

December 19, 2017

[Original]

Government Finances

Mr. B. Macdonald: New Brunswickers have developed a fundamental lack of trust in the Gallant government, and that is due to the actions and failures of the Premier himself.

(Interjections.)

Mr. Speaker: Order.

Mr. B. Macdonald: The mantra of this government has been this: Just trust us. We know it is better for you.

That is not enough. It is not enough to assert something. You must also prove it with your words and with your actions and back that up with some results. You have to say something, do it, and then demonstrate a result. That is how you build trust.

The Premier sent a letter to the Mayor of Saint John, and in it, he asserted that in 2014, New Brunswick was close to defaulting on its financial obligations. What evidence can the Premier offer on this assertion?

[Translation]

Hon. Mr. Gallant: As we mentioned last week, we had in fact heard that discussions had taken place and that a study had been carried out to determine what the effect would be at the national level on the federal government if ever a province had to declare bankruptcy. We were told that New Brunswick had been used for this analysis. That is what we heard, but the former federal Minister of Finance, Mr. Oliver, said he did not remember that, so we will certainly take him at his word.

However, I can tell you that this in no way changes the principle behind my argument. My argument is very simple: Under the previous Conservative government, we saw the finances of the province end up in a frankly disastrous state. We saw the previous government make cuts again and again; it reduced investments in education and health, which hurt our economy. Our finances were going nowhere.

[Original]

Mr. B. Macdonald: Well, as usual, the Premier has a very slick answer; however, the fact of the matter is that he wrote a letter to the Mayor of Saint John, and in that letter, he wrote: “The



federal department of finance was considering contingency plans in the event that New Brunswick could no longer pay its bills.” We have heard a lot of platitudes from the other side about how optimistic its members are, but the Premier put this in a letter to one of his municipal mayors. It is a pretty strong statement, and I am wondering if the Premier can now offer us any evidence whatsoever—not assertions, not platitudes, not slick talking points... What evidence does he have that, in fact, this is the case? Why did he put it in the letter?

Hon. Mr. Gallant: As we said last week and as I just said, the intel that we got was that was indeed the case but that we will take the former Finance Minister—the former Conservative Finance Minister—at his word, that he does not remember any such memo.

What I can tell you is that we have ample evidence that, yes, indeed, the finances of the province were in disarray under the previous Conservative government. The former Finance Minister, who is now the Leader of the Opposition, was cutting into education and health care. He was retracting the New Brunswick economy from 2011 to 2014, and I can tell you that even the Leader of the Opposition, when he was minister, was saying that the finances were in trouble. The former Conservative Premier said the exact same thing.

Well, I am pleased to tell you, though, that since we have been the government, we have reduced the deficit by 67%, all the while growing the economy and investing more in education and health care every single year.

Government Policy and Procedure

Mr. B. Macdonald: At least this Premier is consistent. We see a history of this Premier getting up in this House and giving us great assurances, great grandstanding, but no proof. We would like some proof.

Let’s look at another mysterious letter that was written by the Premier. In this case, it was sent by the Premier to Don Arseneault, the former Labour Minister. This was allegedly dated August 22, yet we know that minister continued to act as the Minister of Labour for weeks after that. In fact, he signed official documents, he sent out press releases, and he made personal communications claiming to be the Minister of Labour. Once again, we would like to know what assurances we have. What proof can the Premier offer that this letter was, in fact, sent and that it is substantially the truth?

[*Translation*]

Hon. Mr. Gallant: Again, I can tell you that, a few weeks ago, we provided the media with documents showing the exact timeline of events to which—I was going to say the Leader of the Opposition—the member opposite is referring. I am not sure whether he is the Leader of the Opposition or not. I can tell you that we have provided the media with the documents showing the timeline of all these events, and I am sure the opposition has seen them.



[Original]

What I do have an issue with is the member opposite talking about there being no proof of the things we are saying. It is really odd to have the member opposite dispute Statistics Canada stats that say the economy retracted from 2011 to 2014, when the previous Conservative government was cutting into health care and education and helping the wealthy and large corporations. It is Statistics Canada that has said that the economy has grown every single year we have been in government.

Mr. B. Macdonald: Well, there is an alternative set of facts here—one that says that, in fact, the net wealth of New Brunswickers has declined over the mandate of this government. Another statistic says that New Brunswickers are, in fact, worse off, and yet another statistic says that there are 7 000 fewer New Brunswickers in the workforce. These are indeed facts as well, and I would like the Premier to consider these.

But let's look at this letter. The Premier claims that he replaced a member of the Executive Council with the letter of August 22, but we know that is not the way you move people around in the executive branch of government. We would like some assertions, other than the letter we received, that the Premier, in fact, made this administrative change to his Cabinet. We have yet to receive any proof of this statement. The Premier is making assertions. Let him back them up with some facts.

[Translation]

Hon. Mr. Gallant: Once again, I repeat that, with regard to this, we gave documents to the media to show the exact chain of events to which the member opposite is referring.

[Original]

I do agree with the member opposite on one thing: He certainly does have alternative facts. The facts are very, very clear, and they are from Statistics Canada, which we think is a good source. They want their stats to come from the Leader of the Opposition only, but we feel that Statistics Canada is a great source. According to Statistics Canada, the economy of the province retracted under the previous Conservative government. It grew in 2015 and 2016, and it is estimated to grow again in 2017. The facts are these: The unemployment rate under the previous Conservative government was over 11% at one point; under our government, it has been consistently in single digits for the last little while; and finally, wages went up for New Brunswickers in 2016 at the fastest rate in the country.

Property Tax

Mr. B. Macdonald: My point here today is that the Premier has made a number of assertions and has yet to offer proof about them. We know that he sent the letter with a very wild claim to the Mayor of Saint John and he is not able to give us any proof for that claim. We know that



he sent a letter to the Minister of Labour to replace him, yet the Minister of Labour continued to act in that position. It questions whether that letter was ever officially sent or whether that was ever officially actioned.

Let's look at another case, the property tax scandal. We know that the Premier's own Chief of Staff said that the Premier learned about this issue in 2016, and yet the Premier himself told the Auditor General that he did not learn about it until 2017. We have asked that the Premier come forward to clear his name and give us the facts. He will not give us the facts with the Don Darling letter, and he will not give us the facts with the Donald Arseneault letter. Let's at least get the facts on the property tax scandal. Will the Premier present us with the facts and the testimony from these people to back up what he is saying?

[*Translation*]

Hon. Mr. Gallant: Again, I repeat that I think it is obvious to all New Brunswickers that our province was in fact struggling with financial challenges in 2014. The current Leader of the Opposition said the same thing when he was Minister of Finance, and so did former Premier Alward.

[*Original*]

We have the proof to demonstrate that was indeed the case. When the Leader of the Opposition was the Finance Minister, helping the wealthy, helping big businesses, and cutting into education and health care, we had the first population decline in New Brunswick in six years, the first government to have a net loss of jobs over its mandate since records began to be kept, and a credit rating downgrade in 2012. Under the opposition's leadership, New Brunswick was rated the worst economy in the country in 2014 by the Conference Board of Canada and GDP growth was last in Canada in 2013 and 2011 and second to last in 2012. That is the proof that we have here today.

Health Care Services

Mr. B. Macdonald: In case people forgot during that answer, the question was about the property tax scandal and the opportunity for the Premier to provide some proof for his assertions. He has made assertions about the letter he sent to Mayor Darling, with no proof. He has made assertions about the letter he sent to Donald Arseneault, with no proof. He has now made assertions about the property tax issue, with no proof.

My concern is that we need to look at the current Medavie deal. We have heard this Premier stand up and give all kinds of assertions to us, the same as he made about the Darling letter, the same as he made about the Arseneault letter, and the same as he made about property tax. He is now making those same assertions about Medavie, but we still have the opportunity to stop that deal.



Will the Premier give us some proof that he is going to fix the problems with Ambulance New Brunswick? Will he at least acknowledge the fact that Ambulance New Brunswick has had ambulances off-road 14 000 times for over 50 000 hours? Will he stop giving us assertions and give us some facts? Thank you.

[*Translation*]

Hon. Mr. Bourque: Listen, so many things have been said. I am going to start with Ambulance New Brunswick and repeat the answer I gave last week. Is there a situation right now that requires our attention? The answer is yes, and this situation is mainly due to a staff shortage, that is to say recruitment and retention of employees. It is not just in New Brunswick that we are seeing this; it is actually a problem across the country.

If the data is examined and explained properly, this is clear: Despite all the data mentioned by the opposition, 97.3% of the time, there is no staffing problem.

So, taking into account the system as a whole, it is apparent that it generally works very, very well. Medavie has done an excellent job of managing the system. The organization will continue to manage it well, and, as a government, we will continue working to fill as many paramedic positions as we can.

[*Original*]

Mr. B. Macdonald: Well, the minister is right. Recruiting and retention is a massive problem with respect to Ambulance New Brunswick, and that has been exactly our point. That is not actually Ambulance New Brunswick's problem. It is the government of New Brunswick's problem. There is a hole in that bucket, so marrying that bucket to the Extra-Mural Program, which is working well, has the potential of destroying the system that New Brunswickers rely upon.

What is worse is that this is being done in a secret deal. The government has yet to give us the details of the Medavie deal. We know that it has forced us to close debate on this bill today. Today, debate will be over on this bill. We know that the government is going to close down for Christmas on Friday, but it keeps telling us that it is negotiating the details of this secret deal. We all know that the government has the details. We all know that it has the deal. Will the government at least share that deal now with New Brunswickers?

Hon. Mr. Gallant: I think that it is pretty clear that the opposition has had the chance to ask questions with regard to the Extra-Mural Program. In fact, 25 hours were spent asking questions about the Extra-Mural Program. I think that those members have had ample opportunity to discuss and debate it.

The member opposite keeps talking about wanting proof. It is really unfortunate to see the opposition members think that they are smarter than the Auditor General and that they are smarter than Statistics Canada. The proof that we want to put toward the opposition is this: We



have worked very hard with the people of New Brunswick. We have reduced the deficit of the provincial budget by 67%, all the while growing the economy every single year and working with New Brunswickers and businesses and community leaders and all the while investing more in education and investing more in health care.

Mr. B. Macdonald: The Premier is very selective in what he chooses to say in his speaking points. He has it nailed, but he forgets to mention that this government has clawed more than \$1 billion out of the taxpayers of New Brunswick—\$1 billion. That number was given to us by the Minister of Finance, yet the government still runs deficits. Even with bringing in all that money, it cannot stop spending more than it brings in.

The Premier talks about the time that has been allocated for bills in this House. It ends up being 1.1 hour per bill being closed. If the Premier thinks that is sufficient time, he has a problem. We certainly have another 25 hours of questions to ask on Medavie, but it is going to be closed this afternoon.

(Interjections.)

Mr. Speaker: Order.

Mr. B. Macdonald: The point is that the Medavie deal is still secret. It is being kept secret from the people of New Brunswick. This government knows what that deal is. That deal is finished, debate is going to be finished, and it is going to be rammed through. Let's at least get it on the table. Will this Premier now give us the details, the facts, of the Medavie deal?

Hon. Mr. Gallant: Yes, we raised taxes on the 1% richest New Brunswickers. We raised taxes on large businesses.

(Interjections.)

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

Hon. Mr. Gallant: We have done that so that we can invest more in education, so that we can invest more in health care, and so that we can invest, to be more specific, to increase and improve literacy skills in this province and to ensure that we are teaching coding to our children. We are putting trades back in our schools, giving our children the chance to learn those important skills. We are investing in mental health and addiction support. We are investing in child care, helping our youth and families be able to get the support that they need so that they can go into the workforce and so that they can also go to school.

We have put forth free tuition to ensure that those who need the most support to go to university and college will get the support, changing their lives and, at the same time, strengthening our workforce and, thus, the economy. We will not help only the wealthy and the



large corporations, as the opposition would have us do. We are going to help all New Brunswickers.

Mr. B. Macdonald: I go back to my introductory statement, and that is that you build trust when your words line up with your actions, line up with your results.

(Interjections.)

Mr. Speaker: Order.

Mr. B. Macdonald: If you are going to make an assertion, as this Premier likes to do, you have to back it up with real results. The Premier says that he taxes the top 1%, and that is great. But he also taxes 100% of the people in this province with the HST, an increase that he brought in that brings in hundreds of millions of more dollars to his government every single year. He has to be honest about taxing all New Brunswickers.

Add to that the fact that he talks about investing. If you are going to invest, you need to get some results. When he invests in education, he gets the worst literacy scores in Canada—the eighth in the country. When he invests in health care, he gets the longest wait times. It is unacceptable.

We still have time to fix this. We need to know this, before this Premier makes a mistake with the Medavie deal: What are the details of the contract? What are the details of the contract?

[*Translation*]

Hon. Mr. Gallant: As we have said over and over again, we cannot reveal the substance of our negotiations on the floor of the House. However, I can tell you again that we want to increase the number of home visits made under the Extra-Mural Program. We want to reduce the number of visits to the ER made by people receiving Extra-Mural Program services. We also want to maintain the same quality of care, with employees whose salaries are publicly funded. The Extra-Mural Program will still be publicly funded, but it will be managed by a nonprofit organization.

[*Original*]

The member opposite wants to have people follow up their words with actions. Well, he should ask the Leader of the Opposition how he did when he promised to reduce—sorry, eliminate—the deficit and balance the books by the end of his mandate as Minister of Finance, from 2011 to 2014, without cutting services or raising taxes. He cut in education, cut in health care, raised taxes, and did not meet any of his targets to reduce the deficit. That is why he is the failed Finance Minister.

Mr. Speaker: Time.



Travel Expenses and Benefits

Mr. K. MacDonald: The Premier refused to answer any of the questions from my colleague. Perhaps he will answer mine.

Last Wednesday, the Premier flew up to Ottawa to attend the annual Liberal Party holiday gathering. His trip was originally being spun as a quick business trip. His office even put out a press release to that effect, but the Premier got caught on Wednesday night with a tweet. It was a tweet from the federal Environment Minister. It was a nice picture of the Premier and her at a party. The end result was a rewrite of the news story and a claim out of the Premier's Office that the New Brunswick Liberal Party would pay for the Premier's trip.

Can the Premier tell us how many staff accompanied him on the party plane and whether the New Brunswick Liberal Party will be paying for their trips as well?

Hon. Mr. Gallant: First, this insinuation of a party plane is just pathetic. It was a normal plane with New Brunswickers. I think the fact that the member is dragging in some New Brunswickers who were on a plane and calling it a party plane is just really unfortunate.

(Interjections.)

Mr. Speaker: Order.

Hon. Mr. Gallant: It is just not worthy of the honourable debates that should be happening in this Legislature.

Second, had I gone to Ottawa, had a meeting with the Prime Minister, and not told anybody, I think that would have become a story and the members opposite would be attacking that. To ensure transparency, we did indeed put out a release and a photo to demonstrate that I was meeting with the Prime Minister.

We talked about what we talked about during the meeting, ensuring that we have economic growth in this province, and we talked about how we can have a partnership between New Brunswick and the federal government to ensure that we are delivering quality care to our seniors and curbing the challenges of an aging population. We are pleased to work with the Trudeau government, and I was pleased to be able to meet with the Prime Minister.

Mr. K. MacDonald: Getting back to the party plane, more and more New Brunswick families are struggling to keep their bills paid, the lights and heat on, and food on the table. What we see is a Premier taking advantage of his position to squander New Brunswick taxpayers' dollars by traveling to Liberal Party functions and fundraisers. The Premier got caught this time, but I believe the Liberal Party holiday gathering is an annual event—an annual event. Will the



Premier tell this House who paid for his and his staff's travel to the Liberal Party partisan event last year?

Hon. Mr. Gallant: I did not go last year, and I appreciate very much the member opposite asking about all my holiday festivities and celebrations.

I would like to tell you this: We are very proud of the relationship that we have with the Trudeau government. It is delivering real results for the people of New Brunswick. It is delivering economic growth, and it is delivering stronger education opportunities and stronger health care. That partnership is ensuring that we help the middle class as well.

Now, I can tell you that I am very proud of the relationship that we have with the Trudeau government. I do not think that the opposition members could have said the same thing about Prime Minister Harper. He was the worst Prime Minister for Atlantic Canada that we have ever seen in this country. I can tell you that he would not even return the phone calls of the previous Premier, and I can also tell you that I was able to get more done in Ottawa in one night, meeting with several ministers and the Prime Minister, than they were able to do over four years.

(Interjections.)

Mr. Speaker: Order.

Mr. K. MacDonald: Davos, Montreal, now Ottawa—still on the party plane. Before the rules changed, the Premier had developed a reputation for traveling from coast to coast at the taxpayers' expense. At every whistle-stop, the Premier held fundraisers for the New Brunswick Liberal Party when he should have been working to make life better for the people of our province. A quick check of the lobbyist registry shows that an outfit that put on a fundraiser for the Liberals in Vancouver is now listed to lobby the Gallant government. How convenient.

Getting back to my question, will the Premier tell us who paid to send him and his staff to a Liberal Party partisan event—a holiday gathering—in Ottawa two years ago?

Hon. Mr. Gallant: Again, I was not there.

This time around, it was indeed the party that paid or that will be paying. We will all be paying, and then we will get our receipts covered. Yes, indeed, it will be the Liberal Party of New Brunswick. I think that it is a pretty good deal for the people of New Brunswick that the Liberal Party is paying for this and the people are getting a meeting with the Prime Minister. They are getting a meeting with the Minister of Immigration. We got to talk about softwood lumber with Minister Freeland. We got to talk about transportation infrastructure with Minister Garneau. We got to speak about...

(Interjections.)



Mr. Speaker: The member for Fredericton-York will come to order.

Hon. Mr. Gallant: We got to speak about the Atlantic economy and cybersecurity with Minister Bains. We got to talk about other investments that could potentially be made in the province with Minister Sajjan. I can tell you that we were very pleased with the conversations, discussions, and partnerships that we were forging while in Ottawa. We are going to continue to work with the Trudeau government on growth here in New Brunswick.

[Translation]

Climate Change

Mr. Coon: The new bill entitled *Climate Change Act* will create a fund that could pay for a lot more than the transition from fossil fuels to green renewable energy. It could pay for expenditures that currently come out of the Department of Environment and Local Government's budget, which is incredible.

In fact, this fund could cover the cost of damage caused by the next ice storm or a flood. It is incredible. Why are we going to fund other things instead of helping New Brunswickers with the energy transition of replacing fossil fuels?

Hon. Mr. Rousselle: I am not sure I understand the question, but I can say we are proud of the steps we announced in Bill 39.

As you know, climate change poses a very significant challenge to humanity. We tabled a bill to move forward, find solutions, and respond to this challenge. We are going to do this by working with the people of New Brunswick.

It is important to remember that the ultimate goal is to fight climate change. We are going to do this in a way that does not lead to people, consumers, in this province paying more money. The goal here is not to increase revenue but to protect the environment.

I am proud that a fund is in fact being created. This money will come from revenue we already get in New Brunswick through the gasoline tax and the diesel tax. This money will indeed go toward energy-efficiency measures for buildings and infrastructure throughout the province.

[Original]

Mr. Speaker : Time, minister.

Mr. Coon: The problem is that this climate fund can be used for things that the minister's department is already paying for out of its regular budget. It can be used for things that we are already paying for or to deal with the consequences of extreme climate events like the ice storm on the Acadian Peninsula. What it does not have is anything that suggests how the government is going to fight climate change.



There are no targets for upgrading our housing and building stock. There are no targets for substituting green, renewable power generation for fossil fuel-fired electricity production. There are no targets for expanding public transit ridership or for electric vehicle purchases. This fund should be helping New Brunswick families and small businesses to insulate their homes and buildings, to use green energy for heat, to use green energy for electricity, and to use green energy for transportation. Why is it not a priority for this bill to power the energy transition we need to make?

[Translation]

Hon. Mr. Rousselle: I want to reassure the member opposite and tell him that the Climate Change Fund really is dedicated to combating climate change. This fund will allow for investments in climate change action. For instance, there will be money for improving energy efficiency in homes, businesses, industry, and transportation.

This fund is not all we have; last week, I also had an opportunity to announce, along with the federal government, a \$234-million investment. This money will be invested not only in energy measures for residential consumers but also in industry and business. Indeed, there will also be money for investments we are making in government infrastructure. It is important to invest in our schools and hospitals in order to ensure that. . . For example, at Fredericton High School, we will be investing in solar energy.

[Original]

Mr. Coon: I do not know how we can trust this government to power the energy transition when it cannot even deliver on its three-year-old commitment to provide power to the grid from community-based renewable energy projects under the Locally Owned Renewable Energy Projects that are Small-Scale Program. This timid effort was to meet Bernard Lord's modest renewable power targets established more than a decade ago. New Brunswick's First Nations, municipalities, community co-ops, entrepreneurs, and business start-ups are prepared to deliver a deluge of renewable power to replace oil and coal and gas, which are producing electricity now in New Brunswick. Why is the minister's ambition failing to measure up to that of New Brunswickers?

[Translation]

Hon. Mr. Gallant: Actually, we are very proud of the program that will ensure that First Nations and other communities are able to generate renewable energy here in New Brunswick. Not only will this help us in our efforts to combat climate change, but it will also enable economic activity to be generated. Of course, this will also help these communities.



[Original]

I just want, again, to take the time to reassure all New Brunswickers who are watching that although the opposition clearly wants to spend its time trying to gain political points, we are indeed focused on New Brunswickers' priorities. We are focused on investing in infrastructure. We are focused on fostering innovation, helping small businesses by reducing their taxes, and investing in important sectors like tourism to grow our economy.

(Interjections.)

Mr. Speaker: Order.

Hon. Mr. Gallant: We are investing to help seniors be able to stay in their homes longer, and we are going to invest to ensure that if they do need to go to a nursing home, they have the spaces needed. We are going to invest more in education and health care so that we can advance the priorities of the people of our province.

