

November 1, 2017

[Original]

Government Policy and Procedure

Mr. Higgs: The situation regarding the MLA for Campbellton-Dalhousie has all New Brunswick in an outrage. An elected MLA paid by the taxpayers of New Brunswick who is a member of the government caucus is also accepting a paycheque to lobby government.

The Premier has known about this for over two and a half months at least. The Premier has been aware and done nothing. Paving has been the only pillar of this government's economic plan for New Brunswick and for reelection. What does the Premier think about one of his ministers using his particular ministry to pave a golden road to Ottawa for himself?

[Translation]

Hon. Mr. Rousselle: I know that, in politics, feelings sometimes run high, and people say things they later regret. I cannot believe the Leader of the Opposition said that the Premier has done nothing.

We have a Premier here who, at the first hint of a possible problem, immediately took the necessary steps to relieve the minister of his responsibilities concerning Labour files. The Premier assigned these responsibilities to one of our colleagues; he took immediate action. He not only took immediate action, but, during the weeks that followed, he also made sure that this minister was removed from Cabinet in the shuffle.

The Premier also informed the member from the very first evening that a Cabinet shuffle was imminent, and he made the necessary changes. As a reminder, I would also like to say that, in this case, all the rules were followed.

[Original]

Mr. Higgs: The Premier's letter to the member relieving him of his Labour duties has fallen under a lot of scrutiny. The people of our province have many questions, and we will try to ask them all.

First of all, does the Premier acknowledge that he met with the Labour Minister on August 21 and wrote this letter on August 22, as is suggested by the date on the published document?
Thank you.



[Translation]

Hon. Mr. Rousselle: I am going to continue by saying that there is a *Members' Conflict of Interest Act* and an Integrity Commissioner, and the latter did rule on the matter.

That being said, to get to the direct question from the Leader of the Opposition, the Premier did write a letter this past August 22. Moreover, if you look carefully, you will see that this letter was also sent to the new Minister of Labour and the Deputy Minister of Labour. This letter was also sent to the Clerk of the Executive Council. These people received this letter. I am also told that this letter was delivered to Mr. Arseneault, who delivered it himself to the Integrity Commissioner.

[Original]

Mr. Higgs: It is interesting that the Premier chooses not to answer. This is not a new phenomenon, mind you. Not to answer and not to be present when issues are tough in New Brunswick have been characteristic.

It appears as though the member for Campbellton-Dalhousie was not relieved of all his duties as Labour Minister in August. The member was still named on government media releases as late as September and was on social media representing himself as the Labour Minister. Will the Premier please tell the House whether he believes that this was a misrepresentation to the public of the reality of the situation? Is he comfortable with this approach, which is anything but transparent?

[Translation]

Hon. Mr. Rousselle: As I explained in my previous response, the rules were followed. The member for Campbellton-Dalhousie—I apologize for naming him earlier—was informed, and the other people who had to be informed did receive a copy of the letter. Not only did all of these people receive that letter, but the member for Campbellton-Dalhousie also delivered it to the Integrity Commissioner, according to what the member told us.

So, these people were informed, and, as of August 22, the new Minister of Labour actually began performing his ministerial duties. What I am saying is that all of the rules were followed. The *Members' Conflict of Interest Act* was complied with. The Integrity Commissioner was kept informed, as he should be.

Health Care Services

Mr. Higgs: Throughout New Brunswick, people are calling on the Gallant government to put an end to the privatization of the Extra-Mural Program. The CEO of Vitalité Health Network expressed the concerns he and his colleagues have about this, but the government threatened



to fire him if he did not stop. The Minister of Health said that the CEO of a health network is hired and fired by the Minister of Health; he serves at the minister's pleasure.

Does the Premier wish to respond to the threatening words from his Minister of Health? He knows that the CEO of Vitalité Health Network will be dismissed if he continues to express his opinion about the health of New Brunswickers.

[Original]

Hon. Mr. Bourque: Thank you very much for the question. I am happy to receive that question because it allows me to set the context of what was said in the papers. While I was asked that question, I was basically explaining what the roles are between the minister and the Department of Health and the RHAs, the regional health authorities. While it is absolutely factual that the minister and the department have the right to determine the greater principles and how we are to set the tone of how we give health care in the province, everything that relates to the RHAs is mostly operational. They are operational, and they are there to deliver the services. I was explaining these facts. That is what I did, and I stand by that.

Mr. Higgs: The Minister of Health is the boss when it comes to privatizing Extra-Mural Program services. He does the hiring and the firing, and the head of Vitalité had better fall in line. When it comes to oncology in Grand Falls and Saint-Quentin, the head of Vitalité is the boss and the Health Minister wishes he could do something about it. This seems like a very strange arrangement.

Speaking of who is or who is not the boss, where is the Premier? Has he been taking a back seat on the lobbyist conflict situation, the Extra-Mural Program outcry, ANB secrecy, and many more issues? The people of New Brunswick are wondering who is running the government. Will the Premier get on his feet and make a commitment to open up the books for examination of this \$2-billion, sole-source, untendered contract he is giving to Medavie for the next 10 years? Thank you.

Hon. Mr. Gallant: Although the member opposite insinuated that I was not present, I have been here and I have been listening very carefully to the words of the opposition. He wants to criticize us for what he says are nonanswers. Well, I ask him to answer the following two questions. One is this: How...

(Interjections)

Mr. Speaker: Order.

Hon. Mr. Gallant: How is it that he will not answer what he thinks about how many hospitals we have in this province and how many schools we have? I want to quote the Leader of the Opposition: "I do not deny that we have too many schools and that we have schools in rural areas that are the only things left in those areas... I do not deny that we have too many



hospitals. I realize that we can be much better if we consolidate.” For him to talk about rural New Brunswick and the health care that people receive is pretty rich if he will not explain that.

Second, will he finally answer the question about whether he promoted and supported the LNG tax deal that was given in 2005? He says he did not. We have proof that he did.

Government Policy and Procedure

Mr. Higgs: Now that the Premier has surfaced, it would be interesting to go back to an earlier question. It appears as though the member for Campbellton-Dalhousie was not relieved of all his duties as Labour Minister in August. The member was still named in government media releases as late as September and was on social media representing himself as Labour Minister.

Will the Premier please tell the House if he believes this was a misrepresentation to the public of the reality of the situation and if he is comfortable with this approach, which is anything but transparent? Accountability and transparency were things that the Premier did a lot of talking about early in his mandate, but the actions show otherwise. This is just the... Underneath the iceberg, we are seeing the real facts and this is a big one.

[*Translation*]

Hon. Mr. Rousselle: Obviously, I would have liked to hear the answers to the Premier’s questions. As I come from a rural area, I would like to know how many hospitals and schools the Opposition Leader wants to close. In addition, I would be interested in hearing what his true involvement was in the Canaport LNG project.

That being said, with regard to the question that was asked, I said this once, and I will say it again: As of last August 22, the former minister was relieved of his responsibilities for Labour, and, very clearly, a letter was sent to everyone.

[*Original*]

I will repeat this in English. In a letter dated August 22, the Premier clearly wrote to the former Minister of Labour. He clearly told him that his job as Minister of Labour was over, and he gave that function to someone else. I cannot be clearer than that. That is the way that it was, and that is the way that it is. Thank you.

Mr. Higgs: Well, the Premier’s mandate letter to all the ministers early—early—in this government’s mandate was about avoiding conflicts of interest at all costs, and it was about even the perception of a conflict of interest. It does not matter how many words we want to put around this. The perception of a conflict of interest, the conflict of interest as seen by the court of public opinion, and the reality of this are really shocking. We have a situation that we cannot even see. There seems to be a lack of interest from the Premier with regard to dealing with it.



Auditor General's Report

On another issue, the Auditor General's latest report on Atcon was very informative and very troubling. While many questions remain about the Atcon scandal itself, a very troubling revelation emerged that the recommendations to prevent Atcon from happening again are not in place and being followed. The Auditor General told us that, in fact, only four of her recommendations are truly in place. Is the Premier prepared to support an opposition motion calling Opportunities New Brunswick to appear immediately before the Standing Committee on Crown Corporations to explain why these recommendations are not in place? "In place" means being followed.

[*Translation*]

Hon. Ms. Landry: I am very pleased to rise in the House to talk about the report from the Auditor General, who has done a very important job for which we wish to thank her. We take her recommendations very seriously, and, as I already mentioned, she sets very high standards. At Opportunities New Brunswick, we are committed to meeting them in order to ensure that all her recommendations are implemented.

[*Original*]

Our goals are the same as hers.

[*Translation*]

Opportunities New Brunswick has trained financial officers, and we also hired an outside consultant to ensure that all the Auditor General's recommendations are implemented and that we meet the required standards.

You know, ONB is a young organization that has only been in existence for two and a half years, and we have put in place an independent board of directors.

[*Original*]

Mr. Higgs: While we have many questions for Opportunities New Brunswick, the Auditor General revealed that twice as much money has been passed out by the Regional Development Corporation, almost 2 to 1 to Opportunities New Brunswick. It is \$200 million versus \$100 million. Some \$300 million has been paid out at an Atconian risk since 2015 because the recommendations have not been followed. Will the Premier support an opposition motion calling the Regional Development Corporation before the Standing Committee on Crown Corporations to answer and explain why it has not been following the Auditor General's recommendations?



Hon. Mr. Fraser: I want to thank the member opposite for the question. I want to say that we believe that the data provided in the Auditor General's report on October 3 regarding RDC funding of \$207 million in financial assistance to the industry is misleading. Our records clearly show that \$38 million of the stated \$207.4 million, as printed in the Auditor General's report in Exhibit 1.2 on page 10, has been provided to commercial projects. This clearly demonstrates that 18% of the funds have been invested in commercial projects. Thank you.

Government Policy and Procedure

Mr. Flemming: Yesterday, the Attorney General made a commitment to fix and improve the members' conflict of interest legislation, and, in so doing, he clearly indicated an acknowledgement that there is an obvious problem. This comes as no surprise to me, as I have stated many times in this House that I consider the Attorney General to be an honourable man. He knows, as I know, that this sordid business involving the member for Campbellton-Dalhousie is indefensible. However, I believe that responsibility lies solely at the feet of the Premier.

This morning, again, I have a question for the Premier. I want to choose my words very carefully. It is not: Does he think it is technically legal? Does the Premier believe that it is acceptable for a sitting MLA and member of a government caucus...

Mr. Speaker: Time, member.

Hon. Mr. Fraser: We want to get back to that question, but to the previous question, I want to table a document, a letter that was sent to the Auditor General that clarifies the information in the Auditor General's report. I think it is important to do that. I am going to table that right now so that the Legislative Assembly has that information. It is a letter that was sent to the Auditor General. Thank you.

Mr. Speaker: I would ask the clerks to stop the clock, please. It is not from the direction that I just received from the opposition but on my own, thank you. I am going to ask a question of my Clerk.

First of all, there is no tabling of documents during question period. Second, we do not normally recognize, unless there is something egregious happening, a point of order during question period. It is very, very rare that we stall the clock. Once again, I will entertain the point of order after question period.

I will recognize the member for Rothesay on his second question.

Mr. Flemming: I guess that worked out well for them because they did not have to answer the question.

The Premier and I have always gotten along well on a personal basis, and our relationship is very cordial. I am going to recommend a book for him to read. It is David McCullough's famous



biography on Harry Truman. He should go specifically to the chapter entitled “The Buck Stops Here”. I think that it would be good reading for him and that it is something that could be helpful and constructive in his future.

The Attorney General is willing to change the legislation because there is a problem, he said. The problem is based upon the conduct. If the conduct is offensive enough that the Attorney General sees fit to want to change the legislation, would not the Premier acknowledge that his chief legal advisor finds it offensive? Does not the Premier find it offensive?

Hon. Mr. Rousselle: First, I would like to thank the member opposite for calling me an honourable member, as I do consider him to be also the same thing. Especially yesterday, as we all know, I started my answer by just naming the applicable Act. He was obviously using the wrong Act, but that is another issue.

Having said that, I just want to make sure that this House understands clearly that the rules have been followed. I want to make this very clear. Also, I want to tell the honourable member opposite that what I said yesterday was that we are ready to have a conversation with the opposition and the third party to clarify the rule and to make sure that each and every one of us in this room knows exactly what we can and cannot do. That is clear to me. Thank you very much.

Mr. Flemming: That is a significant backtrack. I do not need a lecture on what the Act says because I can read and I know exactly what it says. If that is a watered-down version of fixing a problem, I must say that there has been an awful lot of water poured into yesterday’s soup and someone else is in the hot water as well around here.

The other thing is that I do not understand why the Premier will not simply answer my question. What also disturbs me is that there is a concept in law where silence can be deemed to be acquiescence. The longer the Premier goes in not dealing with this offensive issue, the more and more his reputation gets questioned that he defends it. Again, would the Premier please answer my question: Does he think ...

Mr. Speaker: Time.

[*Translation*]

Hon. Mr. Rousselle: First of all, I want to be very clear. What I said yesterday is that we want to have a conversation with the official opposition and the third party in the House in order to clarify and strengthen the Act. If we make it clearer, it will certainly be stronger. I think I was very clear about that.

That being said, I want to point out that, yesterday, the member opposite used the *Executive Council Act*. Section 5 of this Act refers to what happens when a member is ill or absent from the province. For instance, when the member is ill and ends up having to be relieved of his



duties, his position falls vacant. At that point, a notice is published in the *Royal Gazette*. That obviously was not the situation last August, when the Premier stepped in by making appropriate use of the *Members' Conflict of Interest Act*.

[Original]

Mr. Speaker: Time.

[Translation]

Highways

Mr. Coon: Putting up wildlife fencing has greatly reduced the number of road accidents involving vehicles and wildlife. In 2014, the Department of Transportation and Infrastructure published statistics indicating that the new fencing along Highways 7, 8, and 11 reduced the number of collisions by 87% in three years. That being said, the latest data show that there are still over 400 accidents involving moose and vehicles in the province. Can the Minister of Transportation and Infrastructure tell me how many collisions have to occur before more fencing is installed?

[Original]

Hon. Mr. Fraser: I want to thank the member opposite for the question, and I want to start out by saying that one fatality is too many fatalities. At the Department of Transportation and Infrastructure, we take the safety of the traveling public extremely seriously. What I can say is that our government believes very strongly in investing in strategic infrastructure. One of the reasons that we do that is for growing the economy, but the other reason that we do that is for the safety of the motoring public and the safety of the people who travel on our highways.

We have over 600 km of moose fencing now installed on New Brunswick highways, and we continuously work with the Department of Energy and Resource Development to look at hot spots within the province. We look at traffic counts, and we look at the number of collisions in an area. Every year, we do an evaluation to see where it is necessary to install more fencing. We are going to continue to do that because, on this side of the House, we believe in investing in strategic infrastructure.

Mr. Coon: The minister did not actually answer my question and tell me what it takes to label an area of highway a hot spot. When the Deputy Minister for Transportation and Infrastructure appeared before the public accounts committee in October, he told us that the areas chosen for wildlife fencing are, in fact, based on the frequency of collisions. He called them, as the minister just did, hot spots.

Between 2006 and 2013, government fenced an average of 32 km of highway each year. However, the concept of hot spots seems to have disappeared in 2014. In what appears to have



been an effort to save money, only 12.5 km of highway were fenced in that year. Can the minister tell us, on average, how many kilometres of highway were fenced between 2015 and 2017?

Hon. Mr. Fraser: Again, I can say that we take the safety of the people traveling on New Brunswick highways extremely seriously. It is our number one priority at the Department of Transportation and Infrastructure.

The other thing that I can confirm here today is that when the Leader of the Opposition was Finance Minister, budgets of the Department of Transportation and Infrastructure were cut and slashed. When we took office in 2014, we made a significant investment in infrastructure, and we continue to see those significant investments in infrastructure. The reason those investments are so important—it is just as the leader of the third party is saying—is that we have to make sure that our highway systems are safe for the people who travel on them.

On this side of the House, we are going to continue to invest in our highway infrastructure. We are going to continue to invest in the safety of our highways so that people can travel on our highways in a safe manner. As I said, one fatality is one fatality too many, and we are going to do everything in our power to make sure that we mitigate this as best we can.

Mr. Coon: This year, there have been concerns about the number of collisions with moose on Highway 15, between Dieppe and Shediac; on two sections of Route 8, between McGivney and Blackville, where eight moose were struck in a two-month period earlier this year; between the Russellville Road and Allardville, where the same person, in fact, on his delivery route, hit two moose in one month this summer; and, finally, on Highway 2, between Moncton and Sackville, which included one fatality.

Can the Minister of Transportation and Infrastructure confirm that these areas will be fenced in 2018? If not, will he table in this House a document detailing the highway locations to be fenced for 2018?

Hon. Mr. Fraser: Again, I want to thank the member opposite for raising this very important issue here on the floor of the House. It is an extremely important issue. As I said, one fatality is one fatality too many. At the Department of Transportation and Infrastructure, we are investing heavily in infrastructure. We are going to continue to invest heavily in infrastructure. In fact, there are many factors that go into considering when moose fencing is installed. With respect to wildlife, moose fencing is one tool that we have to help mitigate that situation.

We also look at improved signage. We look at flashing signs. We have a public awareness campaign. I would suggest that the leader of the third party go to our Web site, under the tab “Think Moose”, where there are a number of safety and precautionary tips for the motoring public. We ask people to drive with caution, especially at certain times of the year when wildlife is more prevalent. People need to reduce their speed. They need to make sure that their



windshields and their headlights are clear. Again, we on this side of the House are going to continue to invest in infrastructure.

Mr. Speaker: Time, minister.

[*Translation*]

Health Care Services

Mr. B. Macdonald: Yesterday, the Premier said he wanted to keep oncology services open in Saint-Quentin and Grand Falls. Obviously, the Premier is the one who controls decisions made by the Vitalité Health Network. When he wanted to fire its CEO, he created the situation to do so. When he wanted to privatize food services, he created the situation to do so. When he wanted to privatize services under the Extra-Mural Program, he created the situation to do so. So, it is clear: if he wants to keep oncology services in Saint-Quentin and Grand Falls, he can do so. My question is for the Premier. It is simple: When will he do this?

Hon. Mr. Bourque: Thank you very much to the member opposite for his question. We have been very clear about our position regarding oncology services at the Saint-Quentin and Grand Falls hospitals. I talked about this on Friday and again yesterday. We provided the directors of the Vitalité Health Network with guidance in that regard; a letter was sent last night.

It seems to me that the member opposite wants me to fire the CEO of the Vitalité Health Network. Is he asking me to do that? I would like to have his opinion on this, because we, on our side of the House, want to work with Vitalité. That is what we are doing and will continue to do. We are actually working with the network's directors to find solutions specifically to ensure that oncology services remain in place at the Saint-Quentin and Grand Falls hospitals. This is because, as we are very well aware, patients are at the heart of our government's priorities.

[*Original*]

Mr. B. Macdonald: As usual, the government is committing some logical errors here. We are not suggesting at all that it fire the head of Vitalité. In fact, we do not think it should have fired the last one.

You are seeing a really positive influence from this side of the House because we would like to see Vitalité actually left alone to do its job. This government cannot fire the head of Vitalité, it cannot force privatization of health services down Vitalité's throat, it cannot force privatization of extra-mural services down Vitalité's throat and then, the very next day, claim it has nothing to do with the decision about oncology. They broke it. They bought it. This government controls the decisions of Vitalité. If it wants to keep that clinic open, it can do that. It has done everything else it wants to do with Vitalité. Why is it hiding behind Vitalité now?



My question is, when is this Premier going to stand up and assure the people of New Brunswick that services for oncology in Saint-Quentin and Grand Falls will remain open?

[*Translation*]

Hon. Mr. Gallant: I am very pleased to rise in the House today to make a clarification. First of all, I cannot believe my ears when I hear the opposition wanting us to follow all the directives given by the Vitalité Health Network.

[*Original*]

In this case, Vitalité wants to cut chemotherapy in Saint-Quentin and Grand Falls and that is exactly what we are trying to get it to stop. We will not allow Vitalité to do that. You can be sure that we are going to be behind the patients, behind the communities. We will work through this with Vitalité to ensure that chemotherapy continues.

On top of that, we were not for the Horizon former CEO's musings on closing rural hospitals in this province. We know that the Leader of the Opposition is, though, because he said: "I do not deny that we have too many hospitals. I realize that we can be much better if we consolidate." The Leader of the Opposition wants to cut into health care, close hospitals, cut into education, and help only his big business friends.

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

First of all, during question period, the Minister of Transportation and Infrastructure used the word "misleading". I would ask the minister to stand up immediately and retract that remark.

Hon. Mr. Fraser: Mr. Speaker, I was not referring to a member. I was referring to the misleading report, but I will retract the word. Thank you.

[*Translation*]

Ms. Dubé: Mr. Speaker, I had two points of order, one of which you have just settled. Thank you for doing that.

My second point of order is this: As we were interrupted by the same minister, I would certainly ask for an extension of question period to make up the time we lost asking a supplementary question.

[*Original*]

Mr. Speaker: I stopped the clock during question period on that, so that will not be permitted.



I do have a minister who has asked to speak. I believe it is with regard to a question from yesterday. I will recognize the honourable Attorney General.

Atcon

Hon. Mr. Rousselle: Yesterday, I took questions under advisement. The first was relating to a professional conduct complaint that was made by the province of New Brunswick to the New Brunswick Institute of Chartered Accountants, now known as the Chartered Professional Accountants of New Brunswick. I have to say that I was a bit surprised by the question because this is completely independent of the Office of the Attorney General. We have no involvement in this regard. This is a complete, internal, independent body, like the Law Society, for example.

Having said that, I am told—I repeat, I am told—that the organization is working toward the logistics of scheduling a hearing on the matter. The hearing process is expected to start during the fall of 2017.

I was also asked about the Tozer case. While this case continues, it continues to be in the document discovery phase, and no date has been set for an examination for discovery. It is unlikely that it would begin before mid-2018. Thank you.

Mr. Fitch: I appreciate the minister getting back to me on that. These are important topics that people want to know about because there was a substantial amount of money in question. And, if, in fact, there was this information given to the Cabinet ministers at the time and, of course, they were pushed to overrule some of the expert advice that was given to them...

Part of that whole process was also the personal guarantee of the President of the Atcon Holdings company, and that was the third question that I asked today. In the response, I had asked the minister what process it was. That, again, is separate from the document search or the discovery phase of the lawsuit, and it is separate from the complaint that was put against the accountants of Atcon who are alleged to have overstated some of the assets. That complaint was made to CPA New Brunswick, and we were hoping that the Attorney General did not quash any of those.

My follow-up supplementary question would be this: What about the personal guarantee? Has this government...

Mr. Speaker: Time.

[*Translation*]

Hon. Mr. Rousselle: If I understand the question correctly. . . As I explained, the procedure is ongoing. I also pointed out yesterday that, in the Grant Thornton case, we are in the middle of the document-sharing process that has to occur. The procedure is ongoing.

