

Daily sitting 38

Thursday, April 9, 2015

10 o'clock a.m.

Prayers.

Mr. Oliver, Member for Kings Centre, laid upon the table of the House a petition in opposition to the closure of Norton Elementary School. (Petition 61)

Mr. Coon, Member for Fredericton South, laid upon the table of the House a petition urging the Legislative Assembly to reduce the voting age from 18 to 16. (Petition 62)

Mr. Steeves, Member for Moncton Northwest, laid upon the table of the House a petition urging the government to provide a new school or an extension to Northrup Frye School. (Petition 63)

Mr. Holder, Member for Portland-Simonds, laid upon the table of the House a petition in opposition to the closure of Lorne Middle School. (Petition 64)

On motion of Mr. Albert, seconded by the Honourable the Premier:

RESOLVED, That when the Assembly adjourns at the end of this sitting day, it stand adjourned until Friday, April 10, 2015, at 10 a.m.; and

That when the Assembly adjourns on Friday, April 10, 2015, it stand adjourned until Tuesday, April 21, 2015.

Mr. Albert, Government House Leader, announced that it was the intention of government that the House resume the adjourned debate on the Budget; following which Opposition Members' Business would be considered.

The Order of the Day for resuming the adjourned debate on the motion (Motion 23),

That this House approves in general the budgetary policy of the government, having been read,

The debate was resumed.

And after some time, due to the unavoidable absence of Mr. Speaker, Mr. Bernard LeBlanc, the Deputy Speaker, took the chair as Acting Speaker.

At 12 o'clock p.m., Mr. Deputy Speaker left the chair to resume again at 1 o'clock p.m.

1 o'clock p.m.

Mr. Speaker resumed the chair.

The Honourable the Premier welcomed to the House Mr. Richard Riley, the Consul General of the United States of America in Halifax. Mr. Fitch and Mr. Coon joined in this regard.

And after some time, Mr. Bernard LeBlanc resumed the chair.

And after some further time, Mr. Speaker resumed the chair.

And the debate continuing, after some time, it was on motion of Mr. Albert, on behalf of the Honourable the Premier, adjourned over.

Pursuant to Notice of Motion 29, Mr. Flemming moved, seconded by Mr. Fitch:

WHEREAS the former Liberal government granted in excess of seventy million dollars of financial assistance to the Atcon group of companies in 2008 and 2009;

WHEREAS, immediately prior to approving fifty million dollars in assistance in March of 2009, the former department of Business New Brunswick had advised Cabinet that Atcon was showing signs of insolvency;

WHEREAS, immediately prior to the former Liberal government approving fifty million dollars in assistance in March of 2009, the former department of Business New Brunswick had recommended that further assistance not be given to Atcon and assessed the risk as "high";

WHEREAS, immediately prior to the former Liberal government approving fifty million dollars in assistance in March of 2009, the New Brunswick Industrial Development Board, a body composed of Deputy Ministers, concurred with the recommendation against providing further financial assistance to the Atcon group of companies;

WHEREAS, despite the clear signs that Atcon was in serious financial difficulty, and against the recommendations of government officials, the then Minister of Business New Brunswick offered fifty million dollars in further assistance on March 27, 2009;

WHEREAS, almost immediately thereafter, Atcon went out of business and is now insolvent;

WHEREAS the vast majority of the funds advanced by the Government of New Brunswick have not been recovered and represent a still undefined loss to the taxpayers of New Brunswick;

WHEREAS it is unclear whether the Atcon group of companies made use of the financial assistance from the Province, and the funds it borrowed that were secured by the further assistance of the Province, for the purposes for which they were advanced and borrowed;

WHEREAS the Conflict of Interest Commissioner recommended, during the 57th Legislature, that the House consider requesting the Auditor General to conduct an audit of the financial assistance given by the Province of New Brunswick to Robert Tozer and his Atcon group of companies;

WHEREAS the Legislative Assembly requested on June 12, 2013, that the Auditor General of New Brunswick conduct an audit of all the financial assistance given by the Province of New Brunswick to Robert Tozer and the Atcon group of companies, including recommendations on how to improve the performance of the Department of Economic Development, formerly known as Business New Brunswick;

WHEREAS the Auditor General reported her findings of the said audit on March 24, 2015;

WHEREAS the said report included findings that:

- (a) the former Liberal government displayed a very troubling disregard for taxpayers' money;
- (b) approval for funding was granted by the former Liberal government despite significant risks of loss and numerous objections from senior officials;
- (c) a number of terms and conditions intended to mitigate the Province's risk were put in place, only to be later removed by Cabinet;

- (d) amendments to the security agreements on the \$50 million loan guarantee granted to the Atcon group of companies were approved that negatively affected the Province's security position on the Atcon guarantee;
- (e) the said amendments had a substantial effect on the security held by the Province, and that therefore Cabinet and the then Minister of Business New Brunswick did not comply with Regulation 82-197, Section 4(c), and did not have the authority to make the said amendments;
- (f) the said *ultra vires* amendments were approved despite objections from senior officials;
- (g) it was known the impact of the said *ultra vires* amendments would weaken the Province's security position by millions of dollars; and
- (h) nothing encountered during the said audit by the Auditor General indicates decisions taken by the former Liberal government in this regard were reasonable in the circumstances;

WHEREAS the said report of the Auditor General noted that it was prepared in response to the request of this House of June 12, 2013, and that it therefore may not have answered all remaining questions regarding government's involvement with the Atcon group of companies;

WHEREAS, in preparing the said report, the Auditor General did not conduct a forensic audit, carry out an inquiry, or put anyone under oath during the audit process;

WHEREAS the said report stated further that the Auditor General is prepared to pursue future direction on this matter if requested by the Legislative Assembly, and that to do so would be possible with additional financial assistance for that purpose;

WHEREAS questions remain unanswered regarding government's involvement with the Atcon group of companies, including but not limited to the ultimate loss or recovery to the Province, and whether the Atcon group of companies made use of the financial assistance from the Province, and the funds it borrowed that were secured by the further assistance of the Province, for the purposes for which they were advanced and borrowed;

WHEREAS it is in the public interest that all said remaining questions be answered;

BE IT THEREFORE RESOLVED that this Assembly request the Auditor General of New Brunswick to conduct a forensic audit and an inquiry into all the financial assistance given by the Province of New Brunswick to Robert Tozer and the Atcon group of companies, in order to answer all remaining questions regarding government's involvement with the Atcon group of companies, including but not limited to the questions set out above, and urge the government to provide financing for such forensic audit and inquiry;

BE IT FURTHER RESOLVED that this Assembly recommend that all the evidence and information in the Conflict of Interest Commissioner's inquiry into allegations by Mr. Claude Williams, the former Member of the Legislative Assembly for the former constituency of Kent South, of violations of the *Members' Conflict of Interest Act* with respect to the above matter, be further preserved and continue to be made available to the Auditor General of New Brunswick to assist her in the forensic audit and inquiry.

And the question being put, a debate ensued.

And after some time, Ms. Harris took the chair.

And after some further time, Mr. Speaker resumed the chair.

Mr. Speaker interrupted proceedings and cautioned Members against accusing their fellow Members of illegal activity.

Ms. Dubé rose on a point of order and submitted that Mr. Albert was not directing his comments to the motion under consideration. Mr. Speaker ruled the point not well taken.

And the debate being ended, and the question being put, Motion 29 was resolved in the negative on the following recorded division:

YEAS - 18

Mr. Holder	Ms. Shephard	Mr. Wetmore
Mr. Jody Carr	Ms. Lynch	Mr. Crossman
Mr. Fitch	Mr. Stewart	Mr. Steeves
Ms. Dubé	Mr. Savoie	Mr. Jeff Carr
Mr. MacDonald	Ms. Wilson	Mr. Oliver
Mr. Higgs	Mr. Flemming	Mr. Urquhart

NAYS - 25

Hon. Mr. Boudreau	Hon. Ms. Rogers	Mr. Bourque
Hon. Mr. Melanson	Hon. Mr. Fraser	Mr. Harvey
Hon. Mr. Gallant	Hon. Ms. Landry	Mr. Guitard
Mr. Albert	Hon. Mr. Kenny	Mr. Roussel
Hon. Mr. Horsman	Hon. Mr. Rousselle	Mr. Ames
Hon. Mr. Arseneault	Mr. Bertrand LeBlanc	Ms. Harris
Hon. Mr. Doucet	Mr. Chiasson	Mr. LePage
Hon. Mr. Doherty	Ms. LeBlanc	
Hon. Mr. Landry	Mr. Bernard LeBlanc	

Pursuant to Notice of Motion 31, Mr. Holder moved, seconded by Mr. Jody Carr:

WHEREAS investing in an educated, well-trained and skilled work force is an important component of a diversified economic development strategy;

WHEREAS the New Brunswick Tuition Rebate was introduced in 2005 as the New Brunswick Tuition Tax Cash Back program, and was expanded by the former Liberal government during its mandate;

WHEREAS the New Brunswick Tuition Rebate program helps recruit, retain and repatriate an educated, well-trained and skilled work force;

WHEREAS the government announced it will eliminate the New Brunswick Tuition Rebate program;

WHEREAS the elimination of the New Brunswick Tuition Rebate program will make it more difficult for New Brunswickers trying to build careers to make New Brunswick a more prosperous province;

WHEREAS the elimination of the New Brunswick Tuition Rebate program is shortsighted and should be reversed;

BE IT THEREFORE RESOLVED that the Legislative Assembly urge the government to reinstate the New Brunswick Tuition Rebate program.

And the question being put, a debate ensued.

And after some time, Ms. Harris resumed the chair.

And after some further time, Mr. Speaker resumed the chair.

And after some time, Mr. Speaker interrupted proceedings and announced that the hour of daily adjournment had arrived.

And then, 6.10 p.m., the House adjourned.

The following documents, having been deposited with the Clerk of the House, were deemed laid upon the table of the House pursuant to Standing Rule 39:

Response to Petitions 37, 39, 41, 42, 44, 45, 47, 50

April 8, 2015