

April 1, 2015

[Original]

Budget

Mr. Fitch: Yesterday, we saw the first budget of this government. A considerable number of people were very disappointed, and many said that it was moving in the wrong direction. I know that it was crafted with the assistance of the Cabinet, and the Cabinet has been described by the Auditor General as having “troubling disregard for taxpayers’ money”. I might add to that by saying that this group has a troubling disregard for the taxpayers in general.

When the government came up with some of these ideas, I would like to know where they came from. I would like to ask the Premier this: Who came up with the idea to reach into the pockets of the seniors of New Brunswick and take their hard-earned money? Was it a midnight staffer, or was it one of the Atcon Six? Where did the idea come from?

[Translation]

Hon. Mr. Gallant: In fact, the budget we tabled yesterday will help us get our fiscal house in order, since we made such a commitment to New Brunswickers.

Our priority is to create jobs and generate the revenue required to ensure our finances are in order and invest in education and in our health care system.

However, there is no doubt that we must make tough decisions, and that is actually what our team did yesterday. We are going to keep looking for the best options to save money and reduce government spending. We will have to make other tough decisions in our second budget, based on the direction that will be indicated by the Strategic Program Review.

When it comes to ideas, the Minister of Finance and the Minister responsible for Strategic Program Review have done consultations throughout the province. People told them that they want the government to consider revenue measures and spending measures equally, and it is very clear that that is what we have given them.

[Original]

Mr. Fitch: Again, the Premier did not answer the question. It looked as though he was blaming the Minister of Finance and the Minister of Health for coming up with these ideas. It is disturbing that those individuals are coming up with things that are hitting seniors.

You talk about being fair, but the seniors, again, are going to be faced with increases in drug coverage and ambulance fees. Gas prices are going up, so anyone who is still able to drive a car is going to be paying more. Also, the government took the cap off the nursing home fees. Along



with that, besides attacking the liquid assets of the seniors, this is a considerable—considerable—attack on the seniors, the most vulnerable people in New Brunswick.

Since he is going after the seniors, I would ask the Premier one question. How much will it bring into the coffers of the province of New Brunswick to go after the liquid assets of seniors who are in the nursing homes?

Hon. Mr. Gallant: We will gladly go through all of that during estimates in the days and weeks to come to show which of our measures will help us to reduce costs and which will help us to increase revenues. We have absolutely no problem with doing that, and we will certainly do that on behalf of the people of New Brunswick. The opposition members will certainly get their questions in then.

It is important to remind the opposition that the principle that guided this budget was fairness. It was ensuring that we all do what we can and all chip in. It is a budget that we are doing together. When it comes to seniors, we are going to be asking those who are a bit better off, those who can afford it, to help chip in a little bit more, as we are doing with all groups. We are asking all New Brunswickers to participate, and we recognize that.

(Interjection.)

Mr. Speaker: Order.

Hon. Mr. Gallant: We are very fortunate that we live in a province where people want to chip in and want to help. We heard that when we went around the province during our consultations. We are going to be asking New Brunswickers to help us to get our finances in order. Meanwhile, we will help them create jobs. Thank you.

Mr. Fitch: I am just amazed that the Premier would get up and talk about seniors who are a little well off. Whom would he consider to be a senior who is a little well off? A senior with \$10 000 in the bank or \$20 000 in the bank—\$40 000, \$50 000, \$60 000, or \$100 000? When does one become a wealthy senior? We have seen the cost of being in a nursing home. The Premier says the wealthy seniors. On page 12 of yesterday's speech by the Minister of Finance, there is talk about wealthy seniors.

People are struggling. You can look at situations where spouses are separated, with one in a nursing home and one in an apartment or their own home. The money runs out very, very quickly. Now, the Premier is reaching quicker and quicker, right away, into the bank accounts of seniors, and the government is going to reassess every senior across the province this year.

I would ask this of the Minister of Finance: How much money is attacking the liquid assets of the seniors of New Brunswick going to bring into his coffers?



[*Translation*]

Hon. Mr. Gallant: As I indicated, we will be very glad, when we look at the budget measures in detail, to tell the opposition and New Brunswickers the exact amount of additional revenue these measures will bring into government coffers. When we look at spending reductions, we will also be pleased to tell them the amount of money that will be saved. We have no problem with that, and we will be very glad to do so in the days and weeks ahead.

[*Original*]

The Leader of the Opposition has said this a few times, and he is right that it is the wealthier seniors or those who are better off. Those who are struggling will not be touched. They will not be asked to give more. In fact, if the member opposite would understand the principle of being a progressive society, he would understand that you ask those who are wealthier, those who are better off, to pay a bit more so that we can have the programs to help those who are struggling. That is exactly what our budget will do, and that is exactly what our government will do.

Mr. Fitch: It is appalling. It is appalling that the Liberal members on the other side of the House are applauding the fact that the Premier is going after seniors' assets. That is just appalling.

Do you want to talk about progressive? Do you want to talk about progressive when it comes to seniors' rights and seniors' finances? Progressive started back with Frank McKenna, continued with Bernard Lord, continued with Shawn Graham, and continued under the government of David Alward. The only thing these members are doing with respect to progressiveness and seniors' assets is moving in the wrong direction. If anything, this is the most regressive thing I have ever heard of in New Brunswick, and it is on their watch. They are moving the province in the wrong direction. They are backing up on advances that had been made with respect to senior care.

Once again, the Premier is failing to answer the question. I will ask the Minister of Finance. It is his budget. How much is this going to bring into your coffers?

Hon. Mr. Gallant: I would be very glad to go again through all the measures and how much we will be able to raise for the government of New Brunswick's coffers and what it will be able to do to reduce expenses. We will be very happy to do that. If the member opposite will recognize that, we can certainly do that over the next few days and weeks.

On top of that, I think we have to reiterate that the guiding principles of our budget were to get ideas from New Brunswickers and to all be in this together. We have done just that. We are asking many groups to play a role—all New Brunswickers, frankly, whether it is seniors, whether it is young people, whether it is working people, whether it is people who are a bit more well off, whether it is Liberal ridings, or whether it is Conservative ridings. We are all in this together, and we face significant challenges. We made decisions that were very tough, but we made them the right way. We made them in a fair way, and that is the way our government will continue to operate over the next few years.



Mr. Speaker: Time, Premier.

Mr. Fitch: I do not think there were too many seniors who went to the blame-the-people tour and said: Take my assets, my hard-earned assets that I have accumulated over my life. The government saw that as an easy grab for money. Again, we look at some of the things the government is spending money on, yet the government does not know how much this is bringing into its coffers. This budget was just out yesterday. They say they were working on it last week, making the decisions. I would think that the memory would be quite clear as to how much money this would bring in.

I will make the question a little easier for the Minister of Finance or the Premier. What about ambulance fees? Can the Premier or the Minister of Finance tell us how much the ambulance fees will bring into the coffers of the province?

Hon. Mr. Gallant: While I do not agree with the preamble, it is certainly an okay question. It is a fine question, and we will be happy to get that information over the next few days and weeks. Certainly, on all the measures—if this is the line of questioning from the Leader of the Opposition, to go through exactly what amount we will get from each measure or what amount we will save through each measure... Certainly, these are pertinent questions. We will have no problem answering them in the coming days and weeks.

I want to reiterate where we are as a province and what we are trying to accomplish. We have a stagnant economy. We have found ourselves with an important deficit, an important debt. We find ourselves with many people having to leave the province. We find many people finding life a lot less affordable than it was before.

We have to make tough decisions within those parameters. We will be focused on making sure that every dollar goes as far as possible within government. We have asked those who are better off to pay a little bit more. We have asked everybody to chip in. We are focused on creating opportunities for New Brunswickers to work here at home.

Mr. Speaker: Time, Premier.

Mr. Fitch: Again, the Premier's own words are tripping him up when he talks about asking seniors to pay a little bit more. I asked him to define a wealthy senior. Is it someone with \$10 000, \$20 000, \$40 000, \$80 000, or \$100 000 in the bank? What denotes a wealthy senior? He cannot define that.

This budget is just ridiculous. The Premier talks about a stagnant economy, yet this is the government that came up with a moratorium that drove investment outside the province, that reduced the economy and put jobs out into other parts of the... Corridor Resources came out with a statement yesterday that it would not be investing in New Brunswick. Why? Because of decisions that this government made.



They talk about people leaving the province. One of the first reactions I received on the budget yesterday was from my own daughter, who is looking to get the tuition rebate because she expects to be paying taxes next year after she finishes her education. That puts students at a point of saying: Why should I come back to New Brunswick? They are not giving me that. Why is the Premier...

Mr. Speaker: Time, member.

[*Translation*]

Hon. Mr. Gallant: I am not sure the opposition member asked me a question, but I understand his points. It is a bit unfortunate; I think the previous government realized that New Brunswick was facing quite serious challenges. Our government is prepared to meet these challenges, and we want to work with New Brunswickers to accomplish that. That is why we toured the province; we wanted to hear suggestions and ideas from the public.

The opposition member is saying that seniors did not ask us to take their liquid assets, and I understand that. However, New Brunswickers told us that everyone should contribute. People told us that the steps taken should affect everyone, so people should contribute a little bit more or receive a little bit less. That is precisely what we will be doing with our budget.

[*Original*]

We tried to have a fair budget where everybody participates. This progressive principle is reiterated throughout this budget. Those who are well off, a bit more well off, will pay a little bit more. Those who are struggling will continue to get support and will continue to get more support from this government.

Mr. Fitch: Again, that is not outlined. That is not said anywhere in the budget. We are going to be asking some very, very difficult questions as time goes on. We will even talk about the daily rate, where the government talks about \$113. The average is over \$200, yet the budget never said where that was going to be. Seniors are asking us: Is it going to be at the average maximum? Where is it going to be? The Premier's words are hollow when he says that people are going to contribute a little bit more. They are going to contribute substantially more, based on the lack of evidence that we have seen here today.

I have a very specific question. There was a gentleman in my office on Monday who had sold his house and had put the proceeds from that sale in the bank. His spouse is in a nursing home. He is trying to make ends meet in an apartment building and is having a tough time. When a senior sells a home and puts the money into a bank account—liquid assets—is the Premier going to come and take that money?

Hon. Mr. Gallant: As I said Friday, I hate doing this. I really do. I think that it brings us down to the level of two kids, talking to their parents, saying: He hit me first.



Mr. Speaker: Order.

Hon. Mr. Gallant: I have to do it, because I have to clarify some things.

The Leader of the Opposition stands up today and tries to be sanctimonious when it comes to the decisions that we have made. We have a principle of progressiveness that is reiterated through our budget and reiterated in the decisions that we make as a government. Everybody is going to have to chip in. They are tough decisions. It is not nice or fun to ask somebody to pay a bit more or to receive a bit less, but we are going to do it in a fair way. That is something that the Leader of the Opposition does not understand.

When the member was a minister under the Lord government, their government took all the seniors' assets, including the family home. There was no progressive nature with that direction.

(Interjections.)

Mr. Speaker: Order.

Hon. Mr. Gallant: We have a progressive policy. We can tell people right now: The family home will not be included. That is more than we can say for when the Leader of the Opposition was minister.

Mr. Higgs: Here is what is disappointing in all of this: After we make all these tough decisions, after we spread the pain all over the province, what is the end result? Our deficit is still going up by \$200 million. What is the cause of that? How could that possibly be, when all the trends and all the actual reporting showed us moving in the right direction? The last report showed \$255 million. How could that be? It is exactly because of an election spending policy that is taking our province in the wrong direction. Now, we have to ask every taxpayer to pay for it.

We learned our lesson in 2010. Obviously, that lesson did not carry over to 2014. We are now asking everyone in this province to do a little bit more—to someone who can afford it, a little bit more. We just want you to squeeze a little harder because we want to spend more. Thank you very much for that. You elected us to spend more, and we are going to do it.

I would like to know from the Finance Minister: Does he agree that this fiscal crisis has been perpetuated and continues because of the lavish spending promises during the election?

Hon. Mr. Gallant: The failed Finance Minister does not understand the concept of a contingency reserve. I can understand why. When he was the Finance Minister, he missed every single one of his targets for deficit reduction. Why? Because he would go right to the dollar. He would hope, close his eyes, and cross his fingers. He would hope that every one of his predictions would come true. None of the predictions ever did come true, including the revenue that we would receive and including the economic growth he was hoping that his counterpart in Economic



Development, the now Leader of the Opposition, would create. He missed every single one of his targets. Our approach? There is a \$150-million contingency reserve.

(Interjections.)

Mr. Speaker: Order.

Hon. Mr. Gallant: This is an accountability exercise. If there is a hit to our revenue or if there is an issue that happens with our expenses, we are going to ensure that, accounting-wise, we can still hit our targets.

I understand that the member opposite does not understand the concept of a contingency reserve because, as the failed Finance Minister, he did not hit one of his deficit reduction targets. Well, watch our government because we will.

Mr. Higgs: It is really interesting how the rhetoric has cranked up on me personally over the past week.

It is easy to set a target that is so broad that you could not miss it with any sort of access or any sort of requirement. You could not miss it because it is just too broad. That is not a target. That is just a broad range of where we think we might go. We can throw \$150 million out there and say: Yes, we will come somewhere within \$150 million. Our deficit might be here, or it might be here. Yes, we are going to hold the province's expenses flat—that is good—but, in case we do not get there, we are going to add another \$10 million because we have this \$150-million slush fund.

That is all it is—a slush fund. That is not budgeting. We put together a multiyear plan. We do not see any of that. That is gone. Do you know why? It is because it is one year at a time, it is one day at a time, and it is one news release at a time.

I am so concerned about the direction in which we are going. We have repealed every Act of accountability. We just destroyed any evidence of actual monitoring performance. I would like to know whether we have any intention of putting legislation in place...

Mr. Speaker: Time, member.

Hon. Mr. Gallant: Again, I understand why the member opposite does not understand what a contingency reserve is. He did not hit one of his targets.

I understand why that group does not understand. Under the Lord government, those members actually had this, but then they used it as a slush fund. The Auditor General said that they did not understand what a contingency reserve was. It was an accounting exercise, and it was just to be able to have a budget in case something happened. If nothing happened, then all the money should go to the deficit and to the debt. That is exactly what will happen with our government.



We are going to work very hard to meet our deficit reduction strategy. If we do, you can be guaranteed that the contingency reserve will not be used.

For the member opposite to get up and question the work that we are doing, when we are projecting a \$125-million increase in government spending... Under his last two budgets, the failed Finance Minister increased the amount by \$155 million and \$290 million. Again, we have no lessons to learn from him.

Mr. Higgs: Unfortunately, there are a lot of lessons to be learned. Creating a slush fund of \$150 million, at a time when you have a deficit, is just an excuse for a cover-up. All that amounts to is saying: I do not know what the number is going to be. I will put this in there so I can move the numbers around as I need to.

I think that, if we look back at our record of expense control, we will see that we have documented information on expense control, documented information that it went down from 5.9% to just around 1% or less, on average, for our term. That was unprecedented in the history of our province. We have a track record that we are very proud of.

My concern is that what we have seen is that caution is being thrown to the wind. More effort is being placed on communication and less effort is being placed on fact: We will spin and we will spin and we will spend. That is the goal of this government.

I would like to understand just how we intend to get control of our deficit situation and have the raters look at us and say that we are doing a great job, when our deficit is going in the wrong direction. That was not...

Mr. Speaker: Time, member.

Hon. Mr. Gallant: Again, the failed Finance Minister keeps talking about his prudent way to the budget. He increased expenses much more than we did. We have increased the amount by \$125 million. It is a very small percentage—1.5%. When the failed Finance Minister was in government, he increased it by \$155 million and then by \$290 million. I do not understand why the failed Finance Minister thinks he has lessons to teach us. Not only did he increase the expenses of the government, but also, on top of that, he missed every single one of his deficit reduction targets.

That will not be the case for us. It is unfortunate to have somebody who you think would understand what a contingency reserve is try to repeat and repeat that it is something that it is not. It is something that is an accounting exercise. It is to ensure that, if there is fluctuation in our revenues, we can account for it. You can be certain that, if we do not need it, it will go to pay off the deficit and the debt. That is what our government is focused on, that and job creation, more than the past government was.

Mr. Speaker: Time, Premier.



Herbicides

Mr. Coon: My question is for the Minister of Environment. Glyphosate, a herbicide that is sprayed over 13 000 ha of Crown land annually, at a public cost of \$2.4 million per year, was recently classified as a probable cancer-causing chemical by the International Agency for Research on Cancer. One of the studies it considered found chromosomal damage in community residents after aerial spraying.

For years, New Brunswickers have been petitioning this House to end the spraying of this herbicide over our forests. Will the minister use his authority under the *Pesticides Control Act* to deny any further permits for the aerial spraying of glyphosate in New Brunswick, and to save taxpayers \$2.4 million per year?

Hon. Mr. Kenny: It is up to our department to take a look at the regulations that are in place right now to see what the protocol is. I will take that question from the member under advisement and get back to the Legislature at a later date. Thank you.

Mr. Coon: I look forward to that response.

The International Agency for Research on Cancer published its findings in the *Lancet*, which I have reviewed. The agency found a link between occupational exposure to glyphosate and an increased risk of non-Hodgkin's lymphoma. Glyphosate causes cancer by damaging chromosomes, which can result in mutations that lead to cancer. This is the herbicide that is in Roundup, which can be bought right off the shelf and applied to lawns by homeowners. It can be absorbed into the body and has been detected in the blood and urine of workers handling it.

Will the minister ban the sale of products containing glyphosate, as his predecessor did for 2,4-D, another herbicide that was demonstrated to pose serious health risks?

Hon. Mr. Kenny: It is my department's utmost mandate to protect the environment and our citizens. With that said, I will get back to the member with some information, and I will take this question under advisement. Thank you.

Mr. Coon: We have a situation here. We have another case of the regulations to protect the public health lagging behind the science detailing the health risks posed by chemicals in our environment. Whether it was lead in paint and gasoline, DDT spraying, radon gas in homes, dioxin contamination, or tobacco smoke, one time after another, time and time again, the regulations have lagged behind the science.

Under subsection 8(1) of the *Pesticides Control Act*, the minister may prohibit the sale, supplying, or use of a pesticide. Will the minister prohibit the sale and use of products containing the probable carcinogen glyphosate?



Hon. Mr. Kenny: These are serious questions that we are taking on the floor of the Legislature. With regard to air particulates and making sure that we have good air quality control in New Brunswick, I am very proud of the record the Department of Environment has right now with regard to air quality. However, there is work that can be done to move the province forward. At the same time, we are speaking with our counterparts, the Ministers of Environment throughout Canada, to get ideas of how we can move things forward.

Again, I will take that question under advisement. It is a very important question, and we will take it seriously. Thank you.

Budget

Mr. Holder: My question is for the Minister of Finance today. It is not only seniors who are upset with this budget. It is also recent graduates of postsecondary institutions. The New Brunswick Tuition Rebate has also been cancelled, as we found out yesterday. The government is going after two groups of people in this province right now—the people who have the opportunity to start saving for their futures, and the people who have spent their whole lives saving for their futures.

I want to ask the Minister of Finance: How much money does he plan on saving by initiating the cancellation of this program?

Hon. Mr. Melanson: To correct the member opposite, we are guiding ourselves in making these types of decisions based on two major principles: fairness...

(Interjections.)

Mr. Speaker: Order.

Hon. Mr. Melanson: We are asking everybody to participate in the solutions that we need in order to address our fiscal situation. We are also asking individuals who can afford it the most to contribute. We are also protecting the most vulnerable. That is a principle that we, as a government, have, and we are going to stand by it.

We have also made some very significant decisions to help students and to make postsecondary education more affordable.

(Interjections.)

Mr. Speaker: Order.

Hon. Mr. Melanson: We are eliminating the parental contribution that your previous government brought in. We are freezing tuition to make it more affordable for students to be able to go to postsecondary...



(Interjections.)

Mr. Speaker: The member for Carleton will come to order. The member for Carleton will come to order.

Hon. Mr. Melanson: We are going to freeze the transfer to universities, for them to be more efficient and to be more accountable.

(Interjection.)

Mr. Speaker: The member for Carleton will come to order.

Hon. Mr. Melanson: We are making some very significant initiatives to help students have access to postsecondary education in a more affordable and accessible way.

Mr. Holder: He says that he wants to work collaboratively with New Brunswickers. There is an 11 000-citizen petition that just started yesterday. Some 11 000 New Brunswickers are against this.

I want to know who came up with this idea. Was it the Premier? Was it the Atcon Six? Who came up with this ridiculous idea? The people of New Brunswick have to wonder whose resignation they are asking for next.

[*Translation*]

Hon. Mr. Melanson: I am not convinced that was a question; I think it was more of a message to try to scare the people of this province about our budget and the initiatives announced yesterday.

It is good to stick to the facts: We tabled a budget yesterday that deals with the whole issue of access to postsecondary education. We have often had discussions—and we are still—with representatives from all New Brunswick student associations, who have told us that it is very difficult to access postsecondary education because of the very high cost. They want the government to resolve this situation.

We have taken very concrete initiatives to make postsecondary education more affordable and accessible, and we are also asking public universities to be accountable and find efficiencies, as we are doing as a government. All New Brunswickers must also do their part to make postsecondary education much more...

[*Original*]

Mr. Speaker: Time, minister.



Mr. Holder: Just yesterday, we found out that Corridor Resources is opening an office in Calgary and that it is not going to invest in New Brunswick. That industry is dead. Now, to add insult to injury, the government is basically saying to young professionals: Do not bother staying here.

Will the Premier stand up today, apologize for this ridiculous decision, and reverse it immediately?

Hon. Mr. Melanson: I think the member opposite should use language that is more appropriate. We have some very serious matters that we need to deal with in this province. For the opposition member to use language that I will not even repeat does not address the issues. It does not contribute to the solutions that we all need to contribute to, which are to grow our economy and to make the right decisions on a fiscal policy that can create the right conditions for economic growth and job creation. That is what we, as a province, have to do.

We also need to get our fiscal house in order. We are basing these decisions on two principles: Everybody participates in the solutions, and we are asking the people who can afford it the most to contribute a little bit more. On top of that, we will protect the people who are the most vulnerable in our province. We have principles. You did not when you were in government.

Mr. Speaker: Final question.

Mr. Steeves: I, as well, would question the Minister of Finance. He is going after the young students. He is going after seniors. He is attacking New Brunswickers right across the board and chasing them out. The last one out should turn off the lights. I guess that should be the new slogan of the Liberal Party.

Once again, we are talking about the budget. On page 12, it talks about “the maximum daily amount a senior pays for nursing home care. The average true cost”, it says, “is approximately \$233 per day, well above the current cap of \$113 per day.” The government is removing this cap, but it does not tell us what the cap is going to be. Is it going to be 100%? Is it going from \$113 up to \$226? That will not even cover it. Is the government taking all the \$233?

We would like to know this: How deep is it going to dig? How much will the seniors have to give to this government so that the big red machine can pave more roads and give its friends more jobs? How much are the seniors going to have to pay?

Hon. Mr. Melanson: I understand that the member opposite is newly elected and that sometimes he drinks the Kool-Aid from his colleagues and they are not always addressing the facts.

If there is one time in the history of our province that we need to work together to identify solutions, it is now—from all walks of life. It is now because the previous government could not do it and it did not get the results that were expected by New Brunswickers. We, as a government, are going to be responsible. We are going to base our decisions on two major principles.



(Interjections.)

Hon. Mr. Melanson: Please allow me to finish.

We will ask New Brunswickers who can afford it the most, who have more capacity to pay, to pay a little bit more. We are definitely going to protect the people who do not have the same capacity to pay. That is a principle that I think New Brunswickers understand clearly. We will be fair. We will ask everybody to contribute based on those two principles. I hope you understand that.

Mr. Speaker: The time for question period has expired.

