

February 10, 2015

[Original]

Job Creation

Mr. Fitch: Last Friday, we in the opposition were pleased to see the job numbers show a little sign of life since the Liberals took office. We on this side want New Brunswick to succeed. We want New Brunswickers to be successful.

It reminds me of the days when I was a stockbroker. Month to month, people would get their statements. If the statements were up a little bit, they would take the credit, but, if the statements were down a little bit, they would call to blame me. So, before the Liberals do fist pumps and high-fives, I want to remind them that the Premier did make a guarantee that he would create 5 000 jobs in the first year of his mandate.

We created a jobs tracker on the website, which people can follow, just to see where this guarantee is with respect to the year. According to the jobs tracker, which takes numbers from Statistics Canada, the Premier is 1 300 jobs behind. Since taking office in September, he is behind by 1 300 jobs.

Would the Premier explain if his plan is flexible enough to create, now, 6 300 before the end of the first year of his mandate? Would he tell us today how he is going to create those 6 300 jobs?

Mr. Speaker: Time, member.

[Translation]

Hon. Mr. Gallant: We are pleased to be here in the Legislative Assembly to answer questions from the opposition.

[Original]

I find the question from the opposition very much off-putting. I know exactly what he is talking about regarding the jobs tracker. It says here that we promised 5 000 jobs. We have discussed that before. That was to have 5 000 jobs created through the things that we will implement, and that will happen. We were not talking about a net gain. This jobs tracker says that, based on the prorated calculation, we should have 1 685 jobs created by our government so far, if we take the fact that it is a net gain, which it is not, but we will join them for a second on that argument. Then the jobs tracker says that we are off by 1 300.



It is a bit unfortunate that the member opposite does not actually know his own numbers. We have actually created 2 600 jobs since we entered office, so we have actually surpassed the prorated number. But we are not going to take credit. It is the people of New Brunswick who created these jobs.

Mr. Speaker: Time, Premier.

Mr. Fitch: When the Liberals left the opposition office, they left one thing. They left a yardstick, which they used to measure the government when we were there, creating jobs and moving the economy forward. We want to judge them by using the identical criteria with which they judged us when they were in opposition. You cannot compare apples and oranges.

The Premier was very, very clear when he stated his pledge for 5 000 jobs. Now, they are talking more and more about cutting \$600 million out of the economy. The Premier now wants to blame the private sector and to say to the private sector: We want you to create those jobs. The Premier is very clear that, now, he cannot create those jobs. He does not know how. He does not have a plan. That was not his priority. It was, but then we called him out on it. Now, he is just looking to cut another \$600 million out of the economy.

Why has the Premier changed his priority...

Mr. Speaker: Time.

[*Translation*]

Hon. Mr. Gallant: If the member wants to talk about the number of jobs we have created, I would be very, very proud to talk about it.

[*Original*]

In fact, I would very much appreciate it if the PC website would update the job numbers. It says that we have lost 1 300 jobs since we have been in office. We have created 3 400 jobs in the last month. That is 2 600 since we have been in power. Again, the Leader of the Opposition does not seem to be listening to what I am saying. We did not create the jobs. Entrepreneurs, businesses, start-ups... People who are trying to work very hard to grow the economy, to grow their businesses, and to start up businesses are the ones who are creating these jobs. We are very proud of what we are doing collectively, together with the people of New Brunswick, to grow our economy.

[*Translation*]

We are very proud of our results to date when it comes to job creation.



[Original]

At least, we have seen jobs created under our government. That is more than we can say for the previous government.

Mr. Fitch: We know that the Premier or some of his ministers are responsible for creating some of the jobs. They have hired a number of former Liberal MLAs, who got off the campaign bus and onto the EA bus.

I should remind the Premier that job numbers are a lagging indicator when it comes to economic conditions. The numbers that are out there now have not factored in the announcements of cuts at places like Target, Tim Hortons, Sun Gro, and Aliant. Those are some of the things where the Premier is shifting his priority away from job creation and into cuts and also into creating conditions.

We would like to talk about some of those conditions that his government has created and to have the Premier explain how those conditions are going to create jobs. For instance, the Premier increased the property tax on all businesses in the province in the fall. How is that condition conducive to increasing jobs here in the province?

[Translation]

Hon. Mr. Gallant: I agree with the member. In terms of job creation, there are some things that happened in the past that have not yet been factored into the data we are seeing.

[Original]

That is why we are very optimistic to see that 2 600 jobs have been created since we have been in office, 3 400 in the last month. That still does not include the job creation efforts like creating Opportunities New Brunswick, lowering the small business tax, creating the Youth Employment Fund, developing a 10-year plan for education, and supporting—responsibly—our natural resources and energy projects, like the Energy East Pipeline project, the LNG conversion terminal, and the Sisson mine. On top of that, it does not include our strategic investments in infrastructure that we are going to make, which will create jobs and grow our economy.

Mr. Fitch: Let's talk about some of the conditions. Let's talk about some of the conditions that have been created here by the members of this government in the very short time that they have been in power.

They have increased the income tax of the highest earners in the province, making it the highest, basically, across Canada. They have increased the property tax on all businesses right across the province. They have shut down the economic development generators, such as the Department of Economic Development and Invest NB, and they have recreated a new "Missed Opportunities NB", just out of political spite. They have reshuffled the deputies, so there are



now new ministers—inexperienced ministers—and new deputies. They have created roadblocks and uncertainty in the construction of the Moncton metro centre, which could have meant immediate jobs and immediate growth. They have banned the oil and gas industry in the province with a moratorium.

Pick one of those conditions, and tell us how it is going to create jobs in the province.

[*Translation*]

Hon. Mr. Gallant: I appreciate the member giving me his side of the story.

[*Original*]

I am an optimist at heart, so I will clearly say the things that he touched upon and why we are doing the things we are doing. We are creating Opportunities New Brunswick, which will be the most client-focused economic development agency we have ever seen in this province. The Jobs Board will be creating the conditions for economic growth. We have made me, myself, the Minister responsible for Innovation because it is so important to our province. We have the small business tax reduction, the Youth Employment Fund. We started the education plan for 10 years. We have the literacy strategy. We are supporting natural resources and energy, like the Energy East Pipeline project. We are investing in infrastructure. We have the smallest Cabinet since 1965, the centralization of back-office work in the civil service, a strategic program review, an innovation week, the pay reduction, the minimum wage increase, and investment in a new mental health... Finally, we are giving women an independent, well-funded voice.

Mr. Fitch: The Premier needs to have a reality check. A barrel of oil is struggling to stay at \$50. If you look at the capital budgets of a number of the companies throughout Canada that have reduced their capital spending by significant amounts, some of them by billions of dollars, and if you look at the cuts in dividends... For example, Canadian Oil Sands went from 35 to 20 to 5.

There is a perfect storm coming, and this province has to be prepared. The government has to have plans that are flexible enough to do that. Workers from out West are coming home. What are they going to do? Pave streets? These are people who are engineers, and they are people who have worked in the oil patch. They are experienced, and they could have done many things in New Brunswick if the government had not shut down the opportunity to explore for and develop shale gas in the province. How can a moratorium create jobs in New Brunswick?

[*Translation*]

Hon. Mr. Gallant: I am pleased to answer the question, even if I have answered it a couple of thousand times to date. However, I am pleased to answer it once again. We want to develop our natural resources and our energy projects responsibly. With regard to hydraulic fracturing,



we have been very clear on this. We will put in place a moratorium until we are able to determine the risks to the environment, our health, and our drinking water.

[Original]

I would like to focus on the things that we have been doing to create the conditions to help entrepreneurs, businesses, and start-ups—the people in New Brunswick who grow our economy and create jobs. We have been focusing on developing our natural resources and energy projects responsibly. We have been focused on investing in infrastructure responsibly and strategically. We have been creating ways to have a skilled workforce with the Youth Employment Fund and the 10-year education plan.

We know that there may be some people coming back from the West. Well, we are going to continue the momentum that we started with 3 400 jobs during the last month so that, when they come back, they will be able to work under this government. That is more than they could do with the last one.

Mr. Fitch: The Premier has a problem, and he has to face it. His top two priorities are in direct conflict with each other. For one, he is saying “jobs and the economy”. For the next, he is going to take \$600 million out of the economy. When we were in government, making those difficult decisions on how to contain the costs of the civil servants and of the government, through attrition, there were 2 300 jobs from which people retired or went elsewhere to find another opportunity. The Premier has to pick one. Either he is for jobs and the economy, or he is for severe, draconian cuts. They are two conflicting priorities. Will the Premier tell us today: Which one is his number one priority?

Hon. Mr. Gallant: I think that question sums up why we are in the state that we are in here in New Brunswick. As the former minister explained, the way that his government thought was that it had to be fixated on one thing. We all know what the members of that government were fixated on. It was fracking. They were not even fixated on trying to create jobs. They were fixated on one aspect called fracking. That was what they were focused on.

They do not realize that, if we are going to get our finances in order, grow our economy, and help families, we have to have a balanced approach. We have to look at both sides of the ledger. That includes increasing revenues, and we know that the best way to do that is through job creation and growing the economy. That is why we are happy that we created 3 400 jobs in the last month. We also have to look at our expenditures. We are very pleased and very blessed to have so many wonderful New Brunswickers who want to help us find ways to be more efficient in government, to be more efficient in the way that we deliver our programs. I really hope that we will be able to count the opposition among those New Brunswickers who are going to help us find those efficiencies.

Mr. Fitch: The help was there. The Premier did not want to take it. That is it, basically. When his own two top priorities are in conflict and yet he turns down the opportunity of fracking... It was



not the one thing we were looking at, it was part of a balanced, diversified approach to moving the economy forward.

The Premier has been harping on various things today, on cost-cutting measures and on how the government is doing a better job. I will leave him with this question. If he can be very, very clear and concise in his answer, it would be much appreciated by the opposition and by the public, I am sure. What is the cost of rebranding, reorganizing, and setting up Opportunities New Brunswick? What is the new compensation package going to cost the taxpayers of New Brunswick with the new CEO he just hired? Could he be very clear and concise on those particular figures?

Hon. Mr. Gallant: I will tell you the cost of not making the changes. It would be to continue the work of the previous government, the only government in 40 years that did not have a net gain of jobs in its mandate. That would be the consequence. That would be the cost. We know that job creation has to be the focus of our province, and that is going to be the focus of the government. We are going to have to get our finances in order because we need the fiscal capacity to invest strategically in what we need to do to create jobs and also the fiscal capacity to have strong social programs for many years to come.

I can tell you, to have someone like Stephen Lund accept the job of running Opportunities New Brunswick on our behalf, on behalf of all New Brunswickers—someone with his experience, someone with his know-how, someone with his Rolodex... I can tell you, on behalf of all New Brunswickers, that I am happy to have that Saint Johner come back to help us create jobs. I am very happy that I have not even met him yet and that he was hired because he was the best man for the job.

[*Translation*]

Northern New Brunswick

Ms. Dubé: The premier talks about job creation, but we know that, during the election campaign, the party in office announced to everyone that it would create 5 000 jobs. We also know that, since then, the Premier has changed his message. Yet job seekers are real, and they live in our regions.

All we are hearing in our regions, especially in the northern part of the province, is talk about school closures, hospital closures, and service cuts in hospitals. It is always about cuts and more cuts, and then there are closures. As a result, the number of jobs is decreasing. That is the message we are getting.

My question is for the Minister responsible for the Northern New Brunswick Economic Development and Innovation Fund and the Miramichi Regional Economic Development and Innovation Fund. When does the minister expect to take action on this issue to actually create



jobs? When will he act and announce new jobs, especially for people in the northern part of the province?

Hon. Mr. Gallant: The minister will certainly be pleased to answer the question shortly, but, as a preamble, I would like to respond to the member because she might be able to help us.

On the Conservative Party of New Brunswick website, there is a figure that, in my opinion, is not accurate. Opposition members are trying to say that, because of a promise that they say we made—which we say we did not make—we should already have created 1 685 jobs. On the Conservative website, it also says that we are behind by 1 300 jobs in reaching our goal. We have created 2 600 jobs since we took office in New Brunswick. So, I ask the member to correct her party's website and to rephrase her question accordingly.

Ms. Dubé: Changes could be made to our website if the Premier would stop changing his method of calculation. I think it is very, very, very clear that he has already told people he would create 5 000 jobs. Since the election, he has definitely changed his message. Now, the government is telling us about cuts, especially in the northern part of the province.

So, my question is for the minister responsible for northern development in our province. Where are the new jobs for the northern part of the province? Where are the announcements for the northern regions? The minister announced some funding for the Miramichi, and that is good. That being said, what is the government's plan for the northern part of the province? Where are the jobs? People are at our door, looking for jobs. What they hear is that there will be losses of jobs and services. Where is the minister responsible for northern development, and where are the jobs?

Hon. Mr. Gallant: The minister responsible for northern development is here to answer the question.

I will answer the member's preamble by repeating that the calculations up on the Conservative Party of New Brunswick website show that 1 300 jobs were lost from October 1, 2014, to January 31, 2015. However, Statistics Canada tells us that 2 600 jobs have been created since the election, which means since we took office. Furthermore, we created 3 400 jobs last month.

Again, I do not understand the opposition members' questions. Are they not proud? Have they not seen the results released by Statistics Canada? Have they not seen that we are on a roll? Should we not celebrate this?

To the specific question, I will answer that we have invested money in the northern part of the province—\$20 million and \$5 million for the northern regions and the Miramichi respectively. Unlike the previous government, we will invest these funds, not keep the money.

Ms. Dubé: Once again, we can certainly debate the mathematics, but one of the things of which I am sure is that the people who come knocking on our door are real—they are fathers and



mothers and single parents who are looking for jobs. The Premier and the minister responsible for northern development are proud, although the unemployment rate is 18% to 20% in the northern part of the province, and this also includes the northwestern part. If the Premier says he is proud, we take that very seriously on our side of the House. Promises were made; we have a long way to go.

I will ask the minister responsible for northern development the same questions. Where are the jobs? Where are his plan and announcements? We have seen that funding was announced for the Miramichi. Where are the new jobs? At what door can people go knocking? The only thing that people are hearing is talk about job losses and closures, which will hurt the economy. What are you going to do for the northern part of the province? Where are the announcements for the northern regions? You should know this, Mr. Premier, and the minister should, too.

[Original]

Mr. Speaker: Time, member.

Hon. Mr. Fraser: It is an honour to take this question from the member opposite, who is from Madawaska. We are very committed to creating jobs in the northern part of the province and, in fact, all across our province. We put in an investment of \$25 million per year over the next six years for the northern part of the province, for the Miramichi region of the province. We are going to be working very hard with all the business community and with all the stakeholders in those communities all across the north. Unlike the former government, whose minister was focused on just one area of the north, we are going to focus on the entire north and we are going to make sure that the entire North Shore will prosper because of the economic development fund that we put in place.

[Translation]

Crown Lands

Mr. Coon: My question is for the Minister of Natural Resources. On December 10, 2014, he promised New Brunswickers that he would give them answers within six weeks about the future of forestry contracts on Crown Lands.

[Original]

More than six weeks have gone by. Can the Minister of Natural Resources tell this House what he has decided to do about the unfair and unsustainable memorandum of agreement that the former government signed with J.D. Irving on February 7, 2014?



[Translation]

Hon. Mr. Landry: I will gladly answer this question. Yes, I did tell journalists that I would take six to eight weeks to answer the question they asked me about what the government was going to do. In the end, the six-week time frame was chosen.

I am not looking for excuses, but the previous government took four years to establish its forest management strategy. Given my inexperience in this field, I thought we could consult everyone within a limited time frame. I am almost happy that we were not able to do this in six weeks, because it is impressive to see how many groups are asking to meet with us, whether it is with me or the Office of the Premier. This is what we are currently doing and will continue to do.

One thing is certain: I will not choose a specific date for introducing our final strategy, because we will take the time to listen to the people of this province before finally saying what this government is going to do.

[Original]

Mr. Coon: The former government abandoned our treaty and constitutional obligations to First Nations and, with the stroke of a pen, on February 7, 2014, let all New Brunswickers down by effectively signing away the government's authority to manage Crown lands in the interests of the people of this province.

The Minister of Natural Resources now has the opportunity to turn this around and to stand up for New Brunswickers. Will the minister amend the *Crown Lands and Forests Act* to invoke the force majeure in the agreement of February 7 and withdraw from it?

[Translation]

Hon. Mr. Landry: As I said earlier, it took the previous government four years to make a decision and establish the Strategy for Crown Lands Forest Management. To answer the opposition member's question, we are going to take the necessary time to review this strategy. When we are ready, we will share the decision taken by our government with opposition members—and the Green Party member. It will not necessarily be the decision of the Department of Natural Resources, but, in fact, the decision of this government.

[Original]

Mr. Coon: The job of the New Brunswick government is to defend the interests of New Brunswickers and to uphold our obligations to First Nations. It is a question of trust. It is a fiduciary responsibility. That trust was betrayed on February 7, 2014. Will the Minister of Natural Resources stand up for New Brunswickers and institute an annulment of the memorandum of agreement signed with J.D. Irving and those that followed?



[Translation]

Hon. Mr. Landry: The question can be asked over and over, but I can tell you this: Although many cubic metres of timber have been granted under the forest management strategy, to date, I have not come across one company, anywhere in the province, that is not asking me for more timber. Is the strategy that was put into place the right one? I will tell you that, for now, we have not made a decision, since a lot of people are for it, while others are against.

When I spoke to various people in the Association des municipalités du Nouveau-Brunswick, I can tell you that people in Anglophone municipalities have offered me their unanimous support.

I can understand that some people are against this forest management strategy, since, even on our side of the House, we may not all be in favour. However, I can tell you this: Municipalities affected by forestry in New Brunswick are counting on us to make this strategy work, and they want to know how we will make it work, if that is the case.

[Original]

Job Creation

Mr. Holder: A January 21 newspaper article quotes the Minister of Post-Secondary Education, Training and Labour as saying that “the plan to create 5,000 jobs in the government’s first year is not in jeopardy”. It also quotes her as saying: “I have no doubt on that. We have projects on the table”. Given that we are now in the second month of double-digit unemployment—despite what the government members say, they are 1 300 jobs in the hole—could the minister stand up to tell us why she is so sure that her Premier’s plan for 5 000 jobs will be met? What projects are on the table?

Hon. Mr. Gallant: Again, it is the same point, and it has been raised by the opposition for a third time. Some 2 600 jobs have been created since we were sworn in as the government of New Brunswick. We have seen that we, as a province, have created 3 400 jobs in the past month. With the logic that the opposition is trying to bring forward, we have actually passed half of the total that was promised for the first year.

However, I want to make it very clear. When we talked about 5 000 jobs being created during the first year, they are going to be created because we are going to invest in our infrastructure, and that will create jobs. We are going to invest in the Youth Employment Fund, and that will create jobs. We are going to lower the small business tax and that will create jobs. We are going to continue the measures that we said would help businesses to grow and to be able to create jobs across the province, and that will create 5 000 jobs.



With that said, it is not a net gain. Now, I am very happy that we are on our way to having that type of net gain, but that was not what we promised. I still do not understand why the opposition keeps bringing this up.

Mr. Speaker: Time, Premier.

Université de Moncton

Mr. Holder: It was very clear before Christmas and it is very clear now that the Premier is not going to let the Minister of Post-Secondary Education, Training and Labour answer questions in this House. Now, I am going to ask the Premier directly. I have a question for him.

The students at the Université de Moncton sent him a letter regarding the Minister of Post-Secondary Education, Training and Labour. One of their concerns is that the minister rejects recommendations made by the student federation without proposing a middle ground or compromising. That sure sounds familiar to us. Will the Premier tell us what he is going to do about this situation, since the students now say they will no longer work with the minister?

[Translation]

Hon. Mrs. Landry: Thank you for the question. I did meet with the Université de Moncton students, through the FEECUM, and we had a very cordial conversation. The students submitted recommendations that are currently being analyzed and studied by my department. We will come back very soon with recommendations flowing from those of the FEECUM.

[Original]

Mr. Holder: I thank the minister for finally answering a question that we have asked her. As I mentioned, the rejection of the concerns seems to be a symptom of this government. As I look at the bigger problem, I see that this is a government that is clearly not listening.

The students made reference to something else. They said that it is not surprising that this government seems to have blurred vision when it comes to considering someone else's point of view. It is their contention that this minister certainly has a difference of opinion with them when it comes to their vision. The student federation states that the minister devalues the basic discipline represented by faculties such as arts and social science.

Here is the question: Does the Premier support his minister's view in this regard, or was it his view all along?

[Translation]

Hon. Mrs. Landry: As I mentioned, we have met with the students, through the federation that represents them, namely the Fédération des étudiants et étudiantes du Centre universitaire de



Moncton. It is strange, since this group declared itself to be the voice of Francophone New Brunswick students, but that is unfortunately not the case at all.

My goal is certainly not to devalue any program or discipline in relation to others. We value all disciplines and all programs to ensure that postsecondary education remains one of our priorities. We promised to make the next generation of workers the best trained and the best equipped to meet workplace needs. That is what I have been working on, and that is the point I made to Université de Moncton students.

[*Original*]

Mr. Speaker: The time for question period has expired. There is a request to revert to the order of Introduction of Guests.

