

December 12, 2014

[Original]

Invest NB

Mr. Fitch: As was mentioned earlier during statements, the Premier was long on rhetoric and short on details yesterday when it came to the renaming of Invest NB and the Department of Economic Development. When you look at the annual report of Invest NB, you see some real concrete results and real concrete actions that led to over 48 new deals that brought over 1 000 jobs to New Brunswick in the last 12 months and over 3 000 jobs during its mandate. Invest NB is a matrix-driven, private-sector board. As a Crown Corporation, it is very similar to what the Premier is rebranding and renaming here in the province.

When we come to the specifics and some of the information that led the Premier to move in this direction when a corporation has had such great success, I wonder: Did he talk to the board? Did he talk to the chairman of the board, Denis Losier, a former Liberal Cabinet minister? What kind of discussion did he have with Denis Losier?

[Translation]

Hon. Mr. Gallant: I appreciate the comments and the question from the Leader of the Opposition. Indeed, I have met with representatives from the Board of Directors of Invest NB over the past few months to find out what was happening in this Crown corporation.

[Original]

I have to say that I really enjoy the comments because the Leader of the Opposition, as I have stated before, has just demonstrated yet again that he understands the difference between creating jobs with a mechanism and having a net gain in the economy. He is still, in his role as Leader of the Opposition, touting that Invest NB created 1 000 jobs in the last year and created 3 000 jobs during its mandate, yet the government has had a net loss of jobs.

Will the Leader of the Opposition now tell everybody... We have seen over the last few days that he has been trying to pretend that he does not get the difference. Will he now tell people that he understands the difference when he is touting that Invest NB created jobs, yet we had a net loss of jobs under the previous government? Will he admit that he now understands the difference?

Mr. Fitch: The Premier had that lesson last week, in the first question period in this House, when he discovered that, when he talks about 5 000 jobs, he does not mean 5 000. When he was on this side, he knew the difference between net jobs and jobs created, yet he put the cloak of purity on himself and tried to accuse us of losing jobs when, in fact, we were creating



jobs all along. That is where there are two different sets of rules when the Premier comes to answering questions. Again, my question to the Premier is this: Did he talk directly to the chairman of the board at Invest NB before making these changes?

[*Translation*]

Hon. Mr. Gallant: I am going to answer the question again: The answer is yes. I want to remind you that the Leader of the Opposition has once again shown, in his comments, that he understands the difference between creating jobs through a mechanism or a project and producing a net job gain or a net job loss in the provincial economy.

[*Original*]

I have to ask the Leader of the Opposition to tell us why they have been spending so much time, in question period and in members' statements, trying to say that we do not understand the difference when it is he who understands the difference and is trying to muddy the waters. We said that we have a plan to create jobs. The things that we will support and implement will create jobs, and we are going to try very hard to ensure that there is a net gain in our economy.

However, the Leader of the Opposition is trying to say that there is no difference. He is saying it again: The 1 000 jobs created by Invest NB... Yet, the former government lost jobs—a net loss of jobs. Will he say that he understands the difference between creating or losing jobs with the economy and creating jobs with mechanisms?

Mr. Fitch: The Premier has agreed that Invest NB was a successful organization that created jobs in the province.

That is what we want to show over here—that, when the Premier says something, what actually happens on the ground is sometimes something totally different. When he says that he wants to do things differently, we see that there is a trend—a very disturbing trend—that is evolving in New Brunswick. It is the old-school type of politics. What we saw with Vitalité and the lack of consultation with its board is something that, again, needs to be clarified with Invest NB. They were very, very smart people from the private sector who were helping Invest NB create jobs in New Brunswick.

Will the Premier agree that part of his whole rearrangement here is just to get at a number of people in the organization...

Mr. Speaker: Time.

Hon. Mr. Gallant: I think we have made it very clear over the last few weeks that we are not going to accept the status quo. The status quo under the previous government had a stagnant economy and virtually no GDP growth. The status quo had large deficits. The status quo had



high unemployment rates. The status quo had the first government in 40 years that did not create a net gain in jobs throughout its mandate.

[*Translation*]

I very clearly said that the status quo will not be accepted by our government.

[*Original*]

We are going to ensure that we have the most proactive economic development agency that we have ever seen in this province. We are rolling in many departments under this umbrella. It is going to be different, but we are going to learn from the good things.

We have said it. Invest NB had some good things, and Business New Brunswick had some good things. However, there were also things that we believe had to be improved, and we are going to improve them.

I ask the Leader of the Opposition, again, to clarify and to assure us that we are not going to have to talk about the difference between creating 5 000 jobs through mechanisms and a net gain, because he clearly showed that he knows the difference today.

Mr. Fitch: The Premier continues to want to ask questions. If he wants to have a do-over of the election and let us go back to governing this province, we would be more than happy to do that.

Again, when the Premier was on this side, he used net jobs as an attack on the government. Now, when he is in government, he is trying to talk about jobs created. He just admitted in the House that Invest NB was a very, very successful agency, creating over 1 000 jobs last year—and, I might add—at above the average wage in New Brunswick, above the average income of people in the province. It was a very, very successful organization, just as Vitalité was doing a great job of managing health care in New Brunswick. Yet, the government members targeted the CEO there, and they are targeting the CEO of Invest NB. The old-style politics that this Premier has brought back to this province have set it back years and years and years.

Will the Premier admit that all he is doing with this rebranding exercise is getting rid of an organization created by us with a CEO that he wants to fire?

Mr. Speaker: Time.

Hon. Mr. Gallant: I think it is important that we have this conversation again. I will make the points yet again. We are not going to accept the status quo. Did Invest NB have some good things? Yes. I do not understand why the Leader of the Opposition will not admit that we are saying that there were some good things. At the same time, we are also saying that there are things that had to be improved.



For instance, why was it that Invest NB was making all its announcements in terms of its investments days before the election? That very action shows that Invest NB was too close to the political arm of government. We are going to ensure that we correct that. We are going to ensure that we focus on the high-growth sectors.

[*Translation*]

We want to make sure that our government is working to create jobs and develop our economy.

[*Original*]

There will be differences. Yet again, I ask the Leader of the Opposition—and I ask this question because he has brought this up about 27 times—if he will admit that he knows the difference between having a mechanism or a project, something being implemented that creates jobs... Yet there is a difference between a net gain or a net loss in terms of the economy. Will he admit that he knows?

Mr. Speaker: Time, Premier.

Legislative Reform

Mr. Holder: On this side of the House, we have been very clear that we accept the fact that there needs to be a modernization of the rules and procedures of this House. Having said that, as has been stated several times, a committee was appointed last Thursday, and, on Friday, that committee was expected to accept some of the most significant procedural changes in this House in a generation. That was the first time we had an opportunity to review those procedures.

My question, because I cannot ask the Government House Leader, is for the Deputy Government House Leader. How long before us did the Premier's Office make him aware of the proposed changes?

Hon. Mr. Fraser: I want to thank the member opposite for the question. It is an honour for me to be able to get up to answer my first question in question period today.

I want to assure the member opposite that we have been very clear that we have a commitment to having a more effective and modern Legislature. It has been part of our platform. We have talked about it publicly. We have had meetings with the opposition. We have had a committee meeting with the opposition, and our plan is to proceed according to the rules of the House that are present today. Thank you.



Mr. Holder: Do you know something? I do not know of any meeting other than the one we had last week. Either the Deputy Government House Leader knew about the changes well in advance of us or he did not know about them, and either is offensive.

The reality is that these are the most significant changes in a generation. What jurisdictional scans did the government do? Who conducted those jurisdictional scans? What kind of financial impact did they consider? Where did they get these proposed changes? Did some staffer write them at four o'clock in the morning? Did they find them in the bottom of a Cracker Jack box? Whom did the Premier consult? My question is for the Premier. Whom did he consult other than the guy he looks at in the mirror?

Hon. Mr. Fraser: I think the member opposite might want to answer a few questions that I have. We would like to know what he feels is so significant. Does he feel that fixing the time for question period is a significant change? Does he feel that moving the sitting on Thursday to 10 a.m. is a significant change? It would allow the opposition more time to debate on the floor of the House.

Mr. Speaker: Order.

Hon. Mr. Fraser: It would also allow more accountability on the part of our government. Does he feel that that is a significant change? I would like to know what the member opposite feels is a significant change.

Mr. Holder: This is about respecting democracy. As Shakespeare would say, there is something rotten here, but it is not in Denmark. It is in New Brunswick.

What is the rush? Why the shotgun wedding? All we proposed last week was six or eight weeks. We are not talking six or eight years. We are not talking six or eight months. We are talking six or eight weeks to talk to New Brunswickers. Heaven forbid, you would do that. Talk to New Brunswick academics. Talk to the opposition. All we are asking is that, before the spring session, we do the right thing, take our time, and do this right. Will the government commit today to giving us that time? Anything less than that is an acknowledgment that this has nothing to do with the modernization of this House and everything to do with the preservation of a two-seat majority government.

Hon. Mr. Fraser: I am not sure why the member opposite has to yell and roar in the House. He has a microphone in front of him. We can all hear very well.

I might remind the member opposite that many of the MLAs on the opposite side, including him, were members when Bernard Lord struck the Commission on Legislative Democracy in 2003.

Mr. Speaker: Order, members.



Hon. Mr. Fraser: There are countless documents on legislative reform that were not acted upon when they had a chance while they were in government for four years. One of the main recommendations of the commission was to strengthen the role and resources of legislative committees in policymaking and legislative review. A number of reports were done. It is now time for action. They had four years to get it done. They did not get it done. We intend to get it done.

Inquiries

Mr. Wetmore: A dark shadow has been cast over this entire House and the members in it. The laying of charges against the member for Carleton-Victoria and the subsequent dropping of those charges has created a firestorm of finger-pointing and accusations. The Liberal Party, in a September 14 press release, asked many questions. Among them was this one:

Will the investigation into how this happened be done by an independent third party or will government be investigating itself?

Three days before the election, the man who is now Premier said, "I certainly would look at making it public if we form government and if we can finally have someone independently look at this." My question for the Premier is: Will you commit to undertaking the completely independent third-party inquiry you demanded during the recent election campaign, and will you make it public?

Hon. Mr. Rousselle: First, I want to thank the member of the opposition party for his question. It will give me the chance to be very specific on what I already said yesterday.

[Translation]

Yesterday, during the debate on a motion, I heard an opposition member say that he believes the government treats some people differently when lawsuits are filed.

I want to reassure the member. I have no doubt that, now, just as when the member for Rothesay was Attorney General, the Public Prosecution Branch of New Brunswick, which is completely independent from the Office of the Attorney General, is the one prosecuting anyone. In other words, there is no political interference. I hope this is clear.

[Original]

Mr. Wetmore: Again, the Premier says one thing and then does another. Last evening in this House, the member for Campbellton-Dalhousie pointed a finger at the member for Carleton and said: This is not about the Attorney General. This is about you. It was you who did this.

That accusation is exactly why there needs to be a completely independent third-party inquiry into this entire matter and why the results need to be made public. No one should not want to



see this inquiry completed and publicized unless there is someone who has something to hide. The former Attorney General and the former Premier are both calling for a completely independent third-party inquiry and for the results to be made public. I would say they have nothing to hide. Obviously, the new Premier has nothing to hide. Therefore, I would say to the Premier: This is now about you. Will you call a public and independent inquiry?

Mr. Speaker: Time, member.

[*Translation*]

Hon. Mr. Rousselle: When I was a child, we would write letters to our friends, and they always started this way: Dear friend, I am writing to you slowly, because I know you do not read quickly.

[*Original*]

Mr. Speaker: Member. Member. Please.

Hon. Mr. Rousselle: I will speak very, very, very slowly to be sure to be well understood.

[*Translation*]

I sincerely believe and I am convinced that the New Brunswick Public Prosecution Services Branch acts appropriately and completely independently from the Office of the Attorney General. That was the situation under the former Attorney General, and that is the situation now.

[*Original*]

Thank you.

Mr. Wetmore: Again, the Premier says one thing and then does another. What has changed? As I scan the Liberal press release from September 14 and the questions that it contains, it is causing me to ask some questions of my own. When did the new Premier become aware of these charges? Were he or any of his candidates or any of his election team briefed on these charges? If so, when? When did the new Premier or the Liberal Party become aware that these charges had gone to court?

There are too many unanswered questions about this entire affair. We need a completely independent third-party inquiry to clear the name of the new Premier and the Liberal Party as well as the member for Carleton-Victoria. Why will the Premier not order this inquiry to clear his name, his party's reputation, and the good name of the member for Carleton-Victoria?



[Translation]

Hon. Mr. Rousselle: I will be brief, out of respect for the independence of the Public Prosecution Services Branch of New Brunswick. The answer is no.

[Original]

Natural Gas Pricing

Mr. Stewart: We know that a moratorium on natural gas development is coming. We also know that natural gas prices in the northeast will soon start to climb on their now annual spike, due to the lack of supply in the region. As the Liberal government refuses to develop our own natural gas, at a minimum, we will be saddled with these high natural gas prices over the winter for the next few years. This means years of paying higher gas prices for residents who heat with natural gas, for restaurants that cook and heat with natural gas, for NB Power, which generates electricity, and the list goes on.

My question is for the Minister of Energy: What are your plans to help residents and businesses that are forced to pay natural gas prices that are up to 10 times higher than prices in the rest of North America because you refuse to develop our own domestic source of natural gas in New Brunswick?

[Translation]

Hon. Mr. Arseneault: What the member opposite is saying is not factual. For the past two years, we have been saying clearly to New Brunswickers that we will place a moratorium on hydraulic fracturing in the province, and that is what we are going to do.

The former government never diversified the economy, and it put all its eggs in the same basket, because it wanted to develop the shale gas industry, despite the fact that we know there are still risks. As long as there are risks and we cannot be sure we can develop this industry in a healthy environment, while protecting our water, our air, and our environment, we will not lift the moratorium. Therefore, a moratorium will be established, and opposition members have to accept it.

[Original]

Mr. Stewart: We are well aware of the moratorium. We know that it is coming. We are trying to highlight how there are going to be many other obstacles once this happens. We are talking about years of unreasonable, uncompetitive energy costs ahead due to the Liberals' refusal to develop our own resource, our own domestic supply here in New Brunswick. We are talking about \$22 million in extra costs for NB Power last year. We are talking about monthly gas bills for commercial operations that rose from \$10 000 to \$60 000 per month last year. We are also talking about residents who had to pay \$1 000 when their normal monthly bill was \$400 in the



winter. All these extra costs for natural gas mean higher prices for the products that companies produce and less money for residents to spend.

The Liberal government says that a moratorium is on its way. Since the government is not going to use the one solution we have available to increase gas supplies in the region and lower the prices, will the minister explain to the House how the government intends to assist residents and companies facing inflated prices this winter and for winters to come?

[*Translation*]

Hon. Mr. Gallant: I really appreciate the question, since it demonstrates that the commitment of the previous government to shale gas and hydraulic fracturing was because of a lack of understanding of this file.

[*Original*]

It is very clear why the members opposite have a fixation on fracking: They do not understand what they are talking about when it comes to that. The prices of natural gas in New Brunswick will not be affected by domestic supply. They have to get that out of their heads.

(Interjections.)

Mr. Speaker: Order.

Hon. Mr. Gallant: They have to understand fully that it has nothing to do with the domestic supply. It has to do with the Boston market. It is a regional price that is set. That is where people can sell at a certain price. If they can sell in Boston for that price, that is the price at which they can sell it all over the region. Does the member opposite not understand that? It is like saying that we have an oil refinery in Saint John, and, because of that, gas prices will be lower in Saint John. It is not the case. The members opposite have to stop saying things that are not a fact. We have to make sure that we have a proper debate, and what they are saying about the gas prices, I can guarantee, is not the case.

Mr. Speaker: Time, Premier.

Hydraulic Fracturing

Mr. Stewart: I am curious to learn what the cost of New Brunswickers driving to Boston to get their gas would be. I am interested in that at this moment.

The reality is that the Liberals are making New Brunswickers pay for political games. It is basic economics: The price of a good is at the level where demand meets supply. I cannot stop laughing over this. What a joke. You are the Premier of New Brunswick. He does not understand how good this is for our economy.



Look at Corridor Resources. Look at the potash mine. He is putting both those companies in jeopardy. I want to know right now—and my question is for the Premier—Will Corridor Resources be able to fracture hydraulically when it needs more gas supplies?

Hon. Mr. Gallant: I am really happy that we got these questions. Now, we can understand why the past government did not diversify its approach to growing the economy and was so fixated on fracking.

The economics of it is not being explained by me, but by people from the industry. The prices are set regionally. The former Minister of Energy understood that in question period not too long ago when I, as the Leader of the Opposition, asked the government about it. It is set on a regional basis. It is because Boston does not have enough infrastructure that the prices are high and anyone who has any natural gas here to sell is going to sell it for the prices that they can get in Boston.

It is unfortunate that we are having a debate and we are lowering the discourse by talking about things of this nature. I can tell you, one of the things that I saw from the previous government that was unfortunate was that it did not pursue the conversion of the LNG terminal because, for that to happen, it did not need a domestic supply of shale gas. The former government did not pursue it because that undercut its message of having to frack here in New Brunswick. That is unfortunate.

Resignation

Mr. Steeves: We learned recently through the media that a Liberal riding association president tendered his resignation over the now famous—or maybe I should say infamous—Liberal partisan patronage email. It was interesting to note that, in the New Brunswick news story, the riding association president also used a particular buzzword that we continually hear, whether it is from the Premier or one of his ministers. The buzzword is “merit”. Projects must have merit. I am starting to think that “merit” might be code for “Liberal”.

It appears that the riding president, Mr. Rabin, was scripted before he went to the media. My question for the Social Development Minister is this: When did you know that Mr. Rabin was going to resign, and did you or your assistant provide him with speaking points before he was interviewed by the media?

(Interjections.)

Mr. Speaker: Order.

[*Translation*]

Hon. Mr. Gallant: It is unfortunate, but I understand that the member for Moncton Northwest is new to the House.



[Original]

It is important for the members opposite to realize that, when they are asking questions, the questions should have to do with the government. The opposition is to keep the government accountable, not the Liberal Party.

(Interjections.)

Mr. Speaker: Members.

Hon. Mr. Gallant: If the opposition members have some issues with the Liberal Party, they can call the NBLA office. They can call Dan Murphy, who is the Executive Director of the NBLA, and I am sure he will be happy to answer the questions of the opposition.

I really hope that, on the floor of the Legislature, we are going to talk about government business—things like our priority of creating jobs, lowering the small business tax, which the opposition does not support, making sure that we create a Youth Employment Fund so people can work here in our province, and allowing a third voice in the Legislature, which, unfortunately, the opposition does not support.

There are many things that we have to discuss that have to do with government. We hope that the opposition will do a good job of keeping us to account and that we will have a strong debate about everything that we do as a government, but the NBLA and the Liberal Party...

Mr. Speaker: Time, Mr. Premier.

Mr. Steeves: We support a number of things that the Liberal government has done. We support that the Premier has named a wonderful woman, a talented lady who has a Ph.D. in sociology, as his Minister of Social Development. She has 18 years as a federal or provincial civil servant working in social development. We support that. We wonder why the Premier, who is also the Minister responsible for Women's Equality, will not, however, let a woman speak on anything.

My question for the Minister of Social Development is this: Has the minister been advised by the Premier's Office that she may not request the resignation of the assistant? Why has he not resigned? His job is at stake. We are talking about jobs.

Hon. Mr. Gallant: First off, on the first question, the member opposite was talking about the Liberal Party. As Leader of the Liberal Party and also as Premier, I thought that it would be prudent that I step up and talk to the members opposite to explain the rules here in the Legislature. It is important that the opposition members keep us to account. They are not here to keep the Liberal Party to account. They are here to keep the government to account. If they have some concerns with the Liberal Party, they can go and talk to the executive director, Dan Murphy.



[Translation]

As for matters regarding the Office of the Premier, I will obviously rise in the House to answer questions if I have that information.

[Original]

What I can say on this matter is that we are certainly not going to be discussing any HR issues on the floor of the Legislature. What I can tell you, though, is that we are willing to debate our job creation priority. We are willing to debate the lowering of the small business tax, the raising of the minimum wage, or how to ensure that we have different perspectives voiced here in the Legislature. Unfortunately, the opposition does not seem to support any of those things. Well, we do. We do.

Government Contracts

Mr. Steeves: As much as the Premier would like to take this off the topic, we will try to bring it back once again and try, yet again, to have the Minister of Social Development answer a question. My question for the minister, once again, is this: Did her election campaign receive support, financial or otherwise, from any person or company that stands to benefit from a government infrastructure contract?

Hon. Mr. Gallant: Yet again, if the member opposite has some questions for the Liberal Party, I am sure that Dan Murphy, Executive Director of the NBLA, would be happy to sit down with the member opposite to give him information that is not confidential in nature.

It is also nice to point out... We will try to debate some government policy here. It is a good opportunity to point out that we, as a government, actually want to increase transparency and disclosure when it comes to donations for leadership campaigns. I am sure that the members opposite are very happy that we are going to ensure that there is transparency during leadership campaigns. We want to have increased transparency when it comes to nominations as well. We want to have increased disclosure. It is unfortunate that the member opposite is focusing on the Liberal Party when we actually have some things in the works in terms of government policy that would affect the undertone of the member's questions. We are a government that is committed to transparency because it is going to deliver better results and the better results will be more jobs for New Brunswickers in the province.

Forestry

Mr. Savoie: It is certainly a pleasure to ask the Minister of Natural Resources a question again today. Yesterday, we talked about some of the comments that were made about the forestry strategy, and there is a lot that the government does not like.



Looking at the timeline of what has occurred with the investments that have been made, the companies are on time. They are on schedule with getting their investments. The projects are going forward, but the comments from the minister are creating a lot of uncertainty. In order for these companies to have security and to know that they can go forward with these projects, can the minister provide some answers on what specifically the government does not like about the forestry strategy so that we can clear up some of this and give these companies the certainty that they need to move forward with the implementation of their projects?

[*Translation*]

Hon. Mr. Landry: With regard to the forestry plan, the things we did not like were the ones that have been hidden from the public, meaning things that were done behind closed doors.

During its four years in office, the previous government never released its forestry plan. However, desperate to win the election, the previous government announced this plan by saying it was going to create jobs.

I can tell you one thing: The previous government did everything possible to give all it could. In fact, it will not be possible to cut any additional trees in the province over the next 20 or 25 years. The final results of our government's decision regarding the forestry plan will be made available to the opposition at the right time. However, until then, company officials can rest easy.

