

December 12, 2018

[Original]

Capital Budget

Mrs. Harris: Mr. Speaker, when the Premier made the decisions to cut and slash over \$200 million to the capital budget, did he even stop to consider the negative impact on New Brunswick's economy and workforce? If any impact analysis was made, there surely is a document. Can the Premier provide us with this document?

Hon. Mr. Higgs: Thank you, Mr. Speaker. Well, the only document that exists is a fundamental law around financial matters which says that public sector spending cannot produce an economy that is sustainable. That seemed to be the philosophy of the previous government. For the first time in the history of New Brunswick, we have public sector spending and private sector spending that is matched. Usually it is like a two-to-one differential of private over public. That is another item that is a clear indication that it is not sustainable.

Mr. Speaker, our future New Brunswick is going to be sustainable because we are going to spend money and we are going to treat taxpayer dollars like every dollar of our own, because that is how we should act in this House. Thank you, Mr. Speaker.

Mrs. Harris: Mr. Speaker, the members on the opposite side think that action is austerity. Yes, they will spend money. They will just move money from where it is needed to their own ridings.

Over the past four years, the Liberal government fought to secure federal-provincial partnerships, which were cost-shared, with millions of dollars already invested, in projects that the Conservative government, the Premier, is cancelling. These cut-and-slash decisions will leave millions of federal dollars on the table for other provinces to grab. My question goes to the Premier, and I expect a clear answer. How many millions?

Hon. Mr. Higgs: Once again, Mr. Speaker, there is a fundamental philosophical difference. You know, some people will spend 50¢ dollars on things that they absolutely do not need and think that it is a saving. You can do that, whether you buy something you do not want personally or whether you spend somebody else's money that you do not need to spend. There seems to be a thirst to do that, so we generate projects and we generate employment based on taxpayer dollars. That is a taxpayer-funded economy. Mr. Speaker, that has proven never to be successful.

Last week in the First Ministers' Meeting, I talked about how I do not need more 50¢ dollars on things that just would not help our province move forward. We have infrastructure that we need to fix. We have bridges, we have roads, and we have schools. We have places in which we need to put money for the future of our province. We do not need to invent projects because



there is money in Ottawa to pay half the cost. I suggested that if they change the rules, we are there, but I do not need 50¢ dollars for projects I do not need. Thank you very much.

Mrs. Harris: Mr. Speaker, I would say to the Premier: Ask the families that have lost family members on Route 11 whether the 50¢ dollar was worth it.

The Conservative-Alliance government has already ripped out \$90 million of infrastructure investments in the Miramichi region that would have provided a much-needed safe route between Miramichi and Glenwood. It is very scary to think of the accidents that will no longer be avoided. It is very obvious to see that Miramichi and the entire north will once again be neglected by the Conservatives. It is very obvious that local construction companies will suffer major financial loss. Will the Conservative-Alliance government invest in the Miramichi-northern bypass, the Miramichi wellness centre, and the Miramichi Anderson Bridge? My question is clear. I expect a clear answer.

Hon. Mr. Higgs: Mr. Speaker, I hope that there is a paramedic in the House. The emotions and tensions are rising.

The same philosophy applies going forward. The projects and the bypassing business... I talked about this all through the election. I am tired of bypassing our local businesses. I am tired of bypassing our communities. We have private sector businesses shutting down, and we wonder why. It is because all the traffic has moved around them. We are working with our colleagues here to do what makes sense for our communities—to help rebuild communities and towns, not to have them disappear. So there is a different philosophy, Mr. Speaker.

The statistics based on road announcements... Let's look at that. We have been building highways. We have been building all these massive roads. We have been putting roundabouts everywhere we possibly can. And the only thing we do not really look at is the actual traffic count, to say: Does that make sense or not? It did not matter because the former government just wanted to spend your money. Thank you very much.

[*Translation*]

Highways

Mr. D. Landry: As we saw yesterday and as the media also said last night, the cuts the Premier made to infrastructure projects are drastic. Before making cuts to highway infrastructure projects, did the Premier consult with industry representatives and road builders? Did he ask them what the economic impact of these cuts would be? Did he bother to warn them, or was this as much of a surprise for them as it was for everyone else?



[Original]

Hon. Mr. Higgs: Thank you for the question. I doubt that it was a surprise, because it was not anything that I have not been talking about for the last six months and beyond—two years, three years, four years, whatever time it has been, actually. It has been consistent. We have seen a cycle of volatility in road construction because there has been a difference in philosophy—just spend money and create jobs with taxpayers' dollars. I do not share that philosophy, and I have been very clear on that.

The roads that we are working on, the roads that we are focused on, will be rebuilding our communities. They are our rural roads and infrastructure that we must spend money on. The balance in that budget of \$600 million, looking at the amount that is being spent in DTI, is very consistent with what is needed to see our ability to upgrade our roads over a four- or five-year period. This will get us to a point where we have safe roads throughout our province to drive on. We do not need more roads. We need better roads, and that is the focus here. The point of this spending... If you look at it historically and look at where we are right now, we are in a good place—and a good place for the next four or five years, Mr. Speaker.

Schools

Ms. Rogers: I find it not only ironic but also downright low for the Minister of Education to preface his announcement yesterday about cuts to schools with taking politics out of education. What did he do? He put politics in education, and it is politics at its worst.

Mr. Speaker, last year's capital budget provided for the preliminary engineering and land search for a new West End school to address what the minister said he was going to protect—overcrowding, growing enrollment, and failure in this particular school's midlife assessment for much-needed repairs.

Following Education policy to the letter and looking first at using land already owned by government, DTI engineers determined that numerous options were available to indeed build the new combined school on Bessborough property without displacing students. Why is the minister playing despicable politics with our children, their parents, and our teachers?

Hon. Mr. Cardy: Mr. Speaker, I thank the member opposite very much for that question. The reason this government was put in the position of having to make difficult choices around which educational projects to support is that the party opposite, when it was in government, had \$1 billion in spending without results. It plowed money into the pockets of friends of the former Premier who have now been unable to organize the Francophonie Games. It plowed money into economic development projects that, far from developing our economy, enriched its friends and impoverished our province.

That is why, on this side of the House, we are taking seriously the responsibility of government to make difficult decisions. These are not ones we wanted to make. They are ones that the



previous government has forced us to make through irresponsible decisions. We are now here to say: That time is done. We will act in the best interests of the people of this province, and we will create a world-class education system while we are doing it.

Mr. Bourque: Thank you, Mr. Speaker. Well, I am pleased to see that the Premier will commit to shutting down Highway 1 to divert traffic to Route 100 from Quispamsis to Saint John for local businesses to profit from traffic.

[*Translation*]

Yesterday, I was flabbergasted to learn that the twinning of Route 11 between Cocagne and Bouctouche had been cancelled. People have been waiting for this 13.8-km project for decades, not only locally, but throughout the eastern part of the province, from north to south. Given the heavy traffic that threatens people's safety every day and keeping economic development in mind, how can the Premier justify this cut, which is nothing less than an insult to the people of our province? Yes, this is an insult; how can the Premier justify such a cut?

[*Original*]

Hon. Mr. Oliver: Mr. Speaker, I certainly want to thank the member opposite for the question. I want to assure the members of this Legislature that we will continue to focus on making our roads safer. Mr. Speaker, we do not want to build roads that bypass our smaller communities, and we have made that quite clear. We campaigned on it. We promised in the election that we would be focused on bringing tourists back to rural New Brunswick, and we cannot do that if we are building new roads that bypass these communities. A decision to move forward with these projects as planned would involve bypassing the rural communities along the way, which would have a particularly negative impact on the small businesses that rely on that traffic.

We understand that there was a concern in the communities related to collisions along the road. Certainly, we want to look at the safety issues that we have to face. We will be dealing with those issues along the way, which might include other options such as passing lanes or moose fencing that we have not already erected. We will certainly be reevaluating these projects as we move forward to ensure that we are doing the right thing for New Brunswickers. Thank you, Mr. Speaker.

Mr. Bourque: Thank you, Mr. Speaker. Well, I have to say that this answer from the minister shows that he has not been on that road because he would know that it is already a bypass. There are no businesses along Route 11.

This senseless decision to shelve the twinning of Route 11 between Cocagne and Bouctouche is nothing short of a slap in the face and an insult to all New Brunswickers, especially those from all parts of the east, from Campbellton to Shediac. Obviously, the members of the Alliance-Conservative government do not drive on this dangerous part of the highway, where it was previously shown that lives are unnecessarily put at risk on a daily basis. If they had, they would



know that work has been continuously ongoing for the past three construction seasons. That is a lot of work done, Mr. Speaker.

How can the Premier and the minister responsible justify leaving all this work just sitting there, especially since this project cost the province 50¢ on the dollar? This is shameful, and we deserve answers. Thank you.

Hon. Mr. Oliver: Mr. Speaker, along with every 50¢ dollar comes 50¢ of our money—money that we can ill afford. You know, we are disappointed. We are disappointed that we have to leave this project and make these cuts. It is an issue that was left to us by the previous government. We have to make important decisions that are based on financial responsibility. We are looking forward. We want to do what is right for the people of New Brunswick. We want to do what is right for the safety of the travelling public and the people who live along that route. We will do everything we can. We will reevaluate these projects to make sure that the safety of the travelling public is the first concern. Thank you, Mr. Speaker.

Buildings

Mr. Horsman: Mr. Speaker, I cannot tell you how “disappointed” I am—and I am using that word kindly—to hear about the cancellation of the Fredericton courthouse and Centennial Building project. This decision represents a huge loss, not only to the citizens of Fredericton, but also to the surrounding areas. This project was going to allow quicker access for families and for those who are struggling with mental illness. This was also going to assist with a more secure place for people to work. Everyone—judges, police officers, sheriffs, civilians, workers, and the clients who are going through the system—would have been safer.

I would ask the Minister of Transportation and Infrastructure to consult with the Minister of Health, the Minister of Social Development, the Minister of Public Safety, and the Minister of Justice to get their input on how this will negatively impact all those individuals. Will the minister commit to this before making his final decision?

Hon. Mr. Higgs: Mr. Speaker, the decision has been made. This is the point. Here we are. We are building more infrastructure in the city, retaining that building—another government building—here. What was the original justification? It was to move out while we rebuild that one or while we take the asbestos and things out of the current Centennial Building. The concept here is that we do not need more government buildings in this province. We do not need more in this city.

With respect to all the features that you just talked about that this was going to bring, we can bring all those features without spending \$100 million. That is the whole point. We will look at the current courthouse. We will look at the opportunities for the courthouse. It is not a matter of just building another courthouse because there is one in Moncton, there is one in Saint John, and now there is one in Fredericton. We do this all over the province. We build one here



because there is one somewhere else. Mr. Speaker, we have to get out of this revolving door because our province cannot continue to do that.

This is a tough decision being made, and it is being made for the right reasons. That property... We do not need another government building. That is the purpose. Let's look at the utilization of the current courthouse, let's look at what is required for court facilities, and let's make the right decision. Thank you very much.

Mr. Speaker: Time.

Mr. Horsman: Thank you, Mr. Speaker. I am glad he answered this way because this next question is going to contradict everything he said.

In 2015, the Department of Transportation and Infrastructure did a space utilization review. This report was looking at using government buildings more efficiently. It was determined that repurposing the Centennial Building and building a new courthouse could reduce expenses related to the office space. In 2018, several phases of this project had been already completed.

What has already been spent on this project? What is the cost going to be to New Brunswick because this government made these decisions? What is the cost of cancelling these contracts, and more importantly, what is going to happen to the 800 full-time equivalent construction jobs here in the capital area?

Hon. Mr. Higgs: Mr. Speaker, once again, the members of the previous government feel that they have an obligation to spend taxpayers' dollars to create employment. When is the concept of private sector dollars going to come into play in order to create the economy that we need here and that is sustainable for the future?

In relation to the size or the requirement for more government space, at one time, the government building was right next door. That was it. Now, we have 50 000-plus employees. If we build another building with 700 spaces, then how many more do we have? We do not need more spaces. We need to utilize what we have. You can talk about spending more money to create jobs, but that is not our business. Our business is to utilize what we have and to try to rationalize what we need to do more and when we need to do more—not to create a construction project because we just want to spend money somewhere.

The philosophy is different. The philosophy is about making decisions so we can afford to keep hospitals, we can afford to keep schools, we can afford to build the roads we need—the philosophy is different—and we can afford a social network, Mr. Speaker.



[Translation]

Hospitals

Mr. D'Amours: The announcement made yesterday by the Conservative government shows us a clear lack of sensitivity. When projects have been announced and are underway, how can the Premier decide to sweep them aside and take the axe to them?

It was nevertheless disgraceful to see the Minister of Health announce that the planned maternal and newborn unit at the Edmundston Regional Hospital would simply be put on ice. This was not a new project, and they were not new funds; the project was already underway. Will the Premier acknowledge that this project to enhance services for mothers and their newborns is simply being cut for ideological reasons?

[Original]

Hon. Mr. Flemming: The presupposition of the member's question is incorrect. He is referring to something being cancelled. Nothing is being cancelled. It is simply being delayed for a period of time until there is some reasonable, rational relationship between what we spend, what we need, what we can afford, and what we need to borrow. So the suggestion that something is being cancelled is absolutely, totally incorrect. It is not being cancelled.

I object to the presupposition of the question. It is a good project. It is a project that will go forward. It will go forward at the right time, it will go forward for the right reasons, and it will not go forward simply because the member opposite wants money spent in his own riding.

[Translation]

Mr. D'Amours: It is still shameful to cut the maternal newborn unit in a rural area of New Brunswick. That is the situation. The issue is not about whether a cut will be made or not; that is a reality. So, maybe the minister should react and think about all of this.

We all know that the Minister of Health believes there are too many hospitals in New Brunswick and too many medical services in rural areas. We have just figured out how he will justify the loss of services in rural areas. While the maternal-newborn project at the Edmundston Regional Hospital has just been ended, the minister is announcing with great fanfare that a similar project will be carried out elsewhere in the province. The Minister of Health says that, to take advantage of the maternal-newborn unit:

[Original]

Drive to Moncton.



[Translation]

Then you will get the services. Is the minister's idea of making pregnant women travel over 450 km for this service the new way for him to cut services in rural areas? Yes or no; the question is simple.

[Original]

Hon. Mr. Flemming: Boy, I will tell you that it is a stretch to suggest that a mother has to travel 450 mi to have a child. That is a silly presupposition. It is a silly statement, and it is not true because people are not travelling 450 mi to have a baby. You are trying to politicize something that is not properly politicized. This government is very, very concerned that health care be delivered properly and effectively, and to suggest that somebody is promoting driving 450 mi to have a child... I mean, my goodness, man, get some new material. I thought that the previous Health Critic was somewhat creative, but I will tell you that you have opened a new chapter.

Government Funding

Mr. Austin: Thank you, Mr. Speaker. It appears that there are many nonprofit organizations in the province that continue to do a lot of good work for people, especially the most vulnerable. However, over the recent months, a lot of these groups have complained about delayed payments. I would ask either the Minister of Social Development or the Minister of Service New Brunswick, whose department issues these payments, to explain the reason for the delay and to provide a timeline for when these nonprofit organizations can expect to receive their long overdue payments in a reasonable amount of time. Thank you, Mr. Speaker.

Hon. Mrs. Shephard: Mr. Speaker, I want to thank the member and leader of his party for the question. You know, government could not provide—it could not provide—the services that are brought to communities without the help of our nonprofits. They are very valuable assets to us and, in particular, to the Department of Social Development. I do not think that there is one aspect of the Department of Social Development that does not have and does not utilize our community nonprofit sector, so it is concerning if we have payments that are overdue.

I want to thank the member for the question, and I want to assure him that, along with Service New Brunswick and the Minister of Service New Brunswick, I will endeavour to understand which nonprofits are having difficulties and try to get a resolution for him very soon. We will have some private meetings to ask which nonprofits need the assistance, and we will try to find a resolution very soon. Thank you, Mr. Speaker.

Highways

Mrs. Conroy: Thank you, Mr. Speaker. Throughout the provincial election campaign, the People's Alliance repeatedly heard from the residents of Miramichi that the Highway 11 bypass



through Napan was not something that should be funded. The unnecessary bypass switch would have needlessly cost over \$150 million, where passing lanes would solve safety concerns. Now, we can use the money for necessary infrastructure. Mr. Speaker, we are so glad that the provincial government has listened to the People's Alliance and that the voices of our people have been heard.

I want to thank the government for this decision, and I would like to remind the government of the much-needed northern bypass, which must be built for the citizens' safety, with the upcoming closure of the Centennial Bridge. Mr. Speaker, my question is this: Can the Minister of Transportation and Infrastructure give us an account of what is happening with the northern bypass in Miramichi? Will it be looked at for the safety of our city? Thank you.

Hon. Mr. Oliver: Thank you, Mr. Speaker, and I want to thank the member for her question. We understand that there are certainly safety concerns that come with Route 11. We are certainly serious about balancing our budget, and that is why yesterday's capital budget eliminated some of those projects for the time being. We are looking at our current infrastructure to make sure that it is safe, and we are looking at building new priorities in the future.

That is one of the reasons we are continuing to fund the completion of Route 11 from Shediac to the Cocagne River. We want to make sure that we are addressing those safety concerns, but the rest of Route 11 cannot be looked at under that same light. We understand that collision rates and traffic volumes vary from section to section. We have to be prudent with taxpayers' money and ensure that we are making the right decisions. Our government intends to reevaluate the other phases as we move forward, and we hope that we can address those issues for them.

On the northern bypass, we are certainly looking at that as well and making sure that we make the right investments at the right time. Certainly, it is something that we will be looking...

Mr. Speaker: Time, minister.

Energy Efficiency

Mr. Coon: Thank you, Mr. Speaker. Apparently, the Premier has never visited the Fredericton courthouse. The situation that exists in that courthouse is disgraceful, and the reason for a new courthouse has nothing to do with spending unneeded money.

Now, as a result of the capital budget, New Brunswickers, specifically New Brunswick tradespeople, may be looking for work next year that they were not counting on having to look for. New Brunswickers are also looking for help on their heating bills. Both of these dilemmas could be solved by ensuring that the provincial budget provides financing for homeowners and small businesses to overcome the up-front costs of upgrading their homes and buildings. A study entitled *The Economic Impact of Improved Energy Efficiency in Canada* found that energy efficiency upgrades would be an engine of economic growth for New Brunswick, creating



1 800 new jobs per year, jobs that are right around the corner. Will the Minister of Finance ensure that the ordinary budget includes measures to unlock these savings and create these opportunities for work next year?

Hon. Mr. Higgs: Mr. Speaker, in looking at energy efficiency projects, we will be pursuing that. It is part of... We have items in our capital budget. We will have items in the ordinary budget so that we pursue it. It is part of our overall climate initiative to reduce emissions and to reduce the use of fuel of any kind.

However, I would suggest that if the leader of the third party is actually interested in having costs that are reasonable for taxpayers of this province in terms of heating costs or in terms of being able to afford electricity or heating sources of any kind, he come onsite, like his Green colleagues in British Columbia, and help us move a natural gas program that would actually allow a reduction in costs and a reduction in fuel for an interim period. Right now, the cost of gas in the province is about four or five times what it is in British Columbia. That is because it has a program. I am just hopeful that he will communicate with the Greens of the West so that we can get a plan for the East. Thank you, Mr. Speaker.

Mr. Coon: Mr. Speaker, once again, for the record, the Green Party in British Columbia has opposed and used its vote to oppose the NDP's strategy to develop LNG in British Columbia.

However, the thing is that the greenest and cheapest energy is the energy that you no longer need to use. This is what the Premier needs to understand. The study *The Economic Impact of Improved Energy Efficiency* found that helping New Brunswickers upgrade their homes and businesses could increase New Brunswick's GDP by \$700 million annually. It gets even better. A serious focus on energy efficiency could bring hundreds of millions of dollars in tax revenue to support our public services. Mr. Speaker, instead of the fixation that the Premier has on fracking so that even more fossil fuels will be burned on this planet, he could be climate-friendly and fiscally responsible by hitching our wagon to the economic power, a rocket engine, in fact, of energy efficiency. Will he do this?

Hon. Mr. Higgs: Mr. Speaker, it is a rocket engine to high prices that people in the province cannot afford. There is a balance. There is a place for working forward here, as we have said all along. There is a balance between using heavy oil, moving into a transition fuel that is so much cleaner, which would be gas, and then moving on to renewables at a time when they are affordable for the people of this province.

As for the concept that the cheapest energy is no energy, step outside. It is pretty cold today, and there are people using energy, not only to get here but also to stay warm. In the foreseeable future, we are going to need a fair amount of energy that cannot be affordably supplied through only green technology. We want more renewables without any question, but let's be balanced about this. That is the part. In the process of what we are talking about moving forward, it is very much about balance.



What is exciting is that one of the greenest provinces in our country, as noted, is moving ahead with a program of shale gas that it has had for 50 years, and it is expanding to export. Guess what! We could do that right here in New Brunswick. Let's get on board, Mr. Speaker.

Schools

Mr. G. Arseneault: Thank you, Mr. Speaker. Some 37% of children live in poverty in the Restigouche region. Many of these children are students who were looking forward to attending a new state-of-the-art school with a real cafeteria, a real gymnasium, real science labs, and proper ventilation and heating in the school. The students and teachers of my region are not second-class citizens. The decision not to continue with this new school is clearly shocking and unacceptable. How can the minister justify not going forward with the new K-to-8 Anglophone school in the city of Campbellton?

Hon. Mr. Cardy: Mr. Speaker, I thank the member opposite for the question. We were justified in making difficult decisions because the previous government refused to make them. We were justified in going through the list of priorities and having to pick and choose because, when offered a list of choices, the previous government said: All of that, plus some more, plus anything else that you can find that we might want to add onto the list.

In government, we believe at this point in history that we have a serious responsibility. As economist Richard Saillant said this morning, the decisions made yesterday in the capital budget that I am proud to support were necessary, required, and had been delayed for far too long. Every year that they were delayed further, we faced further challenges that would have resulted in further cuts being pushed down the road and, potentially, even the erosion of our provincial autonomy. If we had not made those choices, those choices would have been removed from us as the province slid toward bankruptcy. I answer the question from the member opposite by saying: Your government—your government—led us to this point by spending irresponsibly, making decisions...

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

[*Translation*]

Question period is over.

