November 18, 2019

Dear [redacted]

Re: Your request for access to information under Part II of the Access to Information and Protection of Privacy Act [Our File #: HRS-54-2019]

On October 29, 2019 the Human Resource Secretariat (HRS) received your access to information request for the following information:

Any and all messaging prepared for the fall sitting of the house of assembly. This includes key messages for the Minister and binders.

I am pleased to inform you that a decision has been made by the Human Resource Secretariat to provide access to some of the requested information. Please note, at the time of the request, the binder for the Minister was a work in progress.

Access to the remaining records, and/or information contained within the records, specifically page 44, has been refused in accordance with the following exceptions to disclosure, as specified in the Access to Information and Protection of Privacy Act (the Act):

Section 38(1)(b)(i): The head of a public body may refuse to disclose to an applicant information that would reveal labour relations information the disclosure of which could reasonably be expected to harm the competitive position of the public body as an employer or interfere with the negotiating position of the public body as an employer.

As required by 8(2) of the Act, we have severed information that is unable to be disclosed and have provided you with as much information as possible. In accordance with your request for a copy of the records, the appropriate copies have been enclosed.

Please be advised that you may appeal this decision and ask the Information and Privacy Commissioner to review the decision to provide partial access to the requested information, as set out in section 42 of the Act (a copy of this section of the Act has been enclosed for your reference). A request to the Commissioner must be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner. Your appeal should identify your concerns with the request and why you are submitting the appeal.

The appeal may be addressed to the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy Commissioner
2 Canada Drive
P. O. Box 13004, Stn. A
St. John’s, NL A1B 3V8

Telephone: (709) 729-6309

P.O. Box 8700, St. John’s, NL Canada A1B 4J6 t 709.729.2633
You may also appeal directly to the Supreme Court Trial Division within 15 business days after you receive the decision of the public body, pursuant to section 52 of the Act (a copy of this section of the Act has been enclosed for your reference).

Please be advised that responsive records will be published following a 72 hour period after the response is sent electronically to you. It is the goal to have the responsive records posted to the Completed Access to Information Requests website within one business day following the applicable period of time. Please note that requests for personal information will not be posted online.

If you have any further questions, please feel free to contact me by telephone (709) 729-6158 or by e-mail at kimberlyryan@gov.nl.ca.

Sincerely,

Kimberly Ryan
ATIPP Coordinator

Enclosures
Access or correction complaint

42. (1) A person who makes a request under this Act for access to a record or for correction of personal information may file a complaint with the commissioner respecting a decision, act or failure to act of the head of the public body that relates to the request.

(2) A complaint under subsection (1) shall be filed in writing not later than 15 business days

(a) after the applicant is notified of the decision of the head of the public body, or the date of the act or failure to act; or

(b) after the date the head of the public body is considered to have refused the request under subsection 16(2).

(3) A third party informed under section 19 of a decision of the head of a public body to grant access to a record or part of a record in response to a request may file a complaint with the commissioner respecting that decision.

(4) A complaint under subsection (3) shall be filed in writing not later than 15 business days after the third party is informed of the decision of the head of the public body.

(5) The commissioner may allow a longer time period for the filing of a complaint under this section.

(6) A person or third party who has appealed directly to the Trial Division under subsection 52(1) or 53(1) shall not file a complaint with the commissioner.

(7) The commissioner shall refuse to investigate a complaint where an appeal has been commenced in the Trial Division.

(8) A complaint shall not be filed under this section with respect to

(a) a request that is disregarded under section 21;

(b) a decision respecting an extension of time under section 23;

(c) a variation of a procedure under section 24; or

(d) an estimate of costs or a decision not to waive a cost under section 26.

(9) The commissioner shall provide a copy of the complaint to the head of the public body concerned.
Direct appeal to Trial Division by an applicant

52. (1) Where an applicant has made a request to a public body for access to a record or correction of personal information and has not filed a complaint with the commissioner under section 42, the applicant may appeal the decision, act or failure to act of the head of the public body that relates to the request directly to the Trial Division.

(2) An appeal shall be commenced under subsection (1) not later than 15 business days

(a) after the applicant is notified of the decision of the head of the public body, or the date of the act or failure to act; or

(b) after the date the head of the public body is considered to have refused the request under subsection 16(2).

(3) Where an applicant has filed a complaint with the commissioner under section 42 and the commissioner has refused to investigate the complaint, the applicant may commence an appeal in the Trial Division of the decision, act or failure to act of the head of the public body that relates to the request for access to a record or for correction of personal information.

(4) An appeal shall be commenced under subsection (3) not later than 15 business days after the applicant is notified of the commissioner’s refusal under subsection 45(2).
June 11, 2019

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

MR. CROSBIE: Mr. Speaker, thank you.

While recognizing the paramount need to return to surplus by 2022-23: Does the Premier accept that the electorate has just instructed their representatives to collaborate on reorganizing budget priorities? And, if not, what instruction from the electorate does he think he has?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

I think on May 16, when I look back at election day and the 28-day campaign that was ran, I think I made my intentions very clear on election night when I spoke to the people of our province and put forward a willingness to work together on behalf of all Newfoundlanders and Labradorians. As a matter of fact, made it quite clear that I wanted to work with all 40 Members of this House of Assembly.

Mr. Speaker, when you look at the dynamic of the decisions that we have to make, all of us I believe that sit in this House, that really what we want to do is make decisions that are in the best interest of Newfoundlanders and Labradorians.

In 2016, we started with a plan to return to balance in 2022-2023. Mr. Speaker, we are creating jobs in our province, and our province is on track to return to surplus. I believe that is the budget that we put forward to the people of our province during this recent election.

MR. SPEAKER: Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. CROSBIE: I thank the Premier for the answer.

And he and I, as he knows, have had an exchange of correspondence on potential modifications to the unpassed budget.

Is the Premier willing to collaborate to pass supply and, over coming months, to negotiate policy preferences expressed by the voting public, like insulin pump coverage and of killing the levy, while respecting the paramount need to return to balance?
MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Absolutely, Mr. Speaker.

In the letter that was sent to me on June 5, I think it's now publicly shared – at least I hope it is – from the Leader of the Opposition, there were eight initiatives or eight things that were discussed. All of these initiatives were not new, Mr. Speaker, to government. These are all things that we're currently working on.

As everyone in this province would know already, the levy was a temporary levy and it's legislated out. So this is not on the advice or the response or a reaction to any particular letter that was sent to me on June 5. This was all part of the plan when the temporary levy was in Budget 2016. There is a legislative process that will make sure that this levy is gone by 2019. That's about $55 million that will go in the pockets of Newfoundlanders and Labradorians, as well as insulin pump coverage that was expanded this year, ArtsNL funding, Mr. Speaker, all of which are part of Budget 2019.

MR. SPEAKER: Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. CROSBIE: I thank the Premier for that somewhat limited amount of encouragement, and would ask the following: Upon election of the Speaker, the Premier has a 19-Member caucus in a 40-Member Legislature. Can the Premier explain how this amounts to a mandate to pass his pre-election budget with no changes?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Mr. Speaker, the mandate that I'm talking about is that we have 20 Liberal seats currently in Newfoundland and Labrador. When you look at the popular vote within our province, I'm still Leader of the Liberal Party, which puts me in a position to be Premier of the province. That is the mandate that was given to me and a mandate to lead this province in this minority government. And it's one that I embrace, because I see this as an opportunity to work together with every Member.

These ideas that have been mentioned, as I said, are not new; there are about eight initiatives there. What I've done in response to the letter is to ask the Leader of the Opposition, which is the responsible manner, to actually cost these initiatives and also speak to, in a very specific way, the cuts or the expenditure reductions that he refers to in his first letter on June 5. I think that is what leadership does, to actually work together in the response of that letter.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Leader of the Official Opposition.
MR. CROSBIE: The government promised to eliminate the sales tax imposed on auto insurance premiums, but chose not to give this measure legal effect before the election. People found out about this while renewing their coverage.

Will this legislation be brought to the House?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Yes.

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

MR. CROSBIE: Can the Premier or other minister explain when?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

For Members opposite, given this is their first exposure to Question Period, if you look at your desk there, there would be an Order Paper there that would explain when this piece of legislation was coming. I understand this was introduced yesterday by the Minister of Finance. This is a piece of legislation that we want to bring forward too. Of course, the House Leader, as everyone would know right now, will introduce this bill.

We want to get this done, Mr. Speaker. People in our province are looking forward to this rebate. This is a commitment that we have made, nearly $60 million to the people of our province, to remove auto insurance.

If you remember, Mr. Speaker, this was all part and parcel of the Public Utilities Board review on auto insurance that we were the first administration of many – many administrations prior to us have pushed this down the road. This administration dealt with it.

SOME HON. MEMBERS: Hear, hear!

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

MR. CROSBIE: Could someone from the ministry explain whether discussions have taken place with representatives of the insurance industry on the question of inconvenience and expense arising from the need to make rebates of auto insurance premiums.

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Mr. Speaker, any time you make a decision within government that's imposed, there's always a date that would be imposed. So what we want to do is work with the
insurance industry to make sure that these rebates can be effective, because the objective here is to put this money back in the pockets of Newfoundlanders and Labradorians, without delay.

We want to get this done. People have been asking for this. This was one of the things that came forward from the Public Utilities review, but it's something that we've wanted to do for quite some time. The measures that we imposed in 2016, the decisions that were made, Mr. Speaker, were very obvious, based on the fiscal challenges that we were left with coming into government in 2015.

So, Mr. Speaker, we are glad to get this money back in the pockets of Newfoundlanders and Labradorians as quickly as possible.

MR. SPEAKER: Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, I ask the Minister of Finance: The December 2018 report of the government's Independent Tax Review Committee said the Temporary Deficit Reduction Levy was – quote – regressive, a head tax, poor tax policy and consideration should be given to ending the Temporary Deficit Reduction Levy prior to the legislated date. Why not take your own committee's sound advice and immediately eliminate the levy?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Thank you, Mr. Speaker.

The levy is being eliminated in 2019. What we chose to do, as a government, is to reach the greatest number of people in the province with a tax break that we could by eliminating the sales tax on automobile insurance.

The Independent Tax Review Committee did not recommend the elimination of automobile tax insurance right away. They did recommend the levy, but the automobile tax insurance reaches a greater number of people and this way both win because the levy is gone this year and the automobile tax insurance is gone this year as well.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, I ask the minister for clarification.

Is the minister telling the taxpayers of this province that they will have to pay the full cost of the levy on their 2019 tax returns?
MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Thank you, Mr. Speaker.

Mr. Speaker, the tax levy is gone as of December 31, 2019. That's been legislated in this House since 2016. The same people that pay the levy, Mr. Speaker, of all tax filers in the province, less than 30 per cent actually pay the levy, but of people filing taxes in the province, almost 100 per cent pay automobile insurance.

We wanted to give the widest number of people we could a tax break, and that's what we did with the automobile insurance. The levy is gone this year as well.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, the answer is obviously, yes, and the minister referred to an amount of $55 million being the impact of the tax levy, so it isn't insignificant to the people of this province.

Mr. Speaker, there's new information that insolvencies are up over 50 per cent in this province. Businesses are going under because they're prospective customers have less to spend, thanks to exorbitant taxes.

Is the minister concerned about this number of insolvencies?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Mr. Speaker, there are jurisdictions in Canada with higher rates of growth and insolvency than this province, but what I will say is that in Budget 2015, the previous government gave a projection on the amount of capital investment in this province; we've exceeded that. They gave a projection on the number of jobs in this province; right now, today, we've exceeded that.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: I remind all Members I will not tolerate interruptions, please.

MR. OSBORNE: They gave a projection on the amount of retail sales in this province; we've exceeded that.

So, based on their numbers, I would suspect that things would've been worse. We've got 11 consecutive months of year-over-year job growth in this province, we've worked hard to overcome the fiscal crisis that was there in 2015-2016 and we're making progress.
SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, I ask the minister: What is your solution to bring down the number of insolvencies in this province?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Mr. Speaker, what we’re doing is probably the opposite of what the crowd opposite were doing when they projected that capital investment would be lower than we’ve actually delivered, where retail sales in the province would be lower than what we delivered, where the number of jobs in the province would be lower than what we delivered.

We’ve come off a period where we’ve had two megaprojects shut down, and something that this province could not control was the effects of Fort McMurray on the province, where people had large incomes in Fort McMurray. Literally thousands of people in this province were affected by that, but we have made huge progress with 11 consecutive months of year-over-year job growth.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, the Dominion Bond Rating Service has indicated that the deficit for this year is actually $855 million.

In this government’s pre-election budget, the minister stated that the province would record a $1.9-billion surplus. I ask the minister: Which number is correct?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Mr. Speaker, with the Atlantic Accord, based on the accounting principles that this province has had in place for two decades, it does show a surplus, but without the Atlantic Accord, we’d have a $577-million deficit in this province.

If the Member wanted to be completely accurate with the people of the province and read a little bit further into DBRS, the reason they show the figure they do is because they project all capital costs immediately, as opposed to amortized over the life of the project.

June 12, 2019
MR. WAKEHAM: Mr. Speaker, this Liberal government is promising to return the province to surplus in fiscal 2022-23, but in order to do this the minister has said, in his own fiscal forecast, that revenue will need to increase by $439 million by 2022-23.

I ask the minister: Where will this revenue come from?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Thank you, Mr. Speaker.

It's in large part due to natural resources. If the Member looks a little bit deeper into our books, oil production, for example, this year is up about 12 per cent, just as an example. We've got mining developments – several mining developments were announced last year, or in the last 12 months. We anticipate revenue from mining developments as they come on stream as well.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, this budget has $8.4 billion worth of spending.

Again, in your own fiscal forecast, the Minister of Finance indicates the need to reduce spending to $7.8 billion by 2022-23.

I ask the minister: How is he going to decrease spending by $617 million by 2022-23?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Well, there are two answers to that question, Mr. Speaker. First of all, I'd ask him to tap on the shoulder of the guy sat next to him who put a list of eight demands forward which would cost hundreds of millions of dollars over the next three years. That's certainly not a way to reduce spending, without having a balanced approach in order to implement the things we'd also like to see. But real leadership means that you need to have a balanced approach.

How we look at this, in part, is by shared services, as an example. Shared services will save government tens of millions of dollars. We've looked at reducing the size of government's vehicle fleet. We've already had great success reducing the size of leased space that government has. We've had great success, Mr. Speaker. We've done zero-based budgeting. We have efficiencies that we've put in place, and some of the savings from those are still to be found.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.
The hon. the Member for Stephenville - Port au Port.

**MR. WAKEHAM:** For the record, Mr. Speaker, we didn't say we wanted to increase the expenditure for this fiscal year, we asked that the budget be reintroduced and we would work with them to live within that budget.

This Liberal government promised the people of the province that they would get their financial house in order, but they have failed to get spending under control.

So I ask the minister: You now have over a billion-dollar problem. Based on your track record of increasing expenditures, do you have an actual plan to return to surplus?

**MR. SPEAKER:** The hon. the Minister of Finance and President of Treasury Board.

**MR. OSBORNE:** Thank you, Mr. Speaker.

Mr. Speaker, I'll start off by saying that we've held spending steady, despite the consumer price index, despite some of the many very positive initiatives that we've put forward as a government in health care, in infrastructure projects, whether it's schools or hospitals or roads that were badly in need of repair.

So we've held spending relatively steady, despite an aging population and health care and drug costs becoming more expensive. What will not hold spending steady are the eight initiatives where they ask for spending but provide absolutely no indication as to where the money will come from.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** The hon. the Member for Stephenville - Port au Port.

**MR. WAKEHAM:** In *Budget 2016* the Liberal government asked the people of this province to reach into their pockets and contribute more. In exchange, the Liberals promised that they would cut expenditures. And I quote, budget speech 2016: “In addition to the public engagement efforts, to further address the deficit, all government departments, agencies, boards and commissions were asked to identify potential options for savings and present options to reduce expenditures by thirty per cent over three years.”

I ask the Finance Minister: Has this been done?

**MR. SPEAKER:** The hon. the Minister of Finance and President of Treasury Board.

**MR. OSBORNE:** Mr. Speaker, we have found considerable savings within government departments through the Government Renewal Initiative and through a flatter, leaner government. We've outlined, through zero-based budgeting, savings within government. In fact, Mr. Speaker, some of those savings were put into very important initiatives that the people of the province wanted to see over the past three years.
I've also indicated, Mr. Speaker, that we're now focusing on some of our agencies, boards and commissions, in the same way we found within government departments, some additional savings in those areas. It accounts for about 60 per cent of government's total spend.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, numbers don't lie. Three years ago, the Liberal government spent $8.3 billion in 2016-17. This year, they are planning to spend $8.4 billion. So, after three years, instead of a reduction of 30 per cent, we actually have a projected increase in expenditures.

Where is the reduction that was promised?

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

MR. OSBORNE: Mr. Speaker, I tell you one of the places we're not going to find a reduction is an initiative that he wanted to do and remove the nurse from Black Tickle. If we want to play politics, Mr. Speaker, politics can go both ways. If we want to be conciliatory and look to co-operate, that goes both ways as well.

I'd ask the Member opposite to identify the hundreds of millions of dollars in spending that they've asked us to put in place, where that money is coming from.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, the Minister of Finance knows full well that regional health authorities do not make final decisions on budget reductions when it comes to health care.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. WAKEHAM: They are approved by the government of the day and the departments of the day.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Is there a question?

The hon. the Minister of Finance and President of Treasury Board.
MR. OSBORNE: Mr. Speaker, the recommendations come from the regional health authorities and I believe it was his recommendation to remove the nurse.

MR. J. DINN: Thank you, Mr. Speaker.

We are starting to see evidence in departments of downsizing of government's attrition policy in the form of staff burnout and reduction of services.

I ask the Minister of Finance: What measures is his government prepared to take to ensure that attrition will not interfere with services going forward?

MR. SPEAKER: The hon. the Minister Responsible for the Human Resource Secretariat.

MR. OSBORNE: I thank the Member for his question. Mr. Speaker, we've been practising attrition responsibly as a government over the past couple of years. We've reduced the size of the public service primarily through attrition. But we have not allowed our focus on attrition to interfere with the delivery of services that the people of the province rely on.

MR. SPEAKER: The hon. the Member for St. John's Centre for a quick question, please.

MR. J. DINN: By definition, attrition means that when a staff person leaves they are not replaced.

So I ask the minister: What measures is his government taking to ensure that the remaining staff are not overburdened?

MR. SPEAKER: The hon. the Minister Responsible for the Human Resource Secretariat for a quick response, please.

MR. OSBORNE: Thank you, Mr. Speaker.

Again, I thank him, for the question. It's an important issue. What we've been doing is as people retire, some of them—most of them, in fact—are replaced. But we do look at positions to determine what positions, Mr. Speaker, are no longer needed or those responsibilities can be redistributed. So most of the individuals that retire from the province, the positions are replaced.

June 13, 2019

MR. WAKEHAM: Yes, Mr. Speaker.

The Minister of Finance has stated that he has a plan to return the province to surplus, which includes a reduction in expenditure of $617 million.

I'd ask the minister to demonstrate where the $617 million will come from? Will he table the details behind his fiscal forecast, including a breakdown of savings by department?
MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Thank you, Mr. Speaker.

The Member opposite should know, or ought to know, that budgets are done an annual basis. It's a one-year projection on where we're going to be. We continue to work on achieving those savings, Mr. Speaker.

We've identified, previously, based on the legislation we put in place in December, that we were looking to our agencies, boards and commissions and looking to work more closely with them to identify some savings. We've got a shared services model that will save government tens of millions of dollars annually, once it's fully implemented. We've got digital government that should save government money. We're consolidating collections within the Department of Finance. Some of that's already happening. Payroll within Finance, we're consolidating for some of the other agencies, boards and commissions. That's already happening.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, this is Public Service Week, and I'm a firm believer in the work that our public service does to provide services and programs to this province. I'm also a believer that they should be acknowledged for their work.

In my district there are three individuals who have waited over two years to have their reclassification heard or processed.

Is the minister aware of what the standard wait time is for reclassifications?

MR. SPEAKER: The hon. the Minister Responsible for the Human Resource Secretariat.

MR. OSBORNE: Yes, Mr. Speaker, I am. It's a very important issue. I thank the Member for raising it because it is important to our public service.

I've had several discussions with our union leaders about this very issue. In fact, we've put additional resources in place to try and look after the backlog that's been in place for a number of years.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Stephenville - Port au Port.
MR. WAKEHAM: Over the last couple of days we've been asking about attrition in the Estimates. One department gave us a dollar target for '19-'20 but could not tell us how many positions would be removed, noting that that would be determined throughout the year. A second department was able to tell us both the dollar figure and the number of positions.

Can the minister please explain why departments are addressing attrition differently?

MR. SPEAKER: The hon. the Minister Responsible for the Human Resource Secretariat.

MR. OSBORNE: Certainly, Mr. Speaker, I'd be happy to address that question.

We have done a different attrition process than the former administration. The former administration essentially said that for every 10 people that retire, only eight come back. It's very rigid. It doesn't give departments the flexibility to determine what positions are needed and what positions are not.

We've placed the attrition target as a fiscal measure. Departments have the ability, deputies, to examine each position as they retire to determine whether or not that position is essential. It's not necessarily based on positions, Mr. Speaker. When you base it on positions, you could have all clerk typists eliminated in order to meet the number of positions without any proper, thorough analysis.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, can the minister please table government's attrition plan for the next five years, detailing the savings in dollars and positions by each department?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Thank you, Mr. Speaker.

I can certainly give an indication as to the previous two years. We put a two-year plan in place. We're nearing the end of that two-year plan at the moment. We will then evaluate the success of the plan. My understanding is it's been very successful. We've reduced the number of positions in core government by over 900 over the past three years. Once we have an opportunity to evaluate what our targets should be over the next two to three years, we'll develop another plan from there.

MS. COFFIN: Mr. Speaker, the Minister of Finance told the media yesterday that household incomes, the median wage and employment numbers are higher than they were in 2015, yet his own budget data shows the unemployment growing over the next few years.
I ask the minister: How does his claims in the media square with the numbers in his budget documents?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Thank you, Mr. Speaker.

The numbers I referred to are for 2018-2019 numbers. But, Mr. Speaker, we do have a megaproject that's coming to conclusion, Muskrat Falls, which will have an impact on employment numbers in this province.

Having said that, Mr. Speaker, we are proud to say that the numbers that were put forward as a projection in 2015 for 2018 were more than 3,000 jobs higher in this province than those numbers. And that's despite the fact that we had no understanding or knowledge at the time in 2015 that Fort McMurray would have such an effect as it is having on our province.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Leader of the Third Party.

MS. COFFIN: Mr. Speaker, the Minister of Finance said in the media that the consumer price index is outpacing expectations.

I ask the minister: Does he understand that this means everything is getting more expensive for everyone, and how does he reconcile this with making life more affordable?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Well, first of all, Mr. Speaker, I will say that we expect the consumer price index to have an effect every year. I wouldn't say that it's outpacing expectations. What I will say is that the consumer price index has an effect on the services that government provides, on the cost of services, on the cost of equipment and materials that government purchases. Every year the consumer price index will have an impact on the budget in Newfoundland and Labrador.

MR. SPEAKER: Thank you.

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

MR. J. DINN: Thank you, Mr. Speaker.

In his budget speech of April 2019, the Minister of Finance said since forming government we have made a commitment to reducing the size of the public service, which we believe can be achieved without mass layoffs: attrition.
I ask the minister: Are his attrition policy decisions based on numbers, or is it a needs-based policy with the welfare and needs of the people and the public servants first and foremost?

**MR. SPEAKER:** Thank you.

The hon. the Minister of Finance and President of Treasury Board.

**MR. OSBORNE:** Mr. Speaker, like everything we do in government, it is a balance. We take a very balanced approach to ensuring that we reach our fiscal targets with providing the services that are essential to the people of the province.

I think we can say very clearly that on this side of the House, Mr. Speaker, we've always taken a focus on the people in our province who deliver our public services. Any decisions that we've made on reducing the size of the public service, Mr. Speaker, we've done so making every effort to ensure that we don't shock the delivery of public services and we don't shock the economy.

**MR. SPEAKER:** Thank you.

**SOME HON. MEMBERS:** Hear, hear!

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

**MR. J. DINN:** Has there been an analysis done by which you determine the needs of the people, the needs of the public service in reaching these fiscal targets? Has there been an analysis?

**MR. SPEAKER:** The hon. the Minister of Finance and President of Treasury Board.

**MR. OSBORNE:** Mr. Speaker, I don't think anybody in the province would dispute that in 2003 we had about 40,000 public servants; in 2015 we had about 49,000 positions in the public service.

Mr. Speaker, we've always taken a very strong focus on those who deliver public services. Deputy ministers have a great deal of say in our attrition. We put fiscal targets in place. Every position who retires, deputies and the departments analyze that position, Mr. Speaker, to determine whether or not the position is absolutely vital or the job can be spread out over other people.

**June 18, 2019**

**MR. WAKEHAM:** Thank you, Mr. Speaker.

My next question is for the Minister of Finance. I ask the minister: Did the request for proposals for retail cannabis licences fall under the *Public Procurement Act* and, if not, why not?
MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Thank you, Mr. Speaker.

The request for proposals went out through the Newfoundland and Labrador Liquor Corporation. Mr. Speaker, I feel and I believe that they've done a good job in rolling out that program, in providing access to the general public of retail cannabis and of the procurement of the retail sites.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, a local cannabis retail company, Better Leaf, was denied a retail cannabis licence.

When the NLC's scoring matrix was released to us through ATIPP, the local cannabis companies proposal ranked better than a large national organization whose proposal was approved.

I ask the minister: Why did Loblaw's receive a retail cannabis licence over Better Leaf, despite Better Leaf scoring better on their application?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Thank you, Mr. Speaker.

This is an important question; I thank the Member for the question. I believe the Citizens' Rep reviewed this particular case and decided that the NLC made the appropriate decision. I understand, in my conversation with the NLC in regard to this decision, they did it because a tier 1 does not allow minors within the store, Mr. Speaker, and there are safety concerns if an adult goes into a store and leaves a minor out in the vehicle.

The NLC retained the right, Mr. Speaker, in locations with only a tier 1 to look at a tier-4 model, and the successful proponent got that model.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, were there any other applicants for retail cannabis licenses that scored higher than other applicants that did not get licenses?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.
MR. OSBORNE: Thank you, Mr. Speaker.

Not to my knowledge.

June 19, 2019

MR. WAKEHAM: Mr. Speaker, yesterday when closing out debate on Bill 1, the minister indicated his desire to collaborate with Opposition Members and even invited anyone to come to his office.

I ask the minister: Will he table information on how he will achieve the $617 million reduction in expenditure outlined in his plan to surplus by '22-'23?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Thank you, Mr. Speaker.

Yes, I am absolutely – my door is open. I'm looking forward to any Member of the Opposition, in addition to the eight items that they demanded, Mr. Speaker, when they sent a letter to the Premier and copied myself, which would be hundreds of millions of dollars, to put forward ideas where they see a savings in the provincial public service and the delivery of services to the people of the province as well.

Having said that, Mr. Speaker, this is an ongoing process. Our deputy ministers and our ADMs work very hard in trying to identify efficiencies. We brought legislation in in December to work with our agencies, boards and commissions to try and find efficiencies and work on attrition planning.

Thank you, I'll get a chance to further answer.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, on Thursday, June 13, I asked the minister to table a detailed breakdown of his fiscal forecast by department, but the Minister of Finance responded that budgeting only happens on an annual basis.

I ask the minister: How do you know that you can reduce expenditures by $617 million if you only budget on an annual basis?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.
MR. OSBORNE: Mr. Speaker, I'll put up with a lot but I won't put up with people putting words in my mouth or trying to say that my words mean a certain thing.

Budgets come out on an annual basis. Yes, absolutely, Mr. Speaker, I certainly said that. Deputy ministers, assistant deputy ministers, directors, managers, the heads of our agencies, boards and commissions work every month of every year, Mr. Speaker, to try and find efficiencies, to try and find better ways of delivering services to the people of Newfoundland and Labrador, and I won't have the Member try to paint a picture other than that.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, I know there is a fiscal framework for future years.

I ask the minister once again: Will he table the departmental details of his fiscal framework to return to surplus by '22-'23?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Mr. Speaker, in case the Member didn't get a copy, I'll table that.

Mr. Speaker, budgets come out an annual basis. This is the budget for this year. We will be working towards next year's budget. The officials in every department work towards next year's budget.

Mr. Speaker, we'll continue working towards next year's budget with a focus on finding efficiencies while delivering the services that the people of Newfoundland and Labrador want.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

I remind the Members about chirping. I don't want any interruptions.

The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, I ask the minister one more time: Do you have a departmental breakdown of where you will find $617 million in savings, yes or no?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Mr. Speaker, this is ongoing work. As I said, this year's budget is this year's budget. Our officials will work towards next year's budget, which will help find efficiencies.
The Member opposite asked why our spending was up. I indicated to him in Estimates, Mr. Speaker, and now for anybody who is sitting in the gallery or watching this at home who didn't see Estimates, we've got $130 million, 100 per cent fully recoverable funding in this year's budget; 125 of that is because of the work that our government has done with the federal government – something the Members opposite haven't been good at when they were in government – $125 million of fully, 100 per cent, federally-funded initiatives in this province.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Stephenville – Port au Port.

MR. WAKEHAM: Mr. Speaker, in Estimates on Tuesday, the minister indicated that he would be looking to ABCs to find efficiencies as part of his plan to reduce expenditures by $617 million.

Health is about 40 per cent of the total budget. Using a straight line calculation, health share of this target is about $246 million.

Is it the minister's intent to cut health care expenditures by $246 million over the next three years?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Mr. Speaker, the Member opposite was the head of one of our health care organizations, and it's absolutely shocking some of the initiatives he put forward to try and find savings. I can go through those, but it's quite embarrassing to do so. If he's suggesting that we take some of his ideas, some of the ideas that he put forward would be very unfortunate to the residents of Labrador, and we weren't prepared to do some of the things that he put forward, I can assure you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Stephenville – Port au Port.

MR. WAKEHAM: Mr. Speaker, once again I'll clarify for the record. Health authorities are asked to remove millions of dollars from their budget every single year. They are given options. We put forward options, as we would do, as any good public servant would do. We put forward options with pros and cons. It then goes into government. At the end of the day, government decides which options are chosen and which are not, not the health authority.
SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Is there a question?

MR. WAKEHAM: Yes, Mr. Speaker.

Finding efficiencies means reducing expenditures, and for health care that's about $246 million of his $617 million target.

I ask the minister: Will he table the expenditure reduction initiatives that he plans to implement to find efficiencies in health care?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Mr. Speaker, you're absolutely right. Government makes the final decision, which is why we didn't impose some of the draconian measures that that individual put forward. It was his recommendations, not ours.

Now, Mr. Speaker, if the Member opposite is suggesting that we have multi-year budgets in this province, that's something that I wouldn't impose on our public servants. Government is a moving machine, and different departments encounter different initiatives where we can find savings. They encounter different challenges on a month-to-month and a year-to-year basis, but I have absolute confidence in the CEOs that are in place in all of our health authorities, and I'm glad the Member is no longer putting forward the draconian measures that he suggested.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, the minister keeps saying his attrition plan is working. We have heard in multiple Estimates committees that departments are holding positions vacant to achieve attrition targets. This is really just delayed recruitment and not a permanent reduction in the workforce.

I ask the minister: Will he table his attrition plan?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Mr. Speaker, the attrition plan that was put forward by the former administration was very rigid. It was an absolute reduction in the number of individuals working in government. For every 10 that retired, they were only going to hire eight back. We wouldn't
impose that, Mr. Speaker, in areas such as nursing, in areas such as correctional officers because it is too rigid.

What we put in place, Mr. Speaker, was a financial target. Departments are meeting those financial targets. In some cases, where somebody retires with a higher salary, they're able to hire two people at a lower salary to do the work, or maybe sometimes one person at a lower salary to do the work. Our departments have met the targets that were put in place.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, how can the minister say his attrition plan is working when his own salary details show a decrease in positions by two? Even if this is just a point in time, as he will probably say, it is the number of people on payroll.

How can he say his attrition plan is working?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Mr. Speaker, we've reduced the number of positions in core government by hundreds since we became government in December of 2015. To say that the number of positions has been reduced by two last year, any time you take a picture of a point in time - sometimes we have snowplow operators that have to work extended seasons, sometimes we have other temporary staff that have to work extended seasons.

To take a snapshot in time is not a true reflection, Mr. Speaker, but we have reduced the number of positions in government by a significant number since we've taken office. Financial targets still save money for the taxpayers of this province.

June 20, 2019

MR. K. PARSONS: Thank you very much, Mr. Speaker.

Since this government called an early election, retroactive payments for the removal of tax on auto insurance is required.

Can the minister advise us what the cost is to the insurance companies to make these retroactive payments, and will he ensure that this cost doesn't be passed on to consumers?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Thank you, Mr. Speaker.
I know that officials in my department had consulted with the insurance industry, Mr. Speaker. It's my understanding that the insurance industry are more than prepared to provide the rebates, and that's the way it's going to roll out.

I don't know if there are costs, or if any costs are there to the insurance companies, Mr. Speaker, but the important thing is consumers will get the rebate of any taxes that they've paid since April 15 of this year, up to the point that this becomes legal.

MR. SPEAKER: Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Cape St. Francis.

MR. K. PARSONS: I can assure the minister that the insurance companies are reaching out to us also and there is a huge cost to it.

Can you inform the consumers when they can expect to receive their refunds?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Thank you, Mr. Speaker.

I've been assured by the officials in my department who have consulted with the insurance industry that this will happen as expeditiously as possible. I guess depending on the insurance provider, some may be able to provide it quicker than others, but we do understand that they're going to get it done as quickly as they can.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Cape St. Francis.

MR. K. PARSONS: Thank you very much, Mr. Speaker.

Can the minister explain what will happen in instances of policy bundling where home and auto insurance is combined and the insurance company is unable to break down the premiums?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Mr. Speaker, I don't know if this is a concern or not. It has not been brought to my attention. I'm certainly prepared to ask and look into it; but, up to this point, no insurance company has contacted me with this concern.
SOME HON. MEMBERS: Hear, hear!

July 23, 2019

MR. WAKEHAM: Mr. Speaker, on Friday, July 12, the government announced Dean Brinton had been terminated without cause from The Rooms with a hefty, secret payout. Mr. Brinton had spent close to 15 years as the CEO of The Rooms. Rumors continue to swirl that his departure was related to his reluctance to accept the political appointment of Carla Foote to an unadvertised position, paying $132,000.

I ask the minister: Did the political appointment of Carla Foote play a role in the departure of Mr. Brinton?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MR. OSBORNE: Thank you, Mr. Speaker.

These are two completely different matters. Discussions with Mr. Brinton had been ongoing regarding the decision that was made. There was no secretive payout. Government were very forthright and the fact that he received 11 months pay as compensation. That’s been out there. It’s known by everybody, Mr. Speaker.

The reality is, Mr. Speaker, we respect the privacy of Mr. Brinton, which is something that was mutually agreed to. This is a HRS matter, and I think that all parties involved should respect the privacy of the individual that we’re talking about.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Thank you.

The hon. the Member for Stephenville - Port au Port.

MR. WAKEHAM: Mr. Speaker, it has been almost a year since defeated Liberal candidate George Joyce was appointed Acting Chair of the Public Service Commission without any competition and who now oversees all recruitment and hiring within the public service.

Mr. Speaker, I ask the minister: When is he going to remove patronage from the Public Service Commission by properly advertising and filling this position?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Minister Responsible for the Human Resource Secretariat.

MR. OSBORNE: Thank you, Mr. Speaker.
I think we have done a good job of removing patronage from the public sector.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. OSBORNE: Mr. Speaker, there have been over 500 positions appointed through the appointments process, a merit-based appointments process that was put in place by this government.

Prior to us coming to office, all 500 of those positions would have been appointed – hand selected by ministers. In fact, just prior to the election in 2015, I think one individual minister on one day appointed about 40 people.

MR. J. DINN: Mr. Speaker, last week the CEO of The Rooms was fired and the remaining year of his contract paid out. This CEO did not publicly support the government’s hiring of the Liberal staffer for an executive position at The Rooms, after the CEO had already signed a contract to hire someone else through the normal process.

Can the Premier say that the dismissal of The Rooms CEO had nothing to do with the appointment of Carla Foote as executive director of marketing and development?

MR. SPEAKER: The hon. the Minister Responsible for the Human Resource Secretariat.

MR. OSBORNE: Thank you, Mr. Speaker.

As I’d indicated earlier in Question Period, these are two completely separate matters.
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QP Issue Note
Human Resource Secretariat
October 24, 2019

**ISSUE: JES Appeals**

During Estimates Committee, questions arose around the current status of the Job Evaluation System and appeals.

**ANTICIPATED QUESTIONS:**

- How many classification requests were completed in 2018-19?
- What are you going to do to clear this backlog?

**KEY MESSAGES:**

When the new classification model came into effect in 2015, we needed to change the review mechanism.

This change led to an accumulation of reviews that the HRS is working hard to clear.

This past year HRS assigned additional resources to address the backlog.

From April 1, 2019 to September 30, 2019, we completed 1,843 classification requests. This shows our commitment to moving this forward.

The JES process is a very time intensive and resource intensive process, and we continue to look at all options to improve the process.

**SECONDARY MESSAGES:**

- There are 733 classification requests outstanding.
- We are on target to clear the pre-November 2018 backlog by March 31, 2020
- The reviews in 2019-20 included approximately 1,300 reviews for Registered Nurses, honouring our commitment in bargaining with the RNU to have outstanding reviews completed by August 31, 2019.
ISSUE: Dean Brinton

On July 12, it was announced that Dean Brinton’s employment as CEO with The Rooms had concluded, and that Anne Chafe has been appointed as interim CEO. Questions have arisen as to why this change was made, as well as the specifics around Mr. Brinton’s termination pay.

ANTICIPATED QUESTIONS:

- Why has Dean Brinton left The Rooms?
- How much was Mr. Brinton paid in severance?

KEY MESSAGES:

Discussions with Mr. Brinton regarding the termination of his contract without cause had been ongoing, and the terms of the agreement were finalized in June.

Mr. Brinton received entitlement of 11 months’ salary and benefits based on the termination provisions of his contract and calculated on the basis of his annual salary of $160,964, as well as a lump sum payment for legal fees.

Anne Chafe has been appointed as CEO on an interim basis. Ms. Chafe most recently served as the Executive Director of Museums and Galleries with The Rooms.

We are confident in her leadership as the recruitment process for a permanent CEO goes through the Independent Appointments Commission process.

As this is a human resources matter involving personal information, I cannot comment further regarding the conclusion of Mr. Brinton’s employment.
House of Assembly
November 2019
Human Resource Secretariat - Quick Facts

Core Public Service Employees

- As of September 30, 2019, total number of EMPLOYEES was 7,578.
- Core Public Service EMPLOYEES since 2015 (as of December 31 each year):

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Gender Profile - Core Public Service:

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Gender Profile - Executive Positions Only:

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Core Public Service POSITIONS and Attrition Overview

- INFO

JES

- INFO

Collective Bargaining

- INFO

Severance

- INFO