

November 8, 2017

[Original]

### Health Care Services

**Mr. Higgs:** If I think back to a few years ago, the Premier came in with all the words, “transparency”, “accountability”, and “openness”—all these things—and everyone would say: That is good, and it is really nice to see that.

Through the process, we have learned that it was just about words because one issue after another was raised that did not demonstrate actions that related to the words. Of course, the most recent is in relation to the sole-sourced, untendered, 10-year, \$2-billion contract with Medavie. It has people all around New Brunswick outraged and outraged for a reason because we are privatizing health care. We are moving down a trail to hand over a cherished operation that we have had in this province and that we knew was working well.

How good could it be? We work with the professionals to be sure of that. When will we know? We will not be able to ask now because it is under the guise of a private company that will not reveal the answers. I would like to know whether the Premier . . . I would like to ask a simple question. Has this contract yet been signed? Is it too late for us to back out, because that is what we should do?

**Mr. Speaker:** Time.

[Translation]

**Hon. Mr. Gallant:** I want to correct what the Leader of the Opposition said.

[Original]

First, it is a nonprofit organization that will be responsible for the management. It will be funded publicly, and it is going to ensure that seniors and other New Brunswickers will be able to get the care that they need and deserve in their homes.

The fearmongering of the Leader of the Opposition has people going to sessions and asking us questions such as: Is the Extra-Mural Program being cut? How could you cut it? That is what people think is happening because of the fearmongering of the Leader of the Opposition. It is not the case.

What is happening is that we are going to innovate and make sure that we deliver better care to New Brunswickers. We are going to make sure that it is publicly funded. We are going to



make sure that it is accessible in all regions of our province. We are doing this because health care is vital to the health of our communities and families throughout New Brunswick.

**Mr. Higgs:** People are going across this province and asking for the rest of the story because they have learned that this Premier does not come clean. He does not tell all the story. He tells part of the story. People are asking: What is the rest of the story? What else do we need to know about this contract? Do you know what? We cannot find out because there are no details. The government says: Oh trust us. We will get better. We know how far that has gone with every other thing that this government has gotten into the middle of.

This contract needs to be made public. This is a \$2-billion, 10-year contract. It was never put out for tender. It is a sole-sourced contract without the specified improvements or any idea of what it is going to change, for the better or for the worse. The Gallant government's new buzzword for "privatized" is "innovate". The Premier used it yesterday rather than saying "privatized". The Premier will not or cannot admit the reality of what his government is doing with the Extra-Mural Program and the other health care privatizations. Will the Premier make the contract to innovate health care public so that the people of New Brunswick can see for themselves just what this government is up to? Thank you.

[*Translation*]

**Hon. Mr. Gallant:** Our government went out to all the regions to offer information sessions to New Brunswickers who had questions about this project.

I can tell you that it is incumbent on our health care system to be of high quality and accessible in all the regions. In addition, we understand how important it is for New Brunswickers to ensure that it will be possible for them to stay at home and receive home care for as long as possible, and that is precisely what our project will help us achieve.

[*Original*]

If the Leader of the Opposition would like to lead by example, he can come clean. He can come clean on how he promoted and supported the LNG tax break that was given to the LNG terminal in 2005.

(Interjections.)

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

**Hon. Mr. Gallant:** The Leader of the Opposition said in this Legislature that it was untrue that he supported and promoted it, yet we have evidence that it is . . . Will he come clean to New Brunswickers, finally, this morning?



**Mr. Higgs:** Deflect, denounce, attack—it has been a consistent theme of this Premier. Rather than answering a question, he tries to move it off to some other topic or tries to make it about another issue. This is not about another issue. This is about privatizing health care.

The opposition is sincerely concerned about the monopoly that the Gallant government is giving Medavie. The people of New Brunswick are equally concerned. They do not want privatization of health care, and they do not want this government meddling with the Extra-Mural Program.

The contract is for 10 years at \$2 billion and is sole-sourced, and we do not even know if there is an exit clause. We do not even know any details of this deal because the Premier refuses to make the details public. He refuses to tell us just what are the conditions of this handover to the private sector. This is more secrecy from the Premier, who says one thing and clearly does another over and over and over again. He talks about openness but operates behind closed doors. Can the Premier explain why he will not make this contract public?

**Hon. Mr. Gallant:** The Leader of the Opposition is fearmongering yet again. I just answered his question, as we have answered several times. There is no privatization of health care. It is publicly funded. It is a nonprofit organization that is going to increase visitations for our seniors and for those living in their homes who deserve care in their communities and in their homes. We understand the importance that health care has to the people of our province, to the health of our families, and to the health of our communities. That is why we are innovating.

There is no New Brunswicker who does not think that we have challenges when it comes to health care moving forward. We have an aging population. We must do everything we can to ensure that we change the curve when it comes to the aging population, but we also need to innovate in delivering health care and senior care. That is what this project will do. It is going to increase visitations. It is going to synergize between groups that are already giving good health care and care to the people of our province, and it will be publicly funded.

**Mr. Higgs:** All words, no facts. That is what we always hear. We asked if the contract has been signed—no answer. We asked: Will you make the contract public? No answer. No commitment. No, we are not going to make it public, but trust us, it will get better.

The point is, trust is something you earn, not something you state. Why will the Premier not come clean with the people of New Brunswick about this \$2-billion secret deal that his government is doing with Medavie? Why does this Premier not come clean about whether an exit clause exists? What if the situation gets worse? We have a lot of concern about Ambulance New Brunswick these days. What if it gets worse? Do we have a way out? Why will the Premier not come clean about awarding the contract without going to tender? Why all the secrecy? What is the Premier hiding by refusing to make the details of this contract public? Thank you.



[Translation]

**Hon. Mr. Gallant:** Our government held information sessions throughout the province in order to answer questions, show transparency about this project, and explain that we want to improve home care for New Brunswickers. These information sessions gave us an opportunity to explain how we are going to ensure that our health care system is of high quality and accessible in all regions.

So, accountability and transparency are important, and that is why we held these public meetings and are going to continue to work with New Brunswickers to deliver the best possible health care.

[Original]

If the Leader of the Opposition, again, wants to come clean today, that would be great. He said in this Legislature, his own doing, in the reply to the speech from the throne, that it was inaccurate to say that he supported and promoted the LNG tax break. There is evidence that has been presented that he indeed supported and promoted it. Did he lie? If not, he should clarify this morning and come clean.

**Mr. Speaker:** Time.

**Mr. Higgs:** We have had a lot of discussion in this Legislature about the reasons and the need for our government to be truthful with its colleagues and with the citizens of New Brunswick. What I am asking for here is the truth. I am asking for the reality of what we have for a deal with Medavie. I am asking the Premier to talk about facts and about issues, but, no, it is deflect, deny, and not answering any questions. How many questions have we asked? Last year, I counted 113, with no answers, and here, we continue. The trend continues.

This is a very simple, simple question. Will the Premier answer with a simple yes or no about the \$2-billion deal with Medavie? Will the Premier tell us if it included an exit or escape clause for the people of New Brunswick so that when the deal does not work out, it can actually be fixed? Or is this like every other deal this Premier has not negotiated—there has not been any negotiation but there has been capitulation?

**Hon. Mr. Gallant:** “When the deal does not work out”. Could we have a better quote to demonstrate how the Leader of the Opposition is trying to fearmonger? Why would he not want projects of government to succeed in delivering better health care to the people of our province? Why would he not try to encourage everyone to innovate and take chances to ensure that we change and improve our health care system, that we change and improve our education system, and that we change and improve the way we are able to grow our economy?

We have to go and do things differently if we want different results. We have been doing that since the beginning of our mandate, and we are getting results. We have cut the deficit of the



provincial budget by more than half, all the while growing the economy year after year by working with the people of our province and community leaders throughout our province. Also, we have invested more in health care and more in education than any previous government in this province.

**Mr. Higgs:** Results are measured. You do not have to talk about them because you can lay them out there and they are measured. This government is not able to measure anything because there are no other results than what they talk about. We have asked one question after another. Maybe there is an exit clause. If a deal is not good—an untendered deal, just to pass over to sole-source—what do we expect? We get whatever we get because the Premier does not negotiate.

### Government Policy and Procedure

Yesterday, in question period, the Premier did not answer any easy question. Simply stated, when did the Premier know that the Labour Minister was negotiating for a job with the labour union? The Premier has not answered this question. The Premier has told us about going out to supper. He told us that there was talk of a job, but he did not tell us when he actually knew that the Minister of Labour was in discussion with the labour union for a job. Was it August 21, or was it August 22? When did the Premier actually learn that a discussion was under way for a new job for the Labour Minister? Thank you.

*[Translation]*

**Hon. Mr. Gallant:** We have already discussed this issue at length, and we have taken concrete steps to ensure our transparency and accountability toward New Brunswickers.

*[Original]*

I have to take issue with the preamble of the Leader of the Opposition. He wants to talk about the statistics of the results. Well, let's do that. The deficit in our province has been cut by more than half. When the Leader of the Opposition was the failed Finance Minister, he was unable to hit any of his targets to reduce the deficit. We had, in 2011 and 2014 in this province, an economy that retracted. It shrank because the former Finance Minister was slashing and cutting into education and health care. In 2015, the economy grew at the third-fastest rate in the country. New Brunswick stood just behind Ontario and British Columbia in economic growth. In 2016, it grew again above the national average. In 2017, it is projected to grow again. It is an economy that is working for everyone. In 2016, New Brunswick saw the largest increase in wages for our people.

**Mr. Speaker:** Time.

**Mr. Higgs:** Do you know what we have here? We have an economy currently based on tax flight.



(Interjections.)

**Mr. Speaker:** Order.

**Mr. Higgs:** We have an economy based on increased taxes, at \$750 million and growing, and the carbon tax is coming. We are building a bubble in our economy. Tax flight is what we are going to have, which is going to burst. The only thing that is happening is government spending, and that is not going to be sustainable.

What is in the future? A dope deal. That is a dope deal. Hand out \$80 million to a private company to guarantee supply. What is that going to do for our economy at the end of the day? Every other province is in that business.

When we talk about getting answers, the point is this: Why can we not get any answers? We just get rhetoric. When did the Premier learn that the Labour Minister had been on a paid contract with a union that he has now joined? The people of New Brunswick learned yesterday through a media report that from 2010 to 2014, the member for Campbellton-Dalhousie was being paid by the union. I would like to know when the Premier became aware of this. It seems as though it is the sort of thing that should have been known before he started appointing people to Cabinet.

**Mr. Speaker:** Time.

[*Translation*]

**Hon. Mr. Gallant:** Again, I repeat to you that our government has taken concrete steps to ensure our transparency and accountability toward New Brunswickers. We have done so every step of the way, and we will continue to do so.

[*Original*]

I have to take issue again with the comments from the Leader of the Opposition. He is undermining the hard work of New Brunswickers and businesses in our province, the hardworking individuals in those businesses, entrepreneurs and start-ups, and the community leaders who have worked with us and others to grow the economy year after year. He is undermining the successes of our industries and businesses. We have an economy that is growing, and it is very simple to contrast that with the failed Finance Minister, when he was retracting the economy and having it shrink. We are going to continue to have an economy that works for all.



## Government Contracts

**Mr. Higgs:** We have a Premier here who is desperate. In desperation, he has made personal attacks on me and personal attacks on just about everyone. It is nice to hear him speak up about businesses as being worthwhile here in the province because he has been attacking businesses as well. He has been attacking the actual citizens and the businesses in the province.

Who was the only Premier that did not stand up against the federal tax plans? This Premier right here. This one right here said nothing. He said nothing. Do not come in here and tell us that we are not standing up for citizens, and do not have him say, oh, we are doing this great thing, because, as I mentioned yesterday, it is mirror, mirror, on the wall. The people looking around in this province see tax, tax, tax, spend, spend, spend. When is this Premier going to stand up for the province? When is he going to stand up for businesses? And, in this scenario, when is he going to stand up for doing the right thing in this province? That is tendering contracts, not sole-sourcing.

**Hon. Mr. Gallant:** Here are some measures that we took to support businesses and to support workers and to grow our economy in a way that it works for everyone. I will go through these, and I would like to add that every single one of these things was opposed by the Leader of the Opposition.

We raised taxes on the 1% richest and raised taxes on the largest corporations so that we could then invest more in education and health care and cut small business taxes to help them grow. We raised the minimum wage three times. We put free tuition in place for those who need the most support. We enhanced the CPP so our seniors could retire with dignity. We are investing in Living SJ to help end generational poverty in that city. We are working hard to restore the Women's Council funding, ensuring that it is independent and that we can advance women's equality. We are offering a Family Day for our families and workers to spend with their loved ones, and we are investing in infrastructure to create jobs, stimulate the economy, and improve the quality of life for the people of our province.

## Taxation

**Mr. Higgs:** Once again, talk is cheap. I was always encouraged by outside people talking about the job that we were doing, not by internal people talking about the job that they were doing, because that is pretty cheap. That is pretty easy and pretty cheap, but that is what we see.

Let's look at the latest Canadian Federation of Independent Business (CFIB) report. There are 20 items identified in the case that are making it difficult for small business, 20 items regarding tax changes in this province. And guess what! It is not unlike what we saw in the Auditor General's report, where, oh, something is in place but we are not really doing it. You have 15 systems in place but are not doing it. Here we have the CFIB reporting that we have had 20 tax changes, and guess what! Only 4 of them had any benefit to business. Those 4 were all the same one:



business income tax reduction. When does that take place? When you get a profit. All the rest are bottom-line taxes that make sure that a company never does get a profit. This government is putting our businesses in the ground. He has got to change.

**Hon. Mr. Gallant:** This is a great example of the contrast between the Leader of the Opposition and our government. He thinks that you have to help big business. How you grow the economy, in his opinion, is that you grow big business and help only them.

We need to help our workers so that we have a strong workforce, we need to help our small businesses, and we need to help our families and communities so that they can thrive and provide a strong workforce to the businesses in our province. That is why we raised taxes on the 1% richest and raised taxes on the largest businesses: so that we could invest more in education and health care and lower the small business tax by 33%, since we have been the government. That is why we have raised the minimum wage three times. That is why we have introduced free tuition and enhanced the CPP. That is why we are investing in rural New Brunswick and its hospitals and schools. That is why we have a Family Day, and that is why we are investing in infrastructure.

Every single one of the things that I have just named ensures economic growth that works for all, and every one was also opposed by the Leader of the Opposition.

**Mr. Higgs:** Is it not ironic that, every time, the Premier wants to talk about 2015 and the great economic growth in 2015? Do you know what fueled that? Big business. It was fueled by forestry, and it was fueled by the refinery—simple. He is quick to quote that fact because it is something that he can use in his poster talk, but when he wants to talk about small businesses... The CFIB represents 109 000 small businesses in this country, with 5 000 of them in this province—small businesses. The Premier just said: Oh, I am talking about small businesses.

The CFIB represents small businesses. It is saying that 16 out of 20 taxes are detrimental to their bottom line and are causing it to be hard to stay in business in New Brunswick. This Premier is denying this report. He is saying: It is okay. I have lowered your business tax, so it is okay. If you make a profit, I will take more of it or I will take less of it. People who make a profit will be happy to pay it.

**Mr. Speaker:** Time.

**Hon. Mr. Gallant:** There it is. He thinks it is big business. He just said it. It is a great trick. We will make sure that all New Brunswickers see it. In his opinion, it is all big business that grows the economy. Well, we do not agree. We understand that if you help the middle class and those who are working hard to join it, you are putting more money in the pockets of the people of our province. That will then churn the economy when they spend. They will invest in their families, they will go to school, they will go to university, they will go to college, and they will buy things. They are able to have a better quality of life.



It is very much the exact contrast that New Brunswickers need to see. The Leader of the Opposition thinks that we should grow the economy by helping big business and slashing into education and health care. We believe that we will grow the economy by ensuring that our workers, our people, have a good quality of life and have the money that they need to be able to invest in themselves and their families. That is why he is so flabbergasted that he retracted the economy when he was there and we have grown it every year since.

(Interjections.)

**Mr. Speaker:** Order.

**Mr. Higgs:** What I am talking about is the Canadian Federation of Independent Business. In case the Premier does not know, that represents small businesses across the country, with 5 000 in New Brunswick. I am standing here right now defending small businesses in this province, based on the CFIB's report. It is not based on the rhetoric that the Premier is spewing out. It is based on this report.

My question is very clear. This report says that 78% of the small business owners in this province feel that the province is going in the wrong direction or they are not satisfied with the results. They are not satisfied that 16 out of 20 tax changes are detrimental to their future operation. This is an independent review. This is not something that I am making up. The Premier makes up a lot of stats, but I am not making this up. This is an independent review.

I am asking this: Does the Premier believe that the CFIB represents business? Does he believe it is telling the facts?

**Mr. Speaker:** Time.

**Hon. Mr. Gallant:** Here are the stats that the Leader of the Opposition can oppose if he wants to. Statistics Canada said that from 2011 to 2014, the economy in New Brunswick retracted. It retracted because of the exact things that the Leader of the Opposition is saying today. He thinks that it is all big business that we have to focus on and that we should be cutting into education and health care. We do not agree.

Statistics Canada has shown that by our raising taxes on the 1% of the richest and on large businesses, by investing in our small businesses and cutting their taxes by 33%, by increasing the minimum wage, by providing free tuition and CPP enhancements and programs to end generational poverty, by ensuring that we have Family Day to help our families, and by investing in infrastructure . . . These things are working. The stats to demonstrate that are that in 2015, the economy grew, according to Statistics Canada. It grew at the third-fastest rate in Canada. It grew again at above the average rate nationally in 2016, and it is projected to grow again in 2017.



**Mr. Higgs:** I guess the only thing that I can take from all of this, given the fact that the Premier will not address an independent report on small business, is that the Premier does not support small business unless maybe if the government is paying for it, if the government turns it into a public enterprise, or if the government sanctions it because it is Liberal-friendly and the government hands over a tendered contract. Maybe that is how the government sees the future of our province.

Well, seeing the future of our province based on a tax-inflated economy and continuing to do that while, at the same time, independent small businesses are saying—78% are saying—that this government either is detrimental or is going in the wrong direction for us in small business . . . That is what they are saying. I am not making that up. I am reading it right here in this document. They are saying that 16 of the 20 taxes are detrimental by far. This province raised small business property tax by a total of \$31 million—it was \$28 million, actually. The members opposite raised it. When are they going to recognize . . .

**Mr. Speaker:** Time.

**Hon. Mr. Gallant:** What a ridiculous claim to make—that we are working with party-friendly organizations—when, this morning, we were debating Medavie, where the CEO is Bernard Lord, a former Progressive Conservative Premier and party leader. He is a guy that I actually ran against, I would like to add.

I would also like to add that we have invested in small businesses. We enhanced the small business investor tax credit, from 30% to 50%, and we have cut taxes for small businesses by 33% since we have been in government. What is very clear today is that the Leader of the Opposition does not agree that we should be investing in our people. He does not agree that we should have an economy that works for all, one where we tax the 1% richest more, where we increase taxes on large businesses, or where we increase minimum wage, provide free tuition, enhance the CPP, and have a Family Day for our workers. We believe in that, and we are going to grow the economy in a way that works for all New Brunswickers.

**Mr. Speaker:** Time.

**Mr. Higgs:** Do you know what is required here? It is an independent inquiry on every living thing that this Premier has said—every detail, every fact, and every mention of reducing small business taxes by 33%.

(Interjections.)

**Mr. Speaker:** Order.

**Mr. Higgs:** You should look at the rest of the story. They are talking about an income tax reduction after a profit, raising property tax, raising gas tax, raising diesel tax, raising land transfer tax, raising HST, and raising workers' compensation. The list goes on and on, but the



Premier is in denial. He is in denial of the facts, so he continues to spew out just enough details to make himself feel good.

(Interjections.)

**Mr. Speaker:** The Minister of Transportation and Infrastructure will come to order.

**Mr. Higgs:** The rest of the province does not feel good because this Premier and this government are burying our province under a tax load that is not sustainable so that the economy can be inflated for the short term. When is the Premier going to recognize the CFIB as a voice for business and as a voice to be listened to?

[*Translation*]

**Hon. Mr. Gallant:** I understand this very well: The Opposition Leader wants the government to focus solely on big business, while we want to invest in New Brunswickers.

We want to grow our economy in such a way that it will benefit everyone. That is why we have increased taxes for the richest 1% in our province. That is why we have increased taxes for big business, and that is why we have reduced small business taxes by 33%. That is why we are offering free tuition to students who need it the most, and that is why we have worked to improve the Canada Pension Plan. That is why we have added a February holiday for families, and that is why we are investing strategically in our infrastructure.

Each program I mentioned helps New Brunswickers to have a better quality of life, but the Opposition Leader has opposed every single one of them.

[*Original*]

**Mr. Higgs:** Some 78% are not very confident or not confident at all. Boy, that is a pretty condemning statistic, is it not? It is a pretty condemning statistic. When you look at that, 80% say reduce the total tax burden. I want to ask the Premier a very simple question. I am not expecting an answer because it would break a trend. I would like to have the Premier identify the 33%. Is that all coming from the reduction in income tax? I would like a yes or a no. Yes, it is coming from the income tax, or, if it is not, what else is it? That is where I would see it. If it is, how does that compare with all the other taxes that far overshadow it? That tax is only after you have a profit. All the other taxes completely overshadow any chance of that business having a profit. When does the Premier stand up for small businesses in this province? When does he come clean on the tax issue?

**Mr. Speaker:** Time.

**Hon. Mr. Gallant:** We stood up for small businesses when we enhanced the small business investor tax credit, giving the people of our province the chance to get the capital they need to



start up their businesses and grow their businesses. We stood up for small businesses when we cut their taxes in the first year of our mandate. We stood up for small businesses yet again when we cut their taxes again, and we stood up for small businesses again when we cut their taxes again.

We have cut the small business tax by 33% since we have been in government. We did this by taxing the 1% richest in New Brunswick more, by increasing the taxes on large businesses, and by increasing the minimum wage to give a strong quality of life and a strong workforce to our industries and businesses. We have provided free tuition so we can have an educated and skilled workforce. We have CPP enhancements to help seniors, after they have worked throughout their careers, to have a good retirement. And we have introduced Family Day to help our workers have a day to spend with their loved ones. It is an economy that works for all New Brunswickers.

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

