

March 30, 2016

[Original]

Job Creation

Mr. Fitch: Yesterday, the Premier promised to table his plan for jobs. He is calling it the New Brunswick economic growth plan. I like to keep an open mind, but I do have to remind myself that this is the same individual who, 18 months ago, said that he had a jobs-now plan—a jobs-now plan that was going to create 5 000 jobs. I am sure that the Premier remembers that. We have it on tape if he does not. Given the fact that the Premier has actually lost 6 000 jobs since the first of the year, I think that he would have to admit that his jobs-now plan has been an utter failure. Can the Premier produce a document today called the jobs-now plan, and can he tell us who actually penned that document?

[Translation]

Hon. Mr. Gallant: That is a strange question; there is no document with that title. What we do have is our election platform; we were very transparent during the provincial election campaign. We said we would take steps and make investments that would enable us to create thousands of jobs, and that is exactly what we have done.

We made large investments in our infrastructure, which will create jobs—and which have already created jobs. We said we would create a Youth Employment Fund; this has created 1 500 on-the-job internships for youth here in New Brunswick so they can gain more experience in the job market. That is exactly what we have done. We said that we would give seniors a home renovation tax credit so they can stay in their homes longer, and that is exactly what we have done. During the election campaign, we said that, during our mandate, we would reduce the small business tax rate, and that is exactly what we have done. We will continue to prioritize job creation and make progress in areas that New Brunswickers consider priorities.

[Original]

Mr. Speaker: Time.

Mr. Fitch: The Premier said a lot there, but he did not answer the question about his jobs-now plan. Was it a real plan, or was it just, again, a marketing ploy during the election? He said he was going to create 5 000 jobs, but we realize that the result has been a dismal, dismal failure.

When he talks about setting the environment, would the Premier agree that the government really has to get out of the way of business and not be a hindrance? Would he not agree that, in order to set that environment, his government has put forward a lot of policies that have actually hindered the province? When we look at the increase in property tax, when we look at



the increase in electricity rates, when we look at the increase for the high income earner, when we look at other areas that have increased the net cost of doing business here in New Brunswick, would the Premier not agree here today that it would be better for the government not to hinder the private sector enterprises that are able to create the jobs, that are able to put New Brunswickers back to work?

Mr. Speaker: Time.

[*Translation*]

Hon. Mr. Gallant: I recognize that a government, be it provincial, federal, or municipal, whatever, needs to work with its partners to create the right environment for investment and economic growth. This is exactly what our government has done. As you know, we have made very significant investments in infrastructure.

[*Original*]

We have also ensured that we have a business climate that is nimble by having the joint office with the Maritime Provinces, which will help to reduce and harmonize regulations. We have also enhanced the ability of small businesses to get capital to make investments by enhancing the small business investor tax credit. We are also developing a skilled workforce by investing in our youth through the Youth Employment Fund and by providing more SEED weeks, which we are very proud to announce today. On top of that, we are creating the Education and New Economy Fund, which will help us to have a skilled workforce and to ensure that we have an innovative economy and that our businesses are as productive as possible.

Mr. Fitch: There was a lot that the Premier said there. We could take time to analyze each part of it, but let me take just one and be very, very specific.

The Premier boasted about cutting the small business tax, and the figure that was used was \$5 million that it would cost the government. It seems nice until we recall that the same government—with the same Premier, who said that we want to create the right environment for the province of New Brunswick to create businesses—actually raised property tax and said that it would take over \$30 million by raising the business property tax.

Simple math will tell us that the government is ahead by \$25 million on that. It is taking \$25 million out of the pockets of businesses in the province, whether they are profitable or not. This is the sort of increased cost to businesses that we are referring to. Will the Premier agree that taking \$25 million out of the pockets of small businesses here in the province is actually a hindrance to creating jobs here in the province?



[Translation]

Hon. Mr. Melanson: I would remind the Leader of the Opposition that the decisions we made in our first budget, tabled last year, asked for help and contributions from several groups in the province so that we could turn public finances around. Yes, it is true that we asked the largest corporations and the biggest businesses in New Brunswick to pay a little more property tax. Everyone must help. That is what we did in the first budget.

We think that it is important to generate enough revenue, when we need to turn public finances around, to get rid of the structural deficit and have sufficient funds to provide services to people. We must also establish the right conditions for job creation and economic development. That is what we think we have done with the fiscal policy we announced on February 2, 2016.

[Original]

Mr. Fitch: I can see why the Premier did not want to take that question because the Finance Minister across the way has actually said something that is inaccurate here in the House of the people. He said that they only asked the largest businesses to pay a little bit more. As a matter of fact, the property tax increase that this government put in place affected all businesses, whether they are profitable, whether they are large, or whether they are small.

I have talked to a number of business owners. Do you know how they have dealt with that increased cost? They have laid off people. They have reduced the number of people working for them. They have laid off part-time people, and they have put full-time people into part-time jobs. That is how the economy has reacted to the policies of this government.

I think that the Premier should get up again and say that the government will try to reverse some of the hindrances that it has put into place for the province and for the businesses that are trying to create employment for the people of the province. Will the Premier commit to removing those hindrances?

Hon. Mr. Melanson: When the Leader of the Opposition was in government for four years, that government could not get the structural deficit out of the way.

(Interjections.)

Mr. Speaker: Order.

Hon. Mr. Melanson: That government failed every time that it tried to meet its budgetary targets. That was its record. Since we formed government, we have been able not only to respect our forecasted targets, but also to do even better every time we get up to talk about our financial situation.



It is a challenging time—absolutely, it is. A Finance Minister needs to be able to have a fiscal policy, again, to see economic growth. We see that we are working very hard on that. Also, we need to have a fiscal policy that will generate a sufficient number of dollars to get rid of our structural deficit and a sufficient amount of money to invest in social programs that New Brunswickers deserve and need.

Mr. Fitch: I wonder whether the Finance Minister and the Premier know that some of the targets that they set will be met because their target is never to balance the books during their mandate. Their target is to have qualified financial statements every year of their mandate.

Was their target to lose 6 000 jobs in New Brunswick? Was their target to have 38 000 people out of work at this point in their mandate, after promising to create 10 000 jobs within their mandate? Was their target to have the highest youth unemployment, here in the province? Was their target to go to businesses, take \$25 million in property tax out of the coffers of the small businesses, and reduce the employment? Was their target to be one of the jurisdictions—a high-cost jurisdiction—in the federation that would drive businesses out of the province?

I ask the Premier again: Will he reverse some of the policies that have been a hindrance to job creation here in the province?

Mr. Speaker: Time.

[Translation]

Hon. Mr. Gallant: We all know that the Canadian economy is currently facing challenges, and the same is true for New Brunswick. So, we are working very hard with our partners to create a climate that favours investment and economic growth. That is why we are investing in our infrastructure and in a skilled workforce.

[Original]

I know that the member opposite and the opposition do not support our policies of giving more money to those who are working in minimum wage jobs. I know that they do not support our taxing the wealthiest people in the province so we can provide strong health care and education to the rest of the people. I know that they do not support our investing in infrastructure, ensuring that we have thousands of jobs created in the short term and that we are prosperous in the long term. I know that they do not support that, but it is okay because we are going to focus on working with our partners to set up the best climate for economic growth in our province.



[Translation]

Extra-Mural Program

Ms. Dubé: People are very concerned and were very surprised when the Minister of Health notified the House, during his estimates, that he had signed an agreement with Medavie EMS to privatize a service that New Brunswickers care deeply about and have for more than 30 years. This service is also a great source of pride for New Brunswick and a great asset for our people. The eyes of all Canadians are on us because of this excellent service.

So, here is my question for the minister: Why was a memorandum of understanding signed with an insurance company before New Brunswickers were even consulted, if he did not actually want to preserve the Extra-Mural Program, which is a hospital without walls within the civil service and managed by it?

Hon. Mr. Boudreau: First of all, I think it is important to correct the comments made by the opposition member: We did not privatize anything. We are currently in discussion with Medavie EMS regarding the possibility of amalgamating three current programs, namely the Extra-Mural Program, Ambulance New Brunswick, and Tele-Care 811 into one unit. This unit would be a public company within Part III of the civil service. We could sign a contract with Medavie EMS to manage this service. We are in discussions and consultations. We are regularly meeting with the unions involved. We have also started meeting with the professional associations involved. The health networks are now involved, and we will continue to consult until we are able to see whether or not we can reach an agreement.

[Original]

Mr. Speaker: Time, member.

[Translation]

Ms. Dubé: I certainly want to reiterate that the minister signed a memorandum of understanding with the insurance company Medavie EMS to privatize clinical health care services. I repeat, once again, that these clinical services are an asset for all New Brunswickers. People in the communities are extremely concerned, because this is an essential service.

The Premier himself had said that he would not touch the health sector. When the Minister of Health rose in the House, we were all very surprised to see that an agreement had already been signed with Medavie EMS.

I am going to repeat my question again for the Minister of Health: Why was a memorandum of understanding signed, and why should the Extra-Mural Program be privatized when it is an asset, a necessity, and a source of pride? This program works well, so why ask a private



company to manage it? The people in place right now are doing their job really well within the civil service and the two health networks.

[Original]

Mr. Speaker: Order.

Hon. Mr. Boudreau: We are in discussions with Medavie Blue Cross through one of its companies, Medavie EMS. Medavie Blue Cross is a not-for-profit corporation based in New Brunswick. It employs hundreds of people and invests millions of dollars in the province. It currently operates the Ambulance New Brunswick system, and it has simply approached the government with the idea of looking at bringing the Extra-Mural Program, Ambulance New Brunswick, and Tele-Care all under one umbrella. Discussions are ongoing. No contract has been signed with Medavie EMS. We are consulting with the unions, and we are consulting with the professional associations. We are getting everybody's feedback, and we will determine whether or not a contract is in order.

Ms. Dubé: You have actually already signed a memorandum of understanding, so you have already signed something with Medavie. Now, what you are saying or what you have already said is that you are working on the details. However, you have done that without any consultation with the public.

[Translation]

People in this province are extremely worried. The Extra-Mural Program is a Canadian gem and a New Brunswick innovation which provides in-home services. These are much-needed services that are also a source of pride.

We have a program here that works well. A private company approaches the government saying it will find savings and manage everything better. The government is stripping Horizon Health Network and Vitalité Health Network of their responsibility, which is to provide clinical services. The health networks are in charge of coordinating clinical services. There are hospitals in each region of the province. The Extra-Mural Program provides services in every region.

[Original]

Mr. Speaker: Time, member.

[Translation]

Hon. Mr. Boudreau: I do not think that the member's comments contained a question. She must stop scaring people. The Extra-Mural Program is excellent and will continue to be there. Ambulance New Brunswick is also an excellent program that will also remain in place.



I must say that Tele-Care 811 is an excellent program, and it will continue to exist, except that these three programs are currently working in silos, while we want better coordination that may enable us to find efficiencies, but that is not the main objective.

In fact, the main objective is to stop working in silos and have three programs that can work together. We are having discussions with a very competent partner to see if we can reach an agreement. I want to clarify that this remains to be determined.

[Original]

Collective Bargaining

Mr. Holder: We on this side of the House believe in second chances, so we are going to give the Minister of Post-Secondary Education, Training and Labour another chance today. Perhaps she could clarify. My colleague from Fredericton West-Hanwell asked questions yesterday around the process that led to the changes in the arbitration process in this province. We want the minister to be clear today, to clarify exactly whom she met with and consulted with that led to these sweeping changes.

[Translation]

Hon. Ms. Landry: Thank you for the question. It is my pleasure to tell you that our government promotes free bargaining, and that is certainly what we wish to do with the changes that we want to make to the Act.

[Original]

I have to say that my staff met on November 23 with the firefighters' representatives from the International Association of Fire Fighters and again on February 24 with the firefighters' association. They were invited, as were representatives of the police union. They met on two occasions with... We met on two occasions with municipal employee leaders. All were invited to the February 24 meeting. The Deputy Premier also told me that he met with the firefighters union.

Mr. Speaker: Time, minister.

Mr. Holder: If I am hearing the minister correctly, she has not met with the firefighters in this province. This government has brought sweeping changes to the arbitration process in this province, and the minister responsible has not met with the firefighters who are going to be affected. Yesterday, when she said that they had been consulted, I could see the looks on their faces. I went out to the rotunda and spoke with firefighters' union leaders whom I have known for years and have respected, and they said that this government has not consulted them. I want to know when this minister will sit down with the firefighters and hear their concerns.



[Translation]

Hon. Ms. Landry: I will be very happy to meet with police and firefighter associations.

[Original]

Mr. Holder: Collective bargaining in a free and modern democracy is a right, and it is a right that did not come easily. I wonder if this minister will put any changes to arbitration on hold until she properly sits down and meets with the people who are going to be affected.

[Translation]

Hon. Ms. Landry: As I mentioned, our government believes in promoting free bargaining. However, we also want to look at all the labour costs of organizations that are funded by our government.

[Original]

To address the labour costs and the cost pressures, our department is proposing a four-point plan. It consists of a permanent roster of arbitrators who will be suggested by an advisory committee of employees, unions, and employers. There will be a final offer arbitration process, and a list of criteria will also be included in both Acts, taking into account the cost of living in New Brunswick...

Mr. Speaker: Time, minister.

Extra-Mural Program

Mr. Coon: The nurses, social workers, dieticians, and their managers in our Extra-Mural Hospital are anxious about what their futures hold. No doubt, the patients and clients are also filled with anxiety. The minister speaks about the discussions that he has under way with Medavie and the possibility of privatizing the management of our Extra-Mural Hospital. Tomorrow, in fact, is going to be the last day of work for nine community nurses who are stationed in the emergency departments of our major hospitals around this province. These nurses have been working with seniors with chronic diseases and with the Extra-Mural Hospital to keep those seniors out of the hospital, to keep them in their homes, and to ensure that they can stay in their homes, and the diversion rate is better than 60%.

My question for the Minister of Health is this: Will he reassure the employees of the Extra-Mural Hospital that they will not lose their jobs or see a change in their working conditions as a result of the discussions that he is having with Medavie?

Mr. Speaker: Time.



Hon. Mr. Boudreau: Once again, I feel as though I need to correct things that are being said on the floor of this House, and I find it very unfortunate.

The member opposite knows very well—we went through this during estimates, I believe—that the nine nursing positions that he is referring to have absolutely nothing to do with the discussions that we are having with Medavie EMS right now. Those nine nursing positions have to do with a pilot project that was started many years ago and that was deemed to be ineffective. It was not meeting its targets. It has since been replaced by the Home First Strategy. Through the SPR exercise, we identified this as a potential area where we could do away with the pilot project, take those monies, and invest even more in the Home First initiatives, which we have done.

(Interjections.)

Mr. Speaker: Order.

Hon. Mr. Boudreau: I went through this with the member opposite during estimates, and I find it unfortunate that he is trying to tie this to the discussions that we are having with Medavie.

Mr. Coon: Medavie personnel will soon—this week—be shadowing a number of extramural professionals to monitor and assess how their services are currently being provided in our Extra-Mural Hospital. There is a concern that this assessment may result in the desire to discontinue certain services that are currently covered through our Extra-Mural Hospital for patients around this province.

Can the Minister of Health confirm that the quantity and quality of services currently provided by our Extra-Mural Hospital to New Brunswickers will continue to be provided if the management of the Extra-Mural Hospital is privatized to Medavie?

Hon. Mr. Boudreau: Once again, I am going to repeat the same answer that I gave to the opposition earlier. No agreement has been concluded. We are in discussions with Medavie EMS, and we are in consultations with our health care professionals. We have been meeting with the unions. We have been meeting with the professional associations. We have been meeting with the RHAs to explore this opportunity.

The Extra-Mural Program is a fantastic program. It is going to continue, and it is going to continue to provide the programs and services that it provides today. It is the same thing with Ambulance New Brunswick. It is the same thing with Tele-Care 811. We are simply looking at breaking down silos and at having better coordination among those three programs. Medavie is bringing to the table the opportunity to target the 5% chronic users of the overall system to help them better manage their health care. That is what we are exploring.

Mr. Coon: Currently, with Medavie waiting in the wings, because our Extra-Mural Hospital is within our health system and is managed by public employees working for the people of this



province, the costs of the supplies used by the extramural staff for patients in their homes, whether they are children or seniors, are covered in the same way as they would be if those patients were in the hospital. If the management of our Extra-Mural Hospital is privatized, will the patients continue to see the costs of their supplies, such as bandages, occupational therapy devices, and other medical supplies, continue to be covered under the Extra-Mural Hospital?

Hon. Mr. Boudreau: As we speak, it is the status quo because nothing has changed. We are simply in discussions. We are in discussions to look at how we could possibly, potentially, move forward with Medavie EMS. There are still many discussions that need to occur before we arrive at any final decision. We are consulting with our health care professionals.

Again, I think that it is important to point out, because the member opposite is almost suggesting otherwise, that all the frontline employees are still going to be employees of government. They are going to be in the same union that they are in today. They are going to be in the same pension plan that they are in today. They are going to receive the same pay and benefits that they receive today, if this project were to proceed. This is going to be a public company—a Part III public company—similar to the way that Ambulance New Brunswick is set up now. However, it would include all three programs, and the management of those programs could potentially be contracted to Medavie EMS, if we reach a deal.

Government Funding

Mr. K. MacDonald: Once more into the breach we go on the matter of Co-op Atlantic and how much money the taxpayers of New Brunswick have lost or are about to lose in the bankruptcy of the cooperative. On numerous occasions, I have asked the minister to provide the amount of exposure to the taxpayers of this province. I have been stonewalled to date, but I always remain hopeful. Could the minister rise in the House today and tell us how much taxpayers' money his government has lost or is about to lose in the matter of Co-op Atlantic?

Hon. Mr. Doucet: I will rise. Co-op Atlantic is currently in court under the *Companies' Creditors Arrangement Act*, and I think that the member opposite knows that. Opportunities NB and the Office of the Attorney General are closely monitoring the ongoing court proceedings to determine what, if any, effect the liquidation of Co-op assets might have on the guarantee to the province. On that, I cannot comment any further because it is before the courts.

Mr. K. MacDonald: Easter was last week.

The pensioners of Co-op Atlantic have been advised that they can expect to lose up to 30% of their pensions. I have a list of creditors. Actually, it is quite lengthy—seven and a half pages—with 75 names per page. We know that the assets of the businesses have been sold off. I am trying to discover a simple dollar figure, if I can, today.

I note that, on page 5 of that seven-and-a-half-page document, the National Bank has been listed as a creditor to the tune of \$10 million. Can the minister advise how much of that money



may be guaranteed by the taxpayers of this province, perhaps through Provincial Holdings or another financial instrument of the province?

Hon. Mr. Doucet: As I mentioned before, the Co-op Atlantic file is currently in court under the *Companies' Creditors Arrangement Act*. Opportunities NB and the Office of the Attorney General are closely monitoring the ongoing court proceedings to determine what, if any, effect the liquidation of Co-op Atlantic assets might have on the guarantee. I cannot comment any further on something that is before the courts.

Mr. Speaker: This is the final question.

Mr. K. MacDonald: With all due respect, perhaps I was not enunciating properly. My question was around the nature of what the guarantee looked like and what the security looked like in terms of what type of security we had provided to the National Bank to secure that loan, which it, in turn, made to Co-op Atlantic. I am not asking about the specifics of the court case. I am asking about the mechanics of the security that we, as the taxpayers of New Brunswick, provided to the National Bank to secure the loan, which was eventually made to Co-op Atlantic, and Co-op Atlantic is now in receivership. I think that it is a very legitimate question. We have three companies in the group—Co-op Atlantic, C A Realty, and Co-op Energy. It all sounds rather draconian to me.

Mr. Speaker: Time, member.

Hon. Mr. Doucet: I do not think that we should be in a position to take lessons from the members opposite. The member from Portland got up this morning and talked about the toll on the Saint John Harbour Bridge. That it is going to cost each and every one of us \$150 million. I do not need to take any lessons from them. Your friends over there could not even get a deal on the port of Saint John. They could not even get a signed deal before they announced it. How terrible is that. Obviously, it puts a little doubt in things such as the Saint John City Market.

We are doing our due diligence. I have to tell you something. All these guys constantly want to talk about is that the sky is falling. The NASDAQ is down. The TSX is down. The dollar is down. The barrel of oil is down, and so are the Tories.

