issue should make its way to the floor of the House of Assembly. But it's here, and there's a difference between being political and partisan. If he wants to do the right thing, if he wants to be on the right side of the politics of this issue, he can vote in favour of the bill and support the people of the South Shore.

MR. BAILLIE: Mr. Speaker, the Premier has just proven my point with that incredibly political answer on such a sensitive issue.

Today we're addressing the real state of the province, and the fact of the matter is we do have one opportunity before us to get it right with the shipyard contract. Instead of doing all it takes to prepare, the Premier has chosen this time to bring in first contract arbitration, which everyone who creates jobs in the province tells him will be a job killer. He has driven up power rates, he has raised taxes; he's now ramming the first contract bill through the Legislature. It's not going to be a very happy holiday for the 6,500 families in rural Nova Scotia that are without a job today. My question for the Premier is, will he address the real problems of Nova Scotia in his State of the Province Address and stand up for those 6,500 families that are without a job this year?

THE PREMIER: Mr. Speaker, with respect to addressing the real problems in Nova Scotia, I intend to spend very little time on the Opposition. What I will do is ensure that people understand the very valuable path that we are on toward a stronger economy, toward job creation, toward a stronger labour force - something that will be good for all Nova Scotians.

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

#### **PREM. - RURAL ECONOMY: CRISIS - ADMIT**

HON. STEPHEN MCNEIL: Mr. Speaker, the economy in rural Nova Scotia is in crisis. If the Premier needs proof, he need look no further than Liverpool. The Premier is prepared to spend \$50 million to \$90 million to keep a company afloat in an industry which he concedes is in decline. Year-to-date employment and labour force numbers show decline in regions outside of Halifax. To quote this Premier's own Finance Department, "The Southern region saw employment decrease by 2.2 per cent for the first eleven months of 2011 over the same period in 2010. Labour force decreased 5.0 per cent." My question to the Premier is - 1,700 job losses, \$50 million to \$90 million to prop up an industry that the Premier admits is in decline - how many more jobs and how much more money will the Premier spend before he admits the rural economy is in crisis?

THE PREMIER: Mr. Speaker, the simple fact of the matter is that Statistics Canada - which the Opposition loved to rely on until this month's numbers came out - says that all of the economic indicators for this province are good. The labour force is increasing, employment is increasing, unemployment is down - we have the lowest unemployment in Atlantic Canada. Instead of recognizing that fact, the Leader of the Official Opposition would rather pit one area of the province against another - instead of saying, how do we best take advantage of the strong economy in this province?

MR. MCNEIL: Mr. Speaker, the Premier is just as delusional in here as he is outside of this place. Year over year, data from rural Nova Scotia shows just as bleak in

November as it was in October. Outside of Halifax, the most recent data shows that in the past year rural Nova Scotia has lost 6,500 jobs while 8,200 people left the workforce. The difficulties at Bowater are simply a symptom of an overall fundamental problem that the Premier has yet to acknowledge, let alone address. Our province is simply uncompetitive and businesses are suffering because the Premier is unwilling to face the harsh reality.

My question to the Premier is, rural Nova Scotia is suffering and is losing jobs, workers and employers with each passing day - how many jobs must rural Nova Scotia lose before his government addresses the core, fundamental problems facing our economy?

THE PREMIER: Mr. Speaker, if the Leader of the Official Opposition had his way, there would be 2,000 more people out of work down on the South Shore right today. We are not going to allow that to happen. We are investing in rural businesses throughout the province from one end to the other. They are working to create jobs, we are working with them to ensure that that happens.

MR. MCNEIL: Mr. Speaker, if the Leader of the Official Opposition had his way, the Premier would have signed a deal that would have made sure that \$23 million wouldn't have gone to Quebec, it would have gone into the workers of the South Shore.

Mr. Speaker, Cape Breton lost 1,300 jobs last year, the North Shore lost 1,300, the Valley 2,200 and southern Nova Scotia lost 1,700. Outside Halifax we have a 10.7 per cent unemployment rate. We've raised these issues in the House for weeks and the Premier refuses to take responsibility. The Premier blames global forces and past governments for his government's failings. This Premier, while in Opposition, said that this passing the buck was a sign of weak leadership.

Mr. Speaker, my question is, 6,500 jobs lost over one year under this government, when will the Premier live up to the standards of leadership that he demanded from other Premiers?

THE PREMIER: Mr. Speaker, whether it's Bowater or DSTN in Trenton or supporting things like the Cape Breton railway so that it's available for economic development, dredging in Sydney Harbour, fibre optic cabling in Cape Breton and in Halifax - all of these are parts of the infrastructure of the province that is being strengthened by this government in order to support a robust economy.

MR. SPEAKER: The honourable member for Yarmouth.

#### **PREM. - FCA: MANITOBA MODEL - SUPERIORITY CONFIRM**

MR. ZACH CHURCHILL: Mr. Speaker, this government is forcing through an aggressive form of first contract arbitration that only one other province has. The Premier



got up and said first contract arbitration covers 85 per cent of the population. It's not true, this form covers 4 per cent of the population.

We've heard clear evidence that this legislation puts future investment for Michelin at risk and worries Sobeys and Clearwater, two of the largest private sector employers in Nova Scotia. People from around this province have asked this government to at least compromise and this Premier has refused.

Mr. Speaker, my question to the Premier, will he table evidence to indicate why he thinks the Manitoba model of first contract arbitration is the best model for Nova Scotia?

THE PREMIER: Mr. Speaker, I think the Liberal Party still gets funding for research, I'm sure they're capable of doing it. Well, I think they're still capable of doing it. The simple fact of the matter is that we have decades now of experience with first contract arbitration across the country. What it does is it stabilizes the labour relations in the provinces, it assists both employers and employees.

MR. CHURCHILL: I'm proud to say that at least our researchers give us the truth in our caucus and this caucus is always proud to stand up and give it to you.

Mr. Speaker, it's hard to provide such evidence which is why the Premier hasn't provided it. We know that current employers are now second-thinking future investment. It is also likely that first contract . . .

MR. SPEAKER: Order. The honourable member for Yarmouth has the floor and I would remind the honourable member that using the word "you" in the Chamber is unparliamentary, so please redirect your question with a new word.

MR. CHURCHILL: Thank you, Mr. Speaker. The Premier cannot provide that evidence because it's hard to provide such evidence. We know that current employers are now second-thinking future investment in the province. It is also likely that first contract arbitration will make it harder to attract future investment from new employers and to bring new business to Nova Scotia. The Dexter Government was already forced to bail out Bowater and cut massive cheques to major corporations to entice them to set up in Nova Scotia. With FCA it will be harder to bring those corporations here.

My question to the Premier is, how can he argue that this form of first contract arbitration is the best to protect our economy when major employers and academics say it isn't?

THE PREMIER: Mr. Speaker, as I said before, there's more than three decades of experience with first contract arbitration across the province and, in fact, there is no evidence to support what the member has said.

MR. CHURCHILL: The Premier hasn't supported any evidence to support what he said, ever. Ever. What we do know about the Manitoba model of first contract arbitration, Mr. Speaker, is that it results in the highest number of contracts being imposed upon employers; we know that it has twice the decertification rate after first contract; we know that a combination of imposed contracts and increased hostility on second contracts will lead to less stability in the long term; and we know that this model of FCA is the wrong model for Nova Scotia.

So my question to the Premier, why would the Premier not compromise to bring forward a form of first contract legislation that will create long-term stability rather than short-term gains for his political friends?

THE PREMIER: Mr. Speaker, the fact of the matter is that in over three decades of first contract legislation across the country, successive governments, when they came in, did not repeal the legislation that was put forward because they found out that it worked - and I understand that's the position of both the Opposition Parties.

MR. SPEAKER: The honourable Leader of the Progressive Conservative Party.

#### **PREM. - ELECTRICITY RATES: NOVA SCOTIANS - ASSISTANCE**

HON. JAMIE BAILLIE: Mr. Speaker, my question is for the Premier. In 2006, our now-Premier went to Nova Scotians with a petition calling on the government to stop power rate increases until they received help with reducing electric consumption. At the time the average consumption was 795 kilowatt hours. Today, in 2011, after two and a half years of his government the average consumption has risen to 833 kilowatt hours. The real state of the province is that consumption is up, not down, increasing the burden on Nova Scotia families who now have to pay more for each kilowatt hour of electricity.

My question to the Premier, why did he mislead all of those Nova Scotians then, and why has his government given up on helping Nova Scotia families with their electricity bill?

THE PREMIER: Quite the opposite, Mr. Speaker, the people who sit on these benches are the champions of the people of Nova Scotia. That is why we took the HST off of home energy.

MR. BAILLIE: Mr. Speaker, the people of Nova Scotia will have to judge who their champions are when they open their electricity bill every month. In 2006 the average electric bill was \$89.08; today it is \$109.98. The real state of the province is that the government has done nothing but drive up the cost of electricity in this province.

So my question to the Premier is, does he deny that consumption is up, that the price of electricity is up, and will he admit that he has no plan to help Nova Scotians with their power bills?

THE PREMIER: Mr. Speaker, there is no question that energy prices are up and that's not something that we welcome. In fact we are working very hard to ensure that Nova Scotians have stable, long-term energy rates, and that is why we are investing in a renewable electricity plan that will do just that. We look forward as programming continues to come forward from Efficiency Nova Scotia that will help bring down the amount of energy used by consumers. After all, the best way for us to ensure that families aren't paying energy costs that are higher is to ensure that the amount of energy that they actually use comes down.

That's the job of Efficiency Nova Scotia and that is the job that they will do as they continue to develop their programming. Obviously we look forward to that, but fundamentally we have higher energy costs because the previous government refused to recognize the necessity of getting off fossil fuels.

MR. BAILLIE: Mr. Speaker, the price of a Mercedes Benz car is stable. It is no help to the people of Nova Scotia to aim for stabilized electricity prices at a Mercedes Benz level, but that is what the Premier has just told Nova Scotians he aims to do. The fact of the matter is, residents, charities, small businesses and large manufacturers are all facing increases in their power bills in 2012 and those increases are going to continue into the foreseeable future. I ask the Premier, will he provide open and transparent information to Nova Scotians about the cost of his government's policies on their electric bill and let them decide if they need to bite the bullet at a Mercedes Benz level or not?

THE PREMIER: What we seek, of course - if we're going to use the motor vehicle analogy - is a North American-made family car. That is what we are aiming for in terms of a model. That's why we refuse to shackle ourselves to the international fossil fuel market. That was what was done by the previous government. What we are doing is we are getting out of that model of business. For the Leader of the Progressive Conservative Party to suggest that the people of Nova Scotia would demand a Mercedes Benz is simply wrong.

MR. SPEAKER: The honourable member for Glace Bay.

### **ERDT - GRANTS/LOANS: APPROACH - ABANDON**

MR. GEOFF MACLELLAN: Mr. Speaker, on Friday Statistics Canada released the most recent employment statistics and the news is not much better than it was last month. On a year-over-year basis, rural Nova Scotia still lost 6,500 jobs, November to November. Further to that, there was a significant contraction of the job market, yet we have a government that has no interest in moving the economy forward with real targets

and measurable outcomes for the taxpayers' money we spend on economic development, rather we turn to marketing campaigns and band-aid solutions.

My question is, will the Minister of Economic and Rural Development and Tourism abandon his approach to economic development of one-off grants and band-aid loans?

HON. PERCY PARIS: Mr. Speaker, I've said here since the House opened for this session that we have a government for the first time in 20 years that is very concerned about jobs. I tabled a newspaper clipping yesterday with respect to the only province in Canada that has had any significant turn-around in the positive side was Nova Scotia.

I would like to read another piece of information for the House, and again, this is from the Cape Breton Post. This is with respect to a group of individuals who are economists, a demographic that met at the convention centre. They recognized that it's going to take a lot to turn this so-called economic ship around, but what it does say is:

“Turning that ship requires all hands on deck, and like it or not, Cape Breton is on board. Businesses need to invest in people and facilities, governments need to make policies that encourage residents and business owners to stay and spend money here - and they need to invest in the right infrastructure . . . If the cards all fall the right way and we stay the course, Nova Scotia . . .” (Interruptions)

MR. SPEAKER: Order, please. I will not have members in the Chamber hollering at another member to sit down. Would the honourable member table that and finish your answer please?

MR. PARIS: “If the cards all fall the right way and we stay the course, Nova Scotia and Cape Breton should be able to swing around without hitting any major obstacles.” A Cape Breton quote from the Cape Breton Post, Mr. Speaker.

MR. MACLELLAN: The minister is using quotes from the Cape Breton Post. Yesterday, he also used a quote from the Cape Breton Post about the ICEAP at CBU, but that's not at CBU, it's in Glace Bay. If the minister is going to use quotes about Cape Breton, he might want to get his facts straight.

The southern region of Nova Scotia suffered in the last year from 2,700 people exiting the workforce, while there were 1,700 lost jobs. Focusing on the symptoms of the problems without addressing the fundamental issues facing our province is bad public policy. When the minister neglects the fundamentals of competitiveness and proper planning, the result is being forced to pay corporations millions of dollars to stay afloat while thousands of jobs are still lost - precisely the situation the government finds itself in now.

Mr. Speaker, why is it that the only thing the Minister of Economic and Rural Development and Tourism seems to be able to do is react to shutdowns, and yet is unable to address the fundamental employment crisis facing our rural communities?

MR. PARIS: Mr. Speaker, I would like to remind all members of the House that under this government - and I'll start with Lower Churchill, a significant move by this government to create jobs within the Province of Nova Scotia and certainly a huge benefit to the Cape Breton region of this province. Ships Start Here, a huge contract which we were in from the very beginning with Irving shipyard, and fortunately, we've got that contract.

Mr. Speaker, we have created thousands of jobs in the Province of Nova Scotia. We are going to stay the course. It's called jobsHere. (Applause)

MR. MACLELLAN: Mr. Speaker, jobsHere includes \$400 million of taxpayers' money, no targets, and no way to know how we reach that finish line in terms of creating jobs in this province.

The minister can talk all he wants about unemployment rates, but even if we compare the first 11 months of 2011 with the same period last year, there was a decline in average employment levels of 900 net jobs in all of Nova Scotia, coupled with a drop in labour supply - again, the labour force. The average unemployment rate on a year-to-year basis in the province is 9 per cent, but it's only low because the labour supply can track it more quickly than we lost jobs. It's a pretty simple equation.

Let's be clear, both the labour supply and demand contract, there is nothing to celebrate for this government. The path toward growth is to say we want to create a range of new jobs, set up a competitive business environment, and put clear and measurable outcomes to accompany these targets. Yet this minister has avoided the hard work and difficult decisions required to succeed, and we see the results - 6,500 jobs lost and 8,200 people leaving the rural economy.

Mr. Speaker, what will it take for this minister to understand that he needs a competitive and comprehensive plan to address the needs of rural Nova Scotia before it gets any worse? (Interruptions)

MR. SPEAKER: Order, please. Order, please. Order, please! (Interruptions)

I'll ask the honourable member to have order in the Chamber this morning. That's inappropriate language in the Chamber. The next time I'll ask the honourable member to withdraw from the Chamber if I hear that word spoken again today.

The honourable Minister of Economic and Rural Development and Tourism.

MR. PARIS: Mr. Speaker, with that excitement, I almost lost track of what the question was, but I think the question was with respect to jobs in the Province of Nova Scotia.

Mr. Speaker, I keep reminding the members of this House that we have a strategic plan. It is called jobsHere and what that plan is, is that plan is an inclusive plan. For the first time in 20 years we've recognized the economic decline in this province, a province that was dead last according to national statistics when it comes to economic growth. We are investing in people and in education. This is the most inclusive plan that this province has seen in Nova Scotia in 20 years. It is called jobsHere.

MR. SPEAKER: The honourable member for Argyle.

### **HEALTH & WELLNESS: LONG-TERM CARE - WAIT LISTS**

HON. CHRISTOPHER D'ENTREMONT: Mr. Speaker, my question through you is to the Minister of Health and Wellness. The Auditor General made it clear in his report last May that wait lists for long-term care should be made public on the department's Web site, which is something that this Party supports. By not allowing the wait list figures, growing as they are under the NDP, to be made public, Nova Scotians are not only struggling with the reality that there are too few long-term care beds, but they're also being denied some basic information to make some informed choices. I know, as MLAs, many of us get phone calls from families of seniors who are wondering where they are on the wait list.

On October 2, 2008, the now Premier told The Kings County Register - and I have a copy of that - that he believes: Wait lists are a smokescreen for a secret government practice born out of desperation. Those are very harsh words. Does the minister agree with the Premier that wait lists are a smokescreen for her government's secret practices and are born out of desperation?

HON. MAUREEN MACDONALD: Mr. Speaker, the honourable member brings an issue to the floor that is very important to myself and to this government and that is providing the right kind of health care for our seniors, particularly frail and vulnerable seniors with complex and multiple needs. We've added close to 1,000 new long-term care beds into the continuing care system. In addition to that, we've also initiated a number of new programs designed to provide more support for caregivers and to seniors who want to remain in their own homes.

We have continued to work very hard to monitor the wait times for long-term care and to look at ways to improve access to long-term care. People in the province will be hearing about some of the additional initiatives that we plan to put in place in the coming days, months, and years.

MR. D'ENTREMONT: Mr. Speaker, I thank the minister for her answer. Of course, the 1,000 beds are important but we do need more beds in different parts of the province. I hope that will continue.

I'm aware of an amazing response given by the department to the Auditor General regarding the recommendation of making the wait list public. The Auditor General was told the department would make a business case for long-term care wait list information to be included within larger wait list strategy for the department. That means something to somebody but heaven help them, it doesn't do anything to meet the AG's recommendations and it does nothing to help the growing list of families waiting for placement. My question to the minister is, will the minister cut through the bureaucratic mumbo-jumbo and immediately abide by the AG's recommendations and make the information public to all Nova Scotians?

MS. MAUREEN MACDONALD: Mr. Speaker, I believe that on our Web site there is the latest assessment that the continuing care staff have done on wait times. Certainly there was a fair amount of information on this in the last number of weeks that we've been here in the House, but as you know, waits change day by day. The important thing, I think, is that we work very hard to understand what the pressures are, where they are, and how best to plan to deal with a growing number of seniors in our communities who require services. That is the work that certainly I, the department, and this government are undertaking.

MR. D'ENTREMONT: Mr. Speaker, today is a very special day, for people in Nova Scotia it's the day when everybody gets told by the Premier what he thinks the state of the province is. I can tell you, how can people eat with all that spinning going on? The minister will know the true state of the province, no smokescreen, no NDP mumbo-jumbo, includes growing wait lists for long-term care beds, the cancellation by the NDP of further construction, and agonizing wait lists for seniors and families growing in numbers. My question to the minister is, why won't this minister stop patronizing Nova Scotians and give the true state of the province to Nova Scotians, post the information demanded by the Auditor General, and let Nova Scotians decide for themselves just how unreliable the NDP have been about wait times?

MS. MAUREEN MACDONALD: Mr. Speaker, the only person whose information is unreliable is that member's, because there has been no cancellation of long-term care beds.

Mr. Speaker, we are about halfway through the Continuing Care Strategy. There are still four to six years remaining in rolling out that strategy and building and adding additional beds into the system, and that certainly is the intention of this minister and this government on a go-forward basis. Seniors who are vulnerable are the top of our priority list in the Department of Health and Wellness.

We have a multiple number of initiatives underway to support seniors so they don't have to go to emergency departments, so they get the right care in the right place with the right providers, as soon as possible. We are making great progress in terms of delivering good care to the seniors of this province.

MR. SPEAKER: The honourable member for Dartmouth East.

### **ENERGY: HYDRO-QUÉBEC - CONTACT**

MR. ANDREW YOUNGER: Mr. Speaker, my question is for the Minister of Energy. This past weekend it came to my attention that the State of New Hampshire is currently finalizing a deal with Hydro-Québec to deliver energy, beginning in 2014 and the second phase in 2016. It also came to my attention over the past few days that Rhode Island and Massachusetts are in the early stages of negotiating such agreements for the same timeline. We already know that Vermont has finalized a deal and I believe that energy will be flowing very soon.

Mr. Speaker, in questioning in the past couple of weeks the Premier has said he is perfectly content to wait until Muskrat Falls is complete before holding such discussions with Hydro-Québec, yet other jurisdictions are all picking up the phone, calling Hydro-Québec and having those deals begin for 2016.

Mr. Speaker, would the Minister of Energy please explain why his government is content to wait until Muskrat Falls is complete before picking up the phone to discuss the possibility of importing cheaper, clean, Hydro-Québec energy?

HON. CHARLIE PARKER: Mr. Speaker, I thank the honourable member for the question. Certainly Nova Scotians are looking for the best possible sources of energy, the best rates for consumers, for ratepayers, and we're always looking at the various options available. We buy some power from outside the region right now and certainly when the Lower Churchill comes on stream there will be stable rates for a 35-year period, clean, green, renewable energy. But our options are always open, looking for the best possible deal for ratepayers in our province.

MR. YOUNGER: Mr. Speaker, after a couple of weeks of asking almost the same question, you'd think you'd get a better answer at this point, with some detail. It's almost like the government is incapable of multi-tasking. The thing is, the minister will talk about cleaner, cheaper energy from Muskrat Falls and, of course, he probably knows that it has been reported in Newfoundland and Labrador that the price of that energy will be 16.54 cents a kilowatt hour in Newfoundland. We can assume that it might be higher here. We also know that it is only 8 per cent to 10 per cent, at most, of energy needs in Nova Scotia, so it makes sense that we are going to need energy from other sources.



We know that the deals currently being signed in the United States are for delivery in 2016 and beyond, which is after the Muskrat Falls date. So, Mr. Speaker, if the Premier - when he answered the question last week, he said they would consider getting that energy after Muskrat Falls. To do that, those deals need to be signed and the negotiations need to start today.

Mr. Speaker, governments in the U.S. are picking up the phone and making that call, why isn't the Minister of Energy doing the same thing?

MR. PARKER: Mr. Speaker, I understand the need for the best deal for our ratepayers and certainly that's what we're all interested in getting, but the truth is that the infrastructure is just not there between Quebec and New Brunswick to come into Nova Scotia. The inter-tie between our two provinces is not updated and besides, the rate that is being offered to other jurisdictions in North America is on a floating market price. They are still vulnerable to rising prices of fossil fuels and those prices will no doubt continue to go up.

Again, with the Lower Churchill deal, once that full infrastructure is in place, that's going to allow us access to clean, green, renewable energy from other jurisdictions and in the best interests of ratepayers in our province.

MR. YOUNGER: You know, Mr. Speaker, there will be a lot of Canadians who will be surprised to learn that hydro power is subject to the price of fossil fuels on the world market. I think there's going to be a lot of shock about that and if the minister actually believes that he may want to stop saying that Churchill Falls will be stable energy because that's hydro power too.

Mr. Speaker, this is really simple. We're not asking the minister to sign a deal today, we're asking him to pick up the phone and explore the possibility of a deal. He talks about the infrastructure yet the Premier stood in this House last week and said that infrastructure tie will be done by the time Muskrat Falls is complete and these deals are to take place and to deliver energy after Muskrat Falls is complete. So that infrastructure issue is irrelevant, not only the fact that Hydro Quebec has already said the infrastructure is already sufficient and they looked into it, so Mr. Speaker, the answers simply don't wash.

Will the Minister of Energy pick up the phone and call Hydro Quebec, like his counterparts have in other jurisdictions, and just see if the possibility of such a deal might exist for Nova Scotians?

MR. PARKER: In our research we've talked to the former system operator in the Province of New Brunswick, Bill Marshall. He has indicated that the capacity is just not there at this point in time to bring in electricity from the Province of Quebec and again there's no long-term price certainty even if it is available. We do buy a little bit on the spot market as required, in the winter months in particular. But again the best deal of Nova

Scotia is Lower Churchill. It will expand the transmission system, it will allow for clean, green, renewable energy and that too, in turn, will allow us to bring in more renewable energy from other sources once that's done.

MR. SPEAKER: The honourable member for Inverness.

### **JUSTICE - YOUTH ADVOCATE PROG.: FUNDING - DETAILS**

MR. ALLAN MACMASTER: Mr. Speaker, my question is for the Minister of Justice. The Youth Advocate Program offered a more personalized approach to reforming higher risk youth and the program worked. The federal government extended pilot funding for an additional year and this Nova Scotia success story is being advanced around the country as a way to divert high risk youth aged nine to 14 from criminal behaviour. My question to the minister is, how are discussions going between this government and HRM to allocate funding to continue the program in 2012?

HON. ROSS LANDRY: I thank the member for the question. There is ongoing discussion with HRM. In fact, I had correspondence sent to the mayor, I signed off yesterday, continuing our support to them and to looking at ways to working together in a collaborated manner to enhance the quality of service. I want to also take the opportunity here to talk about our crime prevention initiatives that we're doing and especially around the Lighthouses Program that targets youth directly and that the results from that, especially within the HRM area, has been very positive and we look to continue. One of our most precious resources in our society is our youth.

MR. MACMASTER: Mr. Speaker, the federal government fully funded this pilot program. They initiated it and took the risk and our province benefited. It cost \$120,000 each year to incarcerate youth and it costs about a fifth of that to turn these kids around with the Youth Advocate Program. The program is saving the province money. This government needs to come forth and be forthright about what it's going to do. Why won't this government support something that is working for our most at risk youth?

MR. LANDRY: Thank you for the question, it gives me an opportunity to say, unequivocally, that as the Minister of Justice and as this government, we're committed to youth and looking at doing things differently and how we invest in youth. We see that as an initiative much superior to putting more people in jail as the philosophy of the opposition's perspective is. We believe in finding ways to prevent crime, to enhance the quality of life for our youth, unlike the Conservative Government agenda, which believes in putting more people in jail and building more jails.

MR. MACMASTER: Well Mr. Speaker, I do take exception with the minister's comments because it was after all the Conservative Government that funded this program so there is less chance of children falling through the cracks and ruining their lives if only this government would stand up and help them. Will the minister help those young people

see something more in themselves and keep our streets safer by assuring, to this legislature, that his government will keep this program alive?

MR. LANDRY. That's one of the unique things of this government versus the previous administration - they had a system of stovepipes where they didn't allow monies to go from one department to another. For example, within social services, they're doing the youth outreach and teen commitment. We're looking at ways of how we work with the Department of Education, with their help.

This government's approach to looking at youth is looking at it as more holistic. Their approach to looking at it is, they might give a token fund of some dollars, but they believe fundamentally in locking more people up and building more jails. That's the fundamental difference between this government and the previous administration. Thank you.

MR. SPEAKER: The honourable member for Dartmouth East.

#### **FIN. - MINING/QUARRYING: FUEL TAX - EXEMPTIONS**

MR. ANDREW YOUNGER: Mr. Speaker, my question is for the Minister of Finance. Currently the fuel tax regulations, especially under regulations Sections 12, 27, 31(c), 43, and 92 - which I'm sure the minister can quote verbatim - certain activities are exempt from paying the fuel tax, certain activities pay the tax and have it rebated back to them, and other ones simply don't pay it. Forestry, farming, fishing, and manufacturing activities of certain types are exempt or have the fuel tax rebated. However, of all the primary resource industries, mining and quarrying industries pay the full tax and are not eligible for a rebate. Mr. Speaker, has the Minister of Finance reviewed this regulation and does he plan to exempt mining and quarrying from this fuel tax?

HON. GRAHAM STEELE: Mr. Speaker, I think all members of the House will be aware that this particular issue is one that's been raised this year by the Mining Association of Nova Scotia, and they've sought meetings with many members. I'm pleased to say that the Minister of Natural Resources and I had a meeting with representatives of the mining association on this particular issue, and it was a very good meeting. Whether something along those lines might be part of the budget, we'll just have to wait for the next provincial budget. Thank you.

MR. YOUNGER: Mr. Speaker, I'm glad the minister and the Minister of Natural Resources met with the industry, but I don't think the industry necessarily wants to wait until Spring, which would then put them into a whole other year. I'm sure the minister is aware that Nova Scotia's fuel tax regulations, as applied to mining and quarrying, are actually unique in the country, and it puts Nova Scotia operations at a competitive disadvantage.

Eliminating the payment of that tax would actually help level the playing field, at least on one of the issues in this sector of the economy. To leave the matter unchanged only serves to be a discouragement for future mineral operations. Does the Minister of Finance plan to recommend to Cabinet an exemption for mining operations of this fuel tax?

MR. STEELE: Mr. Speaker, there is another aspect on which Nova Scotia is unique, and that is that some of the exemptions that are already offered are not offered in other provinces. Like most budget items, it's a matter of balance. If we're going to offer an exemption, which does after all represent a reduction of revenue in one sector, should we then change it to be more in line with the rest of the country and other sectors where we offer the exemption and the other provinces don't? This is the kind of balancing that takes place as part of the budget process. We will certainly consider this proposal very carefully, along with all other proposals for revenue reductions as part of the budget process.

MR. YOUNGER: Mr. Speaker, we listened to the Premier at the beginning of Question Period tell us how rosy everything is in the economy now that the NDP is in government. I'm quite sure this must be fairly easy to solve, since everything is hunky dory now that the NDP is government.

The mining industry is directly or indirectly responsible for 6,300 jobs in this province. Most of those are in rural Nova Scotia and add \$490 million to our provincial GDP. I'm sure, having met with the mining industry, he's well aware that some of those costs that he rightly talks about can be captured back through the increased growth in the industry and increased taxes that would be generated by increased investment and the increase in jobs that would come with it. This is about jobs, and it's an industry that's in just about every constituency in the province, including many of the urban constituencies such as my own. If the minister does not want to see more of these jobs go west, what steps is he prepared to take to improve the competitiveness of this industry compared to other provinces?

MR. STEELE: Mr. Speaker, part of our discussion with the industry association was precisely along the lines that there are multiple dimensions to the economics of the mining industry, and taxation, and particularly taxation on fuel is only one - and I think the Mining Association agreed with us, it is actually a very small factor. There are other factors such as - the biggest one of course being the world price of the minerals that can actually be found in Nova Scotia, along with exchange rates since much of our production is exported.

Environmental regulations and environmental assessments are another important factor in the development of any mine, and so we'll continue to work with the industry, as we always have, Mr. Speaker, and as previous governments have, to make sure that the industry is as productive as it can possibly be. So this particular item of the fuel tax exemption is one piece of a much larger puzzle, and we will consider that proposal as part of the budget process.

MR. SPEAKER: The honourable member for Bedford-Birch Cove.

### **JUSTICE: MAINTENANCE PAYMENTS - ENFORCEMENT PLAN**

MS. KELLY REGAN: Mr. Speaker, child and spousal support payments in this province are \$80 million in arrears, and for the most part women and children are feeling the brunt of it; in fact, 95 per cent of these cases involve children. It's hard enough for families in this province to make ends meet with the tax on tax on fuel, power rates through the roof, let alone being short support monies owed to them - and we've heard about one new investigator being assigned to the Maintenance Enforcement Program, but that's it.

Mr. Speaker, my question is for the Minister of Justice. What is the rest of his plan to make sure these families get these court-ordered maintenance payments as soon as possible?

HON. ROSS LANDRY: Mr. Speaker, I thank the member for that question. That's a good question. This government is committed - and I just want to acknowledge that last year we collected over \$60 million for families in regard to this program. This initiative is very important to me personally. And the disarray of it, by taking this over two and a half years ago, we do see the complexities in this issue.

One of the major barriers to success and putting resources and money back into families is when someone leaves the province, so we're trying to work in a collaborative manner with other jurisdictions across the country to see how we take down barriers. This is not something that will be accomplished overnight, but I want to assure the member that I am working diligently on that issue, that I am committed 100 per cent and, as I said in my previous question, there is nothing more important to me than our youth. I see that that's a strategic investment for the future for all of us, and the quality of life for families, because we are a government and a Party that puts families first.

MS. REGAN: Mr. Speaker, I thank the minister for his heartfelt answer. However, the 9,000 maintenance payments owed to families in Nova Scotia are no small change. In May of this year there were 2,200 cases where they were owed in excess of \$10,000, and there were 231 cases where they were owed in excess of \$50,000. These are house payments missed, power bills, unpaid bills in collection. The people who work in the Maintenance Enforcement Program are skilled and dedicated to their work, but they simply cannot meet the demands of this understaffed, under-resourced program.

Mr. Speaker, my question is for the Minister of Justice once again. Will he assure this House that he will ensure the Maintenance Enforcement Program will be sufficiently funded and staffed so that families get the monies legally owed to them?

MR. LANDRY: Mr. Speaker, I thank the member for the question. I am committed 100 per cent, as I said before; that fact doesn't waiver. I want to point out too that we've

increased compliance by 10 per cent from the previous year; we've reduced arrears by \$25 million; and if the member is looking for a total satisfaction within the system overnight, that's not going to happen.

We have to be realistic. We're actively committed, but I'm also hearing the member saying to hire more people and to put in more money. The difference between the Opposition Party and this government is that we believe in having a strategic focus in managing our dollars and trying to put resources in place to accomplish things in a very clear manner. Our results from the previous years is showing that progress, and so I do make that distinction between the Opposition wishing to hire more people, spend more dollars, and not accomplish what we're doing today.

MS. REGAN: Mr. Speaker, the minister would be well aware that a good chunk of that \$25 million that they collected was, in fact, write-offs of debts that were no longer owed.

Mr. Speaker, the Maintenance Enforcement Program is piloting a program where the equivalent of one full-time investigator is responsible for tracking down delinquent payers. Now if this government was truly committed to strengthening the Maintenance Enforcement Program, it would offer more than one investigator who has to track down over 9,000 payers and over \$80 million in arrears. In fact, it would take that one investigator, working 50 weeks a year, solving one case a day, over 30 years to solve just the current cases, not any new ones.

Now that pre-budget preparations are underway, will the minister tell members of this House whether or not he has asked, or will ask, the Minister of Finance to ensure funding to strengthen the Maintenance Enforcement Program in the next budget?

MR. LANDRY: Thank you very much for the question. I also want to highlight that our staff is actively enforcing the areas of arrears. We're looking at every case as being reviewed. We're trying to establish the most predominant cases that need the most attention and putting in a systematic approach. We're also looking at things such as revoking drivers' licences and looking at the passports, so there are steps that we are doing there.

Mr. Speaker, I do want to make the separation between the Opposition and what I see as a leadership issue and this government. This government is committing to put in a strategic plan and be systematic about our approach. The Opposition's approach to this is to hire a whole bunch more people, put in all kinds of money and the ills of society will go away. They're forgetting that we have a structural deficit in this province and unless they get that understanding, this province won't have a good Opposition.

MR. SPEAKER: The honourable member for Kings West.

**HEALTH & WELLNESS: HOME OXYGEN SERV. - VENDOR LISTS**

MR. LEO GLAVINE: Mr. Speaker, my question is for the Minister of Health and Wellness. In the past, contracts established with home oxygen providers were based on what government was willing to pay for the service. If a company was able to honour the one price government was willing to pay and meet the terms for service in one district, two districts, or all of the districts for that matter, and they expressed their interest in doing so, they were added to the vendors list.

In April 2011 this NDP Government changed the process. The end result was a hodgepodge of prices paid by government and a severe disruption to over half of the home oxygen clients who depend on this service. My question to the minister is, what problem was government attempting to solve by changing the method in which home oxygen vendors were added to a vendor list?

HON. MAUREEN MACDONALD: Mr. Speaker, we had a very fair, transparent process to award tenders for home oxygen. Prior to going to tender, my department looked at what was occurring across the country. We identified that in Nova Scotia we were paying a significantly higher amount of money for this service. Through the tendering process we've been able to ensure that people who require these services get these services but at a reduced cost to the taxpayer of the province. Thank you.

MR. GLAVINE: Well, I have to tell you, Mr. Speaker, the so-called fixing of problems that don't exist has become a hallmark of this government. If government was interested in saving money, they could have told all vendors to meet a fixed price set by government and then allow companies to make a business decision as to whether they would be interested in meeting what government was willing to pay.

Mr. Speaker, Family 1<sup>st</sup> Medical, a home-grown Nova Scotia success story, was forced to reduce its payroll by \$304,000 as a result of changes to the home oxygen tender process. Seven dedicated employees lost their job at Family 1<sup>st</sup> Medical, four more employees had their hours reduced, two others agreed to a wage cut. We are aware that another vendor had to lay off three employees. This government can't blame international forces for these job losses, they can only blame themselves. My question to the minister is, did the minister factor in job losses and their impact on government finances when calculating savings on the home oxygen contract?

MS. MAUREEN MACDONALD: Thank you very much, Mr. Speaker. As I indicated, we had a very fair tendering process for these services. The company the honourable member refers to, in fact, was the successful proponent in at least three DHAs where the contracts were awarded. I'm satisfied with the process that we followed. I'm particularly satisfied that there was no disruption in service for people who require home oxygen and additionally, I'm very satisfied that we're able to realize value for dollar in the health care system, something that Party doesn't seem to get.

MR. GLAVINE: Mr. Speaker, maybe today is not the time to go into the disruption that actually did take place but it seems everything this government touches results in job losses; 97 per cent of the 103 home oxygen clients in the Valley were served by Family 1<sup>st</sup> Medical, headquartered in New Minas.

After the government was finished, we had a Nova Scotia business which had to lay off staff, 103 clients in the Valley who had to leave a company they loved, all for the purpose of giving a Manitoba company a foothold in this province. This makes no sense to Nova Scotians, especially when government could have saved money by simply following a process that has been followed in this province for years. Why was it more important for the minister and her government to support a company from Manitoba over a home-grown, Nova Scotia company?

MS. MAUREEN MACDONALD: Mr. Speaker, I think the answer is in the member's question. This government is not prepared to do business the way it has been done for years. We know where that has got us, in terms of not only the state of the health care system but the state of the province's finances. The company in the Valley was successful in the tender in three DHAs in the province. It was a fair and open and transparent process. It has resulted in value for dollar for the taxpayer of the province and the continuation of services for people who require those services, and I don't think it gets any better than that.

MR. SPEAKER: The honourable member for Kings West.

### **HEALTH & WELLNESS - HOME OXYGEN SERV.: VENDORS - TENDERING**

MR. LEO GLAVINE: Well, it's a new question, Mr. Speaker, but it's going to have the same theme, and accountability and transparency is what it's all about. It should be paramount in any government's agenda. In April of this year government changed the tender process for home oxygen services from a process where clients could choose a vendor, based on the company that provided the best service, to one where customer choice is restricted, vendor decisions were decided by government using an arbitrary scoring process.

Mr. Speaker, I'd like to table a FOIPOP which shows that the Manitoba-based company, which became a provider for the first time in the Home Oxygen Program's 10-year existence, scored the highest number of points. Given that 80 of the possible 105 points were based, in part, on criteria such as resource management and service delivery risk, my question is, how did a company with no service experience, one small office in Dartmouth, and at the time of the tender possessed very little staff, score the highest number of points?

HON. MAUREEN MACDONALD: The scoring of points is part of the tendering process which is undertaken by staff in the department. The criteria are well established in



advance of the tendering process. The companies that bid on these tenders are aware of what the criteria are because it is set out in the calls for proposals, Mr. Speaker.

I am very satisfied that we had a fair, transparent and open process. In terms of client choice, Mr. Speaker, we arranged for the change in the way we were delivering home oxygen in a way to ensure that there is choice for clients in every DHA, in that there were two companies awarded the contracts per DHA.

MR. GLAVINE: In fact, Mr. Speaker, I note with interest that there was a part of the RFP that asked client satisfaction with service delivery, yet zero points were awarded for these criteria. Wouldn't one think those vendors who have been operating for years in Nova Scotia would have an advantage and those who weren't would be at a disadvantage? And yet, zero points awarded.

This particular contract was in place for two years with a possibility of an extension with an additional two years. When clients are unsatisfied with one vendor, they are limited as to their choice of who else they can turn to, and they are stuck with limited choices for perhaps as many as four years. Given that the minister is committed to quality patient care and does have the ability to reintroduce a tender process where she, not vendors, can dictate a lower price, will the minister be going back to a process where service and choice will once again become paramount in the Home Oxygen Program?

MS. MAUREEN MACDONALD: Mr. Speaker, certainly we're always very interested and very concerned if our patients, our consumers, are dissatisfied with the services that we're providing. I would like to tell the members of this House that with respect to home oxygen services, in the two and a half years I've been Minister of Health and Wellness, I don't believe I've had one letter, call, or e-mail expressing dissatisfaction on the part of a client with those services.

MR. GLAVINE: Well, thank you, minister. That's exactly why there was no need to change the process. People were satisfied and a Nova Scotia company was prospering.

Mr. Speaker, the Atlantic Home Respiratory Providers have expressed concern to this government. Home oxygen clients have undergone unnecessary service disruptions and are now limited on who they can switch to when they have concerns. All of this was unnecessary, especially when government could have achieved similar savings through the process that has been in place for years. Watch with certainty, the same thing will happen to the nurses' uniform contract.

My question to the minister is, would the minister confirm whether Manitoba-based RANA actually approached government with a proposal to provide home oxygen services for the entire province and if this new process is merely the first step?

MS. MAUREEN MACDONALD: Mr. Speaker, I thought I was fairly clear in the first answer that I laid out with respect to why we went to a tendering process. We looked at what other provinces are paying for home oxygen. We realized that in Nova Scotia we were paying higher rates and that we did not have a competitive rate in this province that gave good value to the taxpayers of the province. We determined that going to tender might address the situation, to get better value for the taxpayer and for the Department of Health and Wellness. Service was very high at the top of our list. We wanted to ensure that there would be choice. So we did it in a way that there would be choice in each DHA by awarding two companies the tender at the end of the day.

People do have choice. It was a win-win situation. We get better value for dollar, patients continue to get the services, and they have choice.

MR. SPEAKER: The honourable member for Victoria-The Lakes.

**ERDT - STATE OF THE PROV. SPEECH: WRITERS - MIN. ADVISE**

MR. KEITH BAIN: Mr. Speaker, my question through you is to the Minister of Economic and Rural Development and Tourism, or should we call it rural devastation? (Interruptions)

Today the Premier will attempt to describe the state of our province. I don't think his speech writers will remember to include all of the advice from the women and men who are the job creators in this province. I doubt the spin doctors will choose to remember that these people, the ones who know how to create jobs, universally advised the NDP not to proceed with a law which imposes involuntary contracts because it will scare away investments to create new jobs and reinvestments to keep existing jobs.

My question is, will the minister please remind the Premier's speech writers about the sorry state of our province whose government ignores the advice of job creators, small and large, many of whom have infinitely more job-creating experience than this minister or any member of the government.

HON. PERCY PARIS: Mr. Speaker, this minister has great confidence, not only in the Premier of the Province of Nova Scotia, but also in all of the staff that not only work in his office but also with respect to his communications people. I have the utmost confidence in them and there's little advice that I could offer them and I would say there's no advice that the member opposite could offer them.

MR. BAIN: You know, Mr. Speaker, I look up and down the NDP benches, I shake my head. I see pathetically little job-creating experience, I do see some earnest people who've done some interesting things in their lives, maybe hired a few people but I don't see much by the way of people who have put everything on the line and created more than the odd job.

Now you would think, Mr. Speaker, that a government so lacking in that critical experience would listen to those who do but instead they listen to Rick Clarke and a handful of career labour politicians. What a sorry state this province is in.

So my question to the minister is, does the minister agree that a government which lacks experience creating jobs must listen to and take advice from Nova Scotians who have that experience?

MR. PARIS: Mr. Speaker, I understand the tone from the member opposite. The reason I understand the tone is because I know that for 20 years that there has been economic neglect in the Province of Nova Scotia. I stand here and I say, as many Nova Scotians say, thank goodness there's an NDP Government, thank goodness there's a government that understands the economic conditions of the Province of Nova Scotia. Thank goodness that there's an economic government here that recognizes Lower Churchill, Ships Start Here, jobs in the economy. For the first time in 20 years we have a government that finally understands and gets it.

MR. BAIN: Mr. Speaker, a government with such puny experience in a key area is dangerous. That's one awful state for this province to be in. No wonder they've lost more jobs in rural Nova Scotia than will ever be created by the federal ship contract. Where are all the jobs the NDP promised, committed to, whatever? Nowhere. In the words of Lennon - not that Lenin - this minister is, "Nowhere man . . . you don't know what you're missing." So I ask the minister, is he as blind as he can be to the reality that he just sees what he wants to see?

MR. PARIS: You know, Mr. Speaker it doesn't surprise me that we hear name calling from the member opposite, that comes as no surprise to me. I know this is Question Period, but I'm curious, this weekend there's a rally going on and you know what? It's about saving jobs in Cape Breton. (Interruptions)

MR. SPEAKER: Order, please. Order.

MR. PARIS: Mr. Speaker, as I was saying, there's a rally this weekend in Cape Breton. It's about saving 102 federal jobs. Now I'm going to wonder out loud - I wonder how many members from the opposite Party will be at that rally.

MR. SPEAKER: The honourable member for Cape Breton South.

### **HEALTH & WELLNESS - LUCENTIS: C.B. - AVAILABILITY**

HON. MANNING MACDONALD: Mr. Speaker, I do hope that whoever goes - the Minister of Economic and Rural Development and Tourism will obviously be there, from his tone.

My question today, Mr. Speaker, is to the Minister of Health and Wellness. Over a year ago government announced they would fund Lucentis, however, funding is only covered if treatment was received in Halifax. When the announcement was made a caveat was attached, that caveat being the program would eventually be expanded to other clinics in the province.

Mr. Speaker, the Cape Breton District Health Authority purchased the necessary equipment, they had a retinal specialist until he retired and they certainly have their fair share of patients travelling to Halifax.

Mr. Speaker, my question to the minister is, how much longer will the residents in Cape Breton needing Lucentis have to travel to Halifax?

HON. MAUREEN MACDONALD: Mr. Speaker, I thank the member for raising a very important question, it gives me an opportunity to tell members of the House that indeed, providing this service in Cape Breton is a priority for the government. We have lost the specialist in Cape Breton who we had anticipated would be able to help us roll this program out there.

The training of ophthalmologists is now our second approach to this and we are working diligently to get that in place, so indeed, people from Cape Breton won't have to travel to Halifax. We hope to have that done at the earliest possible opportunity, Mr. Speaker.

MR. MANNING MACDONALD: Mr. Speaker, the same number of patients who meet the program criteria will not change simply by expanding the program in Cape Breton, or in other parts of the province for that matter. Prior to government funding, retinal specialists did not have the monopoly on injecting Lucentis. Ophthalmologists were, and still are, injecting for individuals in Cape Breton and in other places with private insurance. They just can't inject and receive payment from this NDP, publicly-funded program.

Mr. Speaker, the way I see it, the province has two potential scenarios from which to choose. They can either establish clinics in the far ends of the province and have retinal specialists travel, or they can expand injection rights to other specialists, who have been injecting all along, and allow them to provide the service in a variety of communities now across Nova Scotia. My question to the minister is, which of these two scenarios does the minister prefer?

MS. MAUREEN MACDONALD: Mr. Speaker, as I indicated, we are working to address the situation because we are very committed to having in place a program so that people who require these services in the Cape Breton area do not have to travel to Halifax.

MR. MANNING MACDONALD: Mr. Speaker, that would be easy to do if they would allow other specialists to inject Lucentis patients in Cape Breton now, not some time in the future.

Mr. Speaker, Nova Scotia was the last province to announce they would fund Lucentis, so they had all sorts of other potential delivery options and models from which to choose. When New Brunswick announced their program, they granted certain specialists in certain communities to be injectors under the publicly-funded program. Others have programs where specialists travel to areas outside of a central clinic site to provide services.

Mr. Speaker, I have to tell you that when people have to make an appointment for Halifax, and they have to travel and don't have the means to do so, and their sight is deteriorating rapidly, the decision becomes very tough. The minister's decision is easy, by comparison.

My final question to the minister is, when will the minister make a decision to ensure that the residents of Cape Breton are able to access Lucentis treatments in Cape Breton and provide them with service equal to those receiving that service in Halifax?

MS. MAUREEN MACDONALD: Mr. Speaker, when we announced the Lucentis coverage, we announced that it would be provided through retinal specialists. All of the retinal specialists were here and are here in the Capital District Health Authority with one exception - there was one retinal specialist in Cape Breton who, I believe, was getting close to retirement and did not work full time. That gentleman has since retired.

Ophthalmologists, although they are very capable individuals, are not retinal specialists and we are working to address the question of delivering Lucentis in the safest and most beneficial way to the people of Cape Breton who require this service.

MR. SPEAKER: The honourable member for Bedford-Birch Cove.

#### **HEALTH & WELLNESS: LYME DISEASE MEETING - MIN. INVITATION**

MS. KELLY REGAN: Mr. Speaker, recently I asked the Minister of Health and Wellness about cutbacks to the mobile breast screening program. Instead of answering the question, she chimed in with comments about an open public meeting on Lyme disease that residents of my constituency were demanding, and her department has refused to address. I'd like to table a request I made for the minister to come to a public meeting on Lyme disease, and I will also table her response declining the invitation.

Mr. Speaker, 140 residents attended that meeting, I have to say, and I would also like to point out that I don't think this minister has any room to criticize the meeting when she is responsible for the health and well-being of my constituents and it was she who

refused to speak to the residents in the first place. Moreover, she must have been aware of the meeting and did not indicate any concerns when she replied to the residents' association organizing this meeting via her deputy – and I'll table that.

Previously, when I had told her that her staff at Capital Health said it wasn't in their communications strategy to conduct public meetings on Lyme disease, her response was, "I certainly don't direct them on how to conduct the business in that regard."

MR. SPEAKER: Question.

MS. REGAN: Mr. Speaker, how can the minister be so critical of a public meeting when she was given the right of first refusal and did just that - refused?

MS. MAUREEN MACDONALD: Mr. Speaker, in trying to be constructive on an important topic like Lyme disease, at my request I did have an opportunity to meet with some specialists from the Queen Elizabeth who work in infection control. These are people who are infection control specialists, they are people who do research but also have very active clinical practices, and they are the people that family doctors across the province are able to make referrals to and get information from.

My department is very, very active in monitoring where Lyme disease is occurring around the province, helping family doctors to improve their ability to diagnose Lyme disease and to follow up with treatment. I would offer an opportunity to the honourable member from across the way to meet with the infection control physicians at the Queen Elizabeth. They are very well informed and they still have their medical licences.

MS. REGAN: Mr. Speaker, I would invite the minister to step outside and make that same statement about the doctor in question, who was at that particular meeting, because then she will face civil consequences. She should check and make sure what she has said about that particular doctor.

It's a fact that as long as the weather remains warm, ticks are still prevalent; in fact, ticks are most active in the Spring and Fall months, and they remain active until we experience consistently cold weather. This fact was articulated by Natural Resources staff to participants of a closed meeting, which I attended, in my riding back in June 2009 where there were, in fact, infectious disease specialists from Capital Health. I note with interest that the chief medical officer of New Brunswick reminded residents there of this fact on November 9<sup>th</sup>, a month ago, and what have we heard from this government - nothing. My question is, why does the Minister of Health and Wellness continue to ignore the potential impact that blacklegged ticks can have on the health and well-being of the residents of Bedford and Nova Scotia?

MS. MAUREEN MACDONALD: Mr. Speaker, I know the research to the Official Opposition is sometimes a bit shaky but perhaps they would like to go back and check that

at least one or two Fridays ago my department put out a media advisory on the identification of blacklegged ticks in another part of our province. We are very active, as I said, in providing surveillance information to the public.

This is an issue that Dr. Bob Strang and other members of the department, through the chief medical officers in the various DHAs, follow very carefully. There are communications with and through Doctors Nova Scotia to the physicians in the province, which occur on a regular basis and again, I would like to offer the honourable member an opportunity to meet with some of the infection control specialists from the province, who practise in the province, who are very much on top of this issue and could help enlighten the honourable member on the state of Lyme disease in the province and the diagnosis and the treatment of Lyme disease.

MS. REGAN: Mr. Speaker, I would be most happy to meet with those experts. I hope they're not the same ones who told one of my constituents that her Lyme disease was all in her head. I would point out that the particular news release the minister mentioned was about the identification procedure for ticks, it had nothing to do with the fact that ticks are still active in the colder months, in November and December, and they missed the boat on that.

Mr. Speaker, it is this minister's responsibility to warn residents that people can still be bitten by blacklegged ticks even as late as December. I was at Thanksgiving dinner and people were outside running around and they're saying we don't have to worry about ticks anymore, it's Thanksgiving; they're not still active. They are still active at Thanksgiving. We heard nothing from this minister, crickets, so my question is, when will she get around to informing Nova Scotians that ticks are still active in Nova Scotia?

MS. MAUREEN MACDONALD: Mr. Speaker, well, that member is certainly ticked off and ticks may not be the only thing active in Nova Scotia, but Lyme disease is a serious matter for people who have Lyme disease. My department conducts very active surveillance of tick activity around the province. We issued . . .

MR. SPEAKER: Order, please. The time allotted for the Oral Question Period has expired.

The honourable member for Hants West on an introduction.

MR. CHUCK PORTER: Mr. Speaker, I want to welcome today and introduce to the House our Grade 11 and Grade 12 law class from Windsor, which is the Avon View High School. Maybe as I call your name, I'll get you to stand and receive the warm welcome of this House, and I'll do that quickly.

Their teacher is Mr. Sheldon States and the kids in the class are: Amos Abati, Logan Blackwood, Nicholas Bonang, Christine Boone, Jessi Campbell, Tegra Diminutto,

Allanah Dooks, Marshall Gordon, Kelsey Harvey, Marissa Hazel, Mallory Henry, Victoria Langen-Kennedy, Allyssa Loiselle, Kimberly McCartney, Samantha McCulloch, Conor McNeil, Dustin Moore, Kyle Reynolds, Courtney Riley, Jasmine Smith, and Kendra Trimper. Welcome to the House this morning. I hope you've enjoyed the proceedings so far. We're going to debate a couple of bills here in a few minutes.

Mr. Speaker, with that I would ask the members of the House to give them a warm welcome to the Legislature this morning. (Applause)

MR. SPEAKER: We welcome all our guests to the gallery and hope that they enjoyed this morning's proceedings.

### **OPPOSITION MEMBERS' BUSINESS**

MR. SPEAKER: The honourable Progressive Conservative House Leader.

HON. CHRISTOPHER D'ENTREMONT: Mr. Speaker, would you please call the order of business, Private Members' Public Bills for Second Reading.

### **PRIVATE MEMBERS' PUBLIC BILLS FOR SECOND READING**

MR. SPEAKER: The honourable Progressive Conservative House Leader.

HON. CHRISTOPHER D'ENTREMONT: Mr. Speaker, would you please call Bill No. 68.

### **Bill No. 68 - Elimination of Bonuses in Power Rates Act.**

MR. SPEAKER: The honourable Leader of the Progressive Conservative Party.

HON. JAMIE BAILLIE: Thank you, Mr. Speaker. I am very pleased to rise and speak today on the 2011 version of Bill No. 68, which is a very different - actually no, but in any event, we're now in 2011. I think that's the main point I wanted to make as I rise today to talk about eliminating executives' bonuses from our power rates Act.

If members of the Legislature have any doubt about where this bill came from, let me share with them that it was introduced, yes, by the Progressive Conservative caucus, and, in particular, our very capable Energy Critic, the member for Hants West. I should also share with all members of this House that when we launched our survey, letstalkrates.ca, on the Internet and invited Nova Scotians to have their say about what they believe would make for a better energy policy in our province, over 800 Nova Scotians filled out our survey.



We compiled that information, and the fact of the matter is that of those 800-and-some Nova Scotians, 96 per cent - an overwhelming majority, almost complete unanimity - said that when they pay their power bill they want to know their money is going for electricity, not for executive bonuses. One can only imagine that perhaps the 4 per cent were the executives of Nova Scotia Power themselves, but I can assure all members of this House that the 96 per cent of Nova Scotians who responded by the hundreds said it was not appropriate that they pay for the bonuses of the executives of the power utility through their power bills.

Having shared that with the House, I also want to share with the House why this is an important bill, and I hope it's worthy of all-Party support. A logical question to ask would be, will this work? Will this in some way help Nova Scotians with their power bills?

I know there are some who have said, well, it's just symbolic, it really doesn't matter to our power bills; it doesn't matter to the way that the power utility is run. Madam Speaker, the evidence is quite the contrary. In fact, I'm very proud to point out to the House and to all Nova Scotians that just the threat of this bill caused Nova Scotia Power to amend their most recent power rate increase to take out the executive bonuses from their increase request. That amendment, spurred on by the threat of this bill, saved Nova Scotians in excess of \$0.5 million - over \$500,000 in this one year. So does it work? The answer is, absolutely, it does work, and in a very meaningful way.

Now the problem is that the power company made it very clear that it was just for this year, that it's one time only, that they intend to put the executive bonuses back into our power rates in future rate applications, which is why this bill remains so necessary. If it was right for 2012, the upcoming year, to take the executive bonuses out of our power rates, then surely it's right for all time. That's what this bill would accomplish, and that's why I ask all members to support the bill.

I will point out that Nova Scotia Power is not a normal private company. It enjoys a monopoly status, or a near-monopoly status, in our province. It is in a business that does not face a lot of investment risk because it's a sole supplier in a stable province and so on. I know we'll hear more about that later.

When we look to comparable businesses that have such enormous support from the government, we find that there are plenty of examples where executive bonuses have been either outright curtailed or limited, or have been taken out of the rates charged by those businesses.

For example, a few years ago when the large North American automobile manufacturers got into trouble and needed a bail-out by the Canadian and American governments, one of the conditions was that an auto tsar, a car tsar, was appointed who had to approve or disapprove any executive bonuses and actually wiped out the executive bonuses of General Motors, Chrysler, Ford and so on because when they were protected by

the taxpayers, it was not right that they pay executive bonuses. What was right in that situation is also right in this situation.

An important question, of course, that we need to ask in the House is whether this makes for good public policy. Is it just for show, or is it good public policy? The answer is that absolutely this makes for good public policy. Respecting the fact that Nova Scotia Power is a private company, we recognize it should at least follow the rules of other private companies when it comes to its bonus plans and that means that executive bonuses ought to be paid by the shareholders of the company out of their profits, not provided for by the ratepayers in the targeted rate of return that the power company is permitted to earn by the government through the Utility and Review Board.

I will use my own experience as an example. As many members know, I was the CEO of Credit Union Atlantic, which is the largest credit union in the region with many branches and many thousands of customers. It's not even regulated to the same extent as Nova Scotia Power. First of all, it's a competitive business, as members know; there are lots of big banks that the credit unions compete with. Secondly, although it's regulated like other banks, it certainly does not have a guaranteed right of return. It certainly does face the shareholder risk of profit or loss, like any other business.

The fact of the matter is that in the bonus plans the credit union has, that comes out of the profits of the company, which otherwise accrue to its shareholders. One of the happiest days of the year for me when I ran that company was the day that we declared our profit and paid it out to the members, the shareholder members, of the credit union. They, in turn, elect a board of directors to represent them that, in their name, on their behalf, at their expense, determines the pay and any bonuses that are going to go to their CEO, or to the management of the company. That comes out of their pockets; that is as it should be. What's good for the credit union is good for Nova Scotia Power. What's good for any business, any private business in our province, ought to be good enough for Nova Scotia Power.

That means that if the shareholders of that business - in this case Emera, and through Emera its many, many shareholders as Emera is a publicly-traded company - if they want to incent their CEO and their executive team to act in a way as to maximize the profit of that company, then they ought to pay the bonuses for that incentive. It's a matter of common sense.

Unfortunately, in this case, we need to legislate common sense. Hopefully that common sense will extend from this side of the House to all sides of the House so we can pass this bill today and we can save the taxpayers of Nova Scotia, the ratepayers of Nova Scotia, \$500,000 a year, this year, and every year into the future. It's not a big amount when we divide it by every ratepayer, but it's important that when people plug in their light, when they turn on their TV, when they open their power bill at the end of the month, that they know what they're paying for is power and not for executive bonuses.

Madam Speaker, the fact of the matter is . . .

MADAM SPEAKER: Order, please. Your time has elapsed.

The honourable member for Halifax Chebucto.

MR. HOWARD EPSTEIN: The age of miracles is upon us. Madam Speaker, let history take note that on a quiet Wednesday in December 2011, suddenly the Progressive Conservative Party of Nova Scotia has taken note of two very important social issues and facts. First, they have suddenly become aware of the problem of social inequality as measured by the extreme differences in pay between CEOs and average workers and, second, they have also become aware of the fact that 20 years ago when they privatized Nova Scotia Power, there were certain consequences that were negative for the ratepayers of Nova Scotia.

AN HON. MEMBER: Well the Apocalypse is here.

MR. EPSTEIN: Kill the fatted calf, the prodigal son has returned.

All of which is to say that in fact there is merit in the core idea that is put forward in this bill and its accompanying bill; this is something that bears scrutiny in terms of public policy debate. But what a surprise it is to suddenly hear this out of the mouths of the Progressive Conservative Party of Nova Scotia which, in the years subsequent to the privatization formed the government and formed the government again later on, had ample opportunity to come to grips with these issues, but never did.

In fact during their time, the 10 years most recently in which they were the government, power rates rose 40 per cent in Nova Scotia. This is an amazing, an amazing thing. Overall there are very effective ways that could have been adopted by the government in the hands of that Party if they had wanted to seriously come to grips with power rates, but unfortunately they did not. It was left to this government to begin to transform the nature of the power structure in Nova Scotia, literally and figuratively, what it has to do particularly with Nova Scotia Power. We're doing that primarily by shifting the basis of our generation onto renewables which, in the long run, will in fact be very good for Nova Scotia ratepayers.

At this point Nova Scotia Power has been told by the URB as part of a settlement agreement that the executive bonuses should not be paid by the ratepayers. It's true that this is perhaps a precarious basis for carrying on, and it's true that we should think about whether this should be made permanent as an arrangement that should prevail when rate applications are made to the URB. That's a fair question. Is this something that should be determined by the URB as a matter of argument each time, as matter of their policy, or is it something that the Government of Nova Scotia should adopt as part of public policy? That's something that requires fairly extensive debate.

This is an interesting issue. It is, as the last speaker said, not a major part of the cost of the increases to ratepayers and yet at the same time it does represent some five per cent of the increase - not five per cent of the bills but five per cent of the proposed increase. Of course, we want to look, as everyone should, at individual items, every individual item that forms part of the rates that are to be paid by the ratepayers.

This issue of what should be part of what is borne by the shareholders and what is borne by the ratepayers is a fundamental question about the nature of power bills in Nova Scotia. We know that what has happened as a result of the decisions by the previous Progressive Conservative Government in 1992 to privatize Nova Scotia Power is that that company has run profits in the order of \$100 million every year since then. Now with 20 years of experience, what that means is that's \$2 billion that came out of the pockets of Nova Scotia ratepayers and went into the pockets of the shareholders of Nova Scotia Power. That's an amazingly huge amount of money and part of that, of course, is the pay that goes to the executives at fairly high levels in a privatized profit-making company, particularly one which is part of the reorganized Emera group of companies.

That profit-making model, which was chosen by the Progressive Conservative Government in 1992, has directly led to the situation that ratepayers have found themselves in over the last 20 years and which we are having to grapple with right now. Loss of ownership by the public of a company like Nova Scotia Power does not mean that we lose control of the company, because the alternative to ownership is to look to regulatory controls. The company was always a regulated company but the form of regulation of course becomes much more important when we deal with a privatized company, particularly one which is a near monopoly.

The question of who, as between the shareholders and the ratepayers, bears responsibility for any particular item of expenditure that the company has to deal with is an important public policy question and one that bears further examination, here and at large. I don't accept that a survey conducted by one Party will settle the matter. I think that this is part of a wider discussion of exactly what items do need to be borne by ratepayers and which ones should be borne by shareholders, but it's certainly the case that ratepayers will want to scrutinize, very carefully, every item that comes in front of the URB as part of the additional claimed burden leading to higher power rates, as we have seen in the large number of applications that have come forward over the last few years.

In that context, of course, the consumer advocate and the small business advocates have done a good job of coming to grips with this issue. They have spoken up for large sectors of the ratepayers and attempted to call the company to account. Would it make sense to continue to make this change on an ongoing basis? Well, in addition to the examples that we have seen of problematic high executive bonuses previously cited to us, we know that this is a generalized problem because at one time, even in large companies, the ratio of pay between the top executives and the line workers might be on the order of 1 to 10, that is the executives would perhaps have salaries that might be 10 times the size of

line workers. It has now grown to a ratio that tends to prevail of 50 to 1. So chief executives have, in fact, gained extensive ground compared to their line workers and, of course, to the general public.

This is something that bears looking at. Is this kind of legislation the only way to do it? Maybe, there may be others. It may be that taxation of salaries on a more progressive tax base is the way to go. There are alternatives, but I want to thank the Party opposite for bringing this bill forward so that we now get the opportunity to begin to have this public discussion, better late than never. Thank you, Madam Speaker.

MADAM SPEAKER: The honourable member for Dartmouth East.

MR. ANDREW YOUNGER: Thank you, Madam Speaker, and thank you to my exuberant colleagues in the back. Let me just say at the outset, this is obviously a measure that we would support since for two and a half years I've been raising this issue at the Utility and Review Board. It is something that has formed part of most of our submissions over those two and a half years. It formed part of the bill that I introduced on the first day of the session. I know that the Tories had mentioned this in the summer, I think, or early Fall as well. It's something that for a number of years I've been talking about at round tables around the province and so forth, on energy issues.

I only caught the end of the remarks by the member for Halifax Chebucto and it was interesting to hear him defend the Utility and Review Board, unfortunately not understanding, or choosing to ignore, the fact that the Utility and Review Board only addresses the issues which are set out in legislation to be considered. That's why a bill like this becomes important, because if you say to the board - and the board has said this repeatedly in some of their decisions. It's the same with the demand side management fee. The board didn't arbitrarily decide to do that. They moved ahead with that because the legislation existed and they consider it under the parameters of the legislation and the regulations which exist.

The same is true with power rates, that when the board looks at items, they look at items specifically as they are either covered by regulation or legislation through the provincial Legislature. So if the legislation says that executive bonuses shall not be considered as part of the rate that is paid by Nova Scotia Power ratepayers, then that's off the table. That's not considered. It's interesting, because this year there was a settlement reference that removed it for one year. That was part of the settlement.

Most of the folks I've talked to who work with people like the consumer advocates seem to suggest that the board actually couldn't have said that. Without that settlement and the agreement of Nova Scotia Power, the board actually couldn't have taken those bonuses out of the rate without that. That's not a decision that they were actually in a place and able to make on their own. One of the reasons is when that they look at salaries overall, they determine which part of each of the executive salaries is attributable to the rate base and

which part of the executive salary is attributable to the shareholder or to the parent company or another party.

It would be mirrored in the same way, and so if they decided for the sake of argument that 80 per cent of Executive A's salary was attributable to the rate base, well, that would apply to both the base salary and the bonus structure. So there wouldn't have been - without legislation either such as this or such as what the Liberals have proposed where it's also included, the Utility and Review Board is actually not left with the power or the possibility to completely take that out, and that's important. That's why this legislation or similar legislation becomes important.

So that takes us to the next question: should bonuses be part of the rate base in the first place? As the Leader of the Third Party mentioned, while Nova Scotia Power is a private company under the Emera brand, it is in fact a different company because it is a monopoly, and monopolies need to be treated in a different way. That is no different than the fact that when we saw telephone service in the country that was an effective monopoly under Bell a number of years ago, the pricing was largely regulated. A lot of the issues were regulated. When we saw cable prices, when there wasn't as much competition, it was much more heavily regulated. Nova Scotia Power is a monopoly, and so the regulatory burden on them, even though they're a private company, must be stronger - just as it was stronger when Bell was much more of a monopoly on a national basis for phone service.

Let's look at what it is that you can get a bonus for at Nova Scotia Power. One of the examples I would use - and I know Rob Bennett hates it when everybody calls it this, but I guess it has come to be known as the Bennett bunker - is their new headquarters down on the waterfront. You can think that that was good financial sense to do the headquarters or you can't. It was approved. The Utility and Review Board reviewed it, but one of the things that the Utility and Review Board said in their decision was, well, cost overruns shall be borne by the shareholder. So here's the price that you guys have come and said that this is going to cost, that can go to the rate base, but if there's a cost overrun, that will be borne by the shareholder. However, if you look at the bonus structure and the points that the president of Nova Scotia Power gets, one of the things that he was able to get a bonus for is whether that facility was constructed on time and on budget.

Well, whether it was constructed on time or on budget has no benefit to ratepayers, because the Utility and Review Board had already reviewed, had already reported and decided that rate payers shouldn't be liable for any cost overruns. So in essence Mr. Bennett was being potentially awarded a bonus on the basis of something which had no impact and no benefit to rate payers, it would only affect shareholders. That's an example of a reason why the shareholders should pay the bonus, and be responsible for the bonus costs, because most of the point structure - and for the record he didn't get that portion of his bonus because it wasn't done on time - but most of the bonus structure for Nova Scotia Power executives is actually based on items which benefit shareholders, not the rate payers.

We might have a slightly different discussion, arguably, if the bonus structure was based on a tier of things such as reliability, such as not having a rate increase in a given year, such as managing performance at substations so that they don't go out, such as moving towards more undergrounding in areas where undergrounding makes financial and environmental sense, but those aren't the things that the Emera board has determined the executives of Nova Scotia Power should get their bonuses for.

The items that the Emera board has decided that Nova Scotia Power executives should get their bonuses for, are items which specifically benefit the shareholder. So if you're going to do that, it is obviously well within the purview of the Emera board to do that - they're a private company and are more than welcome to that - but on that basis alone, from my perspective, is a reason that the shareholders should thus take the burden of the payment of that bonus because the benchmarks are not there to benefit the ratepayer. The benchmarks are there to benefit Emera and the shareholders.

Will this bill reduce power rates? No. Will this bill - and I said this when we debated the bill that I brought forward that included this, but this is about bringing clarity and reducing the number of items that actually end up on the rate base and trying to control them in the best and most efficient way possible. When you're regulating, just like the regulations of cable companies and telephone companies have been reviewed over the years, it makes sense to review the regulations of a power monopoly in the province.

There are items which may have made sense a number of years ago. I wasn't here for the discussion around that, and I don't know, they may very well have made sense at the time it was structured. But that doesn't mean that we shouldn't take the time and review the structure of the monopoly, as time goes on. It doesn't mean that we shouldn't adjust things and change things and frankly this is one issue where even Nova Scotia Power, at least for this year, has been open and willing to make that consideration and make that concession.

Madam Speaker, I'm certainly pleased to support this, as I say it is included also in our bill, and I look forward to the rest of the debate on this and the other item today, thank you very much.

**MADAM SPEAKER:** The honourable member for Hants West.

**MR. CHUCK PORTER:** Thank you Madam Speaker, I am pleased to have an opportunity today as we bring this bill forward. I want to thank those previous speakers who spoke to this bill and offered their comments. I want to begin by assuring the honourable member for Halifax Chebucto that there has been no apocalypse. This is not something new. If anyone has been paying attention to this particular member he would know that I have been speaking about this for many years, especially since being elected, speaking about the high cost of power rates on more than one occasion, on many occasions. I do appreciate his comments and, it almost seems, support for this particular bill, and it's

important that we give this full consideration and full support to make things better for Nova Scotians.

We know in this particular bill that we talked about the executive bonuses, we know that they've been taken out for this particular year. But they're going to come back, we know that, and we're going to have to go back and fight once again to have this removed. Now it doesn't seem as if this has been mentioned, it's about 5 per cent, but that's 5 per cent every year, every year after that, so those numbers add up.

As far as I'm concerned, the ratepayers deserve to save pennies, if they can. It may not mean a lot when you divide it up and share that wealth with all ratepayers but it does mean something. We need to find every way that we can, if possible, to reduce what power rates are doing.

Now there are also some other things to consider in that and we realize that. We have to take into consideration the ability to conserve our electricity usage. Now I don't know how many people are doing that. Certainly these days everything that you buy is said to be energy efficient, so when you're replacing your refrigerator or your stove or whatever it might be, washers and dryers and so on, there should be some savings. You should see that.

I know what it's like in my household. I go around shutting off lights all the time and try to instill in my children that it's important to turn the lights off. I'd like to think that does matter. I don't know how many people do that but I would tend to think that these days a lot of people are doing that. They're trying to conserve the amount of energy being used. I turn them off steadily. I go behind them, shutting them off because they don't see the value in it, as much as I harp about it. (Interruption) They don't pay the bills and that's exactly right. I heard one of the honourable members from the other side speaking, they don't pay the bills.

What I want to say is that it's important that they understand what it means to pay that bill because one day in the not-too-distant future they're going to be paying these bills. I speak to the gallery this afternoon and these young adults who are here listening to this debate. You, too, will one day pay the power bill. It will mean something very much to you. What will it be when you have the opportunity and own your own home and pay those bills? We're trying to figure that out right now. We're trying to find ways to make that better so that it is a reasonable amount that can be afforded.

The real stories today are that people are trying to decide whether they're going to pay their power bill or whether they're going to put food on the table for their families. That's the reality of the day. Every member in this Legislature knows that, Madam Speaker.



I heard the honourable member for Halifax Chebucto say well 800, you know, that's not very meaningful. If you look at any of the polls done that you put weight in and value in, an 800-person poll is not a bad poll, generally speaking. If they do 1,000, that's considered a pretty large poll by way of sample. This was from all over Nova Scotia that this was done.

We heard the honourable Leader of the Progressive Conservative Party speak to those results; 96 per cent feel that executive bonuses and all of those treats - as I call them - that go to executives at Nova Scotia Power, the Mr. Bennetts of the world. The honourable member for Halifax Chebucto also spoke about the hundreds of millions of dollars and I've been speaking about this for years.

What work is being done on infrastructure? Nova Scotia Power will tell you, all kinds, but you don't see it. You see \$100 million, and there have been a couple of years \$125 million moved from one entity to the other. Where does that money go? That's gone into that shareholder's pocket. A lot of that money is going to paying out those great, big executive bonuses.

The salaries are one thing that we see the executives making, hundreds of thousands of dollars a year in salary. Then, on top of that, Nova Scotians, ratepayers, are expected to pay millions of dollars over and above that in bonuses, and have been for years. That's what they've been doing.

Has that been right? No, that's not right at all. As I've said, I've argued that for years, it doesn't matter to me who is in government, something needs to be done about it. I hollered about it when the previous government was in power and I was part of that team. I don't mind telling you, that's no shock to any of the members who were on the government benches in those days, either. They knew my feelings on that. They will continue to know, as will the government of today and the government of tomorrow, they will all continue to know what this member thinks about the rising cost of power.

Now there are things that we need to look at. We talk about this being a monopoly. This is a very odd situation that we have in this province. We have the power, the energy source, only one nowadays, unfortunately. Some will tell you that competition is a good thing and if you look at other industries, competition is, and has proven to be, a very good thing for the consumer. It means they have options. It doesn't matter if it is cable, satellites, telephones or what it is. You have an option to buy your groceries at different stores, albeit nearly the same product, probably a lot of the same suppliers. That's fine, the consumer still has the option; we need the options, those things need to be considered.

Here we have a monopoly, an independent, private company that they'll claim they are, but we have the URB that is at arm's length - or so we like to say - but it is very much controlled by the government. There are no ifs, ands, or buts about that, that's clear. So the government is the one telling and, in my opinion, responsible now and has always been

responsible, for setting the rates. How is it that we have a private company - there's probably a lot of private companies in this province that would love to have the URB step in and say oh, we're going to give you this much profit next year. Is that reasonable? I don't think so, Madam Speaker. I don't know why that's fair. You'll hear us talk about fairness in the next bill that we're going to speak to.

We need to look at this URB and we need to make changes. It has to be changed, there's no question about that. Government has to have a say - we're saying, bring that to this place, let the members of this House have a say in whether we think that's reasonable. Let the members of this House, let the government, stand up and take responsibility for a body of government - the URB, which is a body of government - who has said, in their words, that there is responsibility within the government benches to make decisions about power rates, to control energy issues.

There are many things that can be done. We hear about green energy. This Party has always supported green energy. We've put forward a bill in this House that everybody unanimously supported a few years back that the NDP has seen fit to change, to up the ante, to make that come quicker at a cost of - there's the question mark, we don't know what the cost is. We asked. You can ask whoever you want, but they won't put it on the bills, they won't tell you what it is, because you know what? They don't know. It's a best-guess scenario.

That's a scary thought when we think about power issues into the future. Again, why the government - it needs to be more hands on, in my opinion. Why they need to sit, why they need to look at the URB - what does the URB need to consider? I've been to meetings and you hear the talk about rate requirements. Every company has a rate requirement. In the rate requirement, they think about profits. Well, what's more important, profits or people putting food on the table? That's the question I have today. What's more important? That's what this bill is about.

I think there's an opportunity. This is a good bill. I've heard people talk in favour of it. The honourable member for Halifax Chebucto, in my opinion, talked in favour of this bill, talked about how more discussion is required. I agree with that. I thank him for those comments. The honourable member for Dartmouth East talked about this bill, one that they could support; he's put a similar bill forward in this very session about how to make life better for Nova Scotians on power rates.

This is a bill that I believe government should take hold of and toss across the hall to the Committee on Law Amendments. Let Nova Scotians come in. Let those 800 surveys mean something. Let the public come in, and I'll bet there would be plenty of people who would come into this House, into that Red Chamber, and they would talk about what the increasing cost of power rates in the Province of Nova Scotia means to them.

I would like to see this House support this bill in the fashion it is currently in, and certainly it's open to any amendments, if we can make life better for Nova Scotians. Bring it back. If they feel that they have to put their own bill in, then put their own bill in. It's not about any individual, as far as I'm concerned. It doesn't have to be my bill - be great if it were, doesn't have to be. Let them put a bill forward. Let's make life better for Nova Scotians. They were the Party that campaigned and said, making life better for Nova Scotians. That was the campaign slogan. That was on every piece of material that went out, and I know that you know that, Madam Speaker.

If they want to hold true to that commitment - or is that a promise? I'm not sure. They would claim commitment, not promise, I guess today. At least what we heard this week, there's a difference in the word commitment and promise. But if they are committed to Nova Scotians, let them be committed. Put a bill on the floor or take this very bill. This is a good bill. We've heard that discussion this morning - this is a good bill. Send it to the Committee on Law Amendments. Let the people of Nova Scotia decide whether they want to have an impact on this or not, whether they think there's value in it.

With those few words, I see my time has expired. Thank you.

MADAM SPEAKER: The honourable Progressive Conservative House Leader.

HON. CHRISTOPHER D'ENTREMONT: Madam Speaker, would you please call Bill No. 70.

**Bill No. 70 - Ratepayer Fairness Act.**

MADAM SPEAKER: The honourable member for Inverness.

MR. ALLAN MACMASTER: Madam Speaker, what is the basis for a fair rate of return for Nova Scotia Power? That's what we're trying to get at with this bill, Bill No. 70 - an Act to Amend Chapter 380 of the Revised Statutes, 1989, the Public Utilities Act, Respecting Ratepayer Fairness.

So what is the basis for a fair rate of return for Nova Scotia Power, keeping in mind that it must also be fair to ratepayers, to the Nova Scotians who are paying for their electricity? This bill empowers the Utility and Review Board, who are our policing agent for the people with respect to Nova Scotia Power. It empowers the URB to compare rates of profit to other Canadian utilities. It empowers them to ensure that the rate of return that we must pay to Nova Scotia Power over and above the cost to produce electricity is based on the risk-free rate of return, recognizing that shareholders of Nova Scotia Power, the investors in Nova Scotia Power, do deserve to make something more than that risk-free rate of return, because yes, they are accepting some risk when they invest in Nova Scotia Power. It's not as safe as investing in a risk-free government bond. We also want to ensure that the rate of return for Nova Scotia Power recognizes that their company, their business,

holds much less risk than other types of investment that are available to people who are investing in companies, in common stock.

We recognize that they have to at least make the risk-free rate of return, but perhaps they should not be able to make the same kinds of return that might be found in other forms of common stock. Why? Well, because Nova Scotia Power is a virtual monopoly and they are operating their business in an economy in Nova Scotia, which is very non-cyclical. We don't have a cyclical economy here. We have a large portion of our workforce employed by government. It's backed by the tax base of the province. We don't have an oil and gas industry here that's cyclical, that business activity moves up and down with the price of oil. We don't have that here. We don't have a big manufacturing sector like they would have in Ontario with auto manufacturing. So we and Nova Scotia Power are less subject to the ebbs and flows of the economy. It's safer for them.

We must also recognize that Nova Scotia Power has plenty of demand for the current power they produce. In fact, there are times when large industrial users, like Michelin, for instance, have been faced with shutdowns because everybody in the province is using up every ounce, if I may use that term - it's not an electrical term - of power that's being produced, every kilowatt of power that's being produced. So there's plenty of demand for the power they're producing. They also have an ability to export power through the grid. So if all the power is not being used in the province at any point in time, it can be exported down into the United States through the electricity grid.

We must also recognize that Nova Scotia Power is operating in a part of the world, despite this NDP Government - I figured I might get some raised heads there - that we're in a very stable social and political environment here. There are some catching on, Madam Speaker. They're a little slow to catch on there. It's a little jab. (Interruptions) All in good fun.

Nova Scotia Power has a lot of stability in its business model and has a lot of surety for its shareholders, to give them confidence that they're going to be able to generate returns on their investment. So this bill, we also want to take into account that Nova Scotia Power should have a separate fuel adjustment mechanism. Essentially what this means is that right now Nova Scotia Power shareholders don't accept any of the risk of cost increases for their inputs to generate electricity.

Most businesses - business owners, and if there are shareholders in the business - have to accept the risk that if the cost of their inputs rise, their profitability may decrease, because they may have to absorb those costs to still be able to put a product or service on the marketplace that's affordable for people. Well, Nova Scotia Power doesn't have that risk. Whenever cost inputs like coal or wind energy - whatever the cost input happens to be to generate the electricity - whenever those costs rise, Nova Scotia Power simply passes that on to the consumer, to Nova Scotians. So there's no risk in that for Nova Scotia Power.

I'm hopeful that the government and the members of the Liberal caucus will be supportive of this legislation that we've put forward here today, because I think it recognizes the need, as is in the title, for fairness for ratepayers. Perhaps most importantly, this bill requires the Utility and Review Board to complete its analysis of what rate of profit Nova Scotia Power should be permitted to earn, based on information that's independent of Nova Scotia Power stakeholders. In fairness, the information going to be put forward by Nova Scotia Power's stakeholders is probably going to be favourable to Nova Scotia Power. So the Utility and Review Board should base its decisions not on that information but on its own independent information.

Now, members have spoken about the need for - it wasn't today but we had three significant bills related to power rates in this sitting of the Legislature. One of them had to do with transparency in power rates and in conjunction with this, in determining what profit is allowable for Nova Scotia Power, we must also be mindful of the need to have transparency in power rates. For instance Nova Scotians should know how much of their power rate increases are caused by government energy policy.

Nova Scotia Power has told us recently - the member for Hants West discovered by asking Nova Scotia Power in meetings that were open to the public, what portion of government energy policy accounts for recent rate increases, and Nova Scotia Power said 25 per cent. What is wrong with Nova Scotians knowing what is behind energy rate increases? Nova Scotians are paying for power rates, they're paying their power bills, and they deserve to know what goes into the costs that they're paying.

So, Madam Speaker, I would say show us the numbers. If the government believes that they are doing the right thing by moving toward 40 per cent renewables by 2020, and if it will make power rates cheaper for Nova Scotians, show us the numbers, then we could debate it. And you know what? Maybe there wouldn't have to be any debate, but we will never know as long as the government is too scared to table that information and keeps it secret from Nova Scotians.

I know, Madam Speaker, that we heard comments from the Premier today saying that the past Progressive Conservative Government failed to recognize the necessity of getting off of fossil fuels. Well, why not show us the numbers that prove that, that prove that government should have been getting away from fossil fuels? He often talks about the province being shackled to the international fossil fuel markets but I've offered the numbers, I've offered somebody to counter the numbers but when Nova Scotia Power is costing only 4.5 cents per kilowatt hour to produce a unit of electricity through means of coal-generated electricity and it's paying 15 cents per kilowatt hour to generate electricity from wind, the business case isn't there. So these are important decisions.

It's not good enough for the government to just say, well, we don't need to show the people of Nova Scotia the numbers, we'll just keep them secret. If they're so confident that these are the right decisions that they're making, they should show us the numbers.

I don't want to run out of time without wrapping this up properly but, you know, Nova Scotians deserve to have fairness in the rates that they're paying because it's a significant cost for Nova Scotians. If you look at the monthly budget - and I don't know if any of our young people visiting with us today have ever looked at a monthly budget for a family. You might be interested to go home and check with your parents about how much you're paying and how much your families are paying for electricity usage. It's a significant component of the monthly expenditure in your household.

To close, Madam Speaker, we believe that both other Parties in the Legislature should take a good look at this bill and look at advancing it through to the Law Amendments Committee, through third reading, and to passing the bill because we believe that it will bring greater fairness for Nova Scotia ratepayers. Thank you.

MADAM SPEAKER: Before I recognize the next member I'd just like to remind all members that it's not an acceptable practice to speak to visitors in the gallery. We do hope that they will enjoy their experience here but, again, all debate should be directed to the Chair. Thank you.

The honourable member for Hammonds Plains-Upper Sackville.

MR. MAT WHYNOTT: Thank you very much, Madam Speaker, and it certainly gives me pleasure to rise today and speak to Bill No. 70 - an Act to Amend Chapter 380 of the Revised Statutes, 1989, the Public Utilities Act, Respecting Ratepayer Fairness. You know it's interesting that the Opposition Progressive Conservative Party brings forward this bill because as my colleague, the member for Halifax Chebucto already mentioned earlier in the previous bill, the Party that brings this bill forward is the Party that actually put these measures in place when they were in government in the 1990s.

The bill proposes, Madam Speaker, that directing the Utility and Review Board on what to consider and not to consider in deliberating on any future increases in return on equity of Nova Scotia Power. They bring these amendments forward, but this is a Party who has had Nova Scotia, as the member opposite did mention, shackled to the international rates of coal over the past 20, 25 years - actually, probably right from the beginning of coal generation plants in the province.

I know that when I talk to people in my constituency, people say to me, no question, nobody likes the increase on power rates. Absolutely not, and that's what we recognize. That's why we brought forward a plan during the last election to remove the provincial portion of the HST off electricity and home energy. When we hear about these increases - and again, we don't like to see increases in power rates, but at the end of the day, what we've seen is an 8 per cent decrease in power rates because of the move of this government. This puts money back into the pockets of low-income, medium-income, and even high-income earners in this province.

Fairness in this bill is to ensure that we have a future that gets us off of coal-powered plants and oil. This is something that allows Nova Scotia as a province to move forward. The Province of Nova Scotia and the Province of Newfoundland and Labrador entered into an agreement on the Lower Churchill project. This is just one piece of the overall puzzle for this province to move in the right direction, to ensure that we do have power rates that remain stable in the long term. Once that power is up and running, we know that power rates will remain stable for a 30-year agreement. That's good for business, that's good for individual homeowners, and that's good for family budgets. We know that.

I don't understand why the Progressive Conservative Party is against that. They don't understand that stable energy prices will be good for the economy. When we read a plan like the renewable electricity plan that was put forward just a couple of months ago, this will allow Nova Scotia to get off of fossil fuels, which have been going up time and time again over the past number of years. That is not good for Nova Scotians.

That's why this government has moved forward with this plan of fairness, moving toward a plan that will get us off of what we know today as international markets on electricity, which we know is not a positive thing. We know that coal has increased over the past number of years, in the last six years by 75 per cent. That is a huge increase in power, and we know on this side of the House that we need to get off of that.

I know the Opposition might need some pictures to see this - maybe they can't read the electricity plan - so I do want to table the trend on coal prices over the last six years, from 2004-2011. This graph, a lovely picture as it is - we know that coal energy prices have gone up by 75 per cent. I'd like to table that.

The other interesting thing is the Progressive Conservative Party - their federal cousins are the ones that actually reneged on Kyoto this past week. We see that and we know the Progressive Conservatives don't necessarily believe in climate change. We know that. That is a fact. But we know that this government is moving forward with our targets, which have been proven to be the most progressive and positive move forward right across the country, and in fact, around the world.

The Party opposite would have Nova Scotians believe that the issues are the structure of the Utility and Review Board or the ratepayer portion of performance bonuses paid to Nova Scotia Power executives. It's not, that stuff is just pocket change.

The Progressive Conservatives are also suggesting that there is a shroud of secrecy around this, some sort of secrecy around NSPI. We know that the URB at any time can go in and look at Nova Scotia Power and their books.

We know that the rate increases that we've seen to ratepayers over the last 10 years of inaction by the Progressive Conservative Government, and of course the inaction of the

Liberal Government in the 1990s, has resulted in these high increases. That is unfair, just as the bill suggests; that it is unfair to Nova Scotians to be shackled to that sort of increase.

We are moving forward to ensure that we have a future here, ensure that we have a 30-year agreement with the Province of Newfoundland and Labrador in regard to the Muskrat Falls initiative.

We also know, Madam Speaker, we have ensured across Nova Scotia, we have wind power going up, we have a plant here, in fact, in Nova Scotia that is building windmills, putting good-paying Nova Scotians back to work because the Progressive Conservative Government didn't do anything to ensure that TrentonWorks stayed open for the people of Pictou County. The Liberal Party put out a news release; they said that they didn't agree with that because people in Pictou County are going back to work. That's good news for the people of Pictou County - good quality, green jobs for the future of Nova Scotia. We're building those things here.

We also know that the province is moving forward with tidal energy. We know the amount of energy that can be created out of the Bay of Fundy is huge. More tides come into the Bay of Fundy - that is more than all the water in the world put together - all the rivers in the world. So, Madam Speaker, that is something that is so positive.

So we're talking about wind energy, we're talking about tidal power, we're talking about the Muskrat Falls deal, we also talk about biomass. Now, of course, with biomass we need to move cautiously with that. Those are the types of things that Nova Scotians want to see happen, they want to see a government that is moving forward with those sort of innovative ideas, to get us off the coal and the oil that has been for decades under those two Parties that they didn't do anything about - not a target, not a plan.

We have the plan to move forward to get us off this. Madam Speaker, I know that the Opposition doesn't like to hear it but it's true. They don't like to hear the fact that by 2020 Nova Scotia will have 40 per cent of its energy from renewable sources. I'll tell you, that's a record that I'm proud to stand on and to talk to the young people here in the gallery today. Thank you very much.

MADAM SPEAKER: The honourable member for Kings West.

MR. LEO GLAVINE: Thank you very much, Madam Speaker. This is an issue, obviously, that there's very much to say on. I usually don't like to read from notes but it's very easy to get distracted on an issue that is very quickly becoming the number one issue in our province. We're looking, come January 1<sup>st</sup>, at a 10 per cent increase over the next three years, another 20 per cent increase and if we think we've seen job losses in rural Nova Scotia, you know we've just begun because companies are finding that if electricity is a significant part of their business, then we know that they're going to be making decisions around that kind of cost input.



In just nine years, Madam Speaker, we know that power has increased by 36 per cent, and we're asking ordinary Nova Scotians to dig deeper and deeper into their pockets to cover areas that Nova Scotians find very difficult to fathom. The ordinary ones that I hear about are obviously that investors are guaranteed 9.2 per cent, 9.3 per cent. When Nova Scotia Power started and became the private monopoly in this province, investors may have been somewhat tentative about how the company would do and a guarantee may have made good sense to get people to invest in the company, but when we take a look at the realities over the last decade, utilities across North America don't give their investors a 9.2 per cent guarantee. That's an area that we absolutely have to address, and our Party believes in capping the rate of return.

MADAM SPEAKER: Order, please. There has been a request for an introduction, if the member would be so kind as to allow that.

MR. GLAVINE: Absolutely, Madam Speaker.

MADAM SPEAKER: The honourable member for Truro-Bible Hill on an introduction.

MS. LENORE ZANN: Madam Speaker, I would like to address our attention to the gallery above today. We have a class from Truro, Nova Scotia, and in fact, the teacher here, Mr. Peter Keaveney, is well-known to my family. I was married to his brother, Dennis, and we are still very, very good friends and I love this family. So welcome, children, to the gallery today, and welcome, Mr. Peter Keaveney. (Applause)

MADAM SPEAKER: We welcome all visitors to the gallery today.

The honourable member for Kings West has the floor.

MR. GLAVINE: Earlier this month we learned that Nova Scotians will pay at least 6.1 per cent more in the new year to light and heat their homes, but of course we all know that was just part of the equation. There will be a 3.2 per cent fuel adjustment mechanism, as the member opposite talked about the high price, the high cost of coal to this province. There is one guarantee, Madam Speaker, that Nova Scotians can be assured of, and as long as those two plants can get up and run each morning, Nova Scotia Power has no intention to decommission them. We will be using coal in this province for a long time and many see them at just half life.

We know that the world is changing very quickly. There are major companies now that will not buy products that are made with dirty energy. I think it's in our best interests to move, perhaps, even quicker in that regard.

So we have the fuel adjustment mechanism which is coming at us, plus we have the NDP electricity tax, and while nobody minds paying to see greater efficiency, I'm not sure

if we have seen that accounting in this province whatsoever. Again, this is why we keep asking for a comprehensive audit of Nova Scotia Power. It's interesting now - we're starting to hear that theme a little bit more from companies. Even Bowater talked about this openly, that Nova Scotia Power does need that kind of internal audit to see where dollars can be saved. If the NDP Government is asking hospitals and school boards and that public areas make sure you're doing things cost effectively, why not bring forth legislation to say to Nova Scotia Power that we want to see the results of an internal audit that will return cents to Nova Scotia families?

One of the areas that I think we need to take a look at, and that was through a bill that we brought forward, which was the Ratepayer Protection Bill. This was considered a small step for homeowners and businesses because we need to point out that Nova Scotians in the province's business community are being pushed to the brink by already sky-high power rates and they aren't able to withstand future electricity increases being sought by Nova Scotia Power.

We know that while a portion of the HST did come off our electricity bills, small business did not benefit. In some ways now, what has happened again, Bowater and NewPage have been paying that all along, as well, so it was of no benefit to them.

The NDP keeps talking about the HST removal as a solution and we all know that it's really becoming somewhat of a moot point because of the other areas that have been increased on our electric bills and we're likely to see more of that. Power rates, as I've said, have increased 36 per cent over the last 10 years and now Nova Scotia Power will seek another 20 per cent over the next three years. These increases stretch budgets, put a strain on pocketbooks, make doing business in Nova Scotia unaffordable.

The last 10 years brought a series of Progressive Conservative and NDP Governments that didn't stand up to Nova Scotia Power. I think that's the area now that Nova Scotians are asking us to take a look at. Why should \$100 million leave Nova Scotia and go to corporate Emera and receive little or no benefits to Nova Scotia? Over the last 10 years \$100 million a year has moved out of this province, with no benefits to Nova Scotia.

Both the Progressive Conservatives and the NDP had a chance to put an end to the Nova Scotia Power bonuses, but both have failed to do so. The NDP want you to believe they care about the pain Nova Scotians are in and the Progressive Conservatives want you to believe they care by proposing legislation based on principles that we've been talking about for two years, such as ending ratepayer-funded bonuses and suggesting costs of renewable energy legislation should be outlined at the time of bill introduction, when they didn't even do that themselves while in government.

Our work begins with Nova Scotians knowing whether they're getting value for money, whether the parent company, Emera, is simply bleeding Nova Scotia Power dry. With Nova Scotians staring down the barrel of a seventh power rate hike in 10 years, we've

repeatedly asked government to order a performance and value audit of Nova Scotia Power and their operations.

You know, the face of past Nova Scotia Power increases, and currently what's coming at us, this is what I'm sure every MLA in this House, none of us are immune to those phone calls, to those visits to our office, when the power has been shut off or will be shut off. In fact, it was just yesterday that I had an e-mail from a constituent who said that as he took a look at the new power increase - and he's a member of our Canadian Forces - he said I can no longer afford to live in this province. I went to my boss today and said, can I have a transfer? Thank you very much, Madam Speaker.

MADAM SPEAKER: The honourable member for Cape Breton West.

MR. ALFIE MACLEOD: Madam Speaker, I want to say what a pleasure it is for me to get up and speak on Bill No. 70 that was introduced by my colleague, the member for Hants West. It's very interesting. I was listening to the member for government speak about targets, and do you know that we've had, time and time again in this House, a minister stand up and say that this government doesn't have targets, yet we have the courage of the young - we don't have targets, we don't do targets.

Now, Madam Speaker, it's very important that we talk about this issue. The poor member back there got some bad research because he said, very clearly, that we have been hostage to expensive, imported coal for 25 years - shackled by it. The reality is that the coal was produced here in this province, and still is, but up until 2002, the Cape Breton Development Corporation was the main supplier of coal for the generation of power in this province, not 25 years ago as he would have us think to put a shackle to.

The other thing that's important to know is today (Interruption) - you know what? I hope that the member will give us some time to actually address all the issues that he gave misinformation on. I probably don't have enough time for that because there's been a lot of misinformation. The reality is, today there's still coal being produced in Stellarton, in Pictou County, and in Cape Breton County, that supplies Nova Scotia Power.

I hear the Minister of Justice saying, shame. His own Department of Energy and his government will tell you that regardless of what we do - by the way, I want you to know that I am in favour of green energy, I have no problem with green energy - but the reality is, that minister will be somewhat upset the day he gets up and he can't turn on his lights and shave his moustache or whatever he does. The reality is that the Department of Energy will tell you, with all their plans, with all their green plans, in 10 years' time this province will still be 35 per cent reliant on coal-fired generation.

That's from the Department of Energy, that's from that government's own department. We all know that when government is involved, it's very hard for them to meet targets. But then again, I'm happy to hear that at least they have a target because normally

we hear they don't. The reality is we're going to have to produce coal. The one thing the member did say that I have some agreement with is the expense of imported coal. We should not have to import coal when we have a resource here in this province.

Just think about the fact that the coal is here, we need jobs because we know the poor job this government has done on keeping employment numbers up, so we need jobs here and we have an opportunity to supply those jobs in Cape Breton, in a mine that has produced coal, that will produce 300 jobs plus the spinoffs, and the quality of the coal is much better than the quality of the coal they're importing. It's anywhere from 1,500 to 2,500 BTUs higher, which would mean by using that coal you could probably use about 75 per cent of the amount that's now being burned and get the same amount of energy out of it.

The other thing it means is that you would be dealing with a Nova Scotian company, dealing in Canadian dollars instead of American dollars, which is what they're using today on the very expensive international market. The third thing, and the real bonus here is, Nova Scotians would be put back to work. There would be 300 more people paying good taxes. There would be property taxes being paid by this mine for our communities and in the long run, we would benefit.

The other thing that was failed to be mentioned by the member from the government side of the House was that coal technology has improved immensely. Clean coal technology is on the cutting edge and more and more areas are using coal because of using the clean coal technology. As a matter of fact, in the United States, a number of states have now gone back to coal because it's a reasonable supply and it's an internal supply. You are not relying on some foreign-based supply of a resource to give you the energy that you need to operate your province and your country.

These are things that we need to keep in mind. The job creation is very important. I mentioned the Department of Energy said that 10 years down the road we're still going to be using coal. Nova Scotia Power, in all their rate hearings and all the times that they've gone forward and said, we need to look at a price increase - they will still tell you that they are going to need to have coal in their operations for the next 10 to 25 years. What really is interesting - the member on the opposite side of the House provided us with a chart because he wasn't sure if we understood the numbers he was quoting. He's right, I didn't understand them because they weren't factual.

The chart says that coal has gone up in price. He's right. That's the one thing he did get right, it's gone up (Interruption) - by 76 per cent you say? So, here's the interesting thing that he didn't tell you, that wind energy, even at the increased cost of coal energy, and what it costs to supply a kilowatt of power, wind energy is still two thirds the cost higher than coal energy. That's the thing you never bothered to bring forward, but that's okay because you didn't know.

MADAM SPEAKER: Order, please.

MR. MACLEOD: Madam Speaker, I am sorry for using that word. Being an old shepherd, “yous” come easy to me.

MADAM SPEAKER: Thank you. The honourable member for Cape Breton West.

MR. MACLEOD: There’s another reality that hasn’t been mentioned in this House. Even though there are alternative sources of energy, alternative sources that we need to promote, there is no question about that, but we also have to note that they come with a cost. The biggest thing that I’m really concerned about, is the fact that they don’t understand how important it would be to create some jobs here in Cape Breton and help stabilize our power rates.

These jobs might be located in Cape Breton but it would be jobs that would be there for all Nova Scotians. The other thing that would do, Madam Speaker, is that it would have an effect on families because they wouldn’t be going out west, they wouldn’t have to leave their children and their families behind, so there would be a marked improvement for them.

When the member opposite says we are shackled by expensive imported coal, it’s obvious that he doesn’t understand how it worked. You know what, I want to point out to him that Donkin is on Cape Breton Island, it’s a place where you can get lots of coal. I know that some people on the mainland think that we’re another country, in Cape Breton, but we are not. We are part of Nova Scotia. As a matter of fact we are where Nova Scotia started and I think you people here in Halifax sometimes need to take that into account. But for him to say that we’re shackled by expensive coal imported from other areas is not correct, it is not correct; the coal came from Cape Breton and Cape Breton is a big part of this province. It is a shame that he doesn’t understand that, it’s a real shame because normally he’s a pretty good guy.

Let’s just recap where we’re at. We have a Department of Energy, run by that government, which says that in 10 years we have to move to green energy - not a problem - says in 10 years time that 35 per cent of the needs of energy in this province will be produced by coal.

MADAM SPEAKER: Order, please. We have one minute remaining its becoming difficult to hear the member. I’d ask that the members either take their conversations outside the chamber or keep it down a little bit longer, for just a few more minutes.

The honourable member for Cape Breton West has the floor.

MR. MACLEOD: That you very much for that wise ruling, Madam Speaker.

AN HON. MEMBER: Its story time with Uncle Al.

MR. MACLEOD: I take exception to the member saying that it is story time because it is only the Department of Energy that says 35 per cent of the needs of this province, the whole province, Cape Breton Island included. (Interruption) Well, again he's over there rambling on about private funding. We still are going to need coal. This man, and you, and the government should understand that coal is going to be part of it. It should be Nova Scotian coal, thank you very much.

MADAM SPEAKER: The honourable House Leader for the Progressive Conservative Party.

HON. CHRISTOPHER D'ENTREMONT: Thank you very much Madam Speaker, I thought we had a pretty good debate there and knowing that some members may want to get down to the state-of-the-province address, that concludes the business from the PC Caucus today, so I will pass off the reins to the Government House Leader.

MADAM SPEAKER: The honourable Government House Leader.

HON. FRANK CORBETT: Madam Speaker, I thank the House Leader for the Progressive Conservative Party. I move that the House do now rise to meet again on the morrow at the hour of 12:00 noon until 12:00 midnight or until the conclusion of business.

The order of business on the morrow will be Public Bills for Third Reading, Nos. 72, 81, 86, 93, 94,95, 98, 104, 108, 111,112; Private and Local Bills, Nos. 129 and 132; Committee of the Whole House on Bills, Nos. 55, 90, 96, 100, 102, 106, 109, 110, 114, 115, 116, 118, 121, 122, 123, 124 and 125; and, time permitting, Public Bills for Second Reading, Nos. 126, 128, 131 and 133.

I move that the House do now rise, Madam Speaker, to meet from the hours of 12:00 noon until midnight.

MADAM SPEAKER: The motion is to adjourn.

Is it agreed?

It is agreed.

Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried.

We stand adjourned.

[The House rose at 12:05 p.m.]