

# PRINCE EDWARD ISLAND LEGISLATIVE ASSEMBLY



Speaker: Hon. Francis (Buck) Watts

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Matters of Privilege and Recognition of  
Guests

**Speaker:** The hon. Premier.

**Premier MacLauchlan:** Thank you, Mr. Speaker.

Welcome back to all colleagues. I suppose some of us may have it on our mind that a month from today is Boxing Day. It's amazing how the time passes.

Started out this morning by participating in a networking session that is organized by the Island Advanced Task Force of the Charlottetown Chamber of Commerce and what's known as the Connector Program – 400 people registered to do business between newcomers and Island businesses, and business to business opportunities and exhibits. But the main thing was to see the energy there and the diversity and the intent to do business and congratulate everybody who is part of that.

I want to welcome two of my constituents who are here from District 9, different parts of the district; Ken Williams from Ebenezzer and John TeRaa from Hardy Mill, both great contributors to the affairs of the province. Joe MacKenna is here.

I want to welcome the president of the PEI Federation of Municipalities, Bruce MacDougall, deputy mayor of Summerside, and John Dewey who's executive director of the federation. Of course, both Bruce and John would be former colleagues from the time when I served on the federation.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Leader of the Opposition.

**Leader of the Opposition:** Thank you, Mr. Speaker.

Welcome to everybody in the gallery today, especially Mr. MacDougall and Mr. Dewey who I know, have spent time working with before on the town of Borden-Carleton

council years ago. Also, the members of the Bedeque council are here today, too, representing their area.

Thank you.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Alberton-Roseville.

**Mr. Murphy:** Thank you, Mr. Speaker.

Pleasure to rise and welcome all the folks in the public gallery. I'd like to say hello to Bruce and John. I know them both from previous careers.

To all the good people of Alberton-Roseville, I'd certainly like to say hello to them.

While I'm on my feet I'd also like to congratulate Mr. Peter Bolo on his retirement. He coached sports up in the Alberton area, the West Prince area, for some 39 years. What's very impressive about that is the fact that out of those 39 years, 29 years were championship years for him. So congratulations, Peter, and I hope you stick around to help out our future teams.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Minister of Agriculture and Fisheries.

**Mr. McIsaac:** Thank you very much, Mr. Speaker.

I want to welcome everyone in the gallery, John TeRaa. Ken Williams, a good friend of mine who's actually playing in the *Aladdin* play that starts on December 9<sup>th</sup> at Confed Centre, runs for about a week. I think he's the lead in that. That's great. Make sure everybody takes it in.

Eddie Lund, Joe McKenna, Bruce MacDougall, and everybody else who is here today, it's good to see you.

I want to put a shout-out to my district and especially the one lady in my district, she's a beautiful grade 1 teacher in Vernon River.

Thirty-eight years ago today she joined with me in marriage. I just want to wish her an absolutely happy anniversary.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Minister of Transportation, Infrastructure and Energy.

**Ms. Biggar:** Thank you, Mr. Speaker.

I wish to send greetings out to all my constituents in Tyne Valley and to welcome one of them here with us this afternoon. Mr. Bruce MacDougall is my constituent from St. Eleanors but he hails from Bideford, a great area that has lots of connections to politics, for sure. I would like to welcome you. I hope you enjoy the proceedings.

And say hello, there, to Eddie Lund as well today.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Minister of Communities, Land and Environment.

**Mr. Mitchell:** Thank you very much, Mr. Speaker.

It is indeed my pleasure to rise today and welcome all to the public gallery. There are a few members that are with us in the gallery today, I will definitely be recognizing them a little more in depth later through the day.

I certainly do want to say a hello to Eddie Lund who is back with us today.

John TeRaa is in the gallery today. John has been working very hard with our group on the water act. John has presented on several occasions now. He probably will be presenting at least one more time, I believe. I'd like to thank him for his work he's been doing and bringing a lot of great information forward there.

I see Joe McKenna is with us today. I only learned this recently and on Facebook that I think Joe McKenna is actually a Bruins fan. You can correct me on that if that's not true.

**An Hon. Member:** Very astute.

**Mr. Mitchell:** Also, I do indeed want to say hello to all residents of the Charlottetown-Sherwood area, and especially to my mother who's been watching every day, who I've neglected to say hello to, and to all her new friends. She recently became a resident of the Mount community care. To all the residents at the Mount, I do say a hello to them as well.

Thank you.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Summerside-Wilmot.

**Ms. Sherry:** Thank you, Mr. Speaker.

I, too, would like to rise this afternoon and welcome all of our guests to the public gallery.

I, too, would like to single out John TeRaa who has been a great person of advice for myself in various capacities as an elected official in the province.

Eddie Lund who is always in the gallery, also to the deputy mayor of the beautiful city of Summerside. I think I've known Mr. MacDougall since I was probably six or seven years old. In everything that Mr. MacDougall does in his life he commits himself wholeheartedly. He's a great deputy mayor for the city of Summerside. I consider him a professional and I certainly consider him a very good friend.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from O'Leary-Inverness.

**Mr. Henderson:** Thank you, Mr. Speaker.

I, too, want to acknowledge those in the gallery, especially John Dewey and Bruce MacDougall. I've known Bruce for a long time, too, and he's a very knowledgeable individual on municipalities and many other subjects.

I can't go without recognizing Joe McKenna, being a Bruin fan and all. I might note to the House that the Boston Bruins are

actually holding down a playoff spot in the eastern conference as we speak. Not sure if we would have guessed that at the start of the season.

One of the things, too, I want to acknowledge is that I have the great fortune of living in the riding of O'Leary-Inverness and I wake up every morning and I look out over – I'll say a very beautiful view on Prince Edward Island - and it's the river of Eel Creek. Eel Creek was actually froze over for the first time, the whole creek right out to Callaghan Point as it enters into Frederick Cove, and that means that the oyster fishers are soon going to have to make sure they get all their buoys out and sunk and their oyster leases prepared for the winter.

All the best, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** Thank you, Mr. Speaker.

I, too, rise today to welcome everyone in the public gallery and everyone watching at home from District 18 Rustico-Emerald.

I especially wanted to welcome Ken Williams here. Ken is married to my wife's cousin Norma Jean. We have an annual Christmas gathering every year and I'm doing my research for the political debate that will happen there with Ken. I'm glad he's here just to listen today. I should say that Ken actually writes a great column for the *Northern Star* newspaper which I'll be talking about a little later on in a member's statement.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Mr. Speaker.

I'd like to welcome everybody here, like everybody else, Bruce and John, welcome. You might not remember, but our first meeting was back when I was very much

behind the scenes in politics. Now I'm in a different role.

Also like to say hello to a very prominent member of District 7, Joe McKenna. I think our hockey teams are much more aligned than our politics, I suspect. There's a little bit of truth over there.

**An Hon. Member:** (Indistinct).

**Mr. MacEwen:** You never know.

Mr. Speaker, I want to wish good luck and safe journeys to a lot of people from PEI who will be travelling over to Sou'West Nova this weekend and over the next week to be taking part in the fishery over there. A lot of hard work, rough days. Some go for just a couple of weeks, some go for the whole season. Similar to the movement out west. Best wishes to the families and to those fishers to stay safe over the next couple of weeks.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Charlottetown-Brighton.

**Mr. J. Brown:** Thank you, Mr. Speaker. I, too, would like to welcome everybody in the public gallery today and those watching at home. In particular, I'd like to thank John TeRaa for his presentation to our Democratic Renewal Committee. A little advanced notice on what may come soon in this session.

I'd also like to welcome Joe McKenna, the most accurate weatherman on Prince Edward Island. I'm sure Joe is probably getting ready to head out on the roads here this winter. He does a great job of keeping the rest of us on the roads in his plow and keeping us informed as to exactly how much snow is going to fall in each storm that we've had over the last couple of winters.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Summerside-St. Eleanors.

**Ms. Mundy:** Thank you, Mr. Speaker.

It gives me great pleasure to rise today as well and welcome all those in the gallery and those at home viewing on EastLink and online.

I'd also like to welcome and acknowledge some people here in the gallery today. Joe McKenna, a good Facebook friend, and Bruce MacDougall and John Dewey, former SCM colleagues as well. Bruce MacDougall, or as I used to call him in my city council days, 'Deputy Dog,' was quite instrumental actually in guiding me along in my political career. I thank him for that and it's great to see him here.

I'd also like to acknowledge some young entrepreneurs that are in the gallery today. I will be doing a member's statement on them very shortly, but today, from the greater Summerside and area, we have: Logan Reese, Chloe Woods, Jackson MacDougall, Emily Arsenault and some great community leaders, Jason Gallant and Kate Gaudet.

I will acknowledge them a little more in a few minutes, Mr. Speaker.

Thank you.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Souris-Elmira.

**Mr. LaVie:** Thank you, Mr. Speaker.

I welcome everyone into the gallery today. By the sounds of things here today in the greetings the weekend must be coming. Everybody is in great cheer here today. It was so sad in here come Tuesday, but that's the first of the week and you can tell when the weekend is coming.

Anyway, on a serious note, I was at the wake last night for Captain. Randy Holland and I met up with a gentleman, Gordon Robinson. Gordon Robinson watches the House faithfully, he and his wife, every day, so I told Gordon when I get up tomorrow I will make sure I recognize Gordon and Phyllis Robertson.

Gordon was an old war veteran and he did great for his country, great for his province,

and he and wife did great for the beautiful community of eastern Kings. They still do, they are great members of the community, still are great members of the community up there in eastern Kings, so just a big shout-out to Gordon and Phyllis Robertson.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Evangeline-Miscouche.

**Mr. Gallant:** Thank you, Mr. Speaker.

I, too, would like to welcome everyone to the gallery. Welcome to Bruce MacDougall and John Dewey and Joe McKenna.

I would also like to recognize a very special guest from the District of Evangeline-Miscouche, a very active youth at the Summerside Boys and Girls Club, Chloe Woods. It's nice to see you here and I hope you come again. The chocolate bars I bought from you and Cohen a couple of weeks ago were very good.

Thank you very much, it's nice to see you here.

**Some Hon. Members:** Hear, hear!

#### Statements by Members

**Speaker:** The hon. Member from Charlottetown-Lewis Point.

#### **Poppy Memorial**

**Ms. Casey:** Thank you, Mr. Speaker.

On November 14<sup>th</sup> I had the pleasure of being the Master of Ceremonies for the 7<sup>th</sup> annual Nichola Goddard Foundation fundraiser.

Captain Nichola Goddard was the first Canadian female soldier to be killed in active combat when she died in 2007.

It is always inspiring to hear from Nichola's parents, Tim and Sally Goddard, residents of Charlottetown-Lewis Point, speak of the work they do on behalf of the Nichola Goddard foundation. One impressive project called Light Up Papau New Guinea provides

solar-powered lights to many rural health facilities in Papua, Nichola's birthplace.

The highlight of the evening for me was hearing from the creators of the Poppy Memorial. It was created by former and current Canadian soldiers.

On Remembrance Day 2011 in Kandahar, Afghanistan, poppies were placed on plaques honoring 161 Canadian soldiers who lost their lives. The poppies were to be carefully removed in Afghanistan and preserved by Warrant Officer Renay Groves. She knew that something special should be done with these poppies and decided to put together a team to create a Poppy Memorial.

The Poppy Memorial was created using pieces of a Badger armored engineering vehicle that was destroyed by a roadside bomb in 2008 and is topped with a maple leaf carved out of a destroyed tank, with the face of the maple leaf showing the damage from the explosion.

The poppies are now bronzed and circle the memorial. It is circular to represent how Canadian soldiers surround their nation and protect it. The brass of a spent shell casing bears the names of the 161 Canadian soldiers including Captain Nichola Goddard's. That night Tim and Sally Goddard placed the poppy from the Afghanistan ceremony on behalf of their daughter the memorial.

The poppies have been placed at random on the memorial to represent the randomness of the deaths and the entire monument rotates so that no part of it is more prominent than any other.

Seeing Canadian soldiers taking the time to honor their fallen comrades in such a thoughtful and unique way was an inspiration.

At this time, I would ask all members to join me in thanking the members of the Poppy Memorial team for this wonderful display, and also to Captain Goddard's family who continue to honor her legacy through this evening.

Mr. Speaker, may we always remember the contributions of our veterans.

Thank you.

**Some Hon. Members:** Hear, hear!

### **Dragon's Den**

**Speaker:** The hon. Member from Summerside-St. Eleanors.

**Ms. Mundy:** Thank you, Mr. Speaker.

It is my pleasure to highlight a fantastic event put on by the Summerside Boys and Girls club this past summer, The Young Leaders Dragon Den Program.

Twelve young people – and some of them are here this afternoon – ages 12 to 15 were encouraged to create their own business idea or a product to sell. They learned the basics of creating a business plan and also received tips on effective presenting.

As the main event, they had the opportunity of pitching their ideas in the style of Dragon's Den. The panel included: His Worship Bill Martin, Mayor of Summerside; general manager of the Consolidated Credit Union in Summerside, Sarah Millar; executive director of the Boys & Girls Club of Summerside, Adam Binkley; and myself.

I was truly amazed by just how creative our Young Leaders were with their ideas and at how well their ideas were presented.

This event demonstrated that our youth are able to come up with innovative ideas that will benefit our Island communities.

It is crucial that our young people possess the skills needed to transition into the workforce and have the confidence to become entrepreneurs.

A special thank you to the program coordinators Daryle Arsenault, Chelsea Moulins, and Sarah Wedge, as well as the organizers and brain children of this event, Jason Gallant and Katie Gaudet, who are here today, for helping organize this awesome night.

Last but not least, thank you to the Summerside Boys and Girls Club for creating opportunities like this for our children and youth. I'm proud of the

dedicated community members and future entrepreneurs in District 22.

As mentioned earlier, some of the presenters are here today in the gallery and I ask that they stand so we can acknowledge them.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Rustico-Emerald.

### **The Northern Star**

**Mr. Trivers:** Thank you, Mr. Speaker.

I rise today to proudly recognize a monthly community newspaper that serves most of the beautiful District 18 Rustico-Emerald and many of the adjacent areas.

The *Northern Star* is a very popular newspaper publication because of its community focus. Well-written features, stories, colour photographs, pictorials, and columns offer the latest news on all the happenings in central and northern Queens County.

Paul Blacquiere, a well-known Island journalist and resident of the Cavendish-North Rustico area, is the publisher of the *Northern Star*, which boasts 21 years of serving the Island's North Shore community.

There are columns on the weather, the watersheds, a doctor's column, a Seniors' Corner, some political commentary, and even local editorial cartoons. Many dedicated community members submit their own columns that talk about just about everything, including local awards winners, weddings, deaths, births, come-from-aways, sports teams, who's home for the holidays, and those who have moved back home.

Events such as suppers and pancake suppers and local businesses have the opportunity to advertize their wares and services.

The November newspaper features columns from Emerald Junction, Hunter River, Millvale, New Glasgow, Rustico, York, North Rustico, North Milton, Grand Tracadie and Area.

The *Northern Star* is a fine example of what Prince Edward Island is all about. It's full of stories that reflect the great spirit of community that makes Prince Edward Island so unique. The *Northern Star* helps neighbours get to know their neighbours and keeps those communities in touch with local happenings, whether it's quilt making, birding, putting up the preserves for the winter, gardening, or helping out when a tragedy strikes.

If you want to find out what makes Island communities tick, pick up a copy of the *Northern Star*.

Thank you.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Leader of the Third Party.

### **Prince Edward Island Museum of Human and Natural History**

**Dr. Bevan-Baker:** Thank you, Mr. Speaker.

With the commitment of the new federal government to spend billions of dollars on social infrastructure, now might be a wonderful time for Islanders to begin to dream again about a project long discussed and advocated, namely, the construction of a new Provincial Museum of Human and Natural History. I foresee a must-see facility for every Island school student, citizen, and visitor, a state-of-the-art institution to showcase and highlight the rich legacy, and promise, of our Island province.

Our Premier talks often about that very precious inheritance of Islanders, the gift of jurisdiction. But in my opinion that "gift" can ring hollow and is at risk unless pains are taken with each new generation to shore up and reinforce Islanders' sense of our history and identity. Also, we need to continue to learn from our past, in particular, how Islanders have been shaped by the land and vice versa. Thus we can equip ourselves to face the future with a higher consciousness and a greater wisdom.

In 1970 a visionary Island government of the day took the bold step of establishing the Prince Edward Island Heritage Foundation. In 1983 the *Museum Act* changed the name



of the organization, added a natural history mandate, and underlined the institution's status as the Island's "provincial museum."

Now, almost half a century later, let us be bold and finish the job, and build ourselves a lovely and imaginative new facility which will be the pride of all Islanders.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

Responses to Questions Taken As Notice

**Speaker:** The hon. Minister of Health and Wellness and Family and Human Services.

**Dementia strategy (further)**

**Mr. Currie:** Thank you very much, Mr. Speaker.

I rise to update the Assembly from questions from yesterday's Question Period on the provincial dementia strategy.

We are grateful for the many partners that created, particularly the Alzheimer Society and dementia experts from across Canada.

The framework for the dementia strategy is complete and the Department of Health and Wellness has received it. The work has been well under way.

For example, the new geriatric program has provided 1,444 consults; 534 had Alzheimer's, which is a diagnosis of 51%.

A major component of this framework is the additional new money of 95,000 in funding provided to the Alzheimer Society this spring for their First Link program.

Other initiatives are well underway: the expansion of \$270,000 to the seniors' mental health resource team in working with families and individuals with Alzheimer's and dementia; the investment of \$90 million in our new public manors to respond to the changing needs of patients living with dementia; the additional investments in dementia care services to both the private and the public facilities in support for dementia care; and the 78% increase in home care spending.

As well, the Department of Family and Human Services has an ongoing partnership with the Alzheimer Society, which is my other department. Family and Human Services has also provided the Alzheimer Society with 29,500 of funding to continue support for the First Link. The Alzheimer Society received a seniors' Secretariat grant of 4,000 for the Just For You volunteer campaign.

This year the Alzheimer Society received another grant from the Seniors' Secretariat of 5,000 to support the creating dementia-friendly communities.

We are committed to working with key stakeholders as we continue to embrace the challenges of dementia and Alzheimer's with individuals and families in communities all across Prince Edward Island.

Thank you very much

**Some Hon. Members:** Hear, hear!

Questions by Members

**Speaker:** The hon. Leader of the Opposition.

**Amalgamation**

**Leader of the Opposition:** Thank you, Mr. Speaker.

Question to the Minister of Communities, Land and Environment: What does the minister think is the proper number of municipalities to have on the Island?

**Speaker:** The hon. Minister of Communities, Land and Environment.

**Mr. Mitchell:** Thank you very much, Mr. Speaker.

It's certainly been no secret since this government has come to power just a short six months ago and we have said that –

**Mr. Myers:** Eight years ago.

**Mr. Mitchell:** – as a government we fully intend to implement recommendations –

**Mr. Myers:** (Indistinct) years.

**Mr. Mitchell:** – of Judge Thompson’s report.

**Mr. Myers:** Six months ago - 2007.

**Mr. Mitchell:** That report clearly stated that 73 municipalities on Prince Edward Island is certainly not sustainable or viable.

**Mr. Myers:** I read that (Indistinct).

**Mr. Mitchell:** Mr. Speaker, in my –

**Speaker:** Order, please!

The minister has the floor.

Go ahead, minister.

**Mr. Mitchell:** In my conversations with the federation, that certainly for me has confirmed that message.

It’s also no secret that there are several communities across Prince Edward Island already in discussion with their neighbouring communities about forming larger regions.

I would like to take the opportunity at this moment to commend the members of those communities for their show of strong leadership and of great courage to go out and begin these discussions with their neighbours.

Thank you, Mr. Speaker.

**Speaker:** The hon. Leader of the Opposition.

**Leader of the Opposition:** There was no number in that question but that answered that question.

Back to the Minister of Communities, Land and Environment: What supports will be put in place by your department to consider the benefits and drawbacks of amalgamation?

**Speaker:** The hon. Minister of Communities, Land and Environment.

**Mr. Mitchell:** Thank you, Mr. Speaker.

As I said in this House in the previous session, in the springtime, the way these successful regions will occur on Prince

Edward Island is with discussions at the local level, with neighbours talking to neighbours, with a strong vision of how their communities should look as we move forward, with stronger economies, with stronger local governments, with 30-, 40-, 50-year vision out as we move forward.

That will be how this will be a successful move into the future.

**Speaker:** The hon. Leader of the Opposition.

**Leader of the Opposition:** Back to the minister, question number two, still had no answer to that question. So there’ll be no supports put in place to help these municipalities.

Is there a dollar value cap on the amount of planning supports your department will make available to communities considering amalgamation?

**Speaker:** The hon. Minister of Communities, Land and Environment.

**Mr. Mitchell:** Thank you, Mr. Speaker.

Since I became minister of this department I have had many conversations with municipal leaders all across Prince Edward Island regarding their interest in going out and addressing neighbouring communities because they know they are not viable and sustainable into the future.

I made it abundantly clear to these municipalities that our department would be there to assist them. We will be there to stand beside them. We will be there if they have concerns or questions as we move forward. And yes, there will be some transitional help there if required, Mr. Speaker.

**Speaker:** The hon. Leader of the Opposition.

**Leader of the Opposition:** Thank you, Mr. Speaker.

So we have no number of municipalities, we have no mention of any support, and we have no dollars on the table.

**Amalgamation plebiscite**

If a group of communities decided to pursue amalgamation, does the minister support letting affected residents have a direct say through a plebiscite?

**Speaker:** The hon. Minister of Communities, Land and Environment.

**Mr. Mitchell:** Thank you, Mr. Speaker.

As I said in my earlier response, we feel and municipalities feel success will be obtained by neighbours talking to neighbours. One way that they will do this is to sit at tables, to sit at town halls, and have discussions and voice their concerns, and view their common interests of how they see their communities moving forward.

That conversation has been going on in a lot of communities over the past months and I know will continue on into the future, Mr. Speaker.

Thank you very much.

**Speaker:** The hon. Leader of the Opposition.

### **Involuntary amalgamation**

**Leader of the Opposition:** Thank you, Mr. Speaker.

I take it from that answer that the affected areas won't be able to voice their opinion or have a plebiscite saying yes or no.

To the minister. The minister says he supports a volunteer approach for now for communities to amalgamate. For now. At what point will this process stop being voluntary?

**Speaker:** The hon. Minister of Communities, Land and Environment.

**Mr. Mitchell:** Thank you, Mr. Speaker.

At my desk as minister I've had a lot of phone conversations with those individuals in regions who have concerns about the process of regionalization or amalgamation. I've taken the time – and I know it's been much appreciated by these individuals – to have a great conversation and to give them some great information as to why this is taking place.

I can assure you, when you take time to communicate with these individuals they certainly have a better understanding of why this process must continue.

**Speaker:** The hon. Leader of the Opposition.

**Leader of the Opposition:** Thank you, Mr. Speaker.

So five questions, no answers. We're no further ahead at the end of the day so we might as well go to the Premier.

If communities don't want to amalgamate, will you be forcing them to?

**Speaker:** The hon. Minister of Communities, Land and Environment.

**Mr. Mitchell:** Thank you, Mr. Speaker.

It's been my experience in life that if you force people to do anything it's usually met with opposition and resistance. There's no question about that.

I understand that the Leader of the Opposition may have received a petition in regards to this for this topic last evening. That's democracy in action. That's people having their voice. It begins conversation, it opens the door for communications and questions. That's a very positive thing, Mr. Speaker.

**Speaker:** The hon. Leader of the Opposition.

**Leader of the Opposition:** I will take that, Mr. Speaker.

Yes, I did receive a petition last night. I've heard loud and clear from people out there that they're scared this government is going to force them to amalgamate when they don't want to.

Are you going to force amalgamation on rural residents in PEI?

**Speaker:** The hon. Minister of Communities, Land and Environment.

**Mr. Mitchell:** Mr. Speaker, as I think I clearly stated, any time you force people to

do anything it's met with opposition and resistance.

What we're willing to do and what we've been offering to do, and what we will continue to do, is to talk with residents of these communities to give them the full information that's available in regards to why the process is underway and why it will be continuing into the future.

Thank you, Mr. Speaker.

**Speaker:** The hon. Member from Morell-Mermaid.

### Early learning and education plan

**Mr. MacEwen:** Thank you, Mr. Speaker.

The opposition has been making much ado about education in this House sitting. We're going into day four on the new school act, the education act, we've brought it up in Question Period a number of times, and I think we'll continue to make it an issue.

Question to the minister of education: How does early learning fit into your new education plan?

**Speaker:** The hon. Minister of Education, Early Learning and Culture.

**Mr. Perry:** Thank you, Mr. Speaker.

Early learning, as we mentioned right from the start of this, we're looking at a very broad sense of delivering of education to Islanders from birth through formal training, former schooling into the post-secondary training and into the workforce. Our early learning is very important in our process as we move forward.

**Speaker:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Mr. Speaker.

Minister, where does it mention early learning in your new education plan?

**Speaker:** The hon. Minister of Education, Early Learning and Culture.

**Mr. Perry:** I'm sorry, Mr. Speaker, I didn't hear the question.

**Speaker:** Could you repeat the question, hon. Member from Morell-Mermaid?

**Mr. MacEwen:** Not a problem at all, Mr. Speaker.

Minister, where does it say early learning in your new education plan?

**Speaker:** The hon. Minister of Education, Early Learning and Culture.

**Mr. Perry:** Thank you, Mr. Speaker.

Again, we've mentioned on several occasions that learning is from birth through formal schooling into the workforce and beyond. Early learning starts at birth. It starts with the parents at home and there are programs in place for that.

I have to mention that our early learning system here in PEI is actually being modelled by Nova Scotia and New Brunswick and there are other jurisdictions across Canada that are coming to look at us to see what we're doing because we're doing it right.

Thank you.

**Speaker:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Mr. Speaker. We have a great early learning system right now in PEI. Although I find it quite ironic, but when you look through the entire new education plan for our province the only time it mentions early learning in that is when the minister's own title is mentioned. Why is early learning important enough for the minister's title, but not important enough to be mentioned in the education plan?

**Speaker:** The hon. Minister of Education, Early Learning and Culture.

**Mr. Perry:** Thank you, Mr. Speaker.

Part of the learning partners advisory group will have someone representing our early years centres and our early learning system on Prince Edward Island.

Thank you.

**Speaker:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** That's great. Thank you, Mr. Speaker.

That's great to hear, minister. Can you be more specific on where you've got your early learning member in that whole system?

**Speaker:** The hon. Minister of Education, Early Learning and Culture.

**Mr. Perry:** Thank you, Mr. Speaker.

There will be someone representing the early years in the learning partners advisory. There will also be the deputy of Education, Early Learning and Culture who will be sitting on that same council.

Thank you.

**Speaker:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Mr. Speaker.

I'm wondering where exactly it says that, or who would that person be from the early learning sector that will be part of that committee?

**Speaker:** The hon. Minister of Education, Early Learning and Culture.

**Mr. Perry:** Thank you, Mr. Speaker.

I mentioned this the past several days that we will be making a statement in this House regarding the early learning partners and the makeup of it.

Thank you.

**Speaker:** The hon. Member from Morell-Mermaid.

### **Early child educators' pay scale increase**

**Mr. MacEwen:** Thank you, Mr. Speaker.

Minister, I don't tell you how hard that the early child educators work in this province, how important their role is with our system in the early years. We have early childhood educators who have not seen an increase in salary level in five years.

When will we see an increase in that pay scale?

**Speaker:** The hon. Minister of Education, Early Learning and Culture.

**Mr. Perry:** Thank you, Mr. Speaker.

I'm committed to listening to all of our educators. This is an opportunity, with the creation of this new system or the new delivery of education on Prince Edward Island, for those people to voice their concerns and have that heard.

Thank you.

**Speaker:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Mr. Speaker.

These educators, I see them every day. Many people in here see them every day. They're shaping our youngest minds. They're an extremely important part of our education system. It's an integral part, actually.

Can the minister please commit today, or commit to the House, when these salaries will be increasing? They've stayed the same for a number of years now.

**Speaker:** The hon. Minister of Education, Early Learning and Culture.

**Mr. Perry:** Thank you, Mr. Speaker.

Our early years educators are very important to us. They're very important to this system. They're very important to our learners to prepare them, again, for the real world and make sure that they get off on a very good start. Our program, again, leads with Quebec in Canada in early childhood education as the best in Canada. We have other jurisdictions coming to us to model, asking us: What are you doing there that is right?

That's great to know that we have that success and it's because of these educators, and I'm committed to listening to their concerns.

Thank you.

**Speaker:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Mr. Speaker.

I couldn't agree more, minister. We've got very hard-working employees working at the liquor stores who are making more than our educators in our early childhood educating system. I think it's \$15.00 to \$16.88. There are some of them who come into the system at \$16.88 and have been paid that.

Will you commit to at least indexing their salaries?

**Speaker:** The hon. Minister of Education, Early Learning and Culture.

**Mr. Perry:** Thank you, Mr. Speaker.

Once again, our early childhood educators are very important to our system. They do a tremendous amount of good work for our young learners, and I am committed to listening to their concerns and meeting with them.

Thank you.

**Speaker:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Mr. Speaker. That's great that you commit to meeting with them, minister. I want a commitment that you'll seriously look at these pay ranges. I can't disagree. We've got a great system here. I'm glad that other places looking at us. But the association – the whole system right now feels that: We did all that work five years ago and then forgotten about. Nobody is talking. Nobody is listening right now.

I want a commitment today to if you will seriously look at their salary levels.

**Speaker:** The hon. Minister of Education, Early Learning and Culture.

**Mr. Perry:** Thank you, Mr. Speaker.

Again, I said it the last three answers, replies that I had: I am committed to listening to our early child care educators.

Thank you.

**Speaker:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Mr. Speaker.

Minister, we've talked about all of the hard work that the educators do. They've got a number of additional responsibilities, just like our teachers. They chart, they do curriculum and lesson planning. They do parent-teacher interviews and special event planning. They're stretched during the day.

Will the minister look at the option of having – or considering an extra position or an extra half-position or some sub-time at these centres so that they can have extra time to get some of this planning done?

When you go into some of these centres – and I've been in Charlottetown and of course out in my own area – you're there – you're supposed to have 15-minute breaks, but these are caregivers. They will take a half-hour, they'll take five minutes here and there. They'll eat their lunch while the kids are having their cereal. It's a big issue for them.

Would you consider looking at additional time for each of the schools?

**Speaker:** The hon. Minister of Education, Early Learning and Culture.

**Mr. Perry:** Thank you, Mr. Speaker.

We work together with the early childhood development association and we continue to work together with them on common objectives and to deliver quality programs to our young learners, and I am committed to listening to these educators.

Thank you.

**Speaker:** The hon. Member from Morell-Mermaid.

### **Early learning association funding**

**Mr. MacEwen:** Thank you, Mr. Speaker.

Minister, the early learning development association itself plays an important role in the system. We've got the new act coming

forward and that's going to increase their role. Recently they've lost a position at the association.

Will you commit to stable funding for the association going forward?

**Speaker:** The hon. Minister of Education, Early Learning and Culture.

**Mr. Perry:** Thank you, Mr. Speaker.

Once again, I will commit to sit down and listening to their concerns.

Thank you.

**Speaker:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Mr. Speaker.

That's great that you're going to listen to their concerns. You've been listening to their concerns for five years now. Minister, you know what it's like to be over on this side and to ask the questions and not get an answer. I would love to hear an answer about stable funding for the association. They've been cut.

Can you please commit to the stable funding moving forward for the association, especially in light of the new act coming in?

**Speaker:** The hon. Minister of Education, Early Learning and Culture.

**Mr. Perry:** Thank you, Mr. Speaker.

I'm committed to listening to our early learners, our educators, and the association –

**Some Hon. Members:** (Indistinct).

**Mr. Perry:** That's a great move forward. I'm willing to sit down and discuss any concerns that they may have in person.

Thank you.

**Speaker:** The hon. Member from Morell-Mermaid.

### Conscious discipline program

**Mr. MacEwen:** Thank you, Mr. Speaker.

Minister, you've been a strong proponent of the 3P program for parents or for families. It's a costly program, it's very worthwhile in PEI, I think. There's similar programs out there but for early childhood education, and one that I've been made aware of is the conscious discipline program.

This is where self-awareness and self-discipline is taught from an infant age straight through to school age. It's really important. I understand there's a number of educators that have started the process, but it would be really good if they could continue on with it.

Minister, will you look into this program and can you partner with other departments to get these type – funding in place for programs like this, offered across the province to our educators?

**Speaker:** The hon. Minister of Education, Early Learning and Culture.

**Mr. Perry:** Thank you, Mr. Speaker.

We were very proud earlier this year to announce that 3P will be available to Islanders, and it's an invaluable asset and resource to parents. I wish I had had a program like this when whenever my kids were younger.

But I am committed to sitting down and listening to the concerns and moving forward and shaping it with some direction.

Thank you.

**Speaker:** The hon. Member from Morell-Mermaid.

### Infant spaces waitlist

**Mr. MacEwen:** Thank you, Mr. Speaker.

Another important aspect of early childhood education that parents – that every member in here I know has heard about – is infant spaces in our centres. We've got people going on the waiting list as soon as they find out they're expecting a little one.

Minister, I really appreciate the listening. I really want to see more acting. Can you please explain your plans to shorten the waitlist for infant spaces in PEI?

**Speaker:** The hon. Minister of Education, Early Learning and Culture.

**Mr. Perry:** Thank you, Mr. Speaker.

That is absolutely – it is a good question. We are committed in early years to provide quality care to our young residents of Prince Edward Island. We're doing all that we can to make sure that we have available spaces and we will continue to work to make those spaces available in quality early year centres.

Thank you.

**Speaker:** The hon. Leader of the Third Party.

### Child poverty

**Dr. Bevan-Baker:** Thank you, Mr. Speaker.

Last week all members of this House received dolls from a delegation of the United Church women in order that we would have a constant visible reminder of child poverty on Prince Edward Island. On Tuesday we learned that rates of child poverty on Prince Edward Island are continuing their upward trend that has been present for decades, increasing by 6% last year, and this has happened despite modest growth in our provincial economy overall and repeated promises to deal with this persistent and depressing issue.

A question to the minister of family and human services: Does his department have any quantitative goals to reduce child poverty on Prince Edward Island?

**Speaker:** The hon. Minister of Health and Wellness and Family and Human Services.

**Mr. Currie:** Thank you very much, Mr. Speaker.

We take the responsibility in our Department of Family and Human Services very seriously in looking out for the well-being of families in our province. We have made a clear statement in our recent platform that we are committed to eliminating and addressing poverty in the Province of Prince Edward Island. My department, if the Leader of the Third Party has had a chance to read the mandate letter

from the Premier to myself as minister, we clearly state our goals and objectives to continue to work towards the elimination of poverty here in the Province of Prince Edward Island.

Mr. Speaker, thank you.

**Speaker:** The hon. Leader of the Third Party, your first supplementary question.

### Basic income guarantee

**Dr. Bevan-Baker:** Thank you, Mr. Speaker.

I'm glad to hear you take it seriously and indeed I have read the mandate letter, and I'm aware of that goal, the same goal which has been stated repeatedly by previous governments and, I said earlier, poverty rates continue to increase.

During the provincial election all four party leaders, including our Premier, agreed to explore the idea of implementing a basic income guarantee, a policy which could potentially eradicate child poverty on Prince Edward Island. But we haven't heard much about it since then. Does government still support this idea?

**Speaker:** The hon. Minister of Health and Wellness and Family and Human Services.

**Mr. Currie:** Thank you very much, Mr. Speaker.

I also had the opportunity to have a very positive conversation with the federal minister yesterday morning in respect to his mandate letter and how it ties in to the objectives and goals of what we're trying to accomplish here for families, children, and poverty in the Province of Prince Edward Island.

Very aware of the basic income question. There's a fiscal reality of that which is a real reality. I think that the last level of information it would be approximately an investment of about \$150 million annually to the Province of Prince Edward Island.

We are certainly very interested. We've had a number of discussions with some key stakeholder groups, but we are very realistic in that in order for us to obtain and accomplish that, I feel that a partnership



with the federal government – and we were very clear that we're very open on any initiatives that the federal government would want to work towards to continue to support Island children, Island families, and to eliminate poverty in the Province of Prince Edward Island.

Thank you.

**Speaker:** The hon. Leader of the Third Party, your second supplementary question.

### **Basic income guarantee pilot project**

**Dr. Bevan-Baker:** Thank you, Mr. Speaker.

I absolutely agree, the federal government will be a critical partner in implementing an initiative like this. In any of the minister's discussion with his federal counterparts, did they discuss in any depth the possibility of Prince Edward Island being used as a potential pilot project for a guaranteed annual income?

**Speaker:** The hon. Minister of Health and Wellness and Family and Human Services.

**Mr. Currie:** Thank you very much, Mr. Speaker.

The conversation was the first conversation I had with the federal minister. I was very clear that as a minister who's been part of this provincial government's Cabinet for the last nine years that we feel that we have a tremendous amount to offer and contribute in respect to conversations at the provincial and territorial table, but also at the FPT table.

We will be looking at formally meeting with the federal minister. During that conversation I said that we would welcome any partnerships, any initiatives. We're small, a population of 145,000 people, and we are going to be very collaborative in our partnership and very open on initiatives and pilots that the federal government may want to implement, and we'll do them very well.

Thank you, Mr. Speaker.

**Speaker:** The hon. Member from Evangeline-Miscouche.

### **Voluntary identification program**

**Mr. Gallant:** Thank you, Mr. Speaker.

My question is to the Minister of Transportation, Infrastructure and Energy. As the minister knows, government identification is very important in the modern world. There are literally dozens of services that require government IDs. This was particularly noticeable during a recent election where a driver's license was the preferred method of identification. However, there is a voluntary identification in place in our province. Will the minister please explain how this program works?

**Speaker:** The hon. Minister of Transportation, Infrastructure and Energy.

**Ms. Biggar:** Thank you, Mr. Speaker.

Hon. member, yes, there is an ID program that we have here on PEI which allows PEI residents who qualify to get a voluntary identification program. That particular process, we use the same standards in it as we do for anyone and the requirements to obtain it that are obtaining similar to a PEI driver's license. Those standards are used across North America because we have to ensure that those are strictly adhered to because this is a piece of identification that is accepted as a person's ID. You have to follow all the procedures with that and to ensure that the person that has that ID is actually the person that it should be.

Thank you.

**Speaker:** The hon. Member from Evangeline-Miscouche.

**Mr. Gallant:** Thank you, Mr. Speaker.

The volunteer ID program is helpful, however, I believe it is fair to say that those who require this identification either do not operate a vehicle or they are young and have not yet received a driver's license. In many cases this may be due to the fact that they simply do not have the resources to own or operate a vehicle.

It is \$50 for this ID and that can cause difficulties for many Islanders. Therefore, has the minister considered lowering the fee for this voluntary identification?

Thank you, Mr. Speaker.

**Speaker:** The hon. Minister of Transportation, Infrastructure and Energy.

**Ms. Biggar:** Thank you, Mr. Speaker.

As I mentioned, this is the same process used for a driver's license and it certifies that that is a legally recognized identification. That includes the requirement that we must have the infrastructure in place to secure that through security measures, and so that is why the fee is put in place.

Thank you.

**Speaker:** The hon. Member from West Royalty-Springvale.

### **Inspections on brand new vehicles**

**Mr. Dumville:** Thank you, Mr. Speaker.

My question is to the same minister, the minister of transportation and energy. Everyone in this House agrees with the need to ensure that our streets and highways are safe and part of that effort means that the vehicles operated by Islanders are judged to be roadworthy. That is part of the rationale behind the annual safety inspections.

However, I've always been puzzled by the requirement for a safety inspection on new vehicles which are being prepped before being released to the new owner. Also, a vehicle that has only been on the road for a single year is, in all likelihood, roadworthy and in all likelihood under warranty.

My question: Why are inspections required on brand new vehicles?

**Speaker:** The hon. Minister of Transportation, Infrastructure and Energy.

**Ms. Biggar:** Thank you, Mr. Speaker.

As the hon. member mentioned, new vehicles do have to be inspected before they're turned over to the owner, through whoever you're purchasing them from. He also mentioned warranty. There's a lot of stuff on cars that is not covered by warranty, like your braking systems, your fluid systems, your lights. We do require an annual inspection to ensure that the lights and other requirements like that are working

on a regular basis and that people do ensure that those are kept up to date.

**Speaker:** The hon. Member from West Royalty-Springvale, first supplementary question.

**Mr. Dumville:** Thank you, Mr. Speaker.

Has the minister considered a two- or even a three-year inspection on brand new cars? This would be the responsibility of the dealer and would reduce costs to those who purchase new vehicles.

**Speaker:** The hon. Minister of Transportation, Infrastructure and Energy.

**Ms. Biggar:** Thank you, Mr. Speaker.

There is an annual inspection fee of \$30 that's in place. That does cover – including what I already previously mentioned – to ensure that things like the tires and lights and brakes and other incidentals like that are working.

But also, on a regular basis, even new cars do get recalls on them. A number of years ago there was recalls on a steering system. We do enforce an annual inspection of cars to ensure that when something like that is recalled that those are taken in and they are fixed so that we can ensure that the roads are safe when you're meeting another vehicle and that something doesn't malfunction due to something that was recalled. We want to ensure they are inspected on an annual basis.

**Speaker:** The hon. Member from Kensington-Malpeque.

### **Percentage of homes with high-speed Internet**

**Mr. MacKay:** Thank you, Mr. Speaker.

Questions today for the hon. Minister of Economic Development and Tourism: Minister, what percentage of Island homes has access to high-speed Internet?

**Speaker:** The hon. Minister of Economic Development and Tourism.

**Mr. MacDonald:** Thank you, Mr. Speaker.

Back in 2008 the Liberal government undertook a broadband initiative to ensure that all homes on Prince Edward Island would have Internet access. At the present time, if you consider what Internet access is, that's one notch up from dial up access.

Thank you, Mr. Speaker.

**Speaker:** The hon. Member from Kensington-Malpeque.

### **Cost of high-speed Internet**

**Mr. MacKay:** Thank you, Mr. Speaker.

Minister, the province has spent millions of dollars to try and meet their promise of high-speed Internet access to Islanders, most notably, over \$8 million to Bell Aliant and millions more to put Wi-Fi in Island schools.

How much has the province spent to date on high-speed Internet access without meeting its commitment?

**Speaker:** The hon. Minister of Economic Development and Tourism.

**Mr. MacDonald:** Thank you, Mr. Speaker.

As Economic Development and Tourism minister, it's very important for us to have high-speed access right across Prince Edward Island and willfully support that initiative. We have supported that initiative and we will continue to support that initiative.

Just to take the member back a little bit, the federal government was proposing to put in wider Wi-Fi broadband on Prince Edward Island but it was –

**Mr. LaVie:** Don't blame somebody else for your promises, broken promises!

**Mr. MacDonald:** It was withheld by the previous federal government prior to the election for some reason that's unknown, Mr. Speaker.

Thank you.

**An Hon. Member:** Shame, shame!

**Some Hon. Members:** (Indistinct).

**Speaker:** The hon. Member from Kensington-Malpeque.

**Mr. Aylward:** Could have paid for it by yourself if you didn't gamble all our money away.

**Mr. MacKay:** Thank you, Mr. Speaker.

Minister, I asked the amount, so, typical, no answers from across that floor. There have been 25 questions today without a single answer.

### **High-speed Internet and competitive advantage**

High-speed Internet access can help small business access new export markets off-Island, especially for small businesses in rural communities. Does the minister agree that reliable access to quality high-speed Internet can be a competitive advantage for Island businesses?

**Speaker:** The hon. Minister of Economic Development and Tourism.

**Mr. MacDonald:** I'll repeat, Mr. Speaker, that as Minister of Economic Development and Tourism, a crucial aspect of our business in Prince Edward Island is export business and a crucial aspect would be having –

**Mr. LaVie:** Losing business (Indistinct).

**Mr. MacDonald:** – Internet service across Prince Edward Island, especially rural Prince Edward Island, and we fully support rural broadband.

**Mr. LaVie:** (Indistinct) four years later (Indistinct).

**Mr. MacDonald:** Thank you, Mr. Speaker.

**Speaker:** The hon. Member from Kensington-Malpeque.

### **High-speed Internet and tourism industry**

**Mr. MacKay:** Thank you, Mr. Speaker.

Minister, we hear a lot from tourism operators who say that their customers are often looking for high-speed Internet when they're on holidays at cottages,

campgrounds and motels. What steps is the minister taking to improve reliable access to quality high-speed Internet for our tourism industry?

**Speaker:** The hon. Minister of Economic Development and Tourism.

**Mr. Trivers:** Eight thousand people in a campground (Indistinct).

**An Hon. Member:** (Indistinct) come to Cedar Dunes (Indistinct).

**Some Hon. Members:** (Indistinct).

**Mr. MacDonald:** Thank you, Mr. Speaker.

We've actually progressed to – if you're talking about Cedar Dunes, as my friend to my left of me says, that we have high-speed Internet connection at Cedar Dunes campground and many other campgrounds.

**Mr. LaVie:** You don't have it at Red Point park!

**Some Hon. Members:** (Indistinct).

**Mr. MacDonald:** Mr. Speaker, since I became Minister of Economic Development and Tourism –

**Speaker:** Order, please!

The minister has the floor. Have some respect!

When somebody is talking be quiet and listen to what they – you might not agree with what they're saying, but let them talk without being interrupted.

Carry on, minister.

**Mr. MacDonald:** Thank you, Mr. Speaker.

Again, I'll take you back to – we've been in power here for six months and it is an initiative of this government to ensure everyone has high-speed broadband across Prince Edward Island.

Again, I can take it back to the previous federal government on why that initiative was held. There's been (Indistinct) allocations of monetary funding across Canada, but for some reason prior to this

federal election, there was no monies transferred to Prince Edward Island to enhance broadband Internet connection.

Now that we have a Liberal government in power, perhaps we can get that deal done.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Kensington-Malpeque.

**Mr. MacKay:** I'm truly amazed that every question goes back to the blame of the previous Harper government which continues when the man's not even there, continues to still get the blame.

**Mr. LaVie:** Welcome to politics.

**Mr. Myers:** Paid clappers over there, paid clappers.

### **High-speed Internet and student access**

**Mr. MacKay:** Government is spending millions to put Wi-Fi in Island schools, but learning takes place both inside and outside the classroom.

Minister, what are you doing to make sure your students have reliable access to quality high-speed Internet outside of school support for the learning?

**Speaker:** The hon. Minister of Economic Development and Tourism.

**Mr. MacDonald:** Thank you, Mr. Speaker.

Connecting Canadians Program, if that rings a bell with the hon. member. You should look it up. It's in Wikipedia. It's an initiative of the past federal government. The past federal government promised Canada that we would be connected from coast to coast. For some reason prior to the 2015 federal election it seemed to stop. Perhaps it stopped at the bridge, I'm not sure, but it was done for a reason unknown to us by the former Conservative government.

Thank you, Mr. Speaker.

**Speaker:** The hon. Member from Kensington-Malpeque.

**Mr. MacKay:** Thank you, Mr. Speaker.

**Mr. LaVie:** (Indistinct) no bridge, no schools (Indistinct).

### **High-speed Internet 2009 contract**

**Mr. MacKay:** Minister, will you table a copy of the untendered 2009 –

**Speaker:** The hon. Member from Souris-Elmira, order, please!

Carry on.

**Mr. MacKay:** Thank you, Mr. Speaker.

Minister, will you table a copy of the untendered 2009 contract for high-speed Internet this government has signed?

**Speaker:** The hon. Minister of Economic Development and Tourism.

**Mr. MacDonald:** Thank you, Mr. Speaker.

If there are documents that I can table legally without affecting any legal binding contracts, I'll table them.

Thank you, Mr. Speaker.

**Speaker:** The hon. Member from Kensington-Malpeque.

### **MiFi untendered contract**

**Mr. MacKay:** Will the minister confirm that this untendered contract has a stop-gap plan for using MiFi technology in place of wired high-speed?

**Speaker:** The hon. Minister of Economic Development and Tourism.

**Mr. MacDonald:** Can he repeat the question, Mr. Speaker?

**Speaker:** Can you repeat the question, hon. member?

**Mr. MacKay:** Certainly. Will the minister confirm that this untendered contract had a stop-gap plan for using MiFi technology in place of wired high-speed?

**Speaker:** The hon. Minister of Economic Development and Tourism.

**Mr. MacDonald:** Mr. Speaker, I have no idea what he's talking about.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Mr. Myers:** An honest answer. Finally, in Question Period, an honest answer. I have no idea.

**Some Hon. Members:** (Indistinct).

**An Hon. Member:** Well, perhaps (Indistinct) shouldn't be the minister if you don't know what you're talking about.

**Speaker:** The hon. Member from Kensington-Malpeque.

**Mr. Aylward:** (Indistinct). Explain to him what it (Indistinct).

### **Internet service costs and government**

**Mr. MacKay:** Thank you, Mr. Speaker.

The minister of transportation can tell us when the Cascumpec Bridge was last inspected, but the minister of economic development can't answer that question.

Minister, will you confirm that the difference between normal business costs and what customers are paying for this service is actually being covered by government?

**Speaker:** The hon. Minister of Economic Development and Tourism.

**Mr. MacDonald:** Thank you, Mr. Speaker.

There are three different businesses right across Prince Edward Island that are actually issuing broadband at the present time. I think all those costs are different from each business to business. It would be hard for me to stand up in here and start quoting cost relevant to broadband on Prince Edward Island.

Thank you, Mr. Speaker.

**Speaker:** The hon. Member from Kensington-Malpeque, final question.

**Mr. MacKay:** Thank you, Mr. Speaker.

Minister, you might not have heard that question right. I want to repeat it.

Will the minister confirm that the difference between normal business cost and what customers are paying for this service is actually being covered by government?

**Speaker:** The hon. Minister of Economic Development and Tourism.

**Mr. MacDonald:** Thank you, Mr. Speaker.

If the hon. member can likely wait two months, the new Liberal government will have in place likely a Wi-Fi broadband across Prince Edward Island from coast to coast on PEI that will have major effects on our economic development and tourism portfolios.

Thank you, Mr. Speaker.

**Mr. Aylward:** That's in Hansard.

**Some Hon. Members:** (Indistinct).

**Speaker:** That ends Question Period.

#### Statements by Ministers

**Speaker:** The hon. Premier.

#### **French Language Services Act Annual Report**

**Premier MacLauchlan:** Thank you, Mr. Speaker.

*Merci monsieur le président.*

Mr. Speaker, I would like to welcome and recognize guests in our gallery. First, M. Guy Labonté, *président de la Société Saint-Thomas-d'Aquin/President of Société Saint-Thomas-d'Aquin*; Mme Sélina Pellerin, *membre du Comité consultatif de la communauté acadienne et francophone/Member of the Acadian and Francophone Community Advisory Committee*; *les employés du Secrétariat aux affaires acadiennes et francophones/the employees of the Acadian and Francophone Affairs Secretariat*, Diane Arsenault, Daniel Bourgeois, Dominique Chouinard *et/and Isabelle Dasylyva-Gill; et aussi/and also, La Voix acadienne*, Jacinthe Laforest.

*Le gouvernement de l'Île-du-Prince-Édouard a promulgué la Loi sur les services en français en décembre 2013. L'objectif de la Loi est d'encadrer les programmes et les services offerts en français en respectant les priorités de la communauté acadienne et francophone et la capacité du gouvernement à offrir ces programmes et ces services.*

The Government of Prince Edward Island proclaimed the *French Language Services Act* in December 2013. The objective of the Act is to provide a framework for offering programs and services in French by respecting priority areas of the Acadian and Francophone community and government's capacity to offer these programs and services.

*Aujourd'hui, il me fait plaisir de déposer le Rapport annuel 2014-2015 sur la Loi sur les services en français. Ce document a pour but de : faire rapport sur les plaintes reçues; fournir un aperçu des activités du Secrétariat aux affaires acadiennes et francophones; mettre en valeur les contributions des 20 institutions gouvernementales assujetties à la Loi; et d'assurer que le gouvernement respecte ses obligations de mise en oeuvre de la Loi.*

Today, it will be my pleasure later to table the 2014-2015 *French Language Services Act* annual report. The purpose of this document will be to: report on complaints received; provide an overview of the work of the Acadian and Francophone Affairs Secretariat; highlight the contributions of the 20 government institutions that are subject to the Act; and ensure government accountability in the implementation of the Act.

Mr. Speaker, just over 23% of Islanders self-identify as being of Acadian or French origin while 17,000 Islanders self-identify as bilingual. Many of these Islanders had the opportunity to study in French immersion programs which are offered in over half of our Island schools, in addition to French-first language programs offered in the six French schools and community centres located throughout the province.

By continuing the implementation of the *French Language Services Act*, the provincial government supports all Islanders who wish to access programs and services in

French. As we complete the first full cycle of planning, implementing and reporting on the *French Language Services Act* Mr. Speaker, we will continue working together to contribute to the vitality of the Acadian and Francophone community by enhancing programs and services offered in French.

*Merci monsieur le président.*

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Leader of the Third Party.

**Dr. Bevan-Baker:** *Merci monsieur le président.*

Thank you, Mr. Speaker.

*Bienvenue à tous les visiteurs français, M. Guy Labonté.*

Welcome to all of our French visitors.

Thank you for the announcement, Mr. Premier. I think it's increasingly important that we include *tous les Insulaires* – all Islanders in governance and make sure that the services are available equitably across the province. I'm really glad to hear this announcement.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Minister of Health and Wellness and Family and Human Services.

### Home Renovation Programs for Seniors

**Mr. Currie:** Mr. Speaker, I am pleased to rise in the House to provide an update on two valuable home renovation programs that are available for Island Seniors.

The Seniors Home Repair and the Seniors Safe @ Home programs are very popular and help Island seniors maintain their independence and continue their unique contributions to their communities.

The Seniors Home Repair Program provides up to \$2,000 to make essential repairs to seniors' homes.

The Seniors Safe @ Home Program provides up to \$5,000 to assist seniors to make modifications that support their mobility.

To ensure that these programs have the resources necessary to meet demands, we have made good on a promise from last spring's election to invest in home repair and renovation programs.

The Seniors Home Repair Program and the Seniors Safe @ Home program enable Island seniors to maintain a good quality of life and remain in their own home as long as possible, reducing the pressure on the health care system and promoting independence.

To that end we have provided an additional \$400,000 to these programs for a total investment of almost \$1 million for this year, increasing the funding available to Island seniors from last year's investment by almost 50%.

**Some Hon. Members:** Hear, hear!

**Mr. Currie:** Mr. Speaker, 578 applications were received by Housing Services Division, this year.

Of those applications we have more than 320 projects completed through both programs and seniors are working with their contractors to complete another 70 projects.

To date, more than \$900,000 has been approved for projects to enable Island seniors to make necessary repairs and modifications to their homes such as new roofs, windows and heating systems or repairs to make their homes more accessible, such as wheelchair ramps or renovations to kitchens and bathrooms for accessibility.

Demand for these programs has been high and strong. However, the Housing Services Division is still accepting applications.

These programs are great examples of how we are encouraging and enabling Islanders to maintain their independence and dignity as they age to stay in their communities. We want to ensure that seniors have the support they need to plan for a healthy and active life where they choose, and we know for most people, that choice is their own home.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Souris-Elmira.

**Mr. LaVie:** Thank you, Mr. Speaker.

It's great to see this minister recognized there was a problem. For three years prior to this announcement opposition was telling government there was a problem in the Seniors Home Repair Program. That there was no way these seniors should be lined up in Access PEI buildings across PEI at 7:00 in the morning –

**Mr. Myers:** Like the Hunger Games.

**Mr. LaVie:** – to get money to repair their homes. Those days are gone.

It's obvious that this new minister took on this role and as opposition we recognized there were challenges and there was going to be challenges. It's obvious this new minister worked with opposition and we made this new program happen and that's working together. This is what the Premier announced, working together. We don't mind working with government to make these kinds of programs work, and this is what we want right across Prince Edward Island, working with government to make sure people get what they need, get their needs looked after right across Prince Edward Island.

Minister, I want to thank you for that announcement. There is more to work on. I know there are challenges ahead, but we will work on them. We could work on an outreach program for these seniors living in their own homes, and an outreach program would be good –

**Some Hon. Members:** Hear, hear!

**Mr. Myers:** Yeah, that's a good idea.

**Mr. LaVie:** – for keeping these seniors in their homes, and these seniors have no people to outreach to.

**Mr. Myers:** You guys should do a joint announcement.

**Mr. LaVie:** Hopefully we can work on this, minister, and I want to thank you for that, and I look forward to working with you in the future.

Thank you.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Leader of the Third Party.

**Dr. Bevan-Baker:** Thank you, Mr. Speaker.

I thank you for the announcement, minister.

My series of questions earlier today, of course, was on child poverty on Prince Edward Island. It's not just children who are afflicted by poverty and when you say that demand has been, and I quote. "high and strong" for these, then I think we have to ask ourselves: Why that is the case?

It's because poverty continues to be a persistent and intractable problem here on Prince Edward Island. That's something that we need to deal with at its core, at its root.

However, obviously these programs are a help, and I welcome that, and particularly the renovation program, one which could improve housing stock which will provide jobs for Islanders, which will reduce long-term costs for those seniors who are able and want to stay in their homes. Of course, it's all about providing dignity for Islanders from the day they're born until they die, and the more of us that can stay in our homes, the better.

Thank you for the announcement, but we have much work left to do.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Minister of Communities, Land and Environment.

### **Vision for Municipalities**

**Mr. Mitchell:** Mr. Speaker, all residents of Prince Edward Island depend on local services and community supports in their daily lives.

As part of the process to ensure that our municipalities remain strong and successful,



we have been working closely with the Federation of Prince Edward Island Municipalities to develop a vision for sustainable, viable and dynamic municipalities that serve their residents.

We have good references to draw on. The Thompson Report and other studies provide direction on how successful municipalities can be built in size, services, administration, and organization. The Finn report in New Brunswick, for example, recommended populations of 4,000 with a minimum of \$200 million in assessed value of real property for effective organization.

These same reports underline that municipalities should have established infrastructure, such as water and sewer and parks, and a range of existing economic and institutional activities within their boundaries, such as education, health, businesses, and other amenities. Successful towns and municipalities normally would have professional administration, fire services, land use, and emergency planning and boundaries that reflect communities of interest.

Flexibility in such criteria is always necessary, but growing municipal structures should be encouraged to meet or exceed; these requirements, as well as to incorporate best practices such as differential tax rates and equitable population distribution in wards.

Research shows that municipalities that have these elements are set up to be successful and sustainable over the long-term.

Beyond having these foundations for success, I believe that having the right supports for success will also be critical, and our government is prepared to provide those supports where communities are interested in pursuing growth.

Funding for growth management and feasibility studies, for example, is available now.

We will work with municipalities so that in the future new or larger municipalities will receive funding at least equal to what the individual communities receive today. Additionally, funding will be available to assist with one-time costs such as aligning

and combining official plans, or legal and accounting costs.

In closing, I would like to thank all of the community leaders who continue to work hard for the betterment of our Island communities.

Personally, I would like to recognize some guests that we have in the House. With us today are John Dewey, executive director of the Federation of PEI Municipalities; Bruce MacDougall, president of the Federation of PEI Municipalities; and as well with us today we have Ron Rayner, chairperson of the Municipality of Bedeque and Area; and Don MacFarlene, a Bedeque councilor. I'm pleased to have them join us in the Legislature today in support of this House statement on municipal viability.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** Thank you, Mr. Speaker.

It is great to hear the Minister of Communities, Land and Environment come out with a statement today about viable municipalities. These are at the heart of the very issues we were trying to get today during Question Period. You've obviously thought about municipalities and how they can be joined together and the different supports they need, what a municipality should be made of and these sorts of things, and you've been working with the federation of municipalities as well. This is good.

But when we're talking about amalgamation, the big area, the big question mark, is not how municipalities are going to work together – although it's nice to know what's going to happen there, and indeed there is funding for viability studies and feasibility studies – but the big question mark is: What about the communities that are not part of a municipality right now, the unincorporated residents of this Island? How are they going to be impacted by amalgamation? What sort of tax structures will be in place? If there are tiered tax structures that you know about, we'd love to hear those communicated, and that's really

what we're getting at here on the opposition side.

We would like to see the Minister of Communities, Land and Environment and then the rest of the government talk to rural Islanders who are in unincorporated land and let them know how the process is going to work and really give them a reason to want to join a municipality and gain all these great services that you talked about and that should be a core part of the viability studies.

It's great to hear you answer these questions. I'm not sure, maybe you didn't understand the questions during Question Period, but thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Leader of Third Party.

**Dr. Bevan-Baker:** Thank you, Mr. Speaker. As the leader of one of the four parties in the election it was my pleasure to meet with these gentlemen and several others during the campaign a couple of months ago. At that time they expressed their concerns about the municipal structure here on Prince Edward Island today, and their hopes for the future, and it was clear then that the federation was looking for larger and stronger municipalities, and municipalities that were guaranteed funding into the future.

I hear good things in this announcement, but I think we have to understand that we're embarking on a complex and a potentially thorny issue here, and it's going to be absolutely imperative that the process is inclusive and that people are engaged and consulted properly.

I have faith in this government to do that. I trust that's what will happen. I think it will be entirely possible. Indeed, I met with a high-level municipal leader last week who feels in amalgamation we can actually improve services and lower taxes if it is done correctly. So I don't think we need to assume that this is either going to reduce services or increase taxes. I think it's possible that done properly we could have the opposite effect.

Yes, this is a complex issue. Yes, it's going to require goodwill on all sides. But again, I feel we can do this properly.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Minister of Transportation, Infrastructure and Energy.

### Road to Zero

**Ms. Biggar:** Thank you, Mr. Speaker.

This year we're had a very tragic year on our highways of Prince Edward Island. The safety of the travelling public is the highest priority of the Department of Transportation, Infrastructure and Energy. This department is committed to reducing injuries and death among motorists using our highway system.

Today government is committing to the Road to Zero approach – our goal is zero impaired driving incidents, zero injuries, zero collisions. Our goal is to have zero cases where police must tell someone that a loved one has died in an accident on our roads.

This strategy has four key components: Effective Legislation, Engineering, Education, and Enforcement – the 4 Es.

These four Es already guide our departmental initiatives. Effective Legislation includes the Mandatory Ignition Interlock Program for drivers convicted of impaired driving. Engineering includes replacing dangerous intersections with roundabouts. Education includes, for example, our Leave the Phone Alone Campaign. Enforcement includes policing but also public engagement efforts like the 411 program to report impaired and dangerous drivers.

These efforts have had an effect. Prince Edward Island has the highest conviction rate and the harshest punishments for impaired drivers, but more can be done to reduce this problem.

In the 1980s on Prince Edward Island we averaged 954 impaired driving convictions each year. From 2010 to 2014 we averaged 332 impaired convictions annually. Safety on Island roads is improving, but there is room for much more improvement. So far in 2015 we have had 16 people die as a result of collisions on our roads.

These are not just statistics. These individuals have left behind loved ones and friends.

I am committed to this target. Our entire government is committed. We will continue to pursue the Road to Zero collisions, zero impaired driving, zero injuries, and zero deaths on our Island highways with the work of everyone working together.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Leader of the Opposition.

**Leader of the Opposition:** I support this minister's moving this. I think any step we can take to reduce impaired driving in this province and across the country should be done.

I can tell you one of the hardest things I ever had to do was, after an accident, to go to a family and break the news. You have no idea what it's like after you turn around and you go out that door. It plays on you. It makes you wonder: Why did I get involved in this? And, what could I do to stop impaired driving? It's tragic. It's as simple as that.

But any move that this minister takes to reduce impaired driving in this province, I will support her with it.

**Some Hon. Members:** Hear, hear!

Presenting and Receiving Petitions

#### Tabling of Documents

**Speaker:** The hon. Leader of the Opposition.

**Leader of the Opposition:** Mr. Speaker, by leave of the House, I beg leave to table a document containing 781 signatures regarding amalgamation and I move, seconded by the Honourable Member from Stratford-Kinlock, that the said document be now received and do lie on the Table.

**Speaker:** Shall it carry? Carried.

The hon. Member from Souris-Elmira and the Opposition Whip.

**Mr. LaVie:** Thank you, Mr. Speaker.

Mr. Speaker, by leave of the House, I beg leave to table written questions to the Minister of Workforce and Advanced Learning and I move, seconded by the Honourable Member from Morell-Mermaid, that the said document be now received and do lie on the Table.

**Speaker:** Shall it carry? Carried.

The hon. Member from Kensington-Malpeque.

**Mr. MacKay:** Mr. Speaker, by leave of the House, I beg leave to table page 18 of the 2008 throne speech and I move, seconded by the Honourable Member from Stratford-Kinlock, that the said document be now received and do lie on the Table.

**Speaker:** Shall it carry? Carried.

The hon. Premier.

**Premier MacLauchlan:** Mr. Speaker, by Command of His Honour the Lieutenant Governor, I beg leave to table *French Language Services Act Annual Report 2015* for the period ending March 31<sup>st</sup>, 2015 and I move, seconded by the Honourable Member from Evangeline-Miscouche, that the said document be now received and do lie on the Table.

**Speaker:** Shall it carry? Carried.

The hon. Premier.

**Premier MacLauchlan:** Mr. Speaker, by Command of His Honour the Lieutenant Governor, I beg leave to table *Victims of Crime Act 2014-2015 Annual Report* for the period ending March 31<sup>st</sup>, 2015 and I move, seconded by the Honourable Member from Summerside-Wilmot, that the said document be now received and do lie on the Table.

**Speaker:** Shall it carry? Carried.

The hon. Minister of Workforce and Advanced Learning.

**Mr. R. Brown:** Mr. Speaker, by Command of His Honour the Lieutenant Governor, I beg leave to table the Annual Report from the Employment Development Agency for the period ending March 31<sup>st</sup>, 2015 and I move, seconded by the Honourable Member from Summerside-St. Eleanors, that the said document be now received and do lie on the Table.

**Speaker:** Shall it carry? Carried.

The hon. Minister of Workforce and Advanced Learning.

**Mr. R. Brown:** I'm know I'm away in the corner here.

Mr. Speaker, by Command of His Honour the Lieutenant Governor, I beg leave to table the Consolidated Financial Statements of the University of Prince Edward Island for the period ending April 30<sup>th</sup>, 2014 and I move, seconded by the Honourable Minister of Finance, that the said document be now received and do lie on the Table.

**Speaker:** Shall it carry? Carried.

The hon. Minister of Workforce and Advanced Learning.

**Mr. R. Brown:** Thank you, Mr. Speaker.

Mr. Speaker, by Command of His Honour the Lieutenant Governor, I beg leave to table the Holland College Consolidated Financial Statements for the period ending March 31<sup>st</sup>, 2015 and I move, seconded by the Honourable Minister of Finance, that the said document be now received and do lie on the Table.

**Speaker:** Shall it carry? Carried.

**Mr. R. Brown:** Thank you. That's it.

#### Reports by Committees

**Speaker:** The hon. Member from Summerside-St. Eleanors.

**Ms. Mundy:** Mr. Speaker, as chair of the Standing Committee on Education and Economic Development, I beg leave to introduce the report of the said committee and I move, seconded by the Honourable Member from Charlottetown-Lewis Point,

that the same be now received and do lie on the Table.

**Speaker:** Shall it carry? Carried.

**Ms. Mundy:** Mr. Speaker, I move, seconded by the Honourable Member from Charlottetown-Lewis Point, that the report of the committee be adopted.

Your committee is reporting on its work concerning Motion 10, a review of the tax system to grow the private sector in Prince Edward Island. Your committee is making three recommendations.

(1) Your committee recommends that the government immediately directs the departments of Finance, Economic Development and Tourism, and Workforce and Advanced Learning to create an inter-department task force, which will be tasked with looking at the current tax regime, as well as programs available to entrepreneurs on the Island, in efforts to create a comprehensive tax system that is designed to create development in the private sector.

(2) Your committee recommends that the departments listed in the first recommendation work together with other community groups and Crown Corporations, such as the Island Advance Task Force, to look into the Community Economic Development Business Program, plus other equity investment programs, to set up a structure that promotes a greater access to capital for Prince Edward Island businesses.

(3) Your committee recommends that the Department of Economic Development and Tourism meet with representatives of the film and digital media industry in the province.

Your committee wishes to thank the individuals and groups that presented and submitted briefs to the committee.

Your committee recognizes that there are many Islanders who work tirelessly on the issues facing the business community today and commends them for their hard work.

Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

## Introduction of Government Bills

Motions Other Than Government

**Speaker:** The hon. Opposition House Leader.

**Mr. Aylward:** Thank you, Mr. Speaker.

Mr. Speaker, I move, seconded by the Honourable Leader of the Opposition, that the 31<sup>st</sup> order of the day be now read.

**Speaker:** Shall it carry? Carried.

**Clerk Assistant and Clerk of Committees:** Order No. 31, *An Act to Amend the Pesticides Control Act*, Bill No. 100, ordered for second reading.

**Speaker:** The hon. Opposition House Leader.

**Mr. Aylward:** Mr. Speaker, I move, seconded by the Honourable Leader of the Opposition, that the said bill be now read a second time.

**Speaker:** Shall it carry? Carried.

**Clerk Assistant and Clerk of Committees:** *An Act to Amend the Pesticides Control Act*, Bill No. 100, read a second time.

**Mr. Aylward:** Mr. Speaker, I move that this House do now resolve itself into a Committee of the Whole House to take into consideration the said bill.

**Speaker:** Shall it carry? Carried.

I will now ask the hon. Member from West Royalty-Springvale to chair the bill.

**Chair (Dumville):** The House is now in a Committee of the Whole House to take into consideration a bill to be intitled *An Act to Amend the Pesticides Control Act*. Is it the pleasure of the committee that the bill be now read clause by clause?

**Some Hon. Members:** Yes.

**Some Hon. Members:** (Indistinct).

**Chair:** I asked, nobody said.

1. Subsection 19(1) of the *Pesticides Control Act* R.S.P.E.I. 1988, Cap. P-4, is amended by the deletion of the words “For the purposes of carrying out this Act and the regulations an inspector may” and the substitution of the words “For the purposes of administering and enforcing this Act and the regulations, where an inspector has reasonable and probable grounds to believe that a person has contravened, or is contravening, this Act or the regulations, the inspector may”.

Any questions?

**Mr. Mitchell:** Hon. leader, did you want to do an explanation of –

**Leader of the Opposition:** Yes I will.

The reason for this amendment is nowhere in this act does an inspector or conservation officer require any reasonable or probable grounds to enter a property and inspect a building. Under various provincial laws, and even the Criminal Code, any drug act in this country, you require reasonable and probable grounds.

This act, under 19(1) as it stands, allows for an inspector, without any reason whatsoever, to enter any private citizen’s property at his will and inspect any structure, except for a dwelling house, at any time he deems reasonable.

What that means is presently under this act, 19(1) of the *Pesticides Control Act*, the conservation officer can drive down any street, any rural road in the Province of Prince Edward Island, and see any structure beside anywhere at all – so it could be a barn that is no longer in use as a farm or anything to do with a farm operation. He can pull into that driveway and he can totally inspect at his will, no reasonable and probable grounds whatever.

If you have an old farm and you buy it and you’re not involved in farming anymore, all the farmland could have been sold off to your neighbour, or whoever, and you have a barn or a shed or any building. That conservation officer can walk up, drive in your driveway, open any door and he can totally inspect it and look for pesticides or anything unrestricted.

With that, to protect the officer – because this act has never been before the Supreme Court, it's never been tested – he should have a reason. There are members in this House that have been police officers before, and in their past lives they've had to have reasonable and probable grounds.

This is all just the same, it's not changing the intent of the act, it's not costing any cost to the province, but they require it.

**Chair:** The hon. Minister of Communities, Land and Environment.

**Mr. Mitchell:** Thank you, hon. member, for your explanation.

I guess one of the first duties I had when I became Minister of Communities, Land and Environment was to attend a meeting with the PEI Potato Board at their facility in West Royalty. Within a few minutes it became abundantly clear to me that there was a deep sense of frustration in regards to how officers in the past came to farms and the approach was quite simple; vests, guns, ticket books, charges.

Now, the bulk of that discussion that we had that day was: What can we do to improve the situation? What can we do to make things better? We had a solid conversation about that, bounced a lot of ideas back and forth. Came away from what I would say was a great conversation. Actually, discussion from that meeting that day laid the foundation for an announcement that we had about 10 days ago.

What that clearly laid out is that we have a new method in place and that came from that meeting. What we have now are environmental officers who are going to work in a very collaborative approach. They will work with farmers to make sure that their crops are environmentally safe and sound. It's the intention of these farmers, they want Islanders to know that. They want Islanders to know that they're doing their absolutely best possible farm practice to ensure that the environment is safe, that anything that is going on is clearly laid out and followed.

In that discussion as well, hon. member, there was some uncertainty about regulation, and so it was established that these officers

would go out and work in this cooperative approach with these farmers just to kind of make sure that the regulations are clear, that if there are infractions going on that they work with them, develop a plan to get them in to compliance. That's all they were looking for, hon. member. We've laid that approach out and we have one full-time officer and three part-time officers that will go out and work with these farmers. This is a proactive approach to help them maintain that they're doing environmentally friendly practices.

No longer do we have the vest, the badge, the gun. But let me make it perfectly clear. That if, while working towards compliance, that infractions are continued on or there is a (Indistinct) infraction as soon as the officer gets there, charges will be laid. Let's make that clear. There is an open approach of working together going forward in a very positive way so that Islanders can say: We're working with the farm communities to ensure the safety of our environment of Prince Edward Island.

Also, too, the old method is just what you said. A call would come in, the officers would get in their vehicle and take off. That very minute they're in investigation mode. They're not inspection mode, they're in investigation mode. Call that came in that said: Thus-and-so farmer is breaking the rule, they're doing whatever action it is. Automatically they're on their way with a ticket. There's no other option. A call came in and there they are. With this new method it's inspection versus investigation. It's driving up the farm lane way, getting out, shaking the farmer's hand saying: How's things going? Anything you want to talk about, anything that we can look at that you want to have some questions with or help with? That's the approach that we decided as a group with the farm society that this was the right approach.

Quite frankly, what you put forward, hon. member, is a complete contravention to that happening. Officers cannot drive up the driveway unless he knows an infraction has been done, which is completely the opposite to what we're trying to achieve.

**Leader of the Opposition:** I respect that, but take the farmer out of the equation. What's there to protect the average citizen

that is not involved in farming that has a barn on his property that (Indistinct) has nothing to do with farming? There's still going to be a conservation officer – but applaud the government on your approach on the measure you took, that's fine, to help with farmers. But what about the average everyday citizen that has a barn on his property? What about him, what protection does he have?

**Mr. Mitchell:** Hon. member, under the provision of the act as it exists today a conservation officer cannot enter a dwelling unless they have reasonable and probable grounds. That would come in the way of a sight, something they see, a call from somebody else. There would be no reason that a conservation officer would randomly drive up and enter a barn.

What we're trying to achieve here is a collective working together to achieve compliance in a very positive way and this is what the agriculture sector is looking for. When not allowing those officers that are coming without the guns, without the vests, without the ticket books, I'm going to say 90% of the cases, you're not allowing them to drive up and work with the farmer to achieve a compliance.

**Leader of the Opposition:** Okay. With that, Jamie Fox has a barn on a piece of property, a brand new barn. He's not involved in farming one bit. All the farm land around him is leased out or sold to another farmer. The guy that's farming the land next-door, we'll pick a name out, Bill MacFadyen. Bill MacFadyen, he drives up to that field next door to Jamie Fox's barn and he wants to spray that field, but under the regulations he can't spray the field because the wind is too high. He doesn't want to take the sprayer all the way back down the road to Augustine Cove. So he goes over into that person's property and he says: Jamie, do you mind if I park my sprayer or park my truck – the pesticides are locked up in it – I want to park it beside your barn for safe-keeping instead of leaving it out in that field where it's unattended. No problem.

With that, now you have a sprayer parked beside the barn, and a barn. Me, as an ordinary citizen, might not know what the law is. Me, as an ordinary citizen, might not know the power of the conservation officer

has under section 19 of the *Pesticides Control Act*. With that, the conservation officer or one of the new compliance guys drives down the road. He sees the sprayer beside the barn: I wonder if there are any chemicals there that aren't stored properly, whatever. He drives up and he sees the sprayer, there's nobody there at the house, and he decides: I want to search through that barn. That barn is not connected to any farming operation whatsoever. It's my personal barn. I have my camper in there, boat, and whatever.

Under this act he has reason that he can enter that barn and he can search it as much as he wants.

**Mr. Mitchell:** Under the existing act, hon. member – and I'm unaware of any incidents that a farmer that's leasing property – that the lease owner has been charged with any violations. When the farmer is spraying or working the fields and the officers go to that site, in the past it's been based on a call. Maybe that individual was spraying when the winds were too high. It's not that they would go to barns on a leased property for no reason.

Actually, as I said, the act as it exists today, they have complete reasonable probable grounds to enter any dwelling on that property, including that barn.

**Leader of the Opposition:** No, they don't. We're not talking about a dwelling house, hon. minister. We're talking about a barn. Under a dwelling house, yes, you must have reasonable probable grounds. We're talking about a barn or a shed. Even the hon. Minister of Finance knows any property he has ever had to go on before he's had to have reasonable probable grounds to enter the property, under the drug act or whatever.

There should not be a difference under this. This also protects not only the officer, but it also protects the public.

**Mr. Mitchell:** Hon. member, I know the farmers that have, in the past, been charged were actually in the fields working or in their own farm yards working. The officer came in based on an investigation method and has charged those individuals. Those are the ones that have gone through the court

system. Those are the ones that the farm community is upset with.

There is also the report of when the officer does get there for the particular infraction that they're investigating, and maybe sees a couple of other minor infractions, that the owner or the farmer is charged for all three. This is what we're trying to work with the farm community about. If they're there doing an inspection and they see a few minor infractions, work with the farmer, work with the property owner to get into compliance. When you are keeping those officers at the end of the road from not coming up the driveway to work with the farmer, those are unachievable. I don't think that's what the farm community wants, hon. member, based on the two-hour conversation I had with them.

What they want is exactly what was announced 10 days ago, and what they feel – that will aid them to get up to compliance. It will aid them with clarity with the regulation. It will aid them to get their job done and it will aid them to become more effective in the community and to be more environmentally safe and sound within their neighbourhoods.

**Leader of the Opposition:** Can the hon. minister explain to me why the Province of New Brunswick, under their pesticides control act, and the Province of Manitoba and their pesticides control act, have in both of their acts that the officer has to have – in one case the inspector has to have reasonable grounds and, in the case of Manitoba, they also say the inspector has to have reasonable and probable grounds.

**Mr. Mitchell:** Yeah, I guess I'm not totally aware of what's going on the other way.

But if the officer is driving by and the potato farmer is spraying his field that means activity is going on. If there are fertilizer trucks coming in and out of the driveway that means there is activity going on. Those would be the reason why that officer would be driving up those drivers anyway in those instances.

**Leader of the Opposition:** So why aren't we trying to protect the public then, too?

**Mr. Mitchell:** We are absolutely trying to protect the public. That's what the farmer wants. The farmer wants a great relationship with their neighbours so that they know we're working towards an environmentally great way of farming.

I'll tell you, in the past they feel they might have gotten a bad reputation on some of these charges. As I said, often the case is when the officer gets there for the main offence and sees other offences. Now that becomes elevated in a way that we're trying to take under control and work with the farmer to come into compliance in a very effective way so that all of the rural province where farming activities are environmentally safe.

**Leader of the Opposition:** We'll go back, minister, to the general public that has nothing to do with a farm that lives beside a farm.

What protection is there for him? Last week I had a conversation with the hon. Member from Charlottetown-Brighton and he himself admitted to me that he has defended, in court, the similar thing that I am saying.

**An Hon. Member:** (Indistinct).

**Mr. Mitchell:** Hon. member –

**Mr. Trivers:** He would have been successful if he had the legislation.

**Mr. Mitchell:** The office doesn't randomly drive into people's yards. They're working with the farm community. They are establishing relationships. The farm community is aware that these officers now exist. They've embraced that.

Craig (Indistinct) went on an interview and said: This is a good move, this is absolutely what we've been looking for. Hon. member, I can assure you that this was taken very seriously. This is a lot of work done to get to a place where farmers are delighted that this is the move that we're moving towards.

The neighbour beside the farm still has the method that they always did. If they think there's something going on they give a call and off the officers will go, as they always have.



**Leader of the Opposition:** So what rights does that private landowner have that has nothing to do with farming?

I'll tell you a case in point, and this has happened in the past. A police officer wants to search a property. He doesn't have reasonable probable grounds to enter that property for whatever he is looking for. However, a pesticides control officer in this province can search a property at any time without reasonable probable grounds. So that police officer goes and sees that pesticides control officer and says: Listen, would you mind taking a look, run up that road and check that building out? He goes up on a fishing expedition and he finds something and then he calls the Mounties.

Now the Mounties have reasonable probable grounds because the inspector was in there with no reasonable probable grounds and he has found something. How is that protecting the public?

**Mr. Mitchell:** Hon. member, these officers, they take their job very seriously. They are environmental safety officers. They are out trying to work with the agriculture industry for environmentally safe farm practices. That's what they're working on, and the farm industry has been waiting for this for a number of years. They have encouraged this to occur. We've listened. We brought it forward. They're ecstatic that, finally, when the officer gets to the barnyard or the potato field or whatever crop they're growing, that they're there with no vest, no gun, no ticket book. Ready to work with them to help them get into compliance.

**Leader of the Opposition:** So is it safe to say that we should remove all reasonable probable grounds from every act in the Province of Prince Edward Island?

**Mr. Mitchell:** Hon. member, we're dealing with this act and, quite frankly, the way the act is presented – you are taking the ability of these friendly officers –

**Leader of the Opposition:** No, I'm not.

**Mr. Mitchell:** - to go up and work with these farm communities. They don't have the ability to drive up, do an inspection rather than an investigation. It is what the farm community has been looking for for

the past number of years, and you're eliminating the ability for that to occur. You're eliminating the possibility for those environmental officers, who are fully trained, very focused on the agriculture industry in Prince Edward Island, and working with the farmer in a very positive way.

**Chair:** Minister, can we come back to you because I have others here that would like to ask their questions?

**Mr. Mitchell:** Certainly.

**Chair:** The hon. Member from Rustico-Emerald

**Mr. Trivers:** Thank you, Chair.

I wanted to point out that during the election I talked to at least two of my constituents who had issues that would be addressed by this bill. They were cases where they – one case where they were not a farmer and they happened to have a property that's on a brook. They said the conservation officer showed up, they came with their vehicle directly across the lawn, ripping up the lawn, skidding to a stop at the stream, and with hands on holsters in a very confrontational attitude towards the constituent. They asked me specifically to bring this up. This was one of their main concerns at the door.

I feel this is exactly the reason why this bill is in place, right? I know the Minister of Communities, Land and Environment, in his questions, is talking about farmers and inspections. I don't believe this bill precludes that.

What it does, it gives not only more rights to constituents who are working on their own private property to have a thorough, I guess, vetting by conservation officers before they come on the property. But it also helps out the conservation officers because then they know they've done their due diligence and they don't get into a confrontational situation where people are upset with them coming on.

In the particular case I talked about, the constituent said that he actually had property damage from the conservation officers. I don't blame them, I think they're just trying

to do their job, but this will eliminate that sort of situation.

The second case I had was with a farm, and this was definitely a century farm if not a Confederation farm. It was also alongside a waterway. They had been grandfathered in and the department of environment was working with them to move their barns and their animals further away from the waterway. But, again, it was a case where it wasn't a collaborative process that was going on. There were multiple cases where the conservation officers would pull up, sort of guns a-blazing if I could use that phrase, is the way the constituent talked about it. This was in a transition sort of case.

Again, I think this bill would aid both the constituent and the conservation officers, put ground rules in place so that everybody knew exactly what was happening before that engagement was made.

Lastly, Mr. Chair, I wanted to ask a question. There is a constituent of mine who has concerns that with the lack of conservation officers out there and, you know, he says his opinion is that it's tough for them to do their enforcement job anyway because there are not a lot of them. He says: It's hard to make a genuine case for over-policing on this issue.

I wanted to raise that concern because I would like to hear the Leader of the Opposition talk about that because I know this will actually help both the conservation officer and the constituents.

I was wondering if you could speak to that and how this really isn't a case of preventing over-policing.

**Chair:** The hon. Leader of the Opposition.

**Leader of the Opposition:** What it's providing, it's providing for the officer to have clear and reasonable information or facts to back up what he's doing in performance of his duties.

If he wants to perform a search and he goes onto a property and he does not have any reasonable, probable grounds or he doesn't have any information to back up what he's searching for, this would allow him to actually do some pre-investigation to find

out if this property is actually involved in farming, which would in turn protect him in his evidence gathering and what he presents in court if this matter were to go to court. Because then he would actually be giving substantiated reasons to back up why he entered that property and conducted a search.

**Chair:** Follow-up question for the hon. Member from Rustico-Emerald.

**Mr. Trivers:** Thank you for that response, Leader of the Opposition. I do appreciate that.

What I wanted to understand, again going back to the Minister of Communities, Land and Environment's questions, is how this bill could possibly preclude the collaboration of environment officers with farmers in the inspection process.

I think that, if anything, this would actually help this move forward because it will ensure that there's a conversation that happens prior to the conservation officers going onto the property. It means that the ground rules are set and the engagement has already happened prior to a face-to-face meeting.

I think it could only help the inspection process. That's my take on it. I wanted to hear your opinion on that as well.

**Leader of the Opposition:** You're right. It provides guidance. It provides the conservation officer, or the officer, to gather facts to support his grounds in entering a property. It provides for protection to him that he's not, he cannot – he's actually got substantiated facts why he's on the property which would in turn strengthen his case.

**Chair:** The hon. Leader of the Opposition.

**Dr. Bevan-Baker:** Third party.

**Mr. MacEwen:** Welcome.

**Chair:** The hon. Leader of the Third Party.

**Dr. Bevan-Baker:** Thank you, Mr. Chair.

A question to the current Leader of the Opposition. Do you have any idea how often

inspections happen without probable grounds?

**Leader of the Opposition:** I've been told many. My conversations with farmers and a few others is that they have caught and found conservation officers –

**Mr. LaVie:** Speak up.

**Leader of the Opposition:** – searching buildings that were not related to farming.

Yes, the buildings were next to farm ground, but they were not associated with farming. One conservation officer told me that up west he saw buildings, entered the property, searched, and left.

So how many? Would not be able to give you an exact answer there, Leader of the Third Party.

**Dr. Bevan-Baker:** Okay.

**Chair:** One more.

**Dr. Bevan-Baker:** Follow-up – just one more?

**Chair:** Well, I've got –

**Dr. Bevan-Baker:** I have two more.

**Chair:** I've got three others waiting, so whatever.

**Dr. Bevan-Baker:** I'm going to make this quick, then.

The statistics that I have, and the most recent ones go up to 2012, suggest that we're not over-policing this.

**Leader of the Opposition:** No.

**Dr. Bevan-Baker:** In fact, there's quite a lot of leniency in the conservation officers. If you look at the numbers of warnings to convictions from the years 2010 to 2012, they're almost equal, 50-50. The number of convictions, particularly related to pesticide use, is terribly low. You're looking at single digit figures in hundreds of warnings.

The stats don't support that we're over-policing this. Can you explain why we need –

**Leader of the Opposition:** I'm not saying, hon. member, that we're over-policing, and I'm not saying that we should lessen the amount of policing we're doing on it.

Pesticides are a dangerous commodity and they should be treated with respect and make sure they're handled properly. By adding reasonable, probable grounds, it's not limiting what they can do. It's actually strengthening the information they're going to gain in putting a case forward before the courts.

**Dr. Bevan-Baker:** Final question, Mr. Chair.

Why do you think it's bad that inspections can happen on a random basis?

**Leader of the Opposition:** I don't. But I think any officer that's engaged in that duty should have to have reasonable, probable grounds to conduct a search.

**Dr. Bevan-Baker:** Thank you, Mr. Chair.

**Chair:** The Chair recognizes the hon. Minister of Finance.

**Mr. Roach:** Thank you, Chair, and I thank the hon. Leader of the Opposition.

I know the hon. Leader of the Opposition has a great deal of experience in criminal law and working with the Criminal Code and in search warrants in relation to that.

I'd like to just point out, hon. Leader of the Opposition, that where you want to delete the words "For the purposes of carrying out this Act and the regulations an inspector may", I think one of the key differences here – and I think this is a key to what we're discussing here – is these pesticides are under an act that has a set of regulations that deals with a permit. There are a certain number of regulations that go along with that permit. That is quite separate from a Criminal Code search warrant. In this particular one, if you have pesticides, there are regulations that you have to go by when you get that permit. Included in that is the inspection process.

Unlike a Criminal Code matter or a drug enforcement search warrant, there is no

permit involved and the regulations that may be with that are quite different.

I have had experience with a couple of other acts which may help for clarification. I've worked with the *Explosives Act*. I've also worked with the migratory bird act. Under the *Explosives Act* it's a permit. As a construction company, you would have a permit to have x amount of explosives listed, catalogued, categorized, stored in certain ways. Under that act there is no reasonable or probable grounds required. There is no search *per se*. There's an inspection.

I've done a number of those over my career. You simply go in and you inspect. If you find that it's not being stored properly or it's been stored dangerously, you deal with it. If not, you write it up and move on.

The same thing, for example, with the migratory bird act. There's a permit within that act and there's regulations for people who want to get a permit to keep migratory birds. They have to keep them with under certain regulations and all that sort of thing. It's the same thing. It's an inspection, it's an inspector that goes in.

The key difference there is permit versus, say, for example, it was stolen goods that you were going in for and you were going in to search for stolen goods. That reasonable probable ground is required under that criminal act and it's to a peace officer as opposed to an inspector. Big difference.

I quite agree with the anecdotal story you gave with respect to the fishing expedition. Clearly, if it's a fishing expedition, if that's the way it starts off, no matter what court of law that goes into it's going to get booted out extremely quickly. As you and I are both aware, fishing expeditions are just so far – that's just not going to happen. Well, it may happen, but it's not going to stand up in court.

I think that when we're looking at that I really think we have to take into consideration the fact that there's a huge difference between a permit and an inspector and reasonable probable grounds and a peace officer who would then get a search warrant based on reasonable probable grounds.

The example that you gave – I think it was the first example that you gave – with respect to accepting a piece of equipment to go into your barn that had insecticides in the equipment. If, for whatever reason, the inspector got a call and it was leaking, I think once the individual person would take on – and when you do allow somebody to come in and use your barn for that purpose, that would be up to the court, I believe, whether or not you also take on the responsibility of the pesticides that are in that vehicle or in that piece of farm equipment. Thus you then are part of that, acceptingly, you've accepted that.

However, if they went into your barn to look for that, I would suggest that if they went near your boat or went near your trailer to search anything there that would be a matter that the courts would likely throw out very quickly.

All to say, I guess, I think that there's a huge difference between an act where we have regulations that go along with a permit that clearly outlines what the inspectors are allowed to do under that act and under that permit. I don't think that that act, the way that it reads, gives inspectors a broad range of powers, in fact, much less in terms of a broad range of powers then it would a peace officer, but peace officer's not in there anyway.

My biggest observation on that – these are really two different categories. I don't know if –

**Leader of the Opposition:** I kind of understand what you're saying, but I think you have to look at section 19(1): For the purposes of carrying out this act and the regulations an inspector may, at any time, enter upon and inspect any land, premises, vehicles, equipment, record, document or other property.

With that they're not differentiating between what is a farm and a private property or somebody that's not related to the farming sector.

**Mr. Roach:** I think clearly, though, it's talking about the regulations and it's talking about that act where the permit applies. I would agree that if an inspector – and your second anecdotal example that you gave on

the fishing expedition, I agree that if any inspectors were to do something like that then that would be a clear contravention of any of their authorities or powers and a court would simply not put up with that at all.

**Leader of the Opposition:** In research with that – in research in New Brunswick’s act and Manitoba that I’ve read, they’re clearly saying about reasonable grounds and reasonable probable grounds. I don’t think that has weakened their act in any regard. If anything, I think it’s made it stronger.

**Mr. Roach:** I guess the point that I’m making is having had experience with other acts where permits are available you don’t need reasonable probable grounds. Because once you accept the act and the regulations and once you accept and say: I take that permit, I want that permit for that product – whether it’s explosives or whether it’s pesticides – once you accept that permit in your name, also within that is the availability of the inspector to go in and to inspect that permit and inspect those things that are within that permit.

Reasonable and probable grounds I suspect apply – like you had said earlier, you had mentioned the drug act. I clearly see that a peace officer going in to do a search warrant under a drug act has to have reasonable probable grounds and has to take that before an impartial person to prove that. But that’s not a permit, that’s the big difference, it’s not a permitted product that’s on that property at all.

**Chair:** The Chair recognizes the hon. Premier.

**Premier MacLauchlan:** Thank you, Chair.

The Leader of the Opposition and I, we’ve discussed this and I undertook – I said I’d go back and ask the folks in our department, Justice and Public Safety, and internal Legislative Counsel, for some comment on this.

I think the key difference here is between an inspection which is linked to a permit and a search which is linked in effect to prohibition. Everybody knows they’re not supposed to run a grow op, everybody knows they’re not supposed to be running a counterfeiting operation, or if they don’t

know and they get caught, it doesn’t matter. Of course, the peace officer going in, as you’ve said and as the hon. Minister of Finance has said, does have to have reasonable probable grounds.

I think that’s really the key. I’ve got advice against making this amendment from our department because it would, in effect, convert what is an investigative power – what is an inspection power, pardon me, what is currently an inspection power, and reads that way in the legislation, into an investigative enforcement power in the sense of where a peace officer would have to have reasonable and probable grounds.

Indeed, if you look at the language of the existing provision, and indeed of the language that’s being proposed, in the proposed change the word inspector comes up twice. Now the inspector is there because the person has a permit to have pesticides in the same way that a person has a permit to run a restaurant if the food safety people come or the person has a permit to run an early childhood centre and the people who are ensuring that that permit is being adhered to. It’s as much a visit – which is in fact why, as the Minister of Communities, Land and Environment has said, we have endeavoured to make this more user-friendly – and I appreciate this is where this background is coming from – but to make this more user-friendly so that the inspector, who is now called an agri-environment officer, would be the first person to come.

**Leader of the Opposition:** What about the private barn on a person’s property?

**Premier MacLauchlan:** I think the key there, as the Minister of Finance has said, in that hypothetically it can be found in the first words of the existing provision, which say: “For the purposes of carrying out this Act...” The inspectors under this legislation would not have the authority to go on what has been called a fishing expedition. They could only go for the purpose of carrying out the act and regulations which has implicit within it the expectation or the knowledge that there are pesticides there.

**Leader of the Opposition:** Would you acknowledge, though, Mr. Premier, that if the hon. Member from O’Leary-Inverness still has his barns – and he’s clearly out of

the farming industry totally, right? He has barns on his property. That inspector does have the right. With no reason he can enter the hon. member's property and he can search the farms.

**Premier MacLauchlan:** I hope he doesn't have a grow-op.

**Leader of the Opposition:** Nope.

**Premier MacLauchlan:** But really, the inspector under this legislation could not go and look in a barn or look in a garbage dump or look in our offices without being there for the purpose of carrying out the (Indistinct).

**Leader of the Opposition:** But he might think he's there for that purpose.

**Premier MacLauchlan:** If that inspector goes on that property and it leads to a prosecution, which is really the scenario that's being offered here, then there's a strong case to be made to throw it out because it was not being done for the purpose of carrying out the act.

In any event, what I want to really emphasize here is that this all starts with a permit to have pesticides and to look after them in a certain fashion and regulations sort of under that legislation, and an inspection power that goes with that. As the minister of communities, land and environment said, we're actively engaged with the farming committee to make this more user-friendly and we can see that that's something that requires attention on which we've acted. But to go further and impose the requirement of reasonable probable grounds in effect would be to know or have a significant basis to believe that there's been an offense committed before you're even going to see the farmer when, in fact, the inspection power really starts with the relationship.

That's in fact what the agri-environment people have been styled now to do. Starts with the relationship, to work with the farmers to ensure, of course, that they're complying with the regulations, but to be there almost in an agricultural extension mode rather than a peace officer mode and sort of – that's to say these recent changes are going in one direction whereas the addition of requirement of reasonable

probably grounds take it to the other end of the spectrum.

**Chair:** The Chair recognizes the hon. Member from Georgetown-St. Peters.

**Mr. Myers:** Thank you, Chair.

I think myself and probably numerous other members here have had the kind of complaint, and I've had it from farmers in my district, where they've had people come on their property, they didn't know they were there, searching for something that they didn't even know what they were searching for. Had a confrontation with the farmers, flashing their guns, showing their guns, putting their hands on the guns and all this aggressive foolishness that clearly has to end.

Given the fact that a lot of these altercations that happen on the farms, from the farmers that I hear, happen because people are on the property with no reason to be there, there's no complaint, and there's really nothing that they're looking for, will your amendment help change that and protect the farmer and protect from being these kind of crazy altercations where there's conservation officers flashing their guns and putting their hands on their guns and acting like tough guys to farmers right across Prince Edward Island?

**Leader of the Opposition:** This amendment will simply require the officer to have a reason before entering the property. As long as the reason supports the act or the investigation he's conducting, it will not weaken his powers. If anything, I can see an increase in his powers or an increase in his ability to do his job because he has his due diligence and the reason to actually conduct the search or to enforce the act.

**Chair:** One more?

**Mr. Myers:** Just one more, then. How would this said conservation officer go about having reasonable cause, then?

**Leader of the Opposition:** Simply – I'll go back to the example I used prior. He's driving down the road and he sees a sprayer parked beside a barn. There's reason to believe, then, there's possibly pesticides being stored on the property. With that, the

vehicle with the pesticides or the sprayer's parked beside the barn, there could be reason to believe then that there'll actually be pesticides stored inside the building. That would be a reason to lead him possibly to go into the building.

**Chair:** One more, hon. member.

**Mr. Myers:** Thank you. One more, it's more of a statement than it is a question. I agree with the amendment that you're bringing forward and I think because it protects both sides of the equation.

I would like to see government do more to either better train their conservation officers – perhaps take the guns away from them completely. Because it seems like since the guns have entered the waists of the conservation officers there's been a lot more altercations with farmers. It's completely unnecessary.

Farming's the backbone of the economy of Prince Edward Island. I think that we should be working with them on a consultative level versus a forceful level where conservation officers are walking in brandishing weapons over what would be perceived minor infractions, not drug-related crime or violent-related crime that's happened. It's things like plastic on the edge of the field, and guns are being shown? In my opinion that's completely ridiculous, and any government that will allow that to continue to happen needs to have their head examined because this is not the way the business of farming should be handled here in Prince Edward Island, in my opinion.

**Chair:** Thank you.

The Chair recognizes the hon. Minister of Agriculture and Fisheries.

**Mr. McIsaac:** Thank you very much. Based on the last comment, that's why we took those away.

But when you look at this change you'd like to make, hon. Leader of the Opposition, put yourself in the chair of the farmer or you're standing in your farmyard. If the conservation officer has to have reasonable or probable grounds to enter your property, you are deemed guilty as soon as you see that thing. You say: He's got some reason

against me right now. What we're trying to do, and the hon. minister of communities, land and environment has explained, we're trying to get away from that very thing.

I'll give you an example. When I milk cows on the dairy farm I can be inspected at any time, and what happens? The inspector comes in, he looks and he says: You know what? Your cleaning supplies, they shouldn't be there, they should be here. Your milk replacer, whatever, shouldn't be kept in this area, it's too close to whatever, it should be there. He looks at my cattle, the whole operation, he says: You know what? To be in compliance to ship milk, to protect the public, you have to meet certain compliance, okay? He doesn't walk in and say: I don't like that, I'm shutting you down. He says: You're given a bit of time, and it's just a drop in at any time to bring me into compliance. He says: I don't like this, it should be over here or whatever that might be. Bring it into compliance and you have a week, two weeks or whatever, to do it. Then he comes back and checks it and to see. As the minister says, if I don't comply I can be shut down. If I do comply we carry on.

At any time that can happen. When I see the inspector come in I know I'm not guilty right off the bat because he's doing his regular job, drop in to see where I'm at. This is what we're trying to do, work with the farmers.

Same thing as with the potato farmers. Too often what was happening was the guy walks in with the vest and the guns and everything like that and says: Boom, you're guilty. It was not working with the farmers, it was almost like they were working against them. But in this change, now we know the inspector just to see: Are your spray cans in the right place? Are they tied down on your truck? Whatever that might be. If they're not, just simply says to bring it into compliance to protect our general public, this is what the rules say: Your spray has to be here, your cans have to be tied down, whatever that might be. Can you bring that into compliance? I'll drop back in a week and see. I'll work with you to bring yourself into compliance.

But you know what? When I come into your yard as an inspector I'm not deeming you guilty, I'm just doing a look-over to make

sure that you're in compliance with the regulations so that we protect the public and all that sort of thing.

But the idea of having to have reasonable and probable grounds, as soon as you drive in as an inspector I'm thinking: Definitely I'm guilty of something. Instead of working with the people by saying: I'm just coming around for a friendly routine check and if I see something wrong, I give you time to come into compliance. That's all we're doing.

We do not want to get to this confrontational piece again. We're trying to get away from it.

**Leader of the Opposition:** I guess the question, hon. minister, would be: Is government guaranteeing that only the new unit is going to do any of the inspection on farms?

**Mr. McIsaac:** The agriculture unit is to do the agricultural work.

**Leader of the Opposition:** So conservation officers will not be doing anything to do with the *Pesticides Control Act*?

**Mr. McIsaac:** If there's found to be non-compliance or non-cooperation at that time, someone else could be called in, RCMP or whatever that might be. But we're trying to work with the farmers with this new group. Non-vested, non-armed, non – what do you call it? With the slips, pulling out the slips, the fine book I should say. We're just trying to work with farmers to bring them into compliance and get rid of this confrontational aspect of things.

We're looking at compliance rather than the other, and to have to force them to have a reason to come onto the farm is exactly the wrong thing to do. It should be starting out on a friendly voice, like: Hey, we'll help you come into compliance, we want to protect the water, and we want to protect all of our community, your next-door neighbour or whatever. This is what you need to do to change.

Not just walk in, you're guilty, fine, see you in court.

**Leader of the Opposition:** Nobody is saying that's going to happen.

**Mr. McIsaac:** The hon. minister did.

**An Hon. Member:** I absolutely am.

**Mr. McIsaac:** That's what he said.

**Leader of the Opposition:** I don't believe it will. I think with the – if the barn is out there in the middle of wherever and there is nobody around, and the conservation officer has the right to just walk into it and check it, and then all of a sudden the farmer finds them, I think that – what was your reason for being there? I think (Indistinct) strength in his ability to do his job.

**Mr. McIsaac:** I completely disagree with you because I've seen it in the diary – we see it in Ontario. That's what it's written up, working with what we've seen in other areas like in Ontario. This is the way it is. It's non-confrontational. It's compliance-oriented and that's what it's all about.

**Chair:** The hon. Member from Souris-Elmira.

**Mr. LaVie:** Thank you, Chair.

The law now is they can go on any property. They can go on my property if they wish. They can go on my property.

**Ms. Biggar:** No.

**Leader of the Opposition:** Yes, they can.

**Mr. LaVie:** Yes, they can.

**Leader of the Opposition:** Read the act.

**An Hon. Member:** (Indistinct).

**Mr. LaVie:** They can go on my property when I'm not home?

**Leader of the Opposition:** Yes, they can.

**Mr. LaVie:** So what this bill will do is just give these officers – and every police officer, I think, had to do it. There are police officers in here that are retired now, but I don't think (Indistinct) – when the police officer goes onto a property, does he have to



ask for authority to go on that property without reasonable cause?

**Leader of the Opposition:** If he's going to conduct an investigation he has to have reasonable probable grounds.

**An Hon. Member:** (Indistinct).

**Mr. Roach:** It depends – Chair?

**Chair:** The hon. Minister of Finance.

**Mr. Roach:** If you have pesticides on your property and you have a permit, and the inspector is going on your property and knows that you have pesticides on there, under the permit he can go in and inspect the pesticides to make sure they are being stored properly and all of those sorts of things.

However, if it's a criminal matter and I think that you've got, for example, stolen goods in your barn, I just can't go on your property. A police officer has to have reasonable probable grounds. He has to bring those reasonable probable grounds before a justice. The justice will issue a search warrant and the search warrant gives that police officer the authority then to go on your property to search for the stolen goods. The big difference is the permit and the regulations that you're going in with and the reasoning for going in there. The other way is simply a permit inspection.

You would see something similar, for example, under the *Liquor Control Act* where the inspectors go into a liquor establishments or any establishment that has a liquor permit. They don't necessarily have to have reasonable probable grounds to go into a place where alcohol is being served. They go in to make sure the permit and the premises are being operated under the conditions of the permit. Not a lot of difference.

**Leader of the Opposition:** I don't think you can compare –

**An Hon. Member:** (Indistinct).

**Mr. LaVie:** Thanks, Chair.

**Chair:** Just a minute.

The hon. Minister of Communities, Land and Environment.

**Mr. Mitchell:** Thank you, Chair.

I've just got a couple clarifying points just to address them to the hon. Leader of the Opposition. There have been some statements from the other side from several members that state that there was damage to a building and they kind of come roaring up across fields and went in and did all of that.

Hon. member, we had very few officers on Prince Edward Island. If we had 250 officers, yeah, they would be driving up and looking at things. They don't have time for that. What they respond to is just what I alluded to –

**Mr. Myers:** You should see what they're doing out there then (Indistinct)

**Mr. Mitchell:** – is just what I alluded to earlier, hon. member.

**Mr. Myers:** You should see what they're doing out there (Indistinct)

**Mr. Mitchell:** When the phone call –

**Chair:** Order, please!

**Mr. Mitchell:** When the phone call comes in from somebody that says: Farmer X is spraying and it's too windy. Farmer X, his pesticides are running over the pavement as he's driving up the road in his truck. That is how –

**Mr. Myers:** You have no idea what your employees are doing out there (Indistinct).

**Mr. Mitchell:** That is how these calls get initiated. If that's reasonable and probable cause – I'm no lawyer and I'm no police officer – that's what they're going out with initially. That's what I said, at this point.

Every time they get in their vehicles they're out on an investigation the moment they start the key. This will take all of that away, and even if those calls still continue to come in, the very first people that drive up their driveway are these new agriculture-environmental officers. They're coming with the same approach as if they were driving up the driveway on an afternoon

where they didn't have a call. They're coming up in a reasonable way to say to the farmer: I'm here, I'm working with you, I got a call, somebody said this, let's see what the situation is and we'll work together to get you in compliance.

Either way, with the probable cause of a phone call or just a drive up the driveway. But I can assure you we don't have 500 officers in Prince Edward Island driving around, driving up driveways and breaking into barns and running into them with their truck. It's just not possible. Every call that comes in is documented and that's what's brought forward when there is a court case.

**Chair:** I'm back to the hon. Member from Souris-Elmira and then to the hon. Minister of Transportation, Infrastructure and Energy.

**Mr. LaVie:** Thank you, Chair.

What this bill would do, what you've got on the floor here today, when this – and I'm not a farmer, but when this conservation officer wants to come onto my property all he should have to do is ask for permission. That's what this is doing. He should ask permission to go on any property and nobody should have a problem giving him permission if there is no problem

**Leader of the Opposition:** That's right.

**Mr. LaVie:** Right? So that's what this bill is doing. He can't come onto my property.

To the Minister of Communities, Land and Environment, it has happened. It has. I didn't see it, my cousin called me. This conservation officer went into his yard and told him to put out his campfire. He went into his property, it was hid with the trees, but he made his way in and he never asked for permission or nothing. He just went in and schooled them.

What this officer should have to do is ask for permission. If a police officer or any officer of the law has to ask for permission to come onto my property, to open my building door and let my dog out or my cat out or whatever shall happen when he opens that door, he should have to ask permission. He can go on that property when there is nobody home, right now under the law, right? He can go on my property without me

not being home, so am I correct in saying that?

**Leader of the Opposition:** Under 19(1)(a) there is no mention in there of a permit or reference to a permit that the officer must have or anything. He can enter any property at any time and do a search.

**An Hon. Member:** (Indistinct)

**Ms. Biggar:** (Indistinct).

**Mr. Roach:** There's more than one section of the act.

**Leader of the Opposition:** I know that.

**Chair:** Thank you, hon. member.

**Mr. LaVie:** No. I'm not done.

**Chair:** Thank you. You're not done?

**Mr. LaVie:** No.

**Chair:** Go ahead, hon. Member from Souris-Elmira.

**Mr. LaVie:** Is that law – he can go onto my property right now –

**Leader of the Opposition:** Yes.

**Mr. LaVie:** – without any permission and me not being home?

**Leader of the Opposition:** He can enter your property.

**Mr. LaVie:** So what your bill is doing is just saying that he has to ask permission to go on my property?

**Leader of the Opposition:** He has to have a reason.

**Mr. LaVie:** I agree with you. I agree with your bill, then. Nobody should be on my property without me being home.

**Chair:** The hon. Minister of Transportation, Infrastructure and Energy.

**Ms. Biggar:** Thank you, Chair, and hon. Leader of the Opposition.

If I may comment on a couple of comments in regard to accusations. I would think that anyone that would have those kinds of hearsay incidents occurring would report them. As the minister said, all calls are investigated whether it's from an individual who feels they've been aggrieved.

I just want to make a comment on that, but also in regard to the changes that the minister's department has made. I applaud them because we do know there was an adversarial kind of relationship that has occurred in the past.

Those changes, the same as every other act that we have in this Legislature, can be amended. I know you have concern, perhaps. I think we need to give this a chance. We've been engaging on a regular basis, as you have with the potato board. As the minister said, they had great communication with them. As with any bill or legislation in this House, if there's issues that occur we can always bring it back. We don't know how this is going to work out. I think we need to give it a chance and I'm sure the minister, if he finds that there are incidents that people feel they are aggrieved, will deal with it.

I just wanted to make those comments in regard to your concerns with the way the bill is, but I think we need to give things a chance to work through, and in that regard, so I just want to comment, I guess, more than anything.

Thank you.

**Chair:** The hon. Member from Belfast-Murray River.

**Ms. Compton:** Thank you, Chair.

We've mentioned here inspection and conservation officers which, I think, are two different things. That would be one question I would have and maybe you can answer that for me.

A conservation officer coming onto a premises versus an inspection of dairy farm is a totally different thing, I would think. Maybe you could comment on that or maybe one of our other members could –

**Chair:** Who would you like to comment on it?

**Ms. Compton:** The hon. Leader of the Opposition.

**Leader of the Opposition:** Conservation does have power under the *Pesticides Control Act*. He can be designated by the minister and has been designated by the minister to lay charges and investigate under the *Pesticides Control Act*.

So yes, there is an inspector. And yes, the government has brought forth a plan to have this new branch that will deal with agriculture issues. I agree with that. But I think we also have to look at the conservation officer who also has the power under the *Pesticides Control Act* and what that power allows him to do.

**Ms. Compton:** Chair?

**Chair:** Go ahead.

**Ms. Compton:** I'll use my own property as an example. We have 80 acres, 65 of which are farmed. We have two farm – which any person would think would be a barn that is used for farming. The lower driveway has access to our fields which are leased. There has been farm equipment there on a regular basis parked overnight.

If there is a conservation officer or an inspector, whoever might come onto my property, would probably assume that the barns that are there are attached to the farm machinery that's in the field. It would be a concern of mine that someone would enter my property without my permission when I have nothing to do with the farm machinery that's beside me. Maybe the onus is on me as the person who is leasing out the land to ensure that the farmer is doing his job.

Maybe the Leader of the Opposition could elaborate on what the onus is on my part.

**Leader of the Opposition:** That conservation officer can enter your property and he can search in your barns under the premise of the act and the way it's laid out. He can enter those barns. He can conduct a search to see if there are any pesticides or anything on that property.

**Ms. Compton:** Chair?

**Chair:** That's everything?

**Ms. Compton:** No.

**Chair:** Go ahead.

**Ms. Compton:** On that, I would say it would be a big concern of anyone who – I mean, we have lots of leased land on Prince Edward Island and lots of people who do have farm barns on their property who are not affiliated with the farmer other than leasing the land.

I think it should be a question that we do pose: What is the right of any inspector or any conservation officer to come onto private land when there is no affiliation with that farmer other than to lease the land? So that would be the question.

**Chair:** Are you finished?

**Ms. Compton:** That's fine.

**Chair:** Chair recognizes the hon. Member from Kensington-Malpeque.

**Mr. MacKay:** Just one quick question. I need some clarification from somebody across the floor, if you don't mind.

As of right now, with the new rule coming out that conservation officers will have no guns at all – am I right in saying that?

**Mr. Mitchell:** (Indistinct).

**Premier MacLauchlan:** You go ahead.

**Chair:** Actually, do you want to direct your question to –

**Mr. MacKay:** Really anybody. I just need some clarification, whoever knows.

**Premier MacLauchlan:** I can answer that.

**Chair:** The hon. Premier.

**Premier MacLauchlan:** Mr. Chair, the conservation officers will remain as they are, and they're in the department of public safety.

The new agri-environment officers, who will be unarmed and will be going in civvies, will be the first point of contact in the enforcement of the *Pesticide Control Act* as well as the *Agriculture Crop Rotation Act* and the watercourse and watersheds regulations under the *Environmental Protection Act*.

So this is really to put in place a new (Indistinct) I call it user-friendly, but a team that's building that relationship with the farming community who will have that first point of contact.

The conservation officers have I think it's 24 different laws and regulations under which they act. I suppose the beginning of their authority – which has then grown as the Legislature has put in place new provisions – but the beginning of their authority is in enforcing the law around hunting. That's where the case was made going back now, probably, two previous governments when those conservation officers were first armed.

I'm sure people can debate whether that can be made more into what I'd call a community policing model which is – we have those conversations. What we have here is not really aimed at that. It might take us back there, in fact, because if you look at the few words that we have here, what it (Indistinct) says is that the relationship starts with a contravention because that's really the language that's here. The relationship starts with a contravention and in effect with the equivalent of a search warrant.

What we're doing by going this direction is kind of chopping off that whole front end of the relationship that we're trying to build with the farming community and with others that are being approached by the agri-environment officers.

**Mr. MacKay:** Thank you, Chair.

Am I right in saying that no conservation officer can go on a property armed right now without a warrant?

**Premier MacLauchlan:** No. They are armed. They can go – if there's a duck blind and they have a concern that something's been done in contravention of the wildlife protection act, they can enter on the –

**Mr. MacKay:** I guess I mean to go on a farm property. If they're going to investigate the pesticides, can an armed officer go on that property, with the new rule?

**Premier MacLauchlan:** When it gets to the point of their being – so you start with the relationship, and maybe I should let the Minister of Communities, Land and Environment pick up on this answer. But the relationship starts with the agri-environment officer, with the sort of relationship that the Minister of Agriculture and Fisheries described in the first instance.

As that relationship proceeds or as issues arise, there may still be – as you make your way through the chain of compliance, you may still reach the point where the circumstances warrant that charges would be laid.

As the Leader of the Third Party pointed out, even going back in the past several years, there have been far more warnings or notices than there have been charges. But when it reaches the point where the circumstances warrant charges should be laid – and I don't think anyone in this Legislature would contend that that shouldn't happen, we've passed the laws in the first place – it may be a matter of calling the RCMP to come in and take up the business at that point.

It's not out of the question that the conservation officers could still do that but the – and I'll let the Minister of Communities, Land and Environment fill in the rest of this – but I believe the presumed way of proceeding when you go beyond that agri-environment relationship is that it would be the RCMP.

**Mr. MacKay:** Excuse me, Chair.

**Chair:** Go ahead.

**Mr. MacKay:** Final observation. I guess on saying that I wouldn't advertise that they're taking away their badge and their guns, and whatever else, when that's not the case. Because we've heard that a couple of times right now that they still do have them in place and they can still access that property. You might just want to watch the wording with it.

**Some Hon. Members:** Chair?

**Chair:** Yes. Who's calling?

**Mr. Mitchell:** I feel it's been made quite – these are the agri-environmental officers that we're discussing here. I've never said conservation officer and you can check the Hansard on that.

We're talking about one full-time individual and three part-time individuals that will be the first responders, if I can use that term, that will go to these farmyards and visit the farmer. If there's a call comes in, they will still be the first person that drives up the driveway to talk to the farmer about: I have a call, it said you're not in compliance with A, B or C. We're here to visit. We're here to help and get you – look at the situation.

**Mr. MacKay:** And then if –

**Mr. Mitchell:** However, if something happens that things become confrontational, that officer does have the right to write tickets and will do so if the need is of that nature – compliance has been breached or it's a blatant, extreme infraction.

If things become confrontational that officer does have the right, as the Premier said, to call the RCMP. However, if there is a conservation officer nearby in the area that also hears that they may respond to stand with that officer until those RCMP officers get there, because that can happen.

I know there are a lot of hypothetical situations. I'm not saying that does happen. But when we're talking in hypothetical areas that's a possibility. I would never be able to stand here and say conservation officers will never be standing in a farmer's yard without the vest and the gun on because –

**Mr. MacKay:** That's what I wanted to hear.

**Mr. Mitchell:** – the exact opportunity may arise.

**Mr. MacKay:** Thank you.

**Chair:** The hon. Member from Belfast-Murray River.

**Ms. Compton:** Thank you, Chair.

I have a question. Maybe I can direct it to the minister of environment.

**Chair:** You may do so.

**Ms. Compton:** As the landowner, is there a liability to me if a farmer is charged while on my land or farming my land?

**Mr. Mitchell:** I guess I'd have to kind of take some of that under advisement. I'm unaware of a landowner that has leased property to a farm has been charged in one of the infractions. I'd have to get that information to be 100% certain and bring it back to you, but I'm unaware of that being the case.

**Chair:** The Premier and the minister of land, we're pretty well through everybody here. Are you fellows finished with your –

**Premier MacLauchlan:** I want to thank the Leader of the Opposition for bringing this forward.

**Chair:** Shall this section carry?

**An Hon. Member:** Nay!

**Some Hon. Members:** Carried.

**Mr. Myers:** Carry the bill.

**An Hon. Member:** (Indistinct)

**Chair:** Shall the bill carry?

**Some Hon. Members:** Nay!.

**Some Hon. Members:** Yea!

**Chair:** The nays have it.

**Leader of the Opposition:** Mr. Chair, I move the Speaker take the Chair and the Chair report the bill not recommended.

**Chair:** Shall it carry? Carried.

Mr. Speaker, as Chair of a Committee of the Whole House having had under consideration a bill to be intituled *An Act to Amend the Pesticides Control Act*, I beg leave to report that the committee has gone through the said bill and does not recommend same to the Legislative

Assembly. I move that the report of the committee be adopted.

**Speaker:** Shall it carry? Carried.

**Mr. Trivers:** Mr. Speaker, I'd like to request a standing vote on that adoption.

**Some Hon. Members:** (Indistinct).

**Mr. Trivers:** No, this is on whether this will carry, accept the report, yeah.

**Speaker:** A recorded division has been requested.

Sergeant-at-Arms, could you ring the bell?

[The bells were rung]

**Mr. J. Brown:** Mr. Speaker, government members are present and ready for the vote.

**Mr. LaVie:** Mr. Speaker, opposition is ready for the vote.

**Speaker:** Thank you, hon. members.

All those voting against the committee report, please stand.

**Clerk Assistant and Clerk of Committees:**

The hon. Leader of the Opposition, the hon. Member from Stratford-Kinlock, the hon. Member from Kensington-Malpeque, the hon. Member from Belfast-Murray River, the hon. Member from Morell-Mermaid, the hon. Member from Georgetown-St. Peters, the hon. Member from Rustico-Emerald, and the hon. Member from Souris-Elmira.

**Speaker:** All those voting in favour of the committee report, please stand.

**Clerk Assistant and Clerk of Committees:**

The hon. Minister of Workforce and Advanced Learning, the hon. Minister of Finance, the hon. Minister of Transportation, Infrastructure and Energy, the hon. Premier and Minister of Justice and Public Safety, the hon. Minister of Agriculture and Fisheries, the hon. Minister of Health and Wellness and Family and Human Services, the hon. Minister of Education, Early Learning and Culture, the hon. Member from West Royalty-Springvale, the hon. Member from O'Leary-Inverness, the hon. Member from Summerside-Wilmot, the hon.

Minister of Economic Development and Tourism, the hon. Minister of Communities, Land and Environment, the hon. Member from Charlottetown-Lewis Point, the hon. Member from Evangeline-Miscouche, the hon. Member from Summerside-St. Eleanors, the hon. Member from Alberton-Roseville, and the hon. Member from Charlottetown-Brighton.

**Speaker:** It has passed.

The adoption of the bill be reported.

The hon. Member from Stratford-Kinlock.

**Mr. Aylward:** Thank you very much, Mr. Speaker.

Mr. Speaker, I move, seconded by the hon. Member from Kensington-Malpeque, that opposition Motion 66 be now called.

**Speaker:** Shall it carry? Carried.

**Table Officer in Training (Ryan Reddin):** Motion No. 66.

The hon. Member from Stratford-Kinlock and Opposition House Leader moves, seconded by the hon. Member from Rustico-Emerald, the following motion:

**WHEREAS** the Queen Elizabeth Hospital is this province's main referral hospital and is the only hospital in the province of Prince Edward Island that charges fees for parking;

**AND WHEREAS** these fees cost patients \$1.50 per hour to a maximum of \$7.00 per day;

**AND WHEREAS** for many individuals and their families, these fees are cost prohibitive and can prevent family members, friends, parents and even spouses from visiting and providing much-needed support and comfort;

**AND WHEREAS** there have been occasions where individuals do not show up, or skip, much needed treatment at the hospital because they do not have money to pay for their parking fees;

**THEREFORE BE IT RESOLVED** that this Legislative Assembly urge government to extend the grace period during which

people do not have to pay for parking to at least 60 minutes from the current 30 minutes.

**THEREFORE BE IT FURTHER RESOLVED** that this Legislative Assembly encourage government to also give further consideration to the elimination of parking fees at the Queen Elizabeth Hospital altogether.

**Speaker:** The hon. Member from Stratford-Kinlock, mover of the motion, to speak to the motion.

**Mr. Aylward:** Thank you very much, Mr. Speaker.

I'm pleased to rise in this Legislative Assembly today to urge this government to take action to provide improved parking options for patients and visitors to the Queen Elizabeth Hospital.

As stated in a recent *CBC Marketplace* report, hospital fees amount to a tax on the sick and I cannot help but agree with this. Our caucus has brought forth Islanders' concerns about these fees in several past legislative sessions. Matter of fact, the hon. member across has also raised this both publicly in the media and also here in the Legislative Assembly, yet government continues to ignore our concerns. I think that we have put forth some compelling arguments, and even one of their own MLAs has called for parking fees to be free for the first hour rather than first half hour.

Our caucus would support that move, but we believe that consideration should also be given to the prospect of eliminating the fees altogether. I believe the government member also made a similar suggestion.

I'm somewhat bewildered by the fact that Prince Edward Islanders who utilize other hospitals in our province do not have to pay a fee. Why is it the patients who arrive at our main referral hospital find themselves having to do so? Is this not discriminatory? I realize the tax dollars that do come in are substantial, but I'm not sure that if parking fees were vital to the future of health care services here on PEI that they would be in place in all our hospitals.

Why is it that a patient who goes to Charlottetown for orthopedic surgery will have to pay for the cost of parking while they are there while the same patient, if he gets his surgery in Prince County Hospital, does not have to pay? It hardly seems fair. Someone who is rushing out of the door to visit a very sick patient shouldn't have to be thinking about whether they have change in their pockets to pay for parking once they get there.

As you know, Prince Edward Island's population is aging very quickly and we already have one of the largest elderly populations in Canada. Some find even the prospects of driving into the QEH parking lot daunting. They have to get close enough to put the money in the toll booth without dropping their money and get the time slip for when it pops out, and if you can't reach it you have to jump out and get back into the car before the bar goes back down. For some individuals that aspect of parking at the QEH is stressful enough. Then, for those who do not have the change with them, they get panicky and may end up leaving without going for a visit or perhaps missing their treatment.

The whole concept of charging parking fees for those who need treatment at our public hospitals or who are visiting a sick family seems to me, at least, counterproductive. For one, it does cause stress. I firmly believe that in everyday life we as Islanders pay our fair share of taxes, whether we're purchasing gasoline, groceries, going to the convenience store, to one of the many government liquor stores here on Prince Edward Island, or just simply paying our property taxes. These taxes, we know, go towards providing our health care services, a fraction of – because of course quite a substantial amount of our revenues that come into Prince Edward Island from the federal government goes towards health care.

I firmly feel that Islanders are taxed enough and this, as the CBC report had said, is simply another tax on individuals whether they're sick or visiting a health facility. These individuals have enough to worry about. In a worst case scenario where a parent or spouse or child dies, the last thing they need to be doing is searching through their wallets to pay for their parking fee.

I've heard time and time again when I've been going door to door in Stratford or just visiting some of my constituents where a spouse of an ill partner –

**An Hon. Member:** Call the hour.

**Mr. Aylward:** – has spent a considerable amount of money, Mr. Speaker –

**Speaker:** The hour has been called, hon. member.

**Mr. Aylward:** Thank you Mr. Speaker.

**Speaker:** We will recess until 7:00 p.m. this evening.

**The Legislature recessed until 7:00 p.m.**

**Speaker:** You may be seated.

Government Motions

Orders of the Day (Government)

**Speaker:** The hon. Minister of Agriculture and Fisheries.

**Mr. McIsaac:** Mr. Speaker, I move, seconded by the hon. Minister of Transportation, Infrastructure and Energy, that the 29<sup>th</sup> order of the day be now called.

**Speaker:** Shall it carry? Carried.

**Clerk Assistant and Clerk of Committees:** Order No. 29, *An Act to Amend the Electric Power Act*, Bill No. 46, ordered for second reading.

**Speaker:** The hon. Minister of Agriculture and Fisheries.

**Mr. McIsaac:** Mr. Speaker, I move, seconded by the Honourable Minister of Transportation, Infrastructure and Energy, that the said bill be now read a second time.

**Speaker:** Shall it carry? Carried.

**Clerk Assistant and Clerk of Committees:** *An Act to Amend the Electric Power Act*, Bill No. 46, read a second time.

**Speaker:** The hon. Minister of Agriculture and Fisheries.



**Mr. McIsaac:** Mr. Speaker, I move, seconded by the Honourable Minister of Transportation, Infrastructure and Energy, that this House do now resolve itself into a Committee of the Whole House to take into consideration the said bill.

**Speaker:** Shall it carry? Carried.

I'll now ask the hon. Member from O'Leary-Inverness to come and chair the Committee of the Whole House.

**Chair (Henderson):** The House is now in a Committee of the Whole House to take into consideration a bill to be intitled *An Act to Amend the Electric Power Act*. Is it the pleasure of the committee that the bill be now read clause by clause?

**An Hon. Member:** Just an overview.

**Ms. Biggar:** I have an overview. Yes, hon. members, I do have a –

**Chair:** You want an overview, okay.

**Ms. Biggar:** I have a statement, not necessarily an overview. Statement before we start and I'll be happy to answer questions, obviously.

I would ask permission to bring Mark Victor on the floor with me, please.

**An Hon. Member:** Absolutely.

**Chair:** Is it the pleasure of the committee to –

**An Hon. Member:** (Indistinct).

**Ms. Biggar:** For technical questions.

**Mr. Trivers:** Okay.

**Ms. Biggar:** He's the engineer.

**Chair:** Do you want to identify yourself for the House?

**Mark Victor Senior Engineer:** Mark Victor, senior engineer with PEI Energy Corporation.

**Chair:** Before we get into questioning, the hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Chair.

I'd just like to welcome former member Kevin MacAdam and former minister, and one of the best MLAs that Morell-Fortune Bay-Central Kings (Indistinct) ever had.

Welcome to the Legislature.

**Some Hon. Members:** Hear, hear!

**Chair:** The Leader of the Opposition, do you want –

**Ms. Biggar:** I have a statement first –

**Chair:** Statement first, okay.

**Ms. Biggar:** – hon. Mr. Chair.

Thank you, hon. members. To start, I would like to provide a brief overview of the objective of the amendments that we're presenting this evening and that are intended to achieve by the amendments.

The amendments are based on three of the key recommendations of the Prince Edward Island Energy Commission. The 2012 commission was established to recommend ways in which the high cost of electricity can be reduced and stabilized in the long term for the benefit of Islanders following the years of the PEI Energy Accord.

The commission recommended that Maritime Electric Company Ltd. continue as Prince Edward Island's primary electric utility. However, it recommended changes in the way the utility is structured and a new role for the provincial government through the Prince Edward Island Energy Corporation.

Those key recommendations are being given effect by the amendments being introduced here today.

Secondly, as the commission also recommended, Maritime Electric should maintain its equity stake at not less than 35% and not more than 40%.

At the present time, the act requires that Maritime Electric maintain its equity investment in the supply system at not less than 40%. The reason for doing this is very straightforward. As members well know,

Maritime Electric currently earns a 9.75% return on equity. Keeping the equity level at or below 40% will help to reduce the upward pressure on electrical rates.

Thirdly, the commission recommended that the energy corporation have a direct involvement with Maritime Electric on matters such as energy supply and generation and sustainable energy development.

There is clearly a public interest in working with the utility on these and other issues that have an impact on our economy and the environment. Accordingly, this amendment will require Maritime Electric to involve the energy corporation in planning and in negotiations with any third party in relation to the supply or generation of electrical energy from any source. This is not a new concept and it is intended to build upon past successes.

Under the PEI Energy Accord the provincial government was involved in third party power purchase negotiations. That involvement resulted in lower rates to Islanders.

Each of these amendments will help us to achieve our objectives of reducing or stabilizing the cost of electricity to Islanders. They are also consistent with the fundamental principals upon which our new energy strategy will be based: a secure supply of energy which is responsibly sourced and reasonably priced.

Hon. members, I hope that this does provide a good overview of what our legislative changes are being introduced this evening. I look forward to any questions and comments that you may have as we proceed through the second reading.

Thank you.

**Chair:** The hon. Leader of the Opposition.

**Leader of the Opposition:** Thank you.

Let's first talk about the CT4 unit. Why are we not looking at, minister, some other kind of form of energy instead of oil-fired or bunker C fired or whatever? Why are we not looking into the future and making that Maritime Electric must purchase something

or put something in place that is environmentally friendly and ahead of what we're doing? Because what we're doing, if I understand it, we're going to buy a unit, or looking at a unit, that's using 1960s, 1950s technology.

**Ms. Biggar:** Hon. member, I believe I stated this at the standing committee that we do not believe that we do need to necessarily purchase that type of generation and that we are looking at other alternatives, and that is why we're going through with our new energy strategy to look at all the options.

But we have already said we're not totally convinced that we need that type of generation to meet the requirements that we will need for energy with the two new cables in there if we open the New Brunswick side. Also, by putting some of these amendments in it will give us some flexibility on, if we want to for instance, have a gas-fired generator on one side, perhaps New Brunswick, or this side and other ideas that we are exploring.

**Leader of the Opposition:** Speaking with gas generation. We know that according to Maritime Electric there's a limited amount of power coming out of New Brunswick through the Memramcook area. We know they're going to have to run a new cable – according to Maritime Electric, from a substation over there somewhere it's going to have to run parallel down the highway into the Borden area.

Why would we not look at placing the generator, the CT4 unit, or making Maritime Electric place that somewhere near the LNG line coming through New Brunswick and hooking in to that new power cable or that new infrastructure that we're running towards the bridge?

**Ms. Biggar:** I know there's been discussion on that. I think Mark probably will be filling you in a bit on the more technical side of that because there's been a lot of conversation around that question, if you don't mind.

**Mark Victor Senior Engineer:** Sure. As the minister mentioned, I mean, all options are still on the table and that's obviously one of them. I think what we have to remember right now is that the application for CT4 is

before the regulator right now and essentially it's there to determine the need, and until that need is determined all of the options are still available to us.

**Ms. Biggar:** There hasn't been a ruling yet, as you know (Indistinct).

**Leader of the Opposition:** So why did we see a shift in government? Because back in the spring sitting – I can't remember if it was you, minister, or the Premier who stated that it was your intention – it was a surprise that the government was going to own this infrastructure and this piece of equipment. Then all of a sudden we shifted and we've gone now to Maritime Electric. What changed?

**Ms. Biggar:** I think our position in the spring, and that still stands now, which is why we made some amendments, is that any future generation could be owned by the government. That doesn't necessarily mean that it is the coal-fired CT4, whatever you want to term it as, option. That was the stance that we took when we came in in the spring, that if it is deemed by the IRAC ruling that Maritime Electric has the authority – not the authority, but it is deemed that they would need this extra generation, they have stated that they don't need it till 2017. We feel there's time to work together with other partners in developing and obtaining other options on meeting the generation needs.

If Mark wants to expand on that or if I've misquoted something I stand to be corrected.

**Mark Victor Senior Engineer:** No. I mean, yeah, it's really a function of once the – the purpose of this amendment is to give government the option to own that generation if it's determined that it's necessary. So really, nothing has changed there. If IRAC comes back and determines that the new generation isn't needed at this time, well, that's fine. The legislation is still there. At some point more generation capacity will be required as load increases so the legislation would still apply at that point.

**Leader of the Opposition:** So has the energy corporation reviewed the total package that Maritime Electric has

submitted to IRAC? My understanding is it's over 900 pages.

**Mark Victor Senior Engineer:** Yes, we've gone through and we've –

**Ms. Biggar:** Submitted our interrogatories –

**Mark Victor Senior Engineer:** – submitted our interrogatory questions, received the answers, and then made comments on those as well.

**Leader of the Opposition:** Can you give us an overview of that report?

**Ms. Biggar:** It's online.

**Mark Victor Senior Engineer:** Yeah, everything (Indistinct) –

**Leader of the Opposition:** I'm asking here: Can you give me an overview of that report?

**Ms. Biggar:** Oh.

**Mark Victor Senior Engineer:** Essentially what we indicated in that was that we felt that at this time other options should be considered including –

**Leader of the Opposition:** So with that, what other options do you think should be considered?

**Mark Victor Senior Engineer:** One of the other options is to try and get access to more firm transmission on the New Brunswick side, which then – what you would be able to do is purchase existing capacity that's there. Essentially, it's the bottlenecking transmission around as a result of the growing loads in the Moncton area that are causing the constraints that we're experiencing

Now they're very short-term constraints, but nonetheless they do occur and because we have everyone now as we move to more electric heat in Prince Edward Island, our peak load is starting to coincide more directly with New Brunswick's peak load as well. So it puts more stress on the system so we all need that generation capacity at the same time.

In the majority of the year there's plenty of generation capacity in the regions just for

those peak periods that it's required, but the electric utilities have obligations. There are standard practices for calculating how much generation is required, and those are the numbers that drive these types of decisions in terms of whether there is need or not.

**Ms. Biggar:** I should point out that the energy corp has been out. We've had meetings with New Brunswick, Nova Scotia, Newfoundland, on what options are there to look at a regional base. Those discussions are ongoing which is part of the reason that we also put the amendment in there that we want to be at the table when those negotiations are taking place.

If Maritime Electric is out there, for instance, making contracts for energy we want to be at the table for those negotiations so we know what they will involve and what impact it will have on Islanders.

**Leader of the Opposition:** Let's jump back a second ago. A minute ago you made a statement about the 9.75% return on investment.

Do you think that's a fair return? Well, of course it's fair for the shareholders because they want to make as much money as they can. But do you think that's fair to Islanders? Because we now have the energy accord that of course is expiring. In the documentations I have read on the power cable and the CT4 – the CT4, I think it was 2.5% increase alone. Then the other day they've got an application in for a rate increase of 2.5%. I think that has to do with the energy accord, but right there we're at 5% not counting what possible rate return could be on the – or a further increase could be on the power cable.

We're looking at a substantial rate increase to Islanders. How are Islanders going to be able to afford that?

**Ms. Biggar:** The 9.75% was a decision of IRAC, I must say.

We've stated that we feel that by owning any future assets that may need to be purchased, which is why we definitely wanted to be the only co-owner of the cable because we can finance those things cheaper so that it doesn't have to go back onto Islanders' rates. But in terms of what IRAC

may rule in terms of return of equity, they were basing that on what was in the prior legislation as well, and so by having this change it will –

**Leader of the Opposition:** So we're not –

**Ms. Biggar:** We don't determine that, as you know.

**Leader of the Opposition:** Yes.

**Ms. Biggar:** It will be IRAC, but –

**Leader of the Opposition:** So would it not be prudent, then, to own this new CT4 unit to try and lessen the burden on Islanders of that rate increase? Because if Maritime Electric has to go out and finance it, more than likely the rate is going to go up. Why would we not look at purchasing it ourselves right now and maybe, hopefully, save Islanders some money on rate increases?

**Ms. Biggar:** I have made it very clear if and only if we'd need to purchase a CT4 it will be the government, or the corporation I should say, of Prince Edward Island that will purchase it because we can finance it cheaper.

It would not be Maritime Electric that will buy it because we do not want the difference in interest rate to go back onto Islanders. If we get the best rate and if – and I have "if" still there – we need to buy a CT4 by 2017. But again, we're looking at all options to avoid that and to get our other energy supply requirements through a different source.

**Leader of the Opposition:** Have we had any conversations with the new federal government in possibly funding or more money coming for it? Because I remember back in the spring we were trying to negotiate with the other government, and unsuccessfully, to have that \$50 million raised up. Have we had any discussions with the new government to maybe get some more money?

**Ms. Biggar:** We haven't specifically talked about that.

In general my conversation with the new energy minister, that I had last week here, was to just give an overview for what our requirements are here on Prince Edward

Island. When we have a more in-depth discussion we'll put everything on the table. But we have talked to him, or I have talked to him, and I'm sure the Premier has had some discussions as well with the prime minister on what the energy needs are for Prince Edward Island going forward and (Indistinct).

**Leader of the Opposition:** In our talks with Maritime Electric and this amendment, or this change to it, have we had any serious talks with them in regards to the best possible location of this unit? Because I'm not convinced that placing the CT4 unit beside CT3 is the best thing. The prime example is climate change.

**Ms. Biggar:** I think there are some technical requirements around that as to why that's being placed there, hon. member.

**Mark Victor Senior Engineer:** Yeah, they do have their rationale for why they would place it at that location, but that's another question that we raise in our interrogatories. It's something that I think it's fair to say a final decision hasn't been made on it yet because the first decision that has to be made is whether or not that unit is actually needed at this time.

**Leader of the Opposition:** Do you believe that it is needed?

**Mark Victor Senior Engineer:** Do I believe that the unit is needed?

**Leader of the Opposition:** Yes.

**Mark Victor Senior Engineer:** What I believe is that all of the other alternatives still need to be looked at more closely and that's, I believe, still underway.

**Leader of the Opposition:** What other ways do you think should be looked at?

**Mark Victor Senior Engineer:** It's a matter of trying to see if there's options for capacity that could be a way to raise the transmission constraint that exists now. Is there a way to change it from 80 megawatts to get a little bit more? Because you're not going to delay – or you're not going to eliminate the need for that generation capacity infinitely into the future, but you may be able to find a short-term solution

that can allow another year or two years before that decision has to be made.

Things are changing very quickly in the region with respect to electricity and so there may be new options that show up in one or two or three years.

**Ms. Biggar:** The federal government has committed to a national energy strategy as well, so we'll be working part-and-parcel with them and what implication that's going to be.

Maritime Electric has said they don't envision needing this till 2017. So we feel by working with them as a more active partner that we can certainly go out there on a regional basis and have discussions as to how we can access that extra generation power that we need for Prince Edward Island, and it's a real possibility.

**Leader of the Opposition:** Can you explain to me why or what the technical restraints are that would prohibit taking the CT4 and putting it somewhere else?

**Mark Victor Senior Engineer:** Strictly just the infrastructure that's there. The transmission coming into and out of the Charlottetown plant – I mean some of that would have to be, I guess, created in a different location for that unit so they can take advantage of the existing infrastructure and fuel storage that's there now as well. Those are a couple of the big (Indistinct).

**Leader of the Opposition:** Are there any restraints in placing it at the Bedeque substation or the Winsloe substation?

**Mark Victor Senior Engineer:** We'd have to – I mean, it would all have to be looked at. Nothing is impossible. It strictly would be a function of: Are there additional costs associated with that? Then it's: Where does the unit fit best within the system for some of the voltage support that this unit could provide as well?

There are a lot of different factors into consideration, but yeah, I mean, they're all good questions. Is this the best long-term location for that unit?

**Ms. Biggar:** I don't think, to my knowledge, I haven't seen a cost analysis of having it in

Charlottetown versus a different location. That cost analysis would have to all be considered because ultimately if Maritime Electric, or us, if we're owning it and putting it there, if it's going to add to the cost you would have to also take that into account. What is the cost analysis on that as to different locations? We haven't done that analysis, I'll be very honest with you, because we still aren't convinced that we should be looking at a CT4. Until that decision is made by IRAC we have made it very clear that we don't feel that's the way we should be going.

**Leader of the Opposition:** Have we ever thought of possibly hiring an independent firm away from Maritime Electric that could look at what is the best way to go with it, or what's the best way to move forward?

**Ms. Biggar:** Well, I –

**Leader of the Opposition:** I guess you could almost say a summit, but –

**Ms. Biggar:** Our energy corp is out there. They are experts in what our needs are as well. Working with other experts, for sure, we had –

**An Hon. Member:** (Indistinct).

**Ms. Biggar:** Bill Marshall over here from – Bill Marshall, correct?

**Mark Victor Senior Engineer:** Yes, Bill Marshall.

**Ms. Biggar:** From New Brunswick, he manages the whole grid in the region. We've consulted with him on a lot of our electrical needs and opportunities and options of where we should look, and so he is very much an expert, I would say, in advising as well. We are engaging with those individuals as well that really know the grid.

We are a part of the regional grid, really, and it's controlled by the main station in New Brunswick (Indistinct) –

**Leader of the Opposition:** So with the grid –

**Ms. Biggar:** Yes?

**Leader of the Opposition:** How does, basically, power flow within the province?

**Ms. Biggar:** Do you want to explain that? I can, but I'll let you take it.

**Mark Victor Senior Engineer:** The majority of the time we're getting all of our electricity from the Mainland, from New Brunswick, which is supplemented by the on-Island wind. Essentially what's imported from New Brunswick, the on-Island wind that's contracted with Maritime Electric and that Summerside electric owns and contracts as well, essentially feeds in or fits within sort of our base load requirement. Any of that contracted energy tends to be fully utilized here, and then whatever else is needed to meet our loads would be purchased from New Brunswick.

**Leader of the Opposition:** With that, you mentioned Summerside. I'm pleased to hear that the government has started negotiations and talk with the six (Indistinct) – you know, the two Maritime Electric, two government, and two Summerside –

**Ms. Biggar:** I'll talk more to that, hon. (Indistinct) –

**Leader of the Opposition:** I appreciate that. That's where (Indistinct) – where are we on that with the involvement of Summerside with this?

**Ms. Biggar:** We get 10% of our electricity from Summerside, first of all, but during my discussions with the new mayor that was one of his concerns, communication between the partners. What I agreed to do, and the Premier and myself when we met with Mayor Martin, was to say we would coordinate a joint committee.

We had great meetings with Fred O'Brien. When I met with them they were totally open to that. What our department will be doing is setting up that meeting. We have subsequently appointed two people from my department and they are Kim Horreht and John MacQuarrie. The city of Summerside has appointed Greg Gaudet and Bruce MacDougall, and I'm not sure who else is going to be represented of their – so the next step is to actually sit down.

But we are at that stage and it's moving along. Maritime Electric was very open to having those discussions as partners together at the table so I expect that will happen soon.

**Leader of the Opposition:** Have they offered to put any money on the table to help with this and make it a three-way partnership with Maritime Electric and the province, in actual dollars?

**Ms. Biggar:** There's nothing like that been discussed, hon. member. I'll be very honest. When they sat down at the table together, whatever the issues are with the city, it's a good opportunity and in partnership with Maritime Electric and us, I think it's a great opportunity of a new way of working together.

**Leader of the Opposition:** I want to go back to the grid for a second with the CT4. We know all the power comes across into Seacow Head and from there goes into the Bedeque substation and from there goes into Charlottetown and other places across the Island.

I just sort of wonder what your thoughts are, sir, on the CT4 unit or any future generation going right into the Bedeque area because that Bedeque seems to be the hub, and then from there it can go east and west.

**Mark Victor Senior Engineer:** Again, it's a possibility. I understand from Maritime Electric that they would prefer to have it probably more central at this point, but like I say, once there's a determination on need for that capacity then it's a question of: Do you install the full 50 megawatts right away? Do you do it in smaller increments? Do you locate those in smaller increments in different places? Those are all options.

I think one of the reasons I was going to mention they do like when – “they” being Maritime Electric – like the Charlottetown location is because the other piece of this puzzle is that sooner rather than later the old Charlottetown thermal plant is going to be retired. Roughly, between CT3 and the thermal plant, there's 100 to 110 megawatts of generating capacity at that site. You retire the old thermal plant, you're retiring roughly 60 megawatts, replacing it with 50, so it fits in with what's there now.

Not to say that's, again, the ideal long-term solution because that equipment is going to be there for 40 or 50 years, arguably. So –

**Leader of the Opposition:** So what do you think the timeline is on that Charlottetown thermal plant?

**Mark Victor Senior Engineer:** It's actually in some of their applications. They're going to do a staged shut-down of it. I think there's going to be, I don't have the exact megawatt numbers, but there's going to be some – I think about five megawatts is going to be laid up fairly soon if not already. There's maybe 15 or so more megawatts in 2019 and then by 2121, right now, is when it looks like the plant would be put, I think, in long-term layup.

**Leader of the Opposition:** Basically just continue to cut back on the generation capability of that plant, in the stages, is what you're saying?

**Mark Victor Senior Engineer:** In the stages, yes.

**Ms. Biggar:** I think, hon. member, the other thing we're looking at options here is more biomass, especially on the – for heat, which takes some of the – it's not generating, but it's taking away from the generation needs when you're not heating with the hospitals and using generation for that need. We can put more of that in and looking at, as Mark said: Are there options there for smaller substations throughout different areas that will meet that same generation need?

Those are all things that we are discussing, looking at, having discussions with different –

**Leader of the Opposition:** Do we know the numbers that biomass going into the schools or into the hospitals have cut back on generation?

**Ms. Biggar:** We know how much it saves as far as that goes, but –

**Mark Victor Senior Engineer:** It probably, in terms of electricity consumption – I could be corrected on this, I haven't really been all that involved in the biomass projects – but they would most likely displace oil as opposed to electricity.

**Ms. Biggar:** It does. As opposed to electricity. But in terms of taking off the system in general – I think we need to look at other options. I talked about – solar energy is another, and how we can implement that into things in the future. I think we have a good – and tidal. We're doing the tidal data with Acadia University. We commissioned them to do some tidal data.

The way things are progressing right now – and that's why we're saying we think there's some great options out there to – and to look at it on a regional basis as well with our other partners in the other provinces.

**Leader of the Opposition:** Can you explain that tidal data? What are we trying to, hopefully, gain from that?

**Ms. Biggar:** I did have an opportunity to go over to Pictou, which obviously their tidal bore is totally different than what our tidal strength would be. What we thought was important to engage – Acadia did the data research for that particular project – is to see where the strongest part of our tides are and what opportunity might be there in our narrower parts of the Island, what is our tidal power there, that, or tidal wave structure I guess. That might be an option on some (Indistinct) to use a form of tidal generation. I think we need to look at all those options and we are exploring those as well.

**Leader of the Opposition:** Do you think tidal energy could possibly be a better way to go than wind?

**Ms. Biggar:** Oh, I think wind – and the other side of that, too, in terms of wind is with the technology, the way it's progressing now, if we can ever capture that and store it – Prince Edward Island is producing 80% wind power most of the time.

**Mark Victor Senior Engineer:** There's –

**Ms. Biggar:** And –

**Mark Victor Senior Engineer:** There are times –

**Ms. Biggar:** – kilowatts.

**Mark Victor Senior Engineer:** There are times, given all of the turbines on the Island, we're getting a very high percentage.

**Ms. Biggar:** Yeah. So –

**Mark Victor Senior Engineer:** There's a difference between what's contracted with wind and what's actually generated and used on-Island. But we get about 25% of our electricity on an annual basis from wind.

**Ms. Biggar:** We can't store all the wind that we make. Right? So if we can ever get to that stage. That's part of what a research project is going on up at WEICan right now. It's a small amount of storage that they have but those are technologies that are more and more being developed and proving to be more efficient and stable in the storage part of it. I think those are all things to look at.

**Leader of the Opposition:** So I understand Maritime Electric said: Yeah, we're generating as much wind as we can and we have no place to dump it.

With New Brunswick Power's agreement with the province, or Maritime Electric, to provide power, when does that agreement come up and end, for renegotiation? Because what I'm wondering there is: Is there any room for us to increase what we put on the grid?

**Mark Victor Senior Engineer:** There's the energy accord power purchase agreement which expires the end of February 2016. There is a new three-year extension that comes into effect March 1<sup>st</sup> essentially. That would run to the end of February 2019.

PEI was an early adopter of wind so we were fortunate enough to be able to put a fair bit of wind on our system here early on before other regions had wind. Because of our interconnection and because of our small size, the wind really didn't have a big impact on the regional system.

Since then, Nova Scotia has added a lot of wind, New Brunswick has added a lot of wind. So it's starting to stress the system a little bit more where I think it's – I don't have the exact numbers but probably, as a region, we may be somewhere in the 15% wind makeup of our electricity supply.



That starts to be a challenge. We have been, you know – we've gotten the message from New Brunswick that we're probably, right now, at about the amount of wind in PEI that we should, we can be fairly allowed to put onto the system without paying a higher rate for the balancing services that they provide.

**Leader of the Opposition:** Going back to what you said about the energy accord expires in February of 2016, where are we with that? What are the plans by government on that when that energy accord expires?

**Ms. Biggar:** That's why the submissions from Maritime Electric are before IRAC right now, because of the energy accord expiring. We don't know yet what they're going to rule on.

**Leader of the Opposition:** So that energy accord is totally between Maritime Electric and NB Power?

**Mark Victor Senior Engineer:** No, no.

**Ms. Biggar:** No.

**Mark Victor Senior Engineer:** The energy accord is between the Government of Prince Edward Island and Maritime Electric.

**Ms. Biggar:** Yes.

**Mark Victor Senior Engineer:** In the energy accord, what it does is – there are schedules in there. So rates, essentially, were legislated for a period of five years. It was two years and then we did an energy accord extension in 2012. So rates have been essentially legislated for five years now.

Right now Maritime Electric has a general rate application before IRAC. The purpose of that is to set rates beginning March 1<sup>st</sup>, 2016 –

**Ms. Biggar:** Beyond the accord.

**Mark Victor Senior Engineer:** – for a one-year period, is what they've applied for.

**Leader of the Opposition:** So do we have any working group in place that's possibly looking at solutions or what the model could look like in the future past that? Depending on what IRAC (Indistinct) back, are we

looking at these are the scenarios that possibly could come into play?

**Mark Victor Senior Engineer:** Yeah. We're always looking towards the future in terms of what's happening within the region and within our system here.

Obviously right now we're looking closely at the general rate application that's before IRAC because there's a process, again, where with any of their applications there's an opportunity to ask questions, receive answers, and then provide comments.

Presumably the rate application would go to a public hearing and then there would be evidence presented and Maritime Electric's application would be scrutinized through that process.

**Leader of the Opposition:** Is the government against any rate increase of the ratepayers?

**Ms. Biggar:** I think any time we can save money for ratepayers is good.

**Leader of the Opposition:** So –

**Ms. Biggar:** So we're making, which is part of the reason we said we will own future generation if it's more economical for the government and the corporation, obviously through the corporation to do it, in order to keep rates down for Islanders.

**Leader of the Opposition:** I'm thinking about low-income families. I've had people reach out to me and say: Is it true that the rates possibly could go up 2.5% in January, February with this application? I said: Yes, it is. It could actually go up more. It could go down less, depending on what IRAC says.

**Ms. Biggar:** Yeah.

**Leader of the Opposition:** I'm wondering: Are we looking at how much more Islanders can afford to pay with electricity?

**Ms. Biggar:** Obviously that's a concern of government as well, which is why we're having these discussions with Maritime Electric and changing this legislation.

**Leader of the Opposition:** What's the energy corporation? What actually are they providing for services?

**Ms. Biggar:** We own the wind farms through the corporation as well, which puts a lot of money back into communities across Prince Edward Island in terms of that side of it. It does put \$7 million back into general revenue of the province through the energy corporation. They provide that service with operating the wind farms across Prince Edward Island. They do go out and look at other options in terms of negotiations with government, (Indistinct) new partnership with our department. They are leading that as well and looking at other options.

You can expand on that more, if you wish.

**Mark Victor Senior Engineer:** Yes. Sure. We work with both utilities, Maritime Electric and Summerside Electric, to understand what's happening within their systems and, obviously, be aware of what the issues are.

As well, we're involved in the cable project with Maritime Electric as the owner of the cable. That's a fairly large undertaking for us right now as well.

**Leader of the Opposition:** What does the actual building do down on Riverside Drive, which is part of the energy corporation?

**Mark Victor Senior Engineer:** No. That's PEI Energy Systems. That's –

**Leader of the Opposition:** Where do they come into play? Do they come into play any at all?

**Ms. Biggar:** That's –

**Mark Victor Senior Engineer:** That's privately owned now. It was sold off.

**Ms. Biggar:** Energy from waste.

**Mark Victor Senior Engineer:** The energy corporation was involved years ago.

**Ms. Biggar:** Yeah.

**Mark Victor Senior Engineer:** I can't remember the exact year that it was sold but it was many years ago.

**Ms. Biggar:** We don't own it. Through energy from waste. They burn the waste to heat a lot of the city.

**Mark Victor Senior Engineer:** They heat the hospital.

**Ms. Biggar:** Hospital.

**Mark Victor Senior Engineer:** And run the hot water district heating system.

**Ms. Biggar:** Yeah. But we don't own that and our corporation doesn't own it.

**Leader of the Opposition:** Okay, then. A minute ago you mentioned about the power cable. Where are we standing right now on the power cable and that development?

**Ms. Biggar:** Our applications in terms of environmental assessment are in there. We've had our consultations in partnership with Maritime Electric. Mark's been very involved in that on both sides of the strait, on the New Brunswick side and on this side.

Mark, you can –

**Mark Victor Senior Engineer:** Sure.

**Ms. Biggar:** Mark's been the lead for us on that so I will let him speak to that.

**Mark Victor Senior Engineer:** We're in the midst of working to get all of our regulatory approvals. That's one of the biggest issues in front of us right now. As the minister mentioned, the environmental impact assessment – the application is in. We've had information sessions. We've gotten questions back on both sides of the strait, from New Brunswick and from Prince Edward Island, on the environmental impact assessment submission and we're in the process of working on those responses. That will continue and that's obviously a priority.

Maritime Electric is working with consultants on the technical aspects around the cable project as well.

There are a lot of balls in the air with it right now, but it's moving forward fairly well.

**Ms. Biggar:** There's been extensive, I'm going to say, discussions with the PEI Fishermen's Association.

**Leader of the Opposition:** Where do we stand on that with the fishermen? Because I know the fishermen in Borden, about two or three weeks ago, they said they haven't heard nothing back and they don't know what's going on.

**Ms. Biggar:** I think they should have been advised. We don't intend to lay it until after the fishing season is over next fall. We won't disrupt their – they know that.

**Mark Victor Senior Engineer:** We have met with the Borden town council and we have met with fishers in the Borden area. We just had a meeting last week with the Prince County Chapter of the PEI Fishermen's Association and we've been meeting with fishers on the New Brunswick side as well. We've been fairly active with fishers up to this point trying to provide as much information as we can, and in fact, we had pre-consultations with fishers back in the summer in July. In fact, a lot of those discussions have led to some changes that we've made to the proposed project to move the installation to the fall from the spring or the summer.

Initially we were looking at doing the installation in July. We thought, then, we would move it a little bit more into the spring to avoid sort of the times just before the lobster season, but then you get into the scallop season, so we made a decision to move the installation actually into the fall period to avoid both of those fisheries. There's still a smaller rock crab fishery at that time, but we've been speaking with them as well. Then the other thing that we've made is we've made a change to the installation method.

There were a couple of different proposals in terms of –

**Ms. Biggar:** Less intrusive.

**Mark Victor Senior Engineer:** – the sediment that would be disturbed and the method that we've landed on will have a much – there will be much less impact on the strait.

**Leader of the Opposition:** So what method are you looking at now?

**Ms. Biggar:** It's like a claw that it basically drives across the strait, the machine, to kind of dig – as it digs in, if you will, like a garden claw, and as that claw digs in the cable comes out and is laid right behind it, so it's much less –

**Mark Victor Senior Engineer:** Much less intrusive than –

**Ms. Biggar:** Yeah, to the environment –

**Mark Victor Senior Engineer:** – the other methods that were originally being proposed.

**Leader of the Opposition:** Shifting back to the CT4 unit. Back a little while ago we said that it was possibly going to cost \$68 million. Where do we think that stands now with the US dollar and the Canadian dollar?

**Ms. Biggar:** The \$68 million U.S. – that was the estimate that was given to Maritime Electric, I believe, hon. member –

**Mark Victor Senior Engineer:** We have to take a look – yeah, it may have – I would have to take a look at what the exchange rates were then and what they are now, but it would obviously fluctuate because yeah, the \$68 million was Canadian so it was a conversion from a US dollar amount.

**Leader of the Opposition:** What do we see with the timeline on this, this act? If we make the amendment to the act and stuff like that, what do you see for a timeline of actually requiring to have this thing in the ground?

**Ms. Biggar:** As soon as this act comes into effect it will – that's the timeline. As soon as this passes tonight it will move forward and be – I assume it will pass tonight, hon. members, but we intend to move forward with it immediately with the requirements that are in here with the amendments, and we will be acting on those to ensure that they are carried out.

**Leader of the Opposition:** All right for now.

**Chair:** The hon. Member from Georgetown-St. Peters and then the Member from Morell-Mermaid, then the Leader of the

Third Party and then Member from Rustico-Emerald.

**Mr. Myers:** Thank you.

Some of mine probably have been answered, but I'm going to ask them anyway. I want to talk about the 9.75% return to the shareholders. What's the total yearly payout on that?

**Ms. Biggar:** Total yearly payout to the shareholders? I would have to get Maritime Electric's financial reports, hon. member, to answer that question.

**Mr. Myers:** Could you ballpark it?

**Ms. Biggar:** Do you have an idea off the top of your head?

**Mark Victor Senior Engineer:** Well –

**Ms. Biggar:** We really couldn't comment for sure on it.

**Mark Victor Senior Engineer:** I'm not sure on the return to shareholders. The return that would be earned on that, it would be in probably the \$12 million or \$13 million range after taxes.

**Mr. Myers:** That's the portion to shareholders or that's total profit?

**Mark Victor Senior Engineer:** That would just be the profit. That would be the return on equity, essentially.

**Mr. Myers:** Return on equity? I guess the reason I ask that is that we have the highest rates in the country –

**Ms. Biggar:** We actually don't.

**Mr. Myers:** We do, and because we have the highest rates it's impactful on manufacturing. It's impactful on residential. It's impacting on Islanders. I have the chart right here in front of me.

**An Hon. Member:** (Indistinct).

**Mr. Myers:** Yeah, and then you put HST on top of it, which you guys plowed on top of us. Then you talk about the fact that you can finance it cheaper than Maritime Electric even though they're making a profit and you

guys are going in the hole every year. You've run this province completely into the ground financially. Just because – so I have to figure out – because I can't wrap my head around this is cheaper.

So it's cheaper because –

**Ms. Biggar:** Could I just explain that –

**Mr. Myers:** – the rate payer doesn't pay it today? We don't make any payments on it today, and then you guys give them the money because you don't have it either and you have to borrow it, and nobody makes a payment today, which is the Liberal way, which is somebody down the road, some phantom somewhere, will make a payment on it somewhere down the road, but it won't be us and it won't be our children. It's probably our children's children.

That's something that bothers me. Because you're saving a few cents today that's going to cost our grandchildren millions and millions of dollars, and you've done it so many times since you've been in power eight years that it's not even funny.

I don't know how you can say that it's cheaper for you guys to finance it. Is it just because you don't have a plan of making a payment on it?

**Ms. Biggar:** First of all, I'll explain that the purchase is through the energy corporation. The percentage that we can borrow the money is at least 2.5% less than what Maritime Electric can borrow money for, so essentially that is what we're basing our statement on saying we can finance it cheaper because we have been able to have some discussions on what our rate would be. We are absolutely confident that we can finance it through the corporation at a rate much cheaper than what Maritime Electric would be able to finance it for, which is what we're basing our statements on.

I will also state that Prince Edward Island does not have the highest rate in the country for electricity.

**Chair:** The hon. Member from Georgetown-St. Peters.

**Mr. Myers:** Thank you.

We have the highest rate out of Quebec, Manitoba, British Columbia, New Brunswick, Alberta, Newfoundland, Saskatchewan, Ontario, Nova Scotia, and Prince Edward Island. So out of the 10 provinces that are mainland provinces, we are by far the highest. Like by far the highest.

**Mr. R. Brown:** How far?

**Mr. Myers:** By far. I need to be very clear, by far.

**Ms. Biggar:** Thank you.

**Mr. Myers:** More than twice as much as the lowest one, so more than twice as much than the lowest one, so by far-far.

**Ms. Biggar:** Thank you.

**Mr. Myers:** I needed to be clear, it's far.

We pay a whole lot more already for electricity and we bend over backwards to make sure that the shareholders make money at a 9.75% return. They obviously make a lot of money. Then when it comes time to replenish the assets of the company we pay for it, because why not? We can borrow money cheaper than the shareholders that are making money.

The only ones that are making money out of this – we can borrow the money cheaper than they can. Of course, why would they want to put their money into it? They have a guarantee to make money, not to spend any money. We have the highest rates, we have shareholders that are making all kinds of money off this, we can finance it cheaper.

What's the total finance ask of Maritime Electric on the province?

**Ms. Biggar:** First of all, I would like clarify that we did not set the rate at 9.75%. It was through IRAC.

The total – could you ask that question again, there?

**Mr. Myers:** The total amount that you're going to finance it.

**Ms. Biggar:** The last part.

**Mr. R. Brown:** The by far part.

**Mr. Myers:** Do you want me to talk (Indistinct) the by far part?

**Mr. R. Brown:** (Indistinct).

**An Hon. Member:** We got that point.

**Mr. Myers:** I know some members enjoyed the by far part.

**Ms. Biggar:** I did too.

**Mr. Myers:** What's the total ask to finance it by Maritime Electric?

**Ms. Biggar:** Through all of the submissions that are in there, hon. member?

**Mr. Myers:** Yeah.

**Ms. Biggar:** There are four submissions. Do you want to expand on that because – Mark's been doing the technical side of that.

**Mark Victor Senior Engineer:** You mean what the ask is for CT4?

**Ms. Biggar:** Rates?

**Mr. Myers:** No, the total ask dollar-wise that they need you to borrow on their behalf.

**Ms. Biggar:** To borrow for the CT4?

**Mr. Myers:** Yeah, for this project.

**Mark Victor Senior Engineer:** The cost estimate for CT4 right now, what was submitted to IRAC, was \$68 million.

**Mr. Myers:** American?

**Mark Victor Senior Engineer:** Sixty-eight Canadian.

**Mr. Myers:** Sixty-eight million Canadian?

**Mark Victor Senior Engineer:** Canadian, yes.

**Mr. Myers:** We were told it was US which isn't the same. For the record which is not the same. If you've been to the States lately it's not even close, by far.

**Ms. Biggar:** I'm very aware of that, hon. member. Does that answer your question?

**Mr. Myers:** It's part of it. The \$68 million ask on the table for that, who is financing the cable and what's the ask on that?

**Ms. Biggar:** Again, the cable is through the energy corp.

**Mr. Myers:** Okay, what's the ask on that?

**Ms. Biggar:** We have to pay 100 up front.

**Mr. Myers:** We have to pay \$100 million?

**Ms. Biggar:** Yeah.

**Mr. Myers:** So we're at 168 million, what other asks are on the table?

**Mark Victor Senior Engineer:** There's the Capital Budget that was approved, by IRAC again, it was in the \$30 million range.

**Mr. Myers:** So, another \$30 million?

**Ms. Biggar:** (Indistinct) Maritime Electric.

**Mr. Myers:** I'm not going to do the math, this (Indistinct).

**Ms. Biggar:** We're not financing that, hon. member. We don't finance that through corp.

**Mr. Myers:** What I'm asking is what you guys are financing?

**Ms. Biggar:** Yeah.

**Mr. Myers:** So, 168 million of it so far you are financing?

**Ms. Biggar:** Of which 50 is refundable.

**Mr. Myers:** By the federal government?

**Ms. Biggar:** Correct. Of which –

**Mr. Myers:** I'm not going to go there. That's not where I'm going. You're getting ahead of yourself here.

What I guess I want to know was – at the time the Premier talked about how Stephen Harper was giving him a bad deal on the cable that the minister over there never, ever

asked for, that it wasn't on the list for four whole years when he was minister, it never made the priority list. This government finally got it on the floor, which I applaud you for, to finally getting it there.

**Ms. Biggar:** We certainly thank the previous government for coming to the table with that agreement.

**An Hon. Member:** Oh, oh!

**Mr. Myers:** Yeah, and it was really solid of Gail Shea to come with so much money.

**Mr. LaVie:** Oh, (Indistinct) you look bad and you thank them.

**Mr. Myers:** But the Premier said at the time it wasn't enough money and he wanted a better deal. It's funny that we heard countless times through the House here today how much things are going to be better with Justin Trudeau, and whatnot, and that the money is just going to flow and the tap is wide open for Atlantic Canada.

I guess my question is: Out of the \$168 million, how much more can we expect besides that \$50 million from Justin Trudeau?

**Ms. Biggar:** As I said, hon. member, there's different scenarios that we will be bringing to the table to see what else is possible to finance those energy needs and that's all part of the discussions going forward.

**Mr. Myers:** At what point do we make a commitment to Islanders to bring our electricity down to – at the very least – the Atlantic average?

**Ms. Biggar:** Hon. member, again, we go back to what you're quoting there is the 68 million. We haven't even determined we will be borrowing 68 million because we totally are not convinced that we will need to do that because we don't agree that we need to do it through the CT4. Until we get into that stage we are not necessarily talking that amount of money.

**Mr. Myers:** Okay, I didn't quote that, you quoted it.

**Ms. Biggar:** Yes, I did –

**Mr. Myers:** I just wrote it down on my paper.

**Ms. Biggar:** – and I'll stand by that.

**Mr. Myers:** I had no figures at all. When I sat down here tonight I didn't have any figures. Everything that I said so far came from you.

**Ms. Biggar:** Yes, 68 million was what the quote was.

**Mr. Myers:** Yeah, and the 9.75 return –

**Ms. Biggar:** Yes.

**Mr. Myers:** – the highest rates in the country. You said that as well.

**Ms. Biggar:** Oh no, you said that. Just for the record, you said that.

**Mr. Myers:** But then you agreed.

**Ms. Biggar:** No, I did not agree.

**Mr. Myers:** When I laid it out you agreed that I was right.

**Ms. Biggar:** No, I didn't.

**Chair:** Let's try to keep it on the topic here.

**Ms. Biggar:** I'll agree to disagree on that, hon. member.

**Mr. Myers:** I'll table this tomorrow morning, how about that?

**Ms. Biggar:** Absolutely, go ahead.

**Mr. Myers:** My whole computer.

**Chair:** The hon. Member from Georgetown-St. Peters has the floor.

**Mr. Myers:** But I guess my question is, seeing, out of the provinces that I named, we're by far the highest rates in the country, and notwithstanding the fact that we know we can't get down to where Quebec is because theirs is –

**Ms. Biggar:** They have hydro.

**Mr. Myers:** – extremely low and they have hydro and we don't have access to that –

**Ms. Biggar:** That's correct.

**Mr. Myers:** – but for the Atlantic average, it's not ridiculous to think we could get down to the Atlantic average. At what point are you guys going to push to bring us down to the Atlantic average which we're quite a bit above?

**Ms. Biggar:** I think everything that we do will help bring down as much as possible our electricity rates. That would be our goal, to get the cheapest amount of electricity rates that we can to provide the needs that we need here on Prince Edward Island. That will always be a goal of the government.

**Mr. Myers:** The cost of living on Prince Edward Island is quite high and one of the contributing –

**Ms. Biggar:** It's all relative to that, I guess. If you look at Alberta it's probably not.

**Mr. Myers:** It's not as high, the cost of living –

**Ms. Biggar:** (Indistinct) not.

**Mr. Myers:** – is higher in Alberta?

**Ms. Biggar:** Could be. Depends on where you are in Alberta, or Vancouver.

**Mr. Myers:** They think it's rather high here and part of the cost – when you talk about things like food costs. Food costs are up because if you've walked into a grocery store lately it takes electricity to run them. The high cost of electricity gets passed on to the consumer. Over and over again the consumer on Prince Edward Island gets handed the big bill of the high electricity here on Prince Edward Island. They get to wear it from their own home, they get to wear it when they buy groceries. Everything gets passed back to the consumer. Anything that's been manufactured here on Prince Edward Island is manufactured with more expensive electricity.

I think it's important that government starts to look at how we can in fact bring down the average household bill.

**Ms. Biggar:** I think we can do that, hon. member, through a lot of conservation

programs that we are having in place already, they will help bring down energy costs residentially and work together with the consumers on that. We have been doing that over the last few years. We put out a lot of grants for people to help them bring down their energy cost through their home renovations through energy, through doing conservation plans (Indistinct) how they can reduce energy costs in their home. That's something through the Office of Energy Efficiency that we are concentrating on all encompassing in our new energy strategy.

I think as we develop that strategy around renewable energy, biomass – transportation is a big thing on Prince Edward Island. That doesn't – it relates to the person's pocketbook in terms of the type of energy system that we have here and transportation system. But we are doing a lot through the Office of Energy Efficiency which does help people bring down – and I think we need to continue on that path. That will help bring down energy costs to a (Indistinct) level in a residential home. That's all part of what we really need to also be concentrating on.

**Chair:** The hon. Member from Georgetown-St. Peters.

**Mr. Myers:** Thank you, Chair.

I'm wondering: What is your goal, then, for kilowatt hour for off-peak electricity? I'll use off-peak because off-peak would best represent the total consumption of a house. It's your fridge that has to run to keep your food cold, your freezer, things that would have to go all the time just out of a normal process of the house. The peak stuff is where you would look at how you could better conserve and how you could better use energy during those peak times. It's something which I also agree with.

**Ms. Biggar:** Every kilowatt hour that we can cut down on consumption is going to be a saving to the residential area, to the province, in general. Our goal is every kilowatt hour that we can cut down by doing programs through the Office of Energy Efficiency, and education through the Office of Energy Efficiency working with Maritime Electric. They do a conservation program as well, so I think every kilowatt hour that we can work toward is a goal that we should be

working toward, reducing as much as we can.

**Mr. Myers:** What's your goal of cost per kilowatt hour, then, on the off-peak, the goal that you want to get Islanders to?

**Ms. Biggar:** I think we could have those discussions, hon. member, when we do our energy strategy to do some more analysis on that. We'll be going out and doing those discussions over the winter and we'll be bringing back our energy strategy in the spring.

**Mr. Myers:** Here our off-peak is 16.9 cents per kilowatt hour. In New Brunswick it is 11.3.

**Ms. Biggar:** Yes.

**Mr. Myers:** Could we set a goal of 13? I mean, are Islanders worth 3 cents?

**Ms. Biggar:** I think Islanders are priceless, hon. member.

**Mr. Myers:** You agree that 13 will be the new goal that we work towards?

**Ms. Biggar:** As I said, we're developing our energy strategy and whatever our goals are in – and we want to insure we can accomplish that.

**Mr. Myers:** Would part of your strategy be taking HST off electricity?

**Ms. Biggar:** As I said, hon. member, that is not part of our strategy. We haven't developed our strategy yet. So is that something that can be accomplished in the future? Who knows?

**Mr. Myers:** So when can we expect –

**Ms. Biggar:** We don't charge, as you –

**Mr. Myers:** – a strategy?

**Ms. Biggar:** We don't charge PST, as you know.

**Mr. Myers:** Yeah.

**Ms. Biggar:** I know you're referring to HST.



**Mr. Myers:** Yeah.

**Ms. Biggar:** I can't speak to the Minister of Finance, but I know going forward those are all things that we've discussed in the past with the former government that was there, former administration, and this administration as well. I'm sure we'll look at all those options.

**Mr. Myers:** So we're going to put \$168 million of expenditures on the book without a strategy?

**Ms. Biggar:** Not on the – no. As I said, hon. member, we aren't convinced that it will be 168 million.

First of all, 50 of that, as I had noted, is a refund from the federal government.

**Mr. Myers:** Still money spent at the (Indistinct) –

**Ms. Biggar:** Still –

**Mr. Myers:** – from taxpayers.

**Ms. Biggar:** Again, we have said we aren't convinced that we need to spend that 68 million either because we aren't convinced that we need the CT4.

**Mr. Myers:** But you're going to need something.

**Ms. Biggar:** We will need something. We will cost that out as to what the program and what contracts we can get in partnership with Maritime Electric and the best deal that we can get to meet our energy needs.

**Mr. Myers:** That must belong to – those plans must belong to some strategy.

**Ms. Biggar:** It's all part of a strategy going forward that we'll be putting together.

**Mr. Myers:** Okay. Yeah. But it's the putting together part that has me confused. Because if you have a strategy we need to see it. Islanders deserve to see it.

**Ms. Biggar:** There was a strategy put out in 2009 which we've –

**Mr. Myers:** Okay. So we're working off –

**Ms. Biggar:** – been working on.

**Mr. Myers:** We're working off your strategy.

**Mr. R. Brown:** It's a great strategy.

**Mr. Myers:** Great.

**Ms. Biggar:** And we are –

**Mr. Myers:** That makes me feel comfortable.

**Ms. Biggar:** – updating that. We feel it's time to update that and look at other options.

**Mr. R. Brown:** It was by far the best.

**Mr. Myers:** It was time to update it the day he raised it.

**Chair:** Keep to the bill here.

**Mr. Myers:** We could have as much as \$168 million coming on the books of the taxpayers of Prince Edward Island and there's absolutely no strategy that's more current than 2009.

**Ms. Biggar:** I should clarify again, hon. member, it is not 168 million. It is through the energy corporation. It's not on the general accounts of the Province of Prince Edward Island. It's under the development of the energy corporation that we will be purchasing and financing through the energy corp. It's not on the books of the province.

**Mr. Myers:** It's taxpayers' money no matter how you look at it.

**Ms. Biggar:** But, again, I will reiterate: It's not 168 million.

**Mr. Myers:** But it could be.

**Ms. Biggar:** No. It won't be 168 million. It would not be 168 million because we are getting 50 of it back.

**Mr. Myers:** From taxpayers.

**Ms. Biggar:** From the –

**Mr. LaVie:** Let the lawyers figure this out.

**Ms. Biggar:** Well whatever way you want to put it, I guess. But –

**Mr. Myers:** It's all –

**Ms. Biggar:** It's not through the corporation, hon. member.

**Mr. Myers:** Right. Okay. I'm good.

**Chair:** The hon. Member from Morell-Mermaid and then the hon. Leader of the Third Party.

**Mr. MacEwen:** Thank you, Chair.

**Chair:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** I don't think I'll take up the full 45 minutes of my segment this evening like other members, but –

**Ms. Biggar:** That's fine. Take as much time as you want.

**Mr. MacEwen:** Thank you, minister.

**Mr. R. Brown:** She wants you to understand.

**Mr. MacEwen:** I am happy, as well as the Leader of the Opposition mentioned, to hear the tone change on CT4. I believe it has changed quite a bit since the spring so I am glad to hear that.

**Some Hon. Members:** Hear, hear!

**Mr. MacEwen:** The CT3, it comes built for natural gas, correct? And then it was retrofitted back for bunker C oil. Right?

**Mark Victor Senior Engineer:** It operates on diesel now.

**Ms. Biggar:** Diesel.

**Mr. MacEwen:** Diesel. Sorry. Yeah.

We'll be doing the same thing for CT4, the same process?

**Mark Victor Senior Engineer:** It would operate on diesel as well.

**Mr. MacEwen:** Is that an expensive process to, to retrofit?

**Ms. Biggar:** It has the option for either. It would have – they do – I should say a CT4 would have the option for either type of fuel. However, again I'll reiterate, we're not convinced that we need the CT4.

**Mr. MacEwen:** That leads into my next questions. Thank you. You mentioned that we are looking at other options.

**Ms. Biggar:** Yes.

**Mr. MacEwen:** By "we," we mean who?

**Ms. Biggar:** When I say "we," I mean the energy corp. They're out there having meetings.

**Mr. MacEwen:** That's good.

**Ms. Biggar:** Yeah. And –

**Mr. MacEwen:** Because I think we do have a lot of good expertise like Mark and Kim.

**Ms. Biggar:** We do. I want –

**Mr. MacEwen:** Steve, over there.

**Ms. Biggar:** I want to make note –

**Mr. MacEwen:** A lot of good engineers around.

**Mr. R. Brown:** And yourself.

**Mr. MacEwen:** Not yet.

**Ms. Biggar:** Kim Horreht and Mark are working very closely –

**Mr. MacEwen:** Long way to go yet.

**Mr. Myers:** Yeah, a long way.

**Ms. Biggar:** Kim – and Mark is also an engineer. A very –

**Mr. MacEwen:** I mentioned Mark first, actually.

**Ms. Biggar:** Highly engaged in this. And –

**Mr. MacEwen:** So –

**Chair:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Chair.

We've got all that –

**Mr. LaVie:** Wet between the ears.

**Ms. Biggar:** Expertise.

**Mr. MacEwen:** – expertise that is looking at all the other options available to spend 68 million or whatever it might be, other than CT4.

**Ms. Biggar:** Yes.

**Mr. MacEwen:** But yet we're going out to RFP for a renewable energy strategy.

**Ms. Biggar:** Correct.

**Mr. MacEwen:** Why are we going to an RFP strategy for a renewable energy strategy, but yet we're analyzing all the options to spend \$68 million in other places other than a CT4? Do you see where I'm going? Like, where I don't understand, the left hand's not talking to the right hand?

**Ms. Biggar:** Yeah. Well, we – yeah. Again, I said we are updating the strategy that was there. There's been a lot of new development in energy since that time.

**Mr. MacEwen:** Yeah.

**Ms. Biggar:** We want to engage, again, all the stakeholders that are there in forestry who – we use biomass. We use forestry through that. We want to engage what possibilities are there in solar. We haven't done a lot of exploration. Yes, we do have the expertise in terms of leading the energy corp. But we also feel it's important to go out there and look at all those options based on moving forward.

**Chair:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** I'm not privy to all the options we're looking at instead of CT4. I would expect they would be similar to the options we're looking at in a renewable energy strategy.

**Ms. Biggar:** Correct.

**Mr. MacEwen:** Connect the dots for me. Between an RFP for a renewable energy strategy yet internally we're looking at options other than CT4.

**Ms. Biggar:** We're also working in partnership with Maritime Electric when we're talking about –

**Mr. MacEwen:** True.

**Ms. Biggar:** That is separate from what we're talking about with our overall energy strategy and how we can encourage consumers to engage in more conservation through some of the programs, through what other sources might be there.

That's part-and-parcel with what the energy strategy will focus on as well. Not just that electrical grid, but how we can change the stress on the electrical grid through some of the programs that we offer and some of the education that we will offer consumers through our energy strategy and partner, how we can partner on that.

**Mr. MacEwen:** Okay. The –

**Chair:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** The renewable energy strategy, when will that be going out to tender? Or, sorry –

**Ms. Biggar:** Pardon me?

**Mr. MacEwen:** When will the request for proposals be going out on the renewable energy strategy?

**Ms. Biggar:** I would hope by the end of the year. It's under – we're just putting the final touches on things in terms of getting the RFP ready to go.

**Mr. MacEwen:** Minister, should we be waiting until we decide what we're spending the \$68 million on before we go out to RFP for the renewable energy strategy?

**Ms. Biggar:** I think we need to, again, as I said – it's two roads we're going on here but we are working together on that road.

**Mr. MacEwen:** I guess that's what I'm –

**Ms. Biggar:** Yes.

**Mr. MacEwen:** – looking for: We're working together on those two roads.

**Ms. Biggar:** Yes, we are. We have –

**Mr. MacEwen:** Explain how that looks. How are we working on those two roads? You see what I'm trying to get at? Like –

**Ms. Biggar:** Yeah. We want to build a road that we're going to the same –

**Mr. MacEwen:** Whoever replies to the RFP –

**Ms. Biggar:** – destination. Right?

**Mr. MacEwen:** Whoever is replying to that RFP should really know how, what – maybe we're coming up with something brand new. I'm not privy to those options. I'll ask that question. What can you say about the other options other than CT4?

**Ms. Biggar:** I have mentioned solar power.

**Mr. MacEwen:** Yeah.

**Ms. Biggar:** And more –

**Mr. MacEwen:** Which would be a large part of a renewable energy strategy.

**Ms. Biggar:** Definitely. I think we need to look at those possibilities.

**Mr. MacEwen:** If I'm someone that's looking to reply to the RFP for a renewable energy strategy, probably going to want to know what we're doing instead of CT4.

**Ms. Biggar:** Do you want to explain just – like, I think we're –

**Mark Victor Senior Engineer:** Yeah. I think (Indistinct) is –

**Ms. Biggar:** – out ahead of what, you're out ahead of what the RFP will ask for.

**Mr. MacEwen:** That makes sense.

**Mark Victor Senior Engineer:** I think one point that should be made –

**Mr. LaVie:** (Indistinct).

**Mr. MacEwen:** Sorry.

**Mark Victor Senior Engineer:** One point that should be made about the energy strategy and the RFP is that it's not an electricity strategy. It's an energy strategy.

**Ms. Biggar:** Yes.

**Mark Victor Senior Engineer:** Electricity makes up only about 14% of the energy in –

**Mr. MacEwen:** That's right.

**Ms. Biggar:** Yeah.

**Mark Victor Senior Engineer:** – Prince Edward Island. So it goes beyond that.

**Ms. Biggar:** Just electricity.

**Mark Victor Senior Engineer:** It looks at the other aspects. The transportation, which is a big component, and what are the other opportunities there. So that's one thing.

In terms of electricity, there has been some recent work done through the PEI Energy Commission, which is what some of these amendments –

**Mr. MacEwen:** Yes.

**Mark Victor Senior Engineer:** (Indistinct) or what these amendments are tied to are recommendations from that commission, which really was put forward to essentially keep rates stable and affordable beyond the period of the PEI Energy Accord.

The energy strategy is – like I say, it's not all about electricity. There is a need to move forward with that component now and what the best options for electricity – like, what the best options for generation capacity for Prince Edward Island are into the future as well for electricity can also be looked at through that process.

**Mr. MacEwen:** Okay.

**Mark Victor Senior Engineer:** The timing, I think, will still allow that to be done.

**An Hon. Member:** (Indistinct)

**Chair:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Minister, the timing on the CT4 decision, IRAC getting back, can you lend that timeline again for us?

**Ms. Biggar:** In terms of when IRAC will rule on that we don't have control of that, hon. member.

**Mr. MacEwen:** Any kind of ballpark –

**Mark Victor Senior Engineer:** I haven't had (Indistinct) –

**Ms. Biggar:** No, we haven't gotten an update on that. You saw in the paper where they did rule on one part of it there. One of their submissions, they have ruled on that. We have put all our arguments in, in terms of the CT4. We haven't really gotten an indication when they plan to rule on that.

**Mr. MacEwen:** Minister, I really appreciate the tone change and thorough work and explaining the renewal energy strategy versus the CT4 options.

Thank you.

**Ms. Biggar:** Thank you. I hope you'll support the bill.

**Chair:** The hon. Leader of the Third Party.

**Dr. Bevan-Baker:** Thank you very much.

Lots of great discussion about what the energy future may be here on Prince Edward Island. I personally think it is time to move beyond the technologies of the 1950s and 1960s and actually bring us into the 21<sup>st</sup> century.

Much, of course, as the Leader of the Third Party here, I would like to talk about the ecological and environmental aspects of electricity, I'm going to talk some hard numbers first of all.

The CT4, if indeed we go ahead with it – and I accept that, but as one of the hon. members said, we may not need the CT4, but we're going to need something.

**Ms. Biggar:** Yes.

**Dr. Bevan-Baker:** If we accept that the CT4 plant is going to be running for about a couple of hundred hours a year – which is

what we expect – then at that level of use, if you do the math on that, it is costing Islanders 90 cents a kilowatt hour delivered. That's by far – if, however, we were to invest the \$68 million or whatever we chose to, in a 21<sup>st</sup> century decentralized green, diverse, robust energy system, particularly one that includes a storage capacity – because that's really – I know (Indistinct) use the term game changer a lot, but storage capacity really is truly a game changer when it comes to electricity.

**Ms. Biggar:** I agree.

**Dr. Bevan-Baker:** The storage capacity would allow us to do not just base load generation, facilitate with that, but it would actually allow us to do what you might call base load control. It would allow us to store and get rid of those peaks and valleys that we currently experience here on Prince Edward Island.

If we use Maritime Electric – again, I'm talking hard numbers here – if we use Maritime Electric's own numbers on how much that would cost, storage capacity, they suggest that it's going to cost about 22 cents a kilowatt hour just for the storage capacity. To my mind that's an unreasonably high number. I think it could, and should, be a lot less.

**Ms. Biggar:** I think that's based on some older data that they may have been using, hon. member.

**Dr. Bevan-Baker:** I suspect you're right. But let's give them the benefit of the doubt and let's use a high figure, 22 cents for storage capacity. That's quite a long way away from the 90 cents, if we're going to compare apples with apples, of the CT4. Especially if you consider that the federal government is just going to inject billions of dollars into the Canadian economy specifically for green technology and energy.

**Ms. Biggar:** Correct, and (Indistinct).

**Dr. Bevan-Baker:** I would like to ask the minister: Has the department – has the office of energy – have you looked at the feasibility of spending that money on storage capacity?

**Ms. Biggar:** I think with storage capacity – and again, we said if we can get the technology that is stable enough to say we can store that and be dependent upon it. I think that's where we're looking for the technology that needs to advance more to be able to do that. As I said, I did say at some point, I think if we could ever capture that wind and use it on our grid we could potentially be 100% sustainable in our energy needs.

In terms of where that capacity is, that's where we are, hon. member. We have gone up to North Cape wind test site and seen how that has worked. It's not quite there yet. Again, we come back to saying we think there's time here to look at all of those options because we have that flexibility and Maritime Electric is saying they don't really need it until 2017. The way our technology is moving it's an option we need to look at, I agree.

**Chair:** The hon. Leader of the Third Party.

**Dr. Bevan-Baker:** The way that electric utilities think is to have a large centralized generating facility and then to have distribution lines from there. But the way a more modern electric system works is to have a decentralized, more diverse system.

Is there anything that this government is planning to do to incentivize Islanders to start producing their own energy at home?

**Ms. Biggar:** I think a lot of Islanders are doing that. How we can best take advantage of that would be the challenge.

**Dr. Bevan-Baker:** I think a lot more would do it –

**Ms. Biggar:** They would.

**Dr. Bevan-Baker:** – if there were incentives there to do it.

**Some Hon. Members:** Hear, hear!

**Ms. Biggar:** I think how best we can meet that objective is what we still need to look at through our energy strategy, hon. member.

**Chair:** The hon. Leader of the Third Party.

**Dr. Bevan-Baker:** I want to keep hammering away at this because it's so important that this enters the discussion.

**Ms. Biggar:** If I may interject, and I think Mark mentioned this –

**Dr. Bevan-Baker:** Do I have a choice?

**Ms. Biggar:** – I think we have looked – could there be smaller generation stations, as you say, whether it's in people's homes across Prince Edward Island or energy for waste – I'm just using that as an example? Those are all possibilities, I think, that need to be looked at.

**Dr. Bevan-Baker:** Because we have the expertise here on Prince Edward Island. We have distributors, we have people who can put these systems together. Renewable Life Styles, for example, in Summerside. There's a lot of expertise here on Prince Edward Island which I believe we're really underutilizing.

**Ms. Biggar:** Summerside is using the net power.

**Dr. Bevan-Baker:** Absolutely.

**Ms. Biggar:** That's a great program. I mean, that's an award winning program Summerside has.

**Dr. Bevan-Baker:** I absolutely agree. I think when you look at the divergent visions of where energy could go on Prince Edward Island, I look at what Summerside is doing and has done and it's quite an inspiration and it should be for the rest of us.

**Chair:** The hon. Leader of the Third Party.

**Dr. Bevan-Baker:** Again, I want to keep hammering on this because it's something that, until very recently, was not a viable option but it absolutely is now. Certainly if we're looking at 2017 before we have to spend this money it will be – technology is just going forward leaps and bounds.

If we were to invest in storage capacity here on Prince Edward Island, not only could we offset CT1, CT2, CT3, but we could completely discard the need for CT4. I'm just going to keep saying that to you,

minister, and I really hope that people in your department are looking at that option.

**Ms. Biggar:** Again, I totally agree with you, hon. member. It's to get the technology that's dependable in ensuring that when we need to switch it on that that storage is there and that capacity is there to store. That's working together in where we can find that.

**Chair:** The hon. Leader of the Third Party.

**Dr. Bevan-Baker:** Again, to tie this back to the federal funds that are coming to us. Prime Minister Trudeau specifically set aside money for storage, not just green, but specifically for storage and working with the provinces. Here's this golden opportunity for PEI to –

**Ms. Biggar:** That's part of our strategy as well. Going to the federal government is under energy and climate for sure and so we will be working towards that.

**Dr. Bevan-Baker:** One other aspect that I have not mentioned that needs to be said is that the kind of upper limit of what one could use for wind power, for example, as part of your energy mix, with reliable storage and sufficient capacity (Indistinct) you could become 100%. You could use wind 100% if you like.

**Ms. Biggar:** I said that the other day, hon. member –

**Dr. Bevan-Baker:** I know you did.

**Ms. Biggar:** – and I agree with you.

**Dr. Bevan-Baker:** The real missing key here is storage. Again, we have money coming from the feds. It's something we can do.

I do, by the way, Mr. Chair, have a lot of line by line suggestions when we get to that, but I wanted to be part of this conversation before we get to the line by line.

Thank you, I'll stop for now.

**Chair:** The hon. Member from Rustico-Emerald and then the Leader of the Opposition.

**Mr. Trivers:** Thank you, Chair.

I do have a lot of line by line questions as well.

**Ms. Biggar:** We can go into that if you want now.

**Mr. Trivers:** But before we get into that though, one thing – and again, this does go back to the actual verbiage of the bill on the floor. Perhaps this is a basic question and feel free to tell me that. I'm sure you will.

We've got a number of different entities that are involved and defined in the bill. We've got the Island Regulatory and Appeals Commission, the commission; we've got the PEI Energy Corporation, the corporation; we've got an operating fund that fits in there somewhere; you've got person, which can actually include a corporation or a municipal corporation; a public utility which in fact could actually include private enterprise as far as I can tell. Then you've got these things like the renewable energy generator and then you've got objects that are being serviced.

I'm honestly having trouble trying to put all these different things together. I was wondering if you could give me an overview of the different bodies that are defined in this act and how they fit together between Maritime Electric, the energy corporation, the government of PEI, the operating fund, that sort of thing?

**Ms. Biggar:** I think, hon. member, as we go through this line by line that is further defined throughout the bill.

**Chair:** Do you want go through it line by line (Indistinct)?

**Mr. Trivers:** Chair, question.

**Chair:** The hon. Member from Rustico-Emerald.

**Ms. Biggar:** I'm not sure –

**Mr. Trivers:** I've read through the bill and it's not clear to me how they interact.

**Ms. Biggar:** How the utility interacts with the corporation? I'm just not sure what you (Indistinct).

**Mr. Trivers:** That's right, I'd like to know from the beginning. You've got a public utility –

**Ms. Biggar:** Maritime Electric, yes.

**Mr. Trivers:** – as defined in here.

**Ms. Biggar:** Yeah, that would be Maritime Electric

**Mr. Trivers:** So that's Maritime Electric.

**Ms. Biggar:** Yes.

**Mr. Trivers:** And it could be Summerside Electric.

**Ms. Biggar:** It could be yes, obviously.

**Mr. Trivers:** Or it could be individuals (Indistinct) –

**Ms. Biggar:** At this point I think that would refer to Maritime Electric and Summerside electric, but Mark may have a comment on this as well.

**Mark Victor Senior Engineer:** Yeah, I should mention, all the definitions with the exception of the definition of corporation are in the *Electric Power Act* right now.

Basically what this is doing is it repealed the definition section, but it's putting in a new definition section, but strictly with the same definitions, with the additions of corporation, and it's just tidying it up because some of them were out of alphabetical order and that type of thing. It was just cleaner to repeal it and rewrite it.

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** All right. So corporation is being added.

**Mark Victor Senior Engineer:** Corporation is being added, yes, because the corporation that is mentioned in these amendments.

**Ms. Biggar:** Because we have stated in our amendment that there will be consultation with the corporation. But we have to define –

**Mark Victor Senior Engineer:** And it talks about (Indistinct) the generation by the corporation.

**Ms. Biggar:** – what the corporation is.

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** I'm giving you the basic questions, I know, but just to be clear –

**Ms. Biggar:** That's fine.

**Mr. Trivers:** – the corporation was already always involved.

**Ms. Biggar:** Not in negotiations.

**Mr. Trivers:** No, I mean always involved in the process, though. They've existed for many years.

**Ms. Biggar:** Oh yes.

**Mark Victor Senior Engineer:** Oh yes.

**Mr. Trivers:** There's not a new (Indistinct) identity?

**Ms. Biggar:** No, that's always been there.

**Mr. Trivers:** That's what I'm trying to get at is, is what the relationship is between the public utility and the corporation and the government and then how they're funded. I was wondering if you could just give a quick overview because it's – I don't know if that's a reasonable request or not.

**Mark Victor Senior Engineer:** The corporation is part of government and Maritime Electric is a private company and essentially they operate – they're there, they're given the monopoly, essentially, for the service area that they have and they generate revenues from charging for electricity. Then there's a formula there that they have the investment that's in the system is broken down into 60% debt, or deemed to be somewhere around 40% equity and 60% debt. The way that the act actually is written it talks about Maritime Electric has to have at least 40% investment in the electricity supply system. The way it's written right now what we're proposing to do is to keep it as close – or between 35 and 40 – so that they're not going above that 40%.



**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** When you say 60% debt and 40% investment in the electricity supply system, you mean they have to own 40% of the electricity supply system free and clear of debt?

**Mark Victor Senior Engineer:** That's right. The way that the legislation is written right now it says that Maritime Electric cannot have less than 40% of the value of the system. They have to invest at least 40% into the system. If they make any new investment, 40% of the money for that investment would come from Maritime Electric and they would earn their rate of return on it, and they would go out and borrow the other 60% at a, presumably, rate that's less than 9.75%.

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** How does that relate to equity in the public utility itself? Because I thought when we were referring to equity and 40% that was actually the value of the company as opposed to the assets of the company.

**Mark Victor Senior Engineer:** No, it's the assets of the company. It's the investment that's made in the generation, the transmission, the distribution, essentially what makes up the supply system.

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** You're saying that they have to own 40% of the assets in the electricity supply system free and clear of debt, is that what that means? I just think it's important to understand this, really understand what (Indistinct).

**Ms. Biggar:** Now, it's between 35 and 40 –

**Mark Victor Senior Engineer:** In this proposal.

**Ms. Biggar:** – in this new amendment. Right now it's about 42%.

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** What you're saying is if new assets are added into the corporation –

**Ms. Biggar:** Maritime Electric.

**Mr. Trivers:** – not the corporation, pardon me – public utility –

**Ms. Biggar:** Maritime Electric, yes, or – and I should point out that only applies to Maritime Electric, it does not apply to the city of Summerside. I just want to make that clear. We talked about different utilities, but I want to mention –

**Mr. Trivers:** But it will be after this bill goes through.

**Ms. Biggar:** No, this does not apply at all to the city of Summerside, only Maritime Electric.

**Mr. Trivers:** If we could, Chair, come back to that.

The reason I'm asking this is I really think it's important for taxpayers to understand because it has a direct impact, of course, as we've heard from several members, on the electricity rates they're paying.

Right now there are new assets that are brought into the electricity supply system. Right now if 40% have to be owned free and clear, if Maritime Electric owns more than 40% of those, then they have to borrow money so that the amount they own goes down? I'm just trying to wrap my head around this.

**Mark Victor Senior Engineer:** For example, if there's an investment of \$10 million made in the supply system, whether it's for –

**Ms. Biggar:** Lines.

**Mark Victor Senior Engineer:** – anything, yeah, transmission lines or whatever, right now Maritime Electric would invest at least \$4 million in that, essentially, of their dollars of their money and they would go out and they would borrow \$6 million to pay for it. They would make an investment and the other portion, the 60%, would be borrowed to pay for.

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** Chair, as they pay off that debt then, the \$6 million, the amount that they own free and clear is going to go up from 40% so they have to keep borrowing, so they only have 40% ownership.

**Ms. Biggar:** No.

**Mr. Trivers:** The reason I'm asking this again, Chair, if you will, is because I'm trying to figure out how that ties into this 9.75% return, and I think it's important to understand that. Otherwise some of the changes that you're making as proposed by this bill can't be clearly understood.

**Ms. Biggar:** The 9.75 is separate than what we're talking on here, in return to that, hon. member.

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** Sorry, can you repeat that?

**Ms. Biggar:** Am I correct in saying that, Mark?

**Mark Victor Senior Engineer:** Yeah, well the 9.75% is what they're allowed to earn on their equity.

**Mr. Trivers:** That being the equity –

**Ms. Biggar:** To pay the shareholders.

**Mr. Trivers:** – when we're talking shareholder equity, the value of the company, right?

**Mark Victor Senior Engineer:** Yeah.

**Mr. Trivers:** Then that's totally separate from the 35, 40% ownership in the electricity system?

**Mark Victor Senior Engineer:** If you take the full value of the supply system, whatever it is, you would say that at least 40% of that, Maritime Electric has invested that amount of money. They've got that amount of money into the system. The remainder is financed by debt.

The debt would be at a certain rate. They would borrow the money depending upon what it was and they've got different loan agreements out there and they're usually long-term investments. But the amount of equity that they have invested in the system, they are 9.75% on currently.

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** So if the value of the system goes up because we add new assets, then they have to finance enough of that so that they only have 40% free and clear equity? Is that how you interpret that?

**Mark Victor Senior Engineer:** Yeah, that's right. If there needs to be more capital investment in the system, they would invest the portion of that with – they would pay for a portion of it with their own money and they would make a return on that, that IRAC allows, and the other portion would be borrowed.

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** They need to change the amount they borrowed to adjust to keep that 40% and, of course, now it's going to 35% -

**Ms. Biggar:** It's in 35% and 40% –

**Mark Victor Senior Engineer:** It's between 35% and 40%, and what that will do, it will keep them closer to 40% because there are times when their equity may get up to 43% or 44%. It will essentially save the ratepayer some money if we can keep their allowable equity portion at around that 40%, closer to that 40%. Keep it tighter to 40% because it's always been deemed to be a 60:40 debt to equity.

**Ms. Biggar:** There was no flexibility in the bill as it is now, without this amendment, for them to be required to go below 40%.

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** I mean, based on the calculation you described it would seem to me that the lower amount that they have in equity, then the less that we require to pay out to their shareholders, in which case there

should be lower rates. I don't know why you would set a lower limit of 35%. Why won't you allow them to go as low as they want?

**Mark Victor Senior Engineer:** Well –

**Mr. R. Brown:** Oh no. They want to go 100% (Indistinct) –

**Ms. Biggar:** (Indistinct).

**Mr. Trivers:** I know they want to go up, but why would you put it between 35% and 40%? Why wouldn't you say a maximum of 40%?

**Mark Victor Senior Engineer:** Well, just because – you do want to have – because they do earn on their equity, you do want to have a certain – you want them to have a certain amount of investment into the system. They need – and you're right. You could arguably leave it out and the way that things are now, or normally would be, they would keep it as close to 40% as they could, but just in the event that something happens in the future and would decide to remove their equity for some other opportunities, it would simply just – it makes sure that they have a certain amount of stake in the system.

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** Why are we using percentages at all? I think it would be better to cap it in dollar amounts as opposed to percentage of the system.

**Mark Victor Senior Engineer:** You would be changing it, I would think, regularly just because the value – there's always – every year there's new capital investment that goes into the system.

**Ms. Biggar:** If they invest in new power lines or whatever else they may invest in throughout the years, it's going to change from year to year in terms of the amount of dollars they invest.

**Mr. Trivers:** Yeah.

**Ms. Biggar:** So by having the flexibility of a percentage as opposed to – you're only allowed to invest, I don't know, \$6 million a year or whatever, I think – Mark, that's what you're saying?

**Mr. Trivers:** Chair?

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** The way I understand it, it's not really the amount they're allowed to invest, it's the amount they're allowed to own, because they can always borrow money and invest as much as they want, right? So it all relates back to this 9.75% –

**Ms. Biggar:** No, no.

**Mr. Trivers:** – payout.

**Ms. Biggar:** Not what they're allowed to.

**Mr. Trivers:** Right? If you limited it to a dollar amount just the same way we've said it's a 9.75% payout, then the payout would actually stay the same unless they increase the number of shares.

**Ms. Biggar:** We did not say what they're allowed to have on the payout. I should clarify that it's IRAC that makes that determination, again.

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** But that 9.75% is set and it's a set amount.

**Ms. Biggar:** It's set by IRAC, yes.

**Mr. Trivers:** Set by IRAC. So if we set a dollar amount as to the amount of equity they're allowed to have then it wouldn't impact their shareholders. They would still know exactly how much they want to get, but it would positively impact our taxpayers –

**Ms. Biggar:** I don't think it's possible to put that formula in there, hon. member.

**Mark Victor Senior Engineer:** There are different regulatory models that we can put into play –

**Ms. Biggar:** Yeah, under this –

**Mark Victor Senior Engineer:** – and the energy commission did look at a lot of the various different regulatory models. In their report they do describe some of them, and

after looking at all of that they determined that – or they made the recommendation that the current cost of service model is the best model for Prince Edward Island, and that's essentially what we're working with now.

**Mr. Trivers:** Chair?

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** I have to say, I'm not feeling really comfortable that I understand, at least, this whole scheme of how Maritime Electric actually gets its money and pays out to the shareholders based on this 35%, between 35% and 40% of capital. You're mentioning things outside of this document. If we're changing the bill to change that percentage amount I think it would be really helpful to see some reports on how that amount was chosen and how that, I'll call it a compensation level, that was chosen –

**Ms. Biggar:** Again, the commission report is there, hon. member, but I think also I'll defer here to, if I may –

**Chair:** The hon. Minister of Workforce and Advanced Learning.

**Mr. R. Brown:** Just to break it down for simple terms – everybody talks the 40% equity. Okay, let's take \$10 million, okay? For every \$10 million Maritime Electric needs, they can go out and borrow \$6 million and they can use equity money of \$4 million, and on \$4 million they're allowed to make 9.75% on that \$4 million, okay? That's after taxes.

**Mr. Trivers:** Okay.

**Mr. R. Brown:** I always argue the point – it's 13%, because you have to pay the taxes and then they get the 9.75% so they have to pay the ratepayer, and I think it's roughly 13%. They have to charge the rate payer 13% on that \$4 million, so we can borrow the money for 3%, just say 3% – so that's a 10% saving. For every \$10 million we're saving \$400,000 for the ratepayer by borrowing it ourselves.

Now, everybody asks, the 9.75% – we argued, we went to IRAC, we had appealed it. We lost the argument because IRAC is using the standard across North America of

a rate of return for these guys for electric utilities. I know you guys were saying earlier about how much money we have to borrow. So let's say \$100 million, you're looking at a \$4 million saving by the corporation doing it. See, only two utilities – Ontario, Quebec, New Brunswick, I think the other private ones are BC or public, any public utility doesn't have to pay corporate taxes because it's a Crown corporation. Our utility has to pay corporate taxes so that's money going to Ottawa.

The argument is even more for us owning the major assets, and that's what the commission said. There's a big saving here. I know the previous Mike Currie and these guys argued why we were borrowing the money. They were saying: Why are you putting the taxpayers' burden here? But we were actually saving them – on \$100 million you're saving them \$4 million a year. When the previous administration bought the first CT3 it was \$38 million or something. We did a cost analysis for them and we were going to save \$1.4 million, but at the time they didn't take on Maritime Electric. They allowed Maritime Electric to buy it so we're losing \$1.3 million a year if we would have bought it.

So it's a 40:60 split –

**Mark Victor Senior Engineer:** But what we're saying is that right now they have to maintain at least 40%, so if they're at 43% and you're borrowing \$10 million they're borrowing – they're getting their 9.75% on \$4.3 million –

**Mr. Trivers:** Yeah.

**Ms. Biggar:** Yeah.

**Mark Victor Senior Engineer:** Right? So what we're trying to do is –

**Mr. Trivers:** You're trying to lower it.

**Ms. Biggar:** Yes.

**Mark Victor Senior Engineer:** – it's always been deemed to be 60:40 and that's the intention of this, is to keep it at that 60:40 instead of having it creep up to be 42% or 43%.

**Ms. Biggar:** Under this, again, and I think you'll understand that, this will force them to not be more than 40%.

**Mark Victor Senior Engineer:** Over.

**Mr. Trivers:** Right, which is good.

**Ms. Biggar:** Yeah.

**Chair:** Minister, anything else?

**Ms. Biggar:** I don't think so.

**Chair:** The hon. Member from Rustico-Emerald?

**Mr. Trivers:** I have a few questions on that.

Why 60? Why wouldn't we force them down to 35%?

**Mr. R. Brown:** It's a private utility.

**Chair:** The hon. Minister of Workforce and Advanced Learning.

**Mr. R. Brown:** Sorry. It's a private utility and the utilities across North America, that's the rate of return that every one of them is getting.

**Mr. Trivers:** So, IRAC's –

**Mr. R. Brown:** We – yeah.

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** The other question I had –

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** Is it in the best interest, then, of the public utility, Maritime Electric, to actually grow the electricity system as much as possible?

**Mr. R. Brown:** Yes.

**Ms. Biggar:** Yeah.

**Mr. Trivers:** Because the bigger the system –

**Ms. Biggar:** Right.

**Mr. Trivers:** – the more money they get to pay out.

**Ms. Biggar:** That's right.

**Mr. R. Brown:** Put it this way. Here's the setup.

**Chair:** The hon. Minister of Workforce and Advanced Learning.

**Mr. R. Brown:** Okay, 13%. We pay them 13% for their money. They can actually go out right now and borrow it for four and charge the ratepayer 13.

**Mr. Trivers:** Yeah.

**Ms. Biggar:** This takes more of the control back into what we're allowing to be done.

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** Going back to that, I think, admittedly – first of all, thank you, Minister of Workforce and Advanced Learning, for that great explanation. I really appreciate that.

**Ms. Biggar:** I must say the minister has been very engaged, as you know, in the previous –

**Mr. Trivers:** Yes.

**Ms. Biggar:** – energy accord so I certainly appreciate his expertise.

**Mr. Myers:** (Indistinct) put the cable on his wish list, but otherwise.

**Mr. R. Brown:** (Indistinct).

**Ms. Biggar:** Yeah. Anyway, sorry, hon. member.

**Mr. Trivers:** So my concern, and it's sort of related to what the Leader of the Third Party is saying, is: It's in the best interest of Maritime Electric to sort of keep control of everything, keep that growing, right? What we're seeing as a trend in the industry and what some of the big minds of the day are saying, people like Elon Musk, right?, with his Tesla company, are saying: We want to go to this distributed system, right?

Again, this is what the Leader of the Third Party was saying. This is where individuals have things like solar panels on the roofs of their houses and their own small storage systems, right?

**Ms. Biggar:** Yeah.

**Mr. Trivers:** So because of the way we have this agreement set up, it's not in the best interest of Maritime Electric to encourage that.

**Ms. Biggar:** Hon. member, I'll also point out that the other amendment in here also requires now, which it has not done in the past, for Maritime Electric to consult with government and the energy corporation. That requirement was not there. So this gives us more an input in that whole system now which was not there.

**Chair:** The hon. Member from Rustico-Emerald has the floor.

**Mr. Trivers:** I did want to make the point, it was mentioned earlier, if this ever happens that consumers start to store – I don't think it's a matter of if. It's a matter of when.

**Ms. Biggar:** Oh, and –

**Mr. Trivers:** This change is coming down the pipe really fast.

**Ms. Biggar:** I have not –

**Mr. Trivers:** Like –

**Ms. Biggar:** – disagreed with that.

**Mr. Trivers:** As early as 2017, you're going to see people putting these power storage solutions with their own solar panels in their own homes.

**Ms. Biggar:** Yeah, yeah. They already are, hon. member.

**Mr. Trivers:** Yeah. Even some now. Of course, we already have companies like Renewable Lifestyles is one out here –

**Ms. Biggar:** There are lots of companies on Prince Edward Island.

**Mr. Trivers:** – outside of Summerside, there, Travellers Rest.

**Ms. Biggar:** We get called daily, I can assure you.

**Mr. Trivers:** I tell you, they have 28 installations or so on the Island right now.

**Ms. Biggar:** Yeah.

**Mr. Trivers:** They've got a great scheme in place. Even though there's a large cost up front for solar panels – \$40,000, for example, for a home that has heat pumps that are providing their heating, right? So we're getting outside of the electricity where we're touching the heating as well.

**Ms. Biggar:** But I will come back again, hon. member, to our – when we do our energy strategy, those are the kinds of engagements and partnerships and discussions that we want to have moving forward.

**Mr. Trivers:** My point, getting back to it, this is why I'm suggesting we don't use a percentage. We should use a hard dollar figure because then it doesn't encourage the utility to grow and stop competition and innovation. But it says: Look, this is as much money as you're going to be able to make.

**Ms. Biggar:** Again, as I said, hon. member, in part of these amendments it does give us more control in those kinds of negotiations which will impact on that percentage.

**Mr. Trivers:** Chair.

**Chair:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** Which is very much a part of this exact bill we're reading right now, is you're taking that percentage and you're changing it from 40% to between 35 and 40%. I think it is very relevant.

This would be a good chance to set that cap, I think, as part of this bill. Obviously I'm sitting over here in opposition and we're not going to defeat this bill but I did want to make sure I brought that up.

**Ms. Biggar:** I appreciate what you're saying, hon. member. But –

**Mr. Trivers:** I won't propose an amendment at this time or anything like that.

**Ms. Biggar:** But I can appreciate what you're saying. Again, these amendments will ensure that we have more control over this going forward.

**Mr. Trivers:** I just wanted to say again for the record, I think that the overall goal – and I don't know if it's actually stated anywhere clearly in the act, and maybe if it is I'm missing it – should be to have lower electricity rates for Island taxpayers, whether that be businesses or individuals.

Chair, I'm ready to go clause by clause if you're ready.

**Chair:** We still have two others.

**Ms. Biggar:** Yeah.

**Chair:** The hon. Member from Kensington-Malpeque is next.

**Mr. MacKay:** Thank you, Chair.

Minister, just a few questions. Or I think I have four questions here.

I'm still trying to get my head around what yourself and the Minister of Workforce and Advanced Learning – so the government can borrow a rate at 3%

**Ms. Biggar:** Actually, we have gotten quotes for less than that.

**Mr. MacKay:** Okay.

**Ms. Biggar:** That's just a figure that Workforce and Advanced Learning picked out of the air, but I can assure you it's less than 3%.

**Mr. Myers:** That's not the first time.

**Mr. MacKay:** So at \$100 million financed over 30 years, is that usually the term of the loan with them?

**Ms. Biggar:** Usually 25, 30.

**Mr. MacKay:** Okay. So that 100 million is costing 184 million, approximately. At 184 million, at \$6 million a year, are we taking

\$6 million from something else to fund this out of the taxpayers' pockets?

**Ms. Biggar:** No. No. Absolutely not. Again, it's not in our operating budget of the province.

**Mr. MacKay:** Right.

**Ms. Biggar:** It's under the PEI Energy Corporation books, or line item. It's under the corp. It's not out of our general revenue operating budget or capital budget within government. The energy corporation is its own entity. Again, I said they put \$7 million back into –

**Mr. MacKay:** I guess that's where I'm struggling with the thought.

**Ms. Biggar:** Yeah.

**Mr. MacKay:** Like, when we're talking \$6 million a year, it's a lot of money to come up with, right?, when you're –

**Ms. Biggar:** Yeah, no.

**Mr. MacKay:** So it just – I can't seem to get my head around it.

**Mr. R. Brown:** No, no –

**Ms. Biggar:** No, it's not \$6 million.

**Chair:** The hon. Minister of Workforce and Advanced Learning to clarify.

**Mr. R. Brown:** Whatever the corporation is borrowing, okay, it's –

**Ms. Biggar:** Yeah.

**Mr. R. Brown:** Correct me if I'm wrong.

**Ms. Biggar:** It's –

**Mr. R. Brown:** It's leasing it back.

**Ms. Biggar:** To – yes.

**Mr. R. Brown:** To Maritime Electric.

**Ms. Biggar:** Yes.

**Mr. R. Brown:** At the financing cost.

**Chair:** (Indistinct) completely included in finance. That's right.

**Mr. MacKay:** So it's (Indistinct) – there's no cost to the taxpayer.

**Mr. R. Brown:** No. Because it's all being charged back to Maritime Electric and back to the ratepayers.

**Mr. MacKay:** Okay. Perfect.

**Ms. Biggar:** Okay?

**Chair:** The hon. Member from Kensington-Malpeque.

**Mr. MacKay:** Thank you, Chair.

Second question. When it comes to electricity rates, and if Maritime Electric was to finance themselves instead of government, can there not be a cap put on through IRAC that they can't put it up to a certain percentage?

**Ms. Biggar:** That would be up to IRAC to make that determination. Again, I'll reiterate, we're still committed that, going forward, we will take that option to own those assets.

**Chair:** The hon. Member from Kensington-Malpeque.

**Mr. MacKay:** Thank you, Chair.

The previous federal government, am I right in saying they were going to give \$50 million towards the cable?

**Ms. Biggar:** That's correct.

**Mr. MacKay:** Okay. So what has the new federal prime minister promised? If the old one was 50 million, we should be getting a little more than 50 million, probably.

**Ms. Biggar:** Again – I think I said this earlier – in general we've had one discussion in terms of the cable and its funding. That's something we will continue to negotiate.

**Mr. MacKay:** We should be able to expect more than 50 million, though.

**Ms. Biggar:** That would be nice if we could, yes. But we are working also, hon. member, under the green energy strategy –

**Mr. MacKay:** Right.

**Ms. Biggar:** – and what other financing we can get to finance other options that we can help through our – you know, to offset some of our generation needs.

**Mr. MacKay:** My last comment, I just wanted to point out, this would be a perfect proposal for an infrastructure summit. This would have fit right in there.

**Some Hon. Members:** Hear, hear!

**Ms. Biggar:** We can barely agree on it.

**Chair:** Next, back to the hon. Leader of the Opposition.

**Leader of the Opposition:** Thank you, Chair.

I think an infrastructure summit would be great.

I'm curious. In 1(1) of the act it says –

**Ms. Biggar:** Shall we go into the act, hon. member?

**Chair:** Should we start reading it clause by clause –

**Ms. Biggar:** Do you want to go into it?

**Leader of the Opposition:** We can go in clause by clause.

**Chair:** Start there?

**Ms. Biggar:** Let's, let's –

**Chair:** Okay.

1. (1) Subsection 1(1) of the *Electric Power Act* R.S.P.E.I. 1988, Cap. E-4, is repealed and the following substituted:

1. (1) In this Act,

(a) “approved energy efficiency and demand-side resources plan”



means, in respect of a public utility, an energy efficiency and demand-side resources plan of the public utility that is approved by the Commission under section 16.1, and includes any amendments to the plan that are approved by the Commission under that section;

**Leader of the Opposition:** Question.

**Chair:** Question.

**Ms. Biggar:** Question there.

**Leader of the Opposition:** Can you give us a layman's explanation or definition of this, "approved energy efficiency and demand-side resources plan"?

**Mark Victor Senior Engineer:** We commonly refer to it as a demand-side management plan, short term.

**Leader of the Opposition:** What's all that include?

**Mark Victor Senior Engineer:** It would include –

**Ms. Biggar:** That's been submitted.

**Mark Victor Senior Engineer:** Yeah, that was the subject of the recent submission by Maritime Electric, but it includes energy efficiency and conservation measures.

**Leader of the Opposition:** I can barely hear you, I'm sorry.

**Mark Victor Senior Engineer:** It would include energy efficiency and conservation measures. It can include incentives for consumers to purchase energy efficient products. There's all kinds of different things that could be in it.

**Leader of the Opposition:** With that, then, incentives, should we not be forcing Maritime Electric or any utility to be as proactive or as futuristic as Summerside has? Because they are leaps and bounds in front of Maritime Electric.

**Ms. Biggar:** I guess in response to that I do know that Maritime Electric is looking at different energy conservation plans as part

of their proposal. We'll continue to encourage that with them as well.

**Leader of the Opposition:** With that, last year there was a program out where you could buy shares into panels (Indistinct) that would put the power back into your house. I think it was with – there is a solar company just outside of Summerside up there on the highway –

**Mr. Trivers:** Renewable Lifestyles.

**Leader of the Opposition:** Renewable Lifestyles. Is there any talk about –

**Ms. Biggar:** You talking about the CEIF?

**Leader of the Opposition:** What is it?

**Ms. Biggar:** The CEIF, Community Economic Investment Fund.

**Leader of the Opposition:** No, this was just for the private house owner or the farmer in where they would fill your roof full of panels and you would buy shares into that.

**Ms. Biggar:** Not through Maritime Electric or – I don't know who that's through, hon. member – buying shares in it.

**Leader of the Opposition:** Never heard of it before?

**Ms. Biggar:** No, not through government or the corporation or Maritime Electric. I'm just not sure. Like I said, it could have been that CEIF.

**Leader of the Opposition:** Okay, that's fine, I'll (Indistinct) that line.

**Chair:** (b) "Commission" means that the Island Regulatory and Appeals Commission established under section 2 of the *Island Regulatory and Appeals Commission Act* R.S.P.E.I. 1988, Cap. I-11.

Questions?

**Ms. Biggar:** Keep going.

**Chair:** (c) "Corporation" means the Prince Edward Island Energy Corporation established under the *Energy Corporation Act* R.S.P.E.I. Cap. E-7.

Question, the hon. Member from Rustico-Emerald.

**Mr. Trivers:** Just curious, how big is the PEI Energy Corporation? How many employees? Would you know that?

**Ms. Biggar:** No, I don't know that. I'm sure they'd be happy to share that with us.

**An Hon. Member:** (Indistinct) operation.

**Mr. Trivers:** Like 10 or 200.

**Chair:** Forty.

**Ms. Biggar:** No, did you say the energy corp or Maritime Electric?

**Mr. Trivers:** The energy corp.

**Ms. Biggar:** Oh, sorry, what is that? Two, four – four people.

**Mr. Trivers:** Okay.

**Ms. Biggar:** I thought you said Maritime Electric, sorry.

**Mr. Trivers:** Thank you, Chair.

**Chair:** (d) “electric energy” includes electric power that is produced, transmitted, distributed or furnished by the public utility.

Question, the Leader of the Opposition.

**Leader of the Opposition:** I'm going to take it that this question is going to fall under this category.

Let's go back to the rate of return for a second on this electric that we bring in to the on the Island. This rate of return at 9.75%, what are the other rate of returns out there across North America? Is that high, is that low? Where is everybody else falling at? My understanding is that that's a way high.

**Mark Victor Senior Engineer:** Again, that's obviously one of the things that's being asked for by Maritime Electric and the rate application is they're asking for a certain rate of return. Yeah, you can look at rates of return that are approved across the country. I think it's probably fair to say that theirs is higher than average right now. They make the arguments that –

**Ms. Biggar:** IRAC.

**Mark Victor Senior Engineer:** – there's reasons for that and all that rationale is in the rate application. But that's what the process is for now, basically, is for them to make their case and for others to go in and –

**Leader of the Opposition:** In that application are they asking for the same rate of return or are they asking for a large one or a small one?

**Mark Victor Senior Engineer:** They've asked for a range in this application. I believe it's – is it 9.6 to 9.9, I believe, (Indistinct).

**Leader of the Opposition:** They're actually asking for an increase?

**Ms. Biggar:** IRAC will rule on that. And we've made our interrogatories.

**Leader of the Opposition:** It's my understanding according to my sources that the North American average right now is 8%.

**Ms. Biggar:** Quite possibly.

**Leader of the Opposition:** How vigorously is government going to oppose this or question this?

**Mark Victor Senior Engineer:** We're in the process of putting together our –

**Ms. Biggar:** Our arguments.

**Mark Victor Senior Engineer:** – our questions first, is what we do. You have an opportunity to ask questions and then we'll make our comments based on the answers to those questions.

**Leader of the Opposition:** What do you think of their application? There's an open question.

**Mark Victor Senior Engineer:** Well, I don't think (Indistinct) –

**Ms. Biggar:** I think we're still in the process of reviewing that application, hon. member. Again, we'll ask the questions that we have concerns with and depending on those

answers we'll come back with arguments. Okay?

**Leader of the Opposition:** Thank you.

**Chair:** Question, the hon. Minister of Finance.

**Mr. Roach:** Yes. There was a question asked earlier and it talked about has Maritime Electric actually looked out, or looked forward, to where they would like to be in 15 or 20 years, and does that include finding greener energy and how much research do we know, or are we aware that they have actually done. So far it looks like they've just shown up with one asset for us.

**Some Hon. Members:** Hear, hear!

**Ms. Biggar:** I think it is very important that research and development is part-and-parcel, whether it's government or electric utility. I think that's a testament to what the city of Summerside has done in terms of their research and development towards green energy. I encourage that there should be a good, robust focus by Maritime Electric on resource and research and development going forward.

**Mark Victor Senior Engineer:** That's part of what these amendments are about.

**Chair:** Question, the hon. Minister of Finance.

**Ms. Biggar:** That's why these amendments are important because we can drive that more.

**Mr. R. Brown:** Electrically.

**Mr. Roach:** Our energy board in what we're looking at going forward, how far afield are we going to look at advancements that have been made in storing energy, in more green energy around the planet, so to speak?

I know that five years ago – there's a lot of things that are happening today that we wouldn't even be talking about today. But I'm just wondering how far afield we're going to try and make sure that we have looked at all possible avenues of the latest and greatest that's out in the marketplace?

**Ms. Biggar:** To draw on what the Leader of the Third Party said, hon. member, part of our research that we're putting out there in terms of our – my mind is gone here –

**Mark Victor Senior Engineer:** Strategy.

**Ms. Biggar:** – strategy and RFP, there's the word – that we need to encompass all of that in that and expect that that is looked at.

**Mr. Roach:** Is it our energy board that are doing that research or are we looking at others through that RFP processes to do that research for us and to bring that back with the science behind it to support it?

**Ms. Biggar:** Yeah, we will be putting the RFP out to get that expertise in helping us develop that strategy as well.

**Chair:** The hon. Minister of Finance.

**Mr. Roach:** When will that RFP be going out?

**Ms. Biggar:** It's under review at the moment, hon. minister. By the end of this year we anticipate that we'll be ready. Some things are on hold waiting for that. We're very anxious for that process of reviewing the RFP before it goes out to proceed. We do anticipate by the end of this year that it will be out there and that we will be able to bring back a strategy to the Legislature in the spring. During that period we will have had consultation and engagement with the stakeholders that are involved in that whole process.

**Chair:** (e) “energy efficiency and demand-side resource” –

**Ms. Sherry:** Call the hour.

**Ms. Biggar:** Mr. Chair, I move the Speaker take the chair and the Chair report progress and beg leave to sit again.

**Chair:** Shall it carry? Carried.

Mr. Speaker, as Chair of a Committee of the Whole House having under consideration a bill to be intitled *An Act to Amend the Electric Power Act*, I beg leave to report that the committee has made some progress and begs leave to sit again. I move that the report of the committee be adopted.

**Speaker:** Shall it carry? Carried.

The hon. Minister of Agriculture and Fisheries.

**Mr. McIsaac:** Mr. Speaker, I move, seconded by the hon. Member from Summerside-Wilmot, that this House adjourn until tomorrow, November 27<sup>th</sup>, at 10:00 a.m.

**Speaker:** Shall it carry? Carried.

The Legislature adjourned until tomorrow, Friday, at 10:00 a.m.