

December 17, 2015

[Original]

Mactaquac Dam

Mr. Fitch: A number of people were shocked yesterday, when the big revelation occurred. Former Premier Shawn Graham was again caught trying to sell the assets of NB Power despite the very convincing message from New Brunswickers in 2010 that they were really not that excited about the idea. Since then, the Minister of Energy and Mines has admitted that it is not only the former Liberal Premier who is trying to sell the assets of NB Power, but that there are also four or five other suitors looking at the Mactaquac Dam to maybe get a piece of the action.

Could the minister tell us today who gave those four or five bidders the idea that Mactaquac was for sale? Has the minister gone and gotten his real estate license? Is he working for Re/Max real estate to try to sell the dam? Could he inform the House of what is going on?

Hon. Mr. Arseneault: It is quite unfortunate to hear the type of comments that we are hearing from the Leader of the Opposition. In my opinion, he is not much of a leader when he makes those kinds of comments.

There are no assets for sale. There is no bid process happening right now. If anything, people around the world are noticing that, potentially, there will be major projects happening in New Brunswick. Mactaquac is one of those. There is a major decision that needs to be made by 2016–17 that will cost billions of dollars.

The fact is that former Premier Shawn Graham works with various Asian or Chinese firms and he wants to bring them to New Brunswick to look at various projects. Actually, in that two- or three-day tour, they toured about 10 projects—private projects as well—around the province. The fact that he wants to bring investment to New Brunswick is positive. When was the last time we saw former Premier Bernard Lord or even former Premier David Alward trying to bring investment to New Brunswick?

Mr. Fitch: It is pretty interesting that the member across the floor did not admit that he is in real estate, trying to sell the Mactaquac Dam, but I know one thing, that he is going to need Exit Realty in about three years.

If he keeps trying to float the idea that nothing is going on with the Mactaquac Dam, we will remember that he was around the Cabinet table with the former Premier and the former Minister of Energy during Project Penelope. I think that is what it was called. Back in 2010, they did not get the message that people do not want the assets of NB Power sold out. If there has not been a process, yet people are touring the dam and looking at it and looking at funding options, can the minister inform the House when this process started? When did we find out



that there are sellers, buyers, financiers, and other assorted players looking at the refurbishment? Can the Premier or the Minister of Energy and Mines explain...

Mr. Speaker: Time.

Hon. Mr. Arseneault: If he wants to talk about an exit strategy, I think that the members opposite got their exit strategy about a year ago.

I have said many times that I commend NB Power for the independent, open, and transparent process that it is holding with regard to Mactaquac. This is a very difficult decision that has to be made. It is one of the biggest decisions in the history of NB Power.

When I look at previous governments under a Tory leadership—the Leader of the Opposition was actually Minister of Energy at that time—they made decisions on Coleson Cove without a signed contract. They converted Coleson Cove for \$750 million. You wonder why your rates are going up. It is because of decisions that they made on Coleson Cove without a signed contract.

Point Lepreau was another very important decision. It was \$1 billion in cost overruns because they did not have the proper safeguards in place. That total project was \$2.4 billion. Do you know what? It is the ratepayers who are paying for that. You wonder why your rates are going up. It is because, when they are in power, the Tories keep making these quick decisions.

Mr. Speaker: Time.

Mr. Fitch: Once again, we see the Minister of Energy trying to rewrite history. We know for a fact that we were found in the right in a court of law when it came to Coleson Cove and amends had to be made for that by the company involved as well.

We also know that, because of the refurbishment of Point Lepreau, greenhouse gases keep being reduced in the province. That has been a positive, positive refurbishment that brought investment and workers to the province. We also know that the people want NB Power assets to stay in the hands of New Brunswickers.

Can the minister, if he has been proactive on this file, tell us today whether companies other than the Chinese delegation and SNC-Lavalin, which is headquartered in Montreal, Quebec... Can he tell us about any New Brunswick companies that he has been proactively chasing to get involved in the financing of the Mactaquac Dam?

Hon. Mr. Arseneault: Again, to clarify the mind of the Leader of the Opposition... Mind you, I will need a lot of... I will not say it.

This is a very open and transparent process by NB Power. The Leader of the Opposition and his caucus actually have a motion that they brought forward. They have already made a decision to refurbish Mactaquac without actually going through the whole consultation process—the



whole process. We need to do due diligence. Due diligence is important. If they had done their due diligence, we would not have had to pay \$750 million for Coleson Cove. If they had done their due diligence, we would not have had that extra \$1 billion in cost overruns for Point Lepreau. We believe in the refurbishment of Point Lepreau, but we needed to do the proper due diligence. They did not do that.

On the Mactaquac project, if they would... When the member from the Fredericton area brought forward that motion, they had already made the decision without doing that due diligence. It just speaks volumes about that opposition.

Atcon

Mr. Fitch: It is pretty rich that the Energy Minister stands up and talks about due diligence. He is one of the Atcon Six who lost this province \$70 million because he did not do his due diligence.

Speaking of the Atcon file, we have a minister with conflicting information about the Premier. I would like to give the Premier an opportunity to clarify his government's position on the confusing messages that have been sent. I would also like him to clarify the number of different positions that he and the minister have taken on the Atcon file with respect to supporting the Auditor General's desire to do a full forensic audit to determine where the \$70 million of taxpayers' money went. The Minister of Energy did not do his due diligence. Can the Premier explain what the government's position is today on providing additional resources so that the Auditor General can conduct this audit?

[Translation]

Hon. Mr. Melanson: We have been very consistent in our statements. There is a process that is independent from government by which legislative officers, including the Office of the Auditor General, can apply to the Legislative Administration Committee for supplemental funding, if required.

We mentioned that the Office of the Auditor General already has a \$2-million budget. If the Auditor General wants to keep working on this file, there is a process that will enable the Legislative Administration Committee to clearly understand the scope of work and the amount of funding requested.

[Original]

Mr. Fitch: Once again, case in point: The fact is that the minister gets up here today and says that there is an independent Legislative Administration Committee. Yesterday, he stood up in this House and directed the Legislative Administration Committee not to give the Auditor General any more funds. It was clear. You can read the Hansard transcript.

(Interjection.)



Mr. Speaker: Order.

Mr. Fitch: I invite the minister to do that.

Again, we are asking the members opposite why they are such fair-weather friends on this file. They say one thing and do another. Maybe the minister opposite knows some accounting firm that would do a yearlong review or an in-depth forensic audit of something as important as this. Does he know any accounting firm that would do this for nothing? Can he give us that name so that we can direct it to LAC and it can consider doing this audit with no additional funds?

Hon. Mr. Melanson: I know what I said, but I also know what I did not say. There is a process. There is an independent process through the Legislative Administration Committee, which makes decisions on the budgets of legislative officers. The Auditor General currently has a budget of about \$2 million, which is the second highest of all legislative officers in the province.

There is a process. We have been very consistent. We will follow that process, independent of government. We will understand what is the scope of the additional work that needs to be done or that the Auditor General wants to do and, following that, what is the incremental budgetary envelope that is requested? LAC will make a decision at that time. That is our position, and we have been very consistent.

Again, the Leader of the Opposition should understand what we said in the Legislature, but also what we did not say, which is something he is also trying to infuse.

Mr. Fitch: Once again, the cameras are on. Hansard is recording everything the Minister of Finance says. It was really clear yesterday that he was giving LAC the direction that there would be no more funds, regardless of the scope of the forensic audit.

I commend the Auditor General for taking on the big dogs of Atcon. That is a file that is not politically motivated, unlike what the member for Caraquet inferred in the committee meeting on Tuesday. He quickly changed his question when that was pointed out. Again, it is the people of New Brunswick who are pushing for the answers. They are pushing for answers as to how the members who are presently in government made the decision to give away \$70 million of taxpayers' money.

I guess a question really begs to be asked. If the people in the province are asking to know where this \$70 million went and if the Minister of Finance does not want to give any more money to LAC to make sure that those questions are answered, what is the minister's plan for doing the will of the people of the province and find...

Mr. Speaker: Time.



Hon. Mr. Melanson: When the Leader of the Opposition says that this is not politically motivated, nobody believes it. This is a file that happened seven years ago, and there have been two significant reports on this file, one from the Conflict of Interest Commissioner and one from the Auditor General.

Mr. Speaker: Order.

Hon. Mr. Melanson: This government acted upon the recommendations from the Auditor General. We have done that. We have followed through on the recommendations from the report of the Auditor General. We have been very open and very transparent on this file. We are not trying to stop the work of the Auditor General. We have actually implemented her recommendations of the first report. I think we need to be fully aware of this: We were cooperative in opposition when we were there, and we are now being cooperative in government, so I do not understand the questions from the opposition.

Government Funding

Mr. K. MacDonald: I am sorry that my Co-op Atlantic questions the day before yesterday had the Minister responsible for Opportunities New Brunswick caught like a lobster in a \$200 000 trap. Now that the minister has had 48 hours to look into the finances of Co-op Atlantic and get briefed on the dollar figures, let's try it again. Here is a simple one: How much money does Co-op Atlantic owe the taxpayers of New Brunswick?

Hon. Mr. Doucet: I thank the member opposite for the question, but I cannot help but segue if he is going to talk about lobster. A great lobster season is going on right across Atlantic Canada. As a matter of fact, the catches in the Bay of Fundy have been completely outstanding.

It is a billion-dollar industry, and, for a change, it is really nice to see that the provinces have come together—Nova Scotia, Prince Edward Island, and New Brunswick—to talk about lobster, the long-term stability of the lobster industry, and how we can do some generic marketing. We have been working together on developing new markets and new products to suit the needs of the marketplace.

It is nothing but a pleasure to stand up to talk about the traditional fishery. We do not really get a chance to talk about it very much, but it is a billion-dollar industry. It is a tremendous amount of GDP that is coming into the province. If the member opposite would like to talk about lobster, I would be more than happy to talk about lobster. All I can say is that I hope New Brunswickers...

Mr. Speaker: Time, minister.

Mr. K. MacDonald: I am glad to hear that. I guess that means that the minister will be getting another shot in the arm from the Atlantic Lobster Sustainability Foundation this year.



We have a right-to-information request submitted, but I thought that perhaps, in the spirit of Christmas, the minister might like to save his departmental staff a little work. I would like to ask the minister again to tell us how much money has been loaned to Co-op Atlantic since September 23, 2014.

Hon. Mr. Doucet: Can I talk about lobster again, because he started about it?

I will make an attempt to answer the question. He is talking about Co-op Atlantic. Co-op Atlantic has been extremely important to New Brunswick for many years. As a matter of fact, with its retail operations, with its oil and gas operations, and with its agriculture sector, it has been very important to New Brunswick. I am quite surprised that the member opposite is concentrating more on how much money it is, but the fact of the matter is that, at the height of its operations, Co-op Atlantic had 2 500 New Brunswickers working in its operations.

(Interjection.)

Mr. Speaker: The member for Portland-Simonds will come to order.

Hon. Mr. Doucet: It really underscores the importance that Co-op Atlantic has had in New Brunswick. It has been moving ahead with a restructuring plan, and we have been working with it on a restructuring plan. As a matter of fact, the retail operations have been moved over to Sobeys, the energy and fuel to CST Canada, and agriculture to the Coop fédérée in Quebec.

(Interjection.)

Mr. Speaker: Order. Time, minister.

Mr. K. MacDonald: To the gallery, that is why it is called question period and not answer period.

Let's go for the hat trick. Would the Minister responsible for Opportunities NB advise the House on the odds of the taxpayers of New Brunswick recovering their money from Co-op Atlantic?

Hon. Mr. Gallant: I have to take issue with the line of questioning so far. It is interesting because we had the Leader of the Opposition get up and talk about everything that happened from 2006 to 2010. Then we have the member opposite, who is asking questions now. He only wants details of files after September 23, 2014, because, of course, that is the day after the election in which we took power.

What is very clear is that the opposition members want to focus on the past past, on what we are up to, but they do not want to focus on what they did during their four years. Since there is a bit of a gap there, I will fill it in. What they were up to for four years was this: They had the largest tax increase in a generation. They promised that they would balance the books within four years, yet they missed every single one of their targets to reduce the deficit. They were the



first government in 40 years not to have a net gain when it came to creating jobs in New Brunswick.

Tourism

Mr. Wetmore: Tourism accounts for almost \$90 billion in economic activity in Canada, and it accounts for over 600 000 jobs. Here in New Brunswick, over 30 000 jobs and half a billion dollars of GDP rely on tourism. Globally, tourism is the world's fifth-largest growing industry. It is a very big pie, and everybody is aggressively going after their share of that pie—everybody except New Brunswick, or so it seems. The last time we heard a minister's statement on tourism was on May 1, almost eight months ago.

One very promising tourism driver brought forward by the previous government was the cruise strategy for northern New Brunswick. Can the Tourism Minister tell us what advances have been made on this file since he became minister?

Hon. Mr. Fraser: I appreciate the question from the member opposite. I want to say thank you to all our tourism partners and stakeholders across the province for our wonderful season that we had this year. The final numbers are not in, but early indications are that tourism numbers are up all across the province, at all of our sites and all of our attractions.

With regard to the cruise strategy, I had a meeting just in the last month or so with the port of Saint John and the people who are working diligently and very hard to grow that business and to continue to grow that business in our province. I am certainly very proud of the work of the people in the Department of Tourism and all our partners across the province. I certainly appreciate the question and the interest from the member opposite. I am very happy to speak about all the positive results that we have seen this year. Thank you.

Mr. Wetmore: The Gallant government is fond of saying that it wants to create the conditions for jobs to be created. I believe that expanding tourism opportunities around New Brunswick will create those conditions. In November 2013, the Northern New Brunswick Cruise Strategy was announced. I will say that one more time—the Northern New Brunswick Cruise Strategy. The strategy had a vision of expanding tourism in our northern ports of Caraquet, Miramichi, and Dalhousie. The port of Caraquet has already hosted several cruise ships in what looked like a promising beginning. Will the Tourism Minister please explain why his government is allowing this promising tourism opportunity to sit dead in the water? It has been laid out. It is on his desk. We would just like to know why the Northern New Brunswick Cruise Strategy is sitting dead in the water.

Hon. Mr. Fraser: It is nice to see that the member opposite is concerned because, when the opposition members were in government, they did nothing. They made many announcements and many platitudes, but there was no action behind any of those announcements.



I am proud to be part of a government that is focused on growing the economy and creating jobs so that we can help our families by investing in health care and education. The Department of Tourism, Heritage and Culture is an important department for economic development, growing our economy, and working toward our goals of creating jobs and helping to get our finances in order.

I am very pleased that, with the additional investments that we put into marketing this year, in particular the \$200 000 in additional marketing money in the Quebec market, we have seen great results in our province. We saw an increased number of visitors from Quebec who would normally go down to the U.S. They came, stayed, and enjoyed all that we have to offer here. That is because of the investments that our government has made in this sector. Thank you.

Mr. Wetmore: The Tourism Minister is also the Minister responsible for the Northern and Miramichi Funds. The Gallant government has promised to invest \$25 million per year from these funds to help grow the northern and Miramichi economies. We all know that the Liberal government has a track record of making poor investments that usually lose all the taxpayers' money. I cannot help but think that the Tourism Minister has an opportunity to make an investment in tourism that will not lose money but actually provide a return. Can the minister tell us how much from the northern and Miramichi funds has been earmarked for advancing the cruise strategy for northern New Brunswick?

[*Translation*]

Mr. Gallant: I must rise in the House today, since I find it unbelievable to hear the opposition member criticize us because we are not talking enough about tourism. I will explain to you why I find such remarks somewhat absurd.

First of all, as the member should know, we organized a summit with the tourism industry to hear from these people about their ideas, suggestions, and concerns.

As a government, we are working very hard to develop the tourism sector, since, as the minister says, this sector is very important for our plan to create jobs.

Secondly, the reason I find the member's remarks surprising is because he is criticizing us by saying that we do not talk enough about tourism. Just before the member made these remarks, his leader spent his time talking about the past, despite the fact that we have a report before us indicating that, as a government, we must make choices that amount to approximately \$1 billion. Despite all this, the opposition is not asking us any questions about it and is certainly not offering any suggestions.

Hospitals

Ms. Dubé: As you know, when it comes to health care, there are many concerns. We have guests with us today who need help regarding medications. We have also learned that the



Vitalité Health Network has recommended closing beds throughout the province. This means 99 beds throughout the Vitalité Health Network, including 27 in the Edmundston region.

I would like to know this: Did the Premier authorize the Vitalité Health Network to proceed with closing beds, either in Edmundston or elsewhere in the province?

Hon. Mr. Boudreau: I think that the member for Edmundston-Madawaska Centre knows the answer to this question very well: It is a matter of choices and options. The Vitalité Health Network proposed a plan to the government, as did the Horizon Health Network. As for us, a few weeks ago, we tabled our report on choices to be made for the future of New Brunswick. These are choices that must be considered.

I will ask the member opposite the same question I ask people across the province who talk to me about the report titled *Choices to Move New Brunswick Forward*. People are often very quick when it is time to tell us which choices, according to them, should not be accepted. However, it is important that people tell us what choices they are prepared to accept. I invite the member opposite to read the entire report and to send us her choices or those of the official opposition.

Ms. Dubé: I can tell you that I am against closing hospital beds in New Brunswick. I have said it before, and I am happy to repeat it.

I would like to get a clarification from the minister or the Premier. Right now, hospital beds are being closed in the Edmundston region. I can maybe also add that certain rooms are being converted into offices. These changes are currently being made.

I would like to once again give the Minister of Health the chance to clarify the situation and tell us who authorized Vitalité to close beds in Edmundston right now and even to invest in converting rooms into administrative offices.

Hon. Mr. Boudreau: As I said in my first answer, and as I have repeated many times over the last few weeks, these are choices and options proposed by Vitalité. No decision has yet been made.

The member rose very quickly in the House to tell us that she is against closing hospital beds. So, we understand her position regarding one of the choices; she is against closing hospital beds. If that is the case, what choices in our document is she prepared to support?

In the end, as the government, we have choices and difficult decisions to make in order to balance the province's books. We cannot continue to do things as they have always been done; we have been spending beyond our means for eight years. The situation must be dealt with and choices made; I would like to hear the member tell us what choices she is prepared to accept.



Ms. Dubé: The number of beds in New Brunswick hospitals is a matter that is under the jurisdiction of the Minister of Health and his department. So, I will ask my question once again. Vitalité is closing beds, specifically at Edmundston Regional Hospital. As we speak, seniors are being transferred to nursing homes, the door is closed, and these beds are not available for patients in need and people in the Edmundston area.

This file is the minister's responsibility. If he has not authorized Vitalité to proceed, can he rise in the House today and confirm to us that he will speak to the health network in order to stop this process, since it is in fact his responsibility? Only the minister and the Gallant government can do it. Is the minister prepared to say that no decision has been made and that the beds are available in the Edmundston region as planned and until further notice? That is my request to the minister.

Mr. Gallant: I find the member's remarks unfortunate. Firstly, she knows that she should speak through the Speaker and not to the minister. Secondly, it is obvious that her question does not hold up.

[Original]

We have been asking the opposition members to participate in an important conversation for months. It is one thing for them not to participate, but it is yet another thing for them to get up and criticize some of the choices, which have not been made, without giving solutions. The people of New Brunswick deserve better. The people of New Brunswick who elected them expected better. Sure, they can criticize. Sure, they can ask questions, but they also have to provide solutions.

For the member opposite to get up and say that she is against one choice is not fair if she is not going to tell us which choices she is for. This is not the first time.

Mr. Speaker: The member for Edmundston-Madawaska Centre will come to order.

Hon. Mr. Gallant: She did it for infrastructure, and she is now doing it for other things in the *Choices* report. We need to have the opposition step up.

Disaster Financial Assistance Arrangements

Mr. Jeff Carr: I would like to address the topic of the rainstorms that were encountered on September 30 in southern and central New Brunswick. It has been over 75 days since that storm happened, and the residents of those areas have not received application forms or any word that there will be a financial assistance program. I have sent emails over the last few weeks and months asking for information on when that will happen. I would like to know today whether there will be a program for which these residents can apply.



Hon. Mr. Horsman: That is a good question. We did experience a heavy rainstorm in our province on September 30 that resulted in damages, road closures, and bridges being compromised. It affected the safety of New Brunswickers as a whole. Immediately—the day after—we contacted some of the members opposite who had contacted us about going to their ridings to view the disaster that had taken place.

It is important for New Brunswickers to know that we worked on this very quickly, along with the Minister of Transportation and Infrastructure, to fix the situation immediately to ensure that New Brunswickers were safe and that they were able to get to stores and to a hospital, if need be. Ninety-eight percent of the roads were cleared and fixed right away. With regard to the DFAA program, there is a process. I have spoken with the member opposite. He knows that the process is in place, and we are going to work on this as soon as possible. Thank you.

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

