### **Oral Questions**



### November 20, 2020

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### **FEDERAL FUNDING**

**Mr. Melanson** (Dieppe, Interim Opposition Leader, L): Mr. Speaker, before I get to the business, on a lighter note, I want to wish a happy birthday to one of our colleagues, the MLA for Moncton Centre. I do not believe I can say his name, but he is 35 years young today. Happy birthday.

On a serious matter, Mr. Speaker, we know that we are going through this pandemic and trying to do the very best to keep people safe and asking for more money to be spent and invested in different areas, those being health care, long-term care, and public safety. We know that the federal government has offered and sent extra money earmarked to deal with this pandemic. This morning, I am asking the Premier this: Can he tell us the exact total amount that the federal government has transferred to the province to deal with the pandemic?

**Hon. Mr. Higgs** (Quispamsis, Premier, Minister responsible for Intergovernmental Affairs, PC): Yes. There has been \$218 million that has been authorized from the federal government for various aspects of dealing with the pandemic. To date, in the province, we have spent about \$162 million. A portion of this, \$40 million, is cost-shared with the municipalities, and we are working with the municipalities. Part of the transportation fund that was issued just recently was directly related to this \$218 million and the \$40 million of the municipalities. It ranges anywhere from the safe restart program for schools, which we have been spending serious money on to this date, to a number of other factors with PPE. Then, of course, as we go forward, there will be issues around vaccines and what those will cost. But the total is \$218 million.

**Mr. Melanson** (Dieppe, Interim Opposition Leader, L): Thank you, Mr. Speaker, and thank you to the Premier. The Premier started to give us a breakdown. He has only one minute to answer. I get it, but can he give us a lot more detail on the breakdown of the \$163 million with regard to health care, long-term care, public safety, and—he added this—education?

**Hon. Mr. Higgs** (Quispamsis, Premier, Minister responsible for Intergovernmental Affairs, PC): Thank you for the question, Mr. Speaker. We can give you a precise breakdown of everything that we have spent—and I can forward that to you—of the \$167 million to date. We have it broken down by department, by every category, and I will provide that to the member opposite directly.

### [Translation]

**Mr. Melanson** (Dieppe, Interim Opposition Leader, L): Thank you, Mr. Speaker. Mr. Premier, when you are able to send us the document, I would like to receive it as soon as

possible. I think it is important that New Brunswickers be very well informed about these amounts. Thank you for indicating the total amount.

It is so important that people understand where exactly these funds went. The federal government reacted quickly to help the provinces deal with the pandemic. Can the Premier explain to us this morning whether the federal government had set specific conditions regarding how these funds could be used?

#### [Original]

**Hon. Mr. Higgs** (Quispamsis, Premier, Minister responsible for Intergovernmental Affairs, PC): The \$218 million has some very specific areas of where it would be spent, like in terms of education and in terms of protective equipment and having reserves in health care funding. I have found the report that I was looking for to indicate the \$163 million. As an example, the largest expenditures we are looking at are \$30 million in Education, \$34 million in Health, \$42 million in Post-Secondary Education, Training and Labour, \$29 million in Public Safety, and \$20 million in Social Development. These are all expenditures that the government has been routinely incurring right from the start.

There is federal money that fits into some of these categories, and for others, it will be solely provincial money. The total funding that we see right now for expenditures related to COVID-19 is over \$300 million. This is an ongoing issue, as we all know. We are now dealing with an orange zone in Moncton. We are not out of this by any stroke, so money continues to be spent as needed throughout the province.

**Mr. Melanson** (Dieppe, Interim Opposition Leader, L): Thank you, Mr. Speaker. I know that this morning, it is very technical. It is numbers, but I think it is important that we spend some time on these numbers so that people understand. I think that it is also very important as the Minister of Finance gives us a quarterly update.

I want to know from the Premier whether, of this \$218 million that has been transferred to New Brunswick from the federal government, there is any amount that is being used by the provincial government to cover provincial ordinary expenses that were budgeted for in this fiscal year.

**Hon. Mr. Higgs** (Quispamsis, Premier, Minister responsible for Intergovernmental Affairs, PC): At this point, as I just said, of the \$218 million, we have already spent \$167 million. The \$218 million is what we received from the safe restart program, and at this stage, it would seem very clear that we will have spent beyond what the federal government has currently allotted. Its requirements were specific in terms of where the money would be spent, but we will be spending in the particular categories beyond what it currently allotted. But who knows by how much at this stage, because we do not know how long this is going to last?

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**Mr. Melanson** (Dieppe, Interim Opposition Leader, L): Thank you, Mr. Speaker. Just to be clear, based on the conditions that were set by the federal government for the provincial governments to be able to use these monies, the Premier is confirming this morning that none of that money from Ottawa will be used for any budgeted ordinary expenses of the provincial normal expenditures within this fiscal year.

**Hon. Mr. Higgs** (Quispamsis, Premier, Minister responsible for Intergovernmental Affairs, PC): At this point, yes, that is absolutely true. The situation is that our COVID-19 expenses will exceed what the government provided in this \$218 million. Maybe it will provide us with more money going forward, but at this point, we will be spending what we foresee. Depending on the length of time, as I said, we will continue to spend the money necessary and we will continue to protect our borders and we will continue to focus on keeping the economy running as much as possible, depending on how outbreaks happen within our province. But the issue is, the money that the federal government is sending is being spent on expenses related to COVID-19.

**Mr. Melanson** (Dieppe, Interim Opposition Leader, L): Thank you, Mr. Speaker. The Premier has said a few times "at this point", so I understand that there may be incremental costs, as this virus is ongoing and this pandemic is simply not over. What does he mean by "at this point", other than... Is there a possibility that the money that has been spent already was used to cover provincial expenditures that had already been budgeted for or, moving forward, that money that has not been spent so far will be used by the Premier and the Finance Minister to cover the normal provincial ordinary expenditures?

**Hon. Mr. Higgs** (Quispamsis, Premier, Minister responsible for Intergovernmental Affairs, PC): Mr. Speaker, I know that the Leader of the Opposition is trying to drive home an artificial point here. The point is, we are spending more money on expenses related to COVID-19 than we currently have obligated or what our projections are and more than what has currently been provided by the federal government. Now, will the federal government match that and continue to increase expenditures as we get there?

Today, the relationship is such that... As I said, we have spent \$163 million on various issues. We received \$218 million from the federal government. There are other programs. The safe restart to school, which is part of a federal... That is an additional one. We did the essential worker top-up. There was \$40 million there that we spent. Today, Mr. Speaker, and with the projections on when this might end, our expenses related to COVID-19 will likely exceed what the federal government currently has on the table, but I do not know that at this point, because we are still in the pandemic.

Mr. Melanson (Dieppe, Interim Opposition Leader, L): Thank you, Mr. Speaker.

[Translation]

Thank you, Mr. Speaker.

### [Original]

Today, can the Premier tell us how much money, outside the incremental expenditures for this pandemic, the federal government has offered since he has been the Premier, either through signed bilateral agreements or new bilateral agreements that it is trying to achieve with New Brunswick? How much of that money would there have been offered since he has been the Premier?

**Hon. Mr. Higgs** (Quispamsis, Premier, Minister responsible for Intergovernmental Affairs, PC): I am not sure I understood the question correctly. We have been negotiating with the federal government. If we are talking about other sources of funding, we negotiated on capital spending and on other flexibility in the program. It agreed to that—\$67 million of the IBA program. That is the 10-year program that was \$670 million to begin with. It gave us \$67 million, and we would actually be able to have flexibility on how we spent it on different aspects throughout the province. That was good, because that is where my arguments have always been. We continue to work with the federal government for projects that we need in the province and on how we can use that money. We can use that money in various ways. We can use it for things we actually need, not for something that is surplus to our current needs.

I have asked this question numerous times: What about next year? What I mean by that is this: What about next year in terms of transfer payments? Right now, the economy is not looking good to be able to support transfer payments in the way that we have been accustomed to receiving them.

**Mr. Melanson** (Dieppe, Interim Opposition Leader, L): Thank you, Mr. Speaker. Let me rephrase my question. How much money is available to New Brunswick outside the pandemic dollars? What has been offered to New Brunswick by either signed bilateral agreements or new offers from the federal government?

**Hon. Mr. Higgs** (Quispamsis, Premier, Minister responsible for Intergovernmental Affairs, PC): Well, to the member opposite, I think that we can put together the information. I know there are new initiatives that we have talked about. There is a new IT initiative that is out there. We do not know any details about that at all. We have asked questions around it. I think that it is around a \$1.7-billion fund across Canada. What does that mean to New Brunswick? There are many funds. We can put out a list of all the announcements that the federal government has made, but what does that mean in terms of details? There are many of them for which we have no idea because we cannot get the details.

All we know is a headline, and that goes to another thing that we are dealing with right now, which is the output-based pricing. We had an agreement. We sent that out more than a year ago, and we asked for that to be accepted for our businesses across the province. A few weeks ago, we heard that it was accepted, but what we are still in debate about is when it becomes effective. We are saying that it should go back to January 1, 2019, and the

federal government is saying that it is going to be a year out. We are still in debate on that issue.

Mr. Speaker (Hon. Mr. Oliver): Time, Premier.

**Mr. Melanson** (Dieppe, Interim Opposition Leader, L): Mr. Speaker, the Premier was the former Finance Minister. At least he should have said this: There was \$300 million available in the last two years for affordable housing. He did not even say that. He should know these numbers. He should know how much money is available to New Brunswick from the federal government outside this pandemic response.

I guess the question is this: Mr. Premier, if you do not have the number today, could you table the number? I will also ask you this: When you table that number, how much of that money has not been used only because you would not trigger it and you would not put in the provincial investment needed for New Brunswickers to benefit from the federal dollars that should come to New Brunswick? Do you know what, Mr. Speaker? That money is New Brunswick's money, and we are not benefiting from it.

**Hon. Mr. Higgs** (Quispamsis, Premier, Minister responsible for Intergovernmental Affairs, PC): Mr. Speaker, you know, we are putting out regular information that is on the website—it is on the Finance website—about all the programs that are available. I cannot recite them here. Maybe the Leader of the Opposition would like to recite all of them. It seems that he is kind of pretending that he knows them all, which I would be surprised by, but maybe he would like to list them. They are on the website, every last one of them. The list is being released regularly. I know that it was released last week. If you look at the Finance website, you will actually see the information that you are looking for. I can look it up and then we can share it, or you can look it up yourself. Thank you, Mr. Speaker.

**Mr. Melanson** (Dieppe, Interim Opposition Leader, L): Mr. Speaker, if I knew the answer, I would not ask the question. You should know the answer. You should know the answer. You should know the answer.

New Brunswickers are as Canadian as any other Canadians. Right now, there are dollars being invested by the federal government that Canadians other than New Brunswickers are benefiting from. Communities are seeing investments in economic recovery and investments being made. Because of the Premier, who does not want to invest and does not want to trigger money that is owned by New Brunswickers, money that Ottawa is offering to New Brunswick, we are missing out. We are missing out. Why are you treating New Brunswickers as second-class Canadians?

**Hon. Mr. Steeves** (Moncton Northwest, Minister of Finance and Treasury Board, PC): Thank you, Mr. Speaker. It is good to see you. It is good to be asked a question. It is good to represent the people of Moncton Northwest and, once again, to represent our party as Finance Minister and as President of Treasury Board.

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The fact of the matter is that we are not turning down money. We are looking for the help. New Brunswick is a member of the Atlantic bubble. We are also a member of Canada, and we rely on transfer payments, equalization payments—absolutely—and we will take advantage of whatever we can.

The fact of the matter is that, as you look back at... Let's take insolvencies of businesses, for instance. If you go back to the former government, you will find that in 2015, there were 80 businesses; in 2016, there were 59; and in 2017, there were 57. Then we took over in 2018, and we went from 57 to 37. Then we go forward. Let's look at 2020. Are we taking advantage of money? Yes, we are because right now, as of 2020, there are 13 business insolvencies in New Brunswick. That just shows that people are being helped by the federal money that we are taking advantage of and they are being helped by the leadership of this government...

Mr. Speaker (Hon. Mr. Oliver): Time. Time, member.

[Translation]

### **GOVERNMENT FUNDING**

**Mr. LePage** (Restigouche West, L): Thank you, Mr. Speaker. It is also an honour for me to rise in the House to ask the government my first question. I would like to refer to page 7 of the English version of the throne speech, where you mention the steps your government took for businesses during the pandemic. I quote:

Thanks to a number of steps your government took to strengthen the province's finances, New Brunswick was better positioned going into the pandemic, enabling a number of critical financial supports for impacted businesses.

I repeat: "enabling a number of critical financial supports for impacted businesses". I am asking the minister what these financial supports are and how much was invested in our SMEs by the government of our province.

[Original]

**Hon. Mr. Steeves** (Moncton Northwest, Minister of Finance and Treasury Board, PC): Thank you, Mr. Speaker. I will continue with my thoughts because they seem to dovetail nicely with what the member is asking. He is asking about help for businesses. Well, I think that it is obvious that there has been a lot of help for businesses. The first help that we have for businesses is keeping businesses open, keeping our economy open, and keeping the money moving.

What I started to say is that, so far, there have been 13 business insolvencies in New Brunswick, from January to September. Now, this is not the full year. It is from January to

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September. That, in itself, shows exactly how we are helping the economy. That is the offshoot of closing down, keeping in our Atlantic bubble, but keeping the economy open. The decisions that the Premier has made have done just that. They have kept the economy open. That is the key to getting through this—keeping the economy open. This government has done it.

#### [Translation]

**Mr. LePage** (Restigouche West, L): Mr. Speaker, I am extremely disappointed, because, right now, we are rising in the House and rambling on about old news. The Premier's remarks are reminiscent of last January. What we want to know about and what businesspeople are looking for is financial and technical assistance to get through the pandemic and survive once it is over.

I will repeat my question. The throne speech says there were critical financial supports for businesses. There were. What are these supports? How much money has this government invested in New Brunswick SMEs during the pandemic?

#### [Original]

**Hon. Ms. Dunn** (Saint John Harbour, Minister responsible for Economic Development and Small Business, Minister responsible for Opportunities NB, Minister responsible for Immigration, Minister of Aboriginal Affairs, PC): Good morning. Thank you for the question. It is my honour today, on behalf of the riding of the city of Saint John, to address the member opposite with regard to his question. Thank you, again.

As you know, we understand the importance of the economy in relation to small businesses and what we need to do to make sure that they stay open for business. We have been focused on making sure that they stay safe and that the economy remains open. With respect to your question, I would say that we have offered \$50 million in loans for small businesses. About \$28 million has been used to date, and there is about \$21 million still sitting in that fund. We have offered wage top-ups to essential workers to make sure that they could get through this issue. On top of that, we have also offered assistance to day cares so that they can be open and so that parents can actually go to work. Thank you.

#### [Translation]

**Mr. Speaker** (Hon. Mr. Oliver): The member for Kent North has the floor. The member for Restigouche West.

#### [Original]

Mr. LePage (Restigouche West, L): Can we have the time on the clock again?

### [Translation]

Mr. Speaker (Hon. Mr. Oliver): Yes.

[Original]

Mr. LePage (Restigouche West, L): Thank you.

### [Translation]

Thank you, Mr. Speaker. What the minister is talking about are funds that the federal government invested, which were given to the province and redistributed. What I would again ask the minister is what the government of New Brunswick—I hope she knows she represents New Brunswick—and her department provided to businesses.

As we know, all the funds that have been provided to our SMEs so far have come from the federal government. New Brunswick is one of the few provinces that did not put any money directly into our SMEs, unlike other provinces. However, COVID-19 has had negative effects. Why? Is your plan for New Brunswick business development really to neglect them as you have been doing, without supporting them, without providing them with the assistance they need, not yesterday, but today?

### [Original]

**Hon. Ms. Dunn** (Saint John Harbour, Minister responsible for Economic Development and Small Business, Minister responsible for Opportunities NB, Minister responsible for Immigration, Minister of Aboriginal Affairs, PC): Thank you once again for the question. Mr. Speaker, just to reiterate my point, I would say to you that we have invested capital for these small businesses to make sure that they can stay open during the pandemic. We have kept them safe. We understand, from their perspective, that they want to make sure that they are able to stay open during this pandemic. That has been the primary concern. They want consistent rules and consistent procedures. We have done that as well. I would say to you today that this province is actually in better shape than any other province across this country, so we are doing things right.

## SMALL AND MEDIUM-SIZED BUSINESSES

**Mr. K. Arseneau** (Kent North, G): Mr. Speaker, the Premier says that he believes that there should be no cap on rental increases because he believes in free markets. However, New Brunswick has plenty of examples of monopolistic and uncompetitive markets with little oversight. One example is our forestry sector, where a few big players—including one dominant company, J.D. Irving—can use their market power to push down the price of wood that private woodlot owners receive, leaving regular New Brunswickers out of the equation. New Brunswick also has a monopoly in print media with 84% of daily newspaper

circulation held by Brunswick News. A House of Commons report concluded that this situation is unique in developed countries, a situation that is distorting public opinion on key issues.

Mr. Speaker, how can we prosper if we allow our market to be captured by a few big players in important sectors? Can the Minister of Finance tell me which agency is in charge of regulating monopolies and uncompetitive markets in New Brunswick to ensure that there is fairness for small and medium-sized businesses?

#### [Translation]

**Hon. Mr. Holland** (Albert, Minister of Natural Resources and Energy Development, PC): Mr. Speaker, thank you to the opposition member for his question.

#### [Original]

How do we survive? We survive by being a government that addresses issues head on. If you had been paying attention, you would realize that we have taken the forestry industry and addressed it like never, ever before. We are looking at private woodlot marketing boards that have never been reviewed since the beginning of the *Crown Lands and Forests Act* in 1982. That is being done.

We are looking at obstacles in any way, shape, or form that get in the way of a free market that allows our private woodlot sector and our industry to thrive. We are dealing with it. We have done so in a deliberate, intentional fashion, in a nonstop way. It is not just limited to the forestry industry. We have done so by taking areas that have not been looked at since the dawn of time, and this Premier has provided a government that is leading and is willing to go into areas that governments have kicked down the road for forever and a day. We are getting the job done.

## **CORPORATIONS**

**Mr. K. Arseneau** (Kent North, G): Mr. Speaker, that was not my question. That was not the answer.

Mr. Speaker, a recent investigation by CBC and Radio-Canada showed how easy it is for foreign businesses to take advantage of New Brunswick due to its lack of corporate transparency and its weak corporate regulations. The CBC investigation uncovered the fact that a shell company registered in New Brunswick, Oceanic Fisheries N.B., does not operate in Canada at all. In fact, it does not even do any banking in Canada, and it has been flagged for \$31 million in U.S. dollars in suspicious transfers. A CBC reporter tried to visit the Saint John address listed on the company's website but found only a UPS store.

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New Brunswick is an appealing location for international companies because it does not require corporations to disclose who holds beneficial ownership. Last December, the Premier told me that Service New Brunswick is considering beneficial ownership by the end of 2020. We have not heard anything yet. Can the minister...

Mr. Speaker (Hon. Mr. Oliver): Time, member.

**Hon. Mr. Steeves** (Moncton Northwest, Minister of Finance and Treasury Board, PC): Thank you very much for the question, Mr. Speaker, to the member opposite. I assume that you are going to the question of money laundering. As far as that goes, we have committed to look at it. We have committed to look at the beneficial ownership. So far, what we have found is that it is not hurting anybody in New Brunswick, but it is certainly something—an irregularity—that we have to look at.

With the casinos, we have FINTRAC, as the member would know. The casinos are all good. But we are looking at offshore accounts. That relies on the federal side of things, Mr. Speaker. The federal government looks at the tax situation and does the taxes for us. Right now, there are 1 100 investigations that the feds are involved in, and there are 50 cases being taken to court at this moment, Mr. Speaker. Thank you.

### POLICE

**Mr. Austin** (Fredericton-Grand Lake, Leader, PA): Thank you, Mr. Speaker. Ambulance New Brunswick has contractual obligations and benchmarks in relation to emergency response times in rural areas. Now, it has been made clear by the Auditor General that there are flaws in how these response times are interpreted. However, at least there is a target that is given.

Nonetheless, there is no such target when it comes to police response times in emergency situations for rural New Brunswick. My question is for the Minister of Public Safety. Can the minister tell us whether his department is aware of these issues surrounding police response times in rural areas?

**Hon. Mr. Flemming** (Rothesay, Minister of Justice and Public Safety, Attorney General, PC): Thank you for the question. I certainly can. Public safety is a priority in our government and in our department. It has been a commitment of this government as well to make sure that we are investing money for services and that we are getting them efficiently. The government has commissioned a review of local policing and a review of the *Police Act*, which will help to determine this type of thing.

The Premier has personally taken this on as a task force involving me, my colleague and friend the Minister of Health, our various departments, plus government MLAs from regions in rural New Brunswick that are affected. We are working hard to focus on this. We

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are going to do it. If you are having difficulty in this area, we are seriously going to move forward. If you are a drug dealer, we are going to make your life uncomfortable. We are going to arrest you, we are going to prosecute you, and we are going to convict you. If you are struggling with addiction, we are going to help you. If you need more policing services...

Mr. Speaker (Hon. Mr. Oliver): Time, minister.

**Mr. Austin** (Fredericton-Grand Lake, Leader, PA): Thank you, Mr. Speaker, and thank you, minister, for answering the question. I know that there have been some significant changes to Public Safety peace officers over the last several years in their role and their mandate. I am just curious to know whether the Department of Public Safety has maybe had some foreshadowing of police response times in rural areas and is trying to shift the responsibility to some of these peace officers with its changes in the roles over the years in successive governments. I guess my question is this: Is the Department of Public Safety looking to a different model of policing to enhance emergency police response times in rural areas?

**Hon. Mr. Flemming** (Rothesay, Minister of Justice and Public Safety, Attorney General, PC): As I have said, most certainly. Thank you for the question. Most certainly, we are doing that. The Premier has directed a taskforce that he is personally leading, with me in Public Safety and my good friend and colleague the Minister of Health. Yes, we are looking at this.

One of the issues that we have to deal with is the concept of triaging in police. It equally has to be dealt with, just as it is in the health care profession. It is a degree of the urgency of the call. We need to look at this hard. We need to review the *Police Act*. We need to work with our partners. We are regularly meeting with the Deputy Commissioner of the RCMP, who is responsible for most rural policing. I can assure you that I am glad that you asked the question because I am pleased and proud to say that the subject matter of your question is underhand. It is being done. The Premier, the Minister of Health, and I are leading this initiative, and we are going to see results.

Mr. Speaker (Hon. Mr. Oliver): Time, minister.

### FIRST NATIONS

**Mrs. Harris** (Miramichi Bay-Neguac, L): Premier Higgs has refused to engage in meaningful dialogue with First Nations and continues to govern without any regard toward the rights or well-being of the Indigenous population. Mr. Speaker, he proved this when he refused to name the former Minister of Aboriginal Affairs back into his position because he was building a communication with Indigenous leaders and showing respect. There is a growing chorus of voices calling for the province to call for a public inquiry into our policing and criminal justice systems. Why is this Premier continuing to refuse to do so?

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**Hon. Ms. Dunn** (Saint John Harbour, Minister responsible for Economic Development and Small Business, Minister responsible for Opportunities NB, Minister responsible for Immigration, Minister of Aboriginal Affairs, PC): Thank you for the question from the member opposite. Mr. Speaker, I would say this. From my perspective as the new minister, I have travelled the province for the last seven weeks, meeting with all First Nations across this great province. With respect to my predecessor, I have nothing but respect for him and the role that he provided for First Nations.

I would also say to you today that as the Minister responsible for Immigration, I have taken the last seven weeks to speak to all racialized groups across this entire province. I can tell you that we have a cancer in our province just as many other provinces do, and it is called systemic racism. We are going to take on this initiative, and we are going to do something about it. You can be assured of that. You are going to hear lots from me over the next several days—guaranteed.

Mr. Speaker (Hon. Mr. Oliver): The time for question period is over.