

May 3, 2017

[Original]

## Property Tax

**Mr. Higgs:** Yesterday, the Premier stated that he had answered every single question in question period in the past week about property tax assessments. Every single question, he indicated that he had answered. My records would suggest otherwise. Maybe I will get a judicial review to confirm my records, but I am pretty confident in them.

Of course, the Premier also claimed that his office had no involvement in the property tax scandal, and then we learned that he actually ordered the whole thing in the first place. But I will give the Premier the benefit of the doubt where thousands will not. Maybe he just does not know the difference.

For the Premier's education, I will explain the difference between a response and an actual answer. For instance, I will ask the Premier when Cabinet first learned about the fast-track assessments. Now, if the Premier does not respond with a date, he has not provided an answer, but a response. Will the Premier today give us a date? Thank you.

**Hon. Mr. Gallant:** Thousands of errors every single year were created by the problem-plagued property assessment process since 2011. New Brunswickers deserve better. Every single one of those errors created uncertainty; at the very least, inconvenience; and, in some cases, financial hardship for families and New Brunswickers across the province, so we need to fix these problems once and for all.

I would argue that the Leader of the Opposition has been asking questions and we have been answering them. Just because he does not like the answers does not mean that we are not answering them. We are also answering them in the way that we think is responsible because we should all be giving the time to former Justice Robertson to conduct his independent and exhaustive review of what happened this season that created thousands of errors and what happened every single season when it comes to property assessment that created thousands of errors since 2011. We will, once and for all, fix these problems.

**Mr. Higgs:** The question was, When did Cabinet first learn about the fast track of assessments? Now, that would require a time, a date. We did not get any date; therefore, no answer. Zero for one so far today. It is consistent with the record of the past, last week and this week.

We will try again. An answer actually provides factual information related to the topic of the question. I will ask the Premier whether he was present in 2016 when a 14-page presentation about fast-tracking property assessments was shown at his office.



The Premier knows the answer is either a yes or a no. This is the simplest form of answer to my question about whether the Premier was present or not. It does not take a minute. It is a simple yes or no. Any response that does not contain the words “yes” or “no” is not an answer. It is just a response. Will the Premier today present us with an answer, either yes or no? Thank you.

[*Translation*]

**Hon. Mr. Gallant:** Again, I repeat that our property assessment system has been causing thousands of errors since 2011 and that New Brunswickers deserve better. Every time an error is made, it has an impact on New Brunswickers. This is why, as a government, we will finally correct these errors and resolve the whole situation.

Our answers to the questions from the Leader of the Opposition are very simple: We want to give former Justice Robertson the time needed to carry out his comprehensive and independent review of what has been causing errors in property assessments this season and each year since 2011. Our property assessment system has created thousands of errors, which have affected New Brunswickers. Once again, the government will take action to rectify the situation once and for all.

[*Original*]

**Mr. Higgs:** It has been well confirmed that this is a unique time in the history of property tax assessments. Never before have there been fabricated renovations in order to raise the property values. It would be nice if Justice Robertson’s mandate would be allowed to confirm the uniqueness of this situation. We cannot go back in history. This is unique, unique in the case of the Premier actually authorizing a fast track that created the problem all at once. This is a unique time in history. I will keep trying to get an answer.

Let’s try another question requiring a date. On what date did the Premier decide to order the fast track of the assessment system to one year? We know that the Premier ordered it. That is not the question. It is a generally known fact that the Premier ordered the fast track of assessments and then denied his involvement until he just could not deny it anymore. The weight of evidence was crushing on him, so I would like to know... What I want to know is the date. Any response that does not contain a date is...

**Mr. Speaker:** Time, member.

**Hon. Mr. Gallant:** We really encourage the Leader of the Opposition to let former Justice Robertson conduct his independent and exhaustive review. He is going to look at what caused thousands of errors this year and what caused thousands of errors every single year since 2011 due to the problem-plagued property assessment process.

Again, I have to take issue with what the Leader of the Opposition is saying. He is saying that he does not appreciate our answers. He does not appreciate our responses. Why does he not go



and answer the question that I have asked a few times now this week? What role did he play in securing the tax break for Canaport LNG when he was an Irving Oil executive? He boasts on his Web site that he played a pivotal role in the creation of Canaport LNG. What role did he play in giving this tax break to Canaport LNG when he was an Irving Oil executive in 2005?

**Mr. Higgs:** I will continue to seek answers. In his television interview with Steve Murphy, the Premier claimed that he was not involved in decision-making on this. Why would the Premier say that? Why did the Premier tell Steve Murphy that he was not involved in the decision-making and then, a couple of days later, hold a press conference where it was shown that the Premier was indeed involved in the decision-making? Why would the Premier do such a thing? Has he spoken with Steve Murphy? I would suggest that he owes Mr. Murphy an apology because he did not disclose what he really knew about this tax scandal—who authorized it, when it was authorized, and why it was authorized. All I am asking for are answers, not responses, but answers. Could the Premier answer this question?

[*Translation*]

**Hon. Mr. Gallant:** As we have already explained to the Leader of the Opposition, we asked former Justice Robertson to carry out a comprehensive, exhaustive, and independent review of what happened this year and each year since 2011 to cause thousands more errors.

In addition, we are going to create an agency that is independent from the provincial government to do the property assessments in the future. This, combined with the comprehensive and independent review carried out by former Justice Robertson, will help us rectify the situation once and for all. New Brunswickers deserve this.

[*Original*]

I do have to ask the Leader of the Opposition again whether he is going to answer the question that I think many New Brunswickers would like to have answered. What role did he play in securing a tax break for the Canaport LNG terminal when he was an Irving Oil executive? He boasts about this on his Web site, so he should tell New Brunswickers the role that he played.

**Mr. Higgs:** The Premier said that he has answered every single question in the House. He has answered none, but we will keep trying. I think that, by now, the Premier knows the difference between a response and an answer. I hope that I have taught him that much in the last while.

Yesterday, my colleague from Rothesay asked the Premier a very straightforward question: Why did the Premier bypass the *Inquiries Act*? I believe the Premier did this solely to protect himself. The property tax scandal and the Premier's changing words to the people of New Brunswick have put him in a position where he should resign. I think the Premier stripped powers away from this inquiry to protect himself. I am asking: Is that the case? Is that what this inquiry is all about—for the Premier to save his own skin? Thank you.



**Hon. Mr. Gallant:** Since 2011, there have been thousands of errors every single year when it comes to the problem-plagued property assessment process. That is why we asked former Justice Robertson to conduct a review to find out what happened this year and every single year since 2011 that created these thousands of errors for the people of New Brunswick. We are taking bold and aggressive action to fix these problems once and for all because we know that they have an impact on New Brunswickers.

That is why we have also extended the timeline for requests for review. New Brunswickers can submit those right up until August 1. We have also made it very clear to New Brunswickers that any error in their property assessment can be flagged at any time and there will be no deadline for it to be rectified and corrected by government. Also, we have committed to creating an agency that is independent from the provincial government to do the property assessments in the future, making sure that we fix these problems once and for all.

**Mr. Higgs:** I know that the Premier would like to have people believe that this is just a continuation of historic issues, but it is not. These are fabricated tax bills because of a fast-track system that was ordered by the Premier. This is a unique situation in history—15 000 appeals and counting. Never at a point in time have we had anything like this, because never at a point in time did the Premier get directly involved to try to gouge taxpayers in an expedited fashion.

On the chance that the Premier might answer this question, I want to refer to a service question. This is to help all those people who have been impacted. Could the Premier confirm that every property that received a fabricated tax bill is receiving an on-site visit by an assessor? It was previously indicated by the Premier that this would happen. That means a door knocked on and a full inspection. Are we providing that service to those concerned citizens who want to get to the facts?

*[Translation]*

**Hon. Mr. Gallant:** Once again, I repeat that we have taken very vigorous action to rectify the situation once and for all.

In addition, we have extended the request-for-review deadline to August 1. We have also clearly indicated to New Brunswickers that, if errors were made in their property assessments, they can report them to the government at any time.

Furthermore, we asked former Justice Robertson to carry out an independent and comprehensive review to see what has been happening, not only this year, but also since 2011, to find out why so many errors were made. In cases where an arbitrary formula has been used for some properties, we will rectify the situation; this is very clear.



[Original]

We are glad to see that there are thousands of New Brunswickers who have put in a request for revision. They deserve to have that process done, and we will make sure that it is fixed once and for all.

**Mr. Speaker:** Time, Premier.

**Mr. Higgs:** The question was: Will every home that received a fabricated tax bill actually have a site visit by a person—by a real person to give a real service that we want to do what is right for the citizens of this province? Again, no answer. Another evasive, long discussion, but no answer.

All summer long and into the fall, social media will be alive with the Premier's changing stories—the Premier claiming he was not aware, the Premier then claiming it was only a 15-minute presentation, then the Premier saying he did not intervene, followed by the proof that he ordered the change.

The Premier cannot deny his words this time as he denied his promises to seniors. The Premier is recorded and will be on social media for all to see and to judge for themselves. We will make sure that everyone is aware that the Premier rigged his inquiry to protect himself because he is not allowing Judge Robertson to do the job. The Premier can apologize and resign...

**Mr. Speaker:** Time, member.

**Hon. Mr. Gallant:** We strongly encourage the opposition to stop questioning the credibility of former Justice Robertson. Former Justice Robertson has signed a contract to do this review for the people of New Brunswick to get the answers and findings that they deserve. He is going to look into this year and every year since 2011 because thousands of errors were created by our problem-plagued property assessment process.

I cannot speak for former Justice Robertson. I can only assume and we can all only assume that, if he signed the contract with the mandate and resources that were offered, he feels that he is going to be able to do this work for the people of New Brunswick. Again, we strongly encourage the opposition members to stop questioning the credibility and integrity of former Justice Robertson. We also strongly encourage them to allow him to do his work. We also want to repeat to them that, once we get those findings, we are going to make sure that we fix these problems once and for all.

## Tendering

**Mr. Jeff Carr:** We are coming up to the anniversary of the failed snowplow contracts that were allowed to go to a company in Quebec by the Minister of Service New Brunswick. The minister



who is currently the minister responsible for the Treasury Board had to come in and correct that mistake and change that.

After many questions in the Legislature over time and in Crown corporations and in public accounts, we have asked and asked and asked whether this review process has been undertaken and, if it has, has it been successful for New Brunswick contractors and construction companies, to protect their jobs here in the province. I would like to ask the Premier today whether he has an update on this and whether it has been successful and is being put in place to protect New Brunswickers.

**Hon. Mr. Fraser:** I want to thank the member opposite for the question. Obviously, we go through a procurement process, which is the process that is in place. It was in place when the previous government was in government as well. Our priority as a government is growing the economy and creating jobs, and that is providing opportunities for people in New Brunswick. We continue to do that, and that is why we are investing record amounts in infrastructure.

I can tell the members opposite that I have been to many of their ridings making announcements over the past several weeks. Get ready, I am coming back next week. Once the House adjourns, we will have announcements in ridings all over New Brunswick about the significant investments that we are making, particularly, I would say, in rural New Brunswick, because rural New Brunswick is an important part of our province. We are going to continue to make those investments. A lot of the investments that we are making are in partnership with the federal Trudeau government, which also believes in investing in infrastructure. Unfortunately, the Leader of the Opposition does not.

**Mr. Jeff Carr:** You can spend all the money you want. You can spend all the money in every bank in the province, but, if you are not protecting the people who want the jobs and who can undertake these contracts right here in New Brunswick, it is all for naught. If you are letting those tax dollars... If you are allowing that revenue to leave the province to go to outside companies, you are not protecting New Brunswickers. We have seen the Premier allow PCS to leave the province. We have seen the project at the Campbellton hospital go to a Quebec company.

(Interjections.)

**Mr. Speaker:** Order.

**Mr. Jeff Carr:** The failed snowplow contract went to a Quebec company, and, now, we are learning that the contract to renovate the Dumont hospital is also going to a Quebec company, for a little bit of money that New Brunswick companies here in the province could use. I am asking the Premier today: What is he doing to protect...

**Mr. Speaker:** Time, member.



**Hon. Mr. Fraser:** I am glad that the member opposite brought up, in particular, the contract for salt. I know that the member from Sussex made comments, political comments, saying that we are playing politics and that we are not helping his community. We have an announcement in the village of Sussex for some major infrastructure work. In fact, that is one of the places where I will be going back to next week, and I will be sure to invite the member from Sussex to join me in sharing the good news with the community that he was elected to represent.

I would refer the members opposite to an editorial in the *Kings County Record*. It says: Do not blame the province of New Brunswick for salt being off the table. Salt was mined in the province at one time. The Department of Transportation and Infrastructure was notified that the company was not going to be mining salt anymore. We did the responsible thing. We put out a tender. We have five bidders, and I can tell you that we have a good dollar value for salt. In the editorial in the *Kings County Record*, where the member from Sussex resides, it says that he needs to stop playing politics with the salt contract.

**Mr. Jeff Carr:** It is pretty evident today that the Premier is not willing to stand up and tell New Brunswickers how he is protecting their jobs in this province. Not long after we started asking the questions on what he is doing, a year or two years ago, he tasked Susan Holt from his office with putting together a procurement action plan, which is something that the tradespeople in this province had a lot of input on. They have been asking for these changes to protect themselves.

I will read a little excerpt from the Premier's platform:

*Giving New Brunswick companies a better chance to win government contracts by introducing industrial and regional benefits to procurement scoring.*

If he has done that, I would gladly like to hear about it, and I would like to know the reason that the renovations for the Dumont hospital are going to a Quebec company when two local companies in New Brunswick were close to the bid and they did not receive it. Millions of dollars in revenue are going to leave the province. Premier, what are you going to do about it?

**Mr. Speaker:** Time.

**Hon. Mr. Fraser:** I think I have to remind the member opposite that we are an export-driven province. I think that what he is saying would indicate that he wants to put walls around our province. He might have the Trump attitude, but we certainly do not. We want to do business outside the province, and we want to help grow New Brunswick businesses. We are working extremely hard to do that each and every day.  
(Interjections.)

**Mr. Speaker:** Order.



**Hon. Mr. Fraser:** We are an export-driven province. Around the province, we have companies that I have met with on a weekly basis and that are doing tremendous, tremendous things. They are getting business from all over North America and all over the world. If we take the attitude that the member opposite is talking about... He wants to build a wall around the province so that we will not be able to do work outside the province, but contain everything within. I can say that this is not the path that we are taking. New Brunswick is open for business, and we are going to continue to work with our small entrepreneurs and to make investments in rural New Brunswick.

**Mr. Speaker:** Time.

### Forest Industry

**Mr. Coon:** I have tabled two bills in this Legislature that would have helped to secure New Brunswick's historic exemption from softwood lumber tariffs. In 2015, I introduced a bill that would have rescinded the former Conservative government's decision to increase the supply of softwood from Crown lands—a decision that, at the time, I said could threaten the future of locally owned, independent sawmills in our province. Just last week, I proposed amendments to the *Crown Lands and Forests Act* that would have strengthened the private wood market. Both bills were voted down. What does the Premier intend to do in his promised new forest strategy that would help to reinstate New Brunswick's exemption from softwood lumber duties?

**Hon. Mr. Melanson:** I want to assure the member opposite that the Premier, this government, the industry, and the federal government are doing everything possible to retain our status of being excluded from the countervailing taxes that were imposed on us by the U.S. government.

I think that it has to be looked at that the New Brunswick softwood lumber industry has been working under conditions where there has been a level playing field, which does not give it an advantage when it exports lumber into the United States, and where the provincial government is not subsidizing the industry, as the allegation was made by the American government. I think that it is quite important that every bit of effort is being made by this government to reassure the industry that we want to regain exclusion, as we have been benefiting from it over the last 35 years.

**Mr. Coon:** The President of the New Brunswick Federation of Woodlot Owners said last week that his group had pleaded its case to successive governments to make sure that private woodlot owners play a greater role in the industry, saying that the marketing situation of private wood needed to get sorted out because it could turn around and bite us. One of the ways that the marketing situation could be improved now would be if government enforced the proportionality provision of the *Crown Lands and Forests Act*, as recommended by the Auditor General. Will the Premier direct the Minister of Energy and Resource Development to enforce proportionality to strengthen New Brunswick's hand in the negotiations for a new softwood lumber deal?





**Hon. Mr. Doucet:** It is certainly a pleasure to answer that question. We are working very hard and diligently on our exclusion for the softwood lumber, and we are working Maritime-wide. We feel that we should have an Atlantic exclusion.

I just want to clarify some of the facts of the member opposite. He can get in the media and tell his story, but the fact of the matter is that wood from private woodlots has more than doubled—doubled—since the economic downturn. It has doubled since the economic downturn, from 800 000 m<sup>3</sup> in 2008 to 2 million cubic metres in both 2015-16 and 2016-17. It went from 800 000 m<sup>3</sup> to 2 million cubic metres. That is from private woodlot owners.

The other part is that the levies that they have been able to...

**Mr. Speaker:** Time, minister.

**Mr. Coon:** On Friday, it was announced that the government would finally appoint a senior negotiator to represent New Brunswick's interests in Ottawa and Washington. This is 18 months after the Maritime Lumber Bureau ceased to play this role for New Brunswick. Why did it take 18 months and the imposition of unfair duties on the export of softwood lumber from New Brunswick mills for the Premier finally to appoint a chief negotiator to make the case that New Brunswick's historic exemption should be maintained?

**Hon. Mr. Melanson:** I think that the case is being made. The case is clearly being made by the Premier, by me, and by the Minister of Energy and Resource Development. The case is also being made by the industry in New Brunswick. When we got the unfortunate ruling that we received a couple of weeks ago, we believed, based on the ruling—on the American decision as a preliminary decision—that they recognize that there is no subsidizing in New Brunswick, based on the level of tariff that was imposed for New Brunswick.

I want to go back to the point about the private woodlot owners. They are a big and a very important piece of the supply of wood for the industry. We recognize that, and we actually work with them, as the industry and the private woodlot owners all are part of the softwood lumber initiative that we want to retain our exclusion...

**Mr. Speaker:** Time, minister.

## Property Tax

**Mr. Higgs:** I am going to continue to seek some answers—answers to questions that have been asked but, obviously, no answers have been given.

Another question that I have asked the Premier previously, to which I would hope I would get an answer, is whether or not his office ordered the hiring of a firm to assess the LNG plant and to drop its rate by 67%. If not, the Premier should tell the people of New Brunswick when he learned that this firm was doing the assessment. Did the Premier's Office give approval to hire



the national consulting firm to assess the LNG terminal, which resulted in a 67% drop in its assessment? Thank you.

**Hon. Mr. Gallant:** We have answered this with regard to the process before, with the media. It was publicized through the media weeks and weeks ago.

I think that New Brunswickers could understand and I think that the opposition could understand that government officials would find themselves in a position where they are asked to do the property assessment of an LNG terminal, something that is obviously a very unique infrastructure, one that would require some type of expertise, so they went to get that expertise.

I want to take issue with what the Leader of the Opposition is saying, though, because he keeps forgetting to mention that we repealed the tax break that was given in 2005. Because of our actions, Canaport LNG will pay more taxes. Because of our actions, the city of Saint John will receive about five times more taxes from the Canaport LNG terminal. He always seems to forget those facts.

**Mr. Speaker:** Time.

**Mr. Higgs:** So, given that and given that we would want to put all the facts on the table, I will give the Premier another chance to help a charity, a charity for his own cause. Yesterday, I told the Premier that Terry Seguin had agreed to moderate a question-and-answer event at the Playhouse. The Premier can ask me questions, and I will provide answers. Then I will ask the Premier questions, and he will provide answers. This will be an open, truthful, and completely transparent process. We could raise a lot of money for charity, but it would mean that the Premier must actually provide real answers to questions. Will the Premier agree to do this?

**Hon. Mr. Gallant:** I was debating whether I should point it out, but I will. The member clearly thought that I was going to ask him what role he played in the LNG tax break, and then he had his canned response ready on the page that Dominic Cardy gave him, that, once the Premier mentions what role you played in the LNG tax break, read this piece of paper asking for a debate about that. The member forgot to actually listen to the answer because I did not actually mention that. I will this time, though.

The LNG terminal got a tax break in 2005. The Leader of the Opposition boasts on the PC Web site that he played a pivotal role in making that happen. One of the reasons that happened was that there was a tax break given, a tax break that did not have to be given and that we repealed. This is making the LNG terminal pay more taxes and making the city of Saint John receive almost five times more taxes. Now, I will say the line that the member thought he was going to get the last time so that he can go to the canned response that Dominic Cardy prepared for him. I do ask the member to answer this question: What role did he play in giving the Canaport LNG terminal a tax break?



**Mr. Speaker:** Time.

**Mr. Higgs:** It does unfold. I know that the Premier is upset that Dominic Cardy is in our camp and not his. I know that he is very concerned about that.

(Interjections.)

**Mr. Speaker:** Order. Order.

**Mr. Higgs:** Maybe someday he will tell that story, but it is unlikely.

(Interjections.)

**Mr. Speaker:** The Minister of Post-Secondary Education, Training and Labour will come to order.

**Mr. Higgs:** It is too bad that the Premier is so terrified to be put in a position where he would have to provide real answers. This is the Legislature, where we ask questions, but I am prepared to provide an opportunity in a debate outside where we both can go back and forth. I am not afraid of truthfully answering any questions. I do it every day. If the Premier would like to see how it is done, maybe he would like to join me in the scrum, and maybe we will take all these questions and answers right out there. We will do it right now. I will go outside after this event, and I will be there waiting for the Premier. We will have the discussion on all these questions right there with the media. Will the Premier agree to that? Let's do it.

**Hon. Mr. Gallant:** As much as I appreciate the Leader of the Opposition inviting me to a schoolyard brawl outside the school next to the oak tree, we believe that the people of New Brunswick want us, as their government...

(Interjections.)

**Mr. Speaker:** Order. Order.

**Hon. Mr. Gallant:** ...and they would want the opposition, as well, to be serious about the serious matters that face New Brunswickers. They want us to focus on economic growth. They want us to improve and invest strategically in education and health care, and they want us to get the finances of the province in order.

Well, I can tell you that we are working hard every single day with New Brunswickers to accomplish this. We have reduced the deficit by half, all the while investing more in education, all the while investing more in health care, and all the while growing the economy. We are pleased that, by working with New Brunswickers, the economy of New Brunswick grew two years straight, in 2015 and 2016, which is a lot better than the years of retraction under the Leader of the Opposition as the Minister of Finance.

