

March 31, 2017

[Original]

Property Tax

Mr. Higgs: Do you know what is failing? The Premier's opportunity and the Premier's plan to cover up issues in this province—the Premier's plan to make things disappear.

What is not disappearing is this issue around property tax. Even today, from the CBC, the headline is: "‘They did it on purpose’: Province accused of deliberately overcharging homeowners on property taxes ... shows senior provincial government assessment officials invented renovation amounts for" over 2 000 homeowners "with large assessment increases". What does that do? It allows them to evade a legal 10% cap on homeowners' property tax bills.

What a shame this is—attacking the citizens of this province. These revelations... It is no wonder that the Minister of Service New Brunswick is not allowed to speak and has remained silent. I will remind the Premier and the Minister of Service New Brunswick that an individual minister's responsibility is a constitutional convention in governments using the Westminster system. In our system, a Cabinet minister bears the ultimate responsibility for actions.

Mr. Speaker: Time, member.

Hon. Mr. Gallant: We are very disappointed, and we are very troubled with the errors created by the 2 000 or so property assessments that were done hastily and improperly by Service New Brunswick. We can tell you that we are going to be looking into this matter in depth, and we are going to be looking into it to have serious actions taken to rectify the situation.

I want to make it very clear to New Brunswickers that our government, the elected officials of our government, were not aware of what had transpired. We were made aware yesterday. It was discouraging that we were made aware through a media request. We would have liked, of course, to have found out from the department's employees. We are very troubled on many angles about this, and I can guarantee that we take the matter seriously. We are going to look into this in depth and take serious action.

Mr. Higgs: I find that rather astonishing. How long has the Premier been standing up and saying: We are investigating these 2 400 cases, and we are going to figure it out and get to the bottom of this? Has it been months or weeks? It certainly has been a long time and repeated over and over again in this House. Not being aware means that nothing was happening to protect the citizens of this province. Not being aware is no excuse. Let me quote the CBC story:

The email, written on Feb. 9 by SNB's residential co-ordinator Matthew Johnson, to 11 mid-level and upper-level assessment officials, says because there was not enough time to have



professional assessors find out what, if any, renovations the properties might have undergone before tax bills were issued March 1, it was decided to invent renovation amounts for each home.

“Invent renovation amounts for each home”—what else has been done? Who knows? How will we find this out? This is a major scandal for this government. In light of this devastating revelation, will the Premier finally agree to extend the deadline for property owners to appeal these assessments? Thank you.

[Translation]

Hon. Mr. Gallant: As I have already noted, we were very disappointed to find out that errors were made for almost 2 000 properties, because their assessments were done hastily and improperly by Service New Brunswick. We are also very disappointed that we were only made aware of this situation yesterday and advised of it as a result of a media request for comment.

I can assure you, Mr. Speaker, and New Brunswickers, that we will review this file, analyze what happened, and rectify the situation. I think New Brunswickers deserve to know exactly what happened. We will make sure we are as transparent as possible throughout this process.

[Original]

Mr. Higgs: You can say “transparency” all you like. You can say “I am being accountable” all you like. What demonstrates the reality of all of that is when you really demonstrate it. That is the issue. We do not see that demonstration. We have talked about these 2 400 mistakes in this House since it commenced three weeks ago. We have said that this needs to be investigated. The Premier has acknowledged it, saying: We will understand this. We will fix this. We will find out the problem.

Here, because of a CBC article, we find that nothing has been done to date. In an issue to get things out, get the bills out, and get the money in, we find that, oh, well, we will just see if this just blows over.

As you know, it was the intention of government to adjourn this House, which would lead to no sittings for the next three weeks. In light of this major scandal and in the interest of openness, transparency, and democracy, will the Premier agree to forgo this adjournment so that the government will be able to give further answers and explain to the people of New Brunswick how it intends to deal with this scandal or will it shut down the House and run and hide?

[Translation]

Hon. Mr. Gallant: We established a sessional calendar, and we will certainly stick to it. Once again, I simply want to reiterate that we are disappointed by this situation. Unfortunately, we were only made aware of it yesterday. Once again, I want to repeat that we were made aware



of it as the result of a media request for comment on the situation. This is a situation that is quite unfortunate, and I can tell you that we are taking it seriously. We will analyze it in order to rectify it.

[Original]

I do want to point out that we are doing everything we, as a government, can to be accountable and transparent, and I thought yesterday was a great example of that. It was a great day for democracy in New Brunswick. All political parties within the Legislature got together to ban corporations and unions from donating to political parties. It is an idea that Dominic Cardy, I am sure, brought forward to the Leader of the Opposition. This is great, this is fantastic, and this is a great demonstration of how we can get things done by working together here in the Legislature.

Mr. Higgs: I do not think that expediting a false tax bill is great. I do not think it is fantastic. I think it is wrong. I think it illustrates that the ministers are not on top of their files, and I think the Minister of Environment and Local Government, who has been espousing this now for weeks on all the issues... On the issue right under his nose—or under the nose of the Minister of Service New Brunswick, right under his nose—there was no discussion. It was an issue that was discussed, and he said: We are going to investigate it. We are going to look into it. Nothing was done.

A plan was hatched on February 9 to invent renovations on property owners' assessments. On March 1, property assessments were sent out. Owners immediately protested unfair and unreasonable increases. The government denied that there was an issue. It was not until March 13 that the government admitted that, well, maybe there was an issue, but a false story was fabricated. We have the February 9 fabrications and the March 13 fabrications. What other fabrications do we have?

Hon. Mr. Gallant: I just want to clarify because, unfortunately, the Leader of the Opposition is putting words in my mouth that were not said. I did not say that the situation with regard to property assessments was anything but troubling and disappointing. What I said was fantastic was that the political parties in the Legislature yesterday got together to commit to banning donations from corporations and unions. I ask the Leader of the Opposition not to mix my words up.

I also want to clarify that we have made it very clear from the beginning. The Minister of Environment and Local Government has repeated many times over that every error will be corrected and that there will not be a deadline of March 31. At any point during the next few months, at any time, if people have an error in their property tax assessment, they can come and see us and we will proactively go to see them if we are aware of it. We are going to work very hard to make sure that we rectify this situation in a swift manner.



Mr. Higgs: We have heard it all before. We have heard the discussion: We are looking into it, we are investigating, and we are going to close down this House so we can run and hide. That is a concern. We want to be here. We are here only just over 40 days a year now, so I appreciate these blocks of time because, usually, more information comes out. The reason to shut it down is that we cannot let all this stuff . . . We have to have time to simmer. We have to have time to settle down, so the government runs and disappears.

I will ask again. Number one, do the right thing, which is to expose more information. The Premier has indicated: I am concerned, I am going to fix it this time—really, I am going to fix it this time. So, let's extend the deadline. Let's convince the people that we are serious about looking after them and that we are going to extend the deadline. Along with that, let's extend the session of this House to get this right, to get it understood in the public's view, not in the silence of government.

Hon. Mr. Gallant: Again, I want just to correct the member opposite. We gave the schedule for the Legislature to the opposition months ago. We have always had on that schedule an adjournment date of today. We would stop the Legislature for a few weeks and come back in a couple of weeks—three, I think, to be exact.

We, as a government, are going to do everything we can to rectify this situation. This is a very disappointing and troubling situation. Again, there are many angles that have disappointed us and that have troubled us. Of course, it is troubling to see that we had people within the department who were improperly and hastily doing the property assessments. It is also troubling and disturbing to find out through a media request yesterday that this situation happened. We are going to look into this matter seriously, and we are going to rectify it.

Mr. Higgs: At some point, you take ownership. In this scenario, we heard that 2 400 assessments were done improperly. That was weeks ago. This should never have come out as a headline because of a right-to-information request. It should have come out as: We have done the investigation. Here is how it happened, here is the problem, and here is how to fix it. But, no, nothing has been done. Nothing has been done. Now, all of a sudden, we are going to look at it.

The right thing to do is to continue this legislative session so that we can get to the bottom of this. Extend the deadline. Talking about the schedule coming up... Months ago, we had an ice storm in the northeast. It was a severe ice storm. The right thing to do was to change the House schedule in order to deal with it—absolutely, and we believed that. We have a scandal in front of us now. The right thing to do is not to run and hide. The right thing to do is to extend the House. Let's get to the bottom of this. Thank you.

Hon. Mr. Gallant: Again, we had a schedule set forth for the Legislature. We shared it with the opposition party. For the opposition members to give the impression that this scheduled date for us to take the two to three weeks that we will be off is anything but the scheduling that we had made months ago is inaccurate and unfortunate.



I agree, actually, with a lot of the things that the Leader of the Opposition just said. I do agree that it is very unfortunate that we are finding out about this through a headline. I agree with that, and that is why, in my opening answer to the question, I said that this is disappointing and troubling.

We, as a government, will work very hard to rectify this situation. There have been numerous errors. One error is too many, but I can say that at least we have seen, over the past couple of years, the number of errors diminish, and we will make sure that it continues to improve over time.

Mr. Higgs: At some point, someone has to be held accountable. The Minister of Environment and Local Government has been deflecting and has been given all kinds of opportunities to speak until today. The Minister of Service New Brunswick has not been given any time to speak. Someone who knew about the 2 400 mistakes for a long period of time now has done nothing to find the root cause. However, what they have done is spend all kinds of time trying to find a way to deflect, to get the issue on to something else, and to find another rabbit to chase, another squirrel to chase. However, we are not chasing a rabbit. We are chasing the scandal and the unfair treatment of the citizens of this province.

At what point does the Premier do the right thing, look at whatever minister he thinks could be responsible—and I would suggest that he has had one speak over and over again—and ask the minister to resign?

(Interjections.)

[*Translation*]

Hon. Mr. Rousselle: I will tell you that I have always made it a point of honour to be transparent and open. So, I found out, at the end of the day yesterday, that, actually, in about 2 000 cases, an aerial study revealed changes had been made. Well, instead of the usual review, a formula was used based on a hypothesis that ended up being false.

You cannot imagine how disappointed I am. I want to assure the House that with regard to the approximately 2 000 cases, today, I would not call them mathematical errors. That being said, the following must be noted, and I want to repeat it in the House: I am still waiting for the reasons behind the 9 000 errors made each year, on average, when the previous government was in power.

[*Original*]

(Interjections.)

Mr. Speaker: Order. The member for Southwest Miramichi-Bay du Vin will come to order.



Mr. Higgs: Here we go—deflecting and trying to blame someone else.

The point here is that, for a long time, there has been an acknowledgement that 2 400 homes were miscalculated. There was a problem. What did it take to have the minister and the Premier actually stand up today? It was a headline, a publication. It should have been a publication from this government. We have been asking for that for weeks. Tell us what happened. Tell us the problem.

Do you know why we did not get it? It was because no one was looking. No one cared. No one bothered to take the 2 400 that had already been determined to have a problem. This 2 000 is probably part of that. However, the government did not do anything about it. The government waited until... This may blow over. Oh, there is a headline. Now, we have to do something about it. The proper thing to do is... This minister, who has been deflecting for the past number of weeks, should resign.

Hon. Mr. Gallant: I actually agreed with a lot of what was said by the Leader of the Opposition until near the end. His question is: What has changed?

(Interjections.)

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

Hon. Mr. Gallant: In fact, what has changed is that we had an employee of government who did the right thing and made this public. We would have liked to be made aware of this situation a long time ago because we would want New Brunswickers to be aware of the situation. Unfortunately, that did not happen. Fortunately, an individual took it upon himself or herself to be a whistle-blower. That is exactly what that person should have done, and we are happy that it happened. That is also why, as a government, we will be reinforcing whistle-blower protection to help employees of government shed light on things like this.

Mr. Higgs: Of course, they will, when they are forced into it. It is the same as yesterday, when we brought forward the change and the amendment to the bill. When they are forced into it: Oh, yes, that is exactly what we planned to do. It was not there, was it? It is what they plan to do now because what else could they do? They had to move forward on that amendment.

This issue is related to... They already knew. They already knew that there were 2 400 problems. Why would they not have asked the department: What was the cause of these 2 400 problems? I am sure that, had they done that, they would have found: Here is how assessments were done. Whoa, there is the problem. No, it is after an article comes out that the government says: Now, here is the problem. Now, we have to enter defense mode. Now, we have to try to find a new solution.



The right thing to do is to extend the deadline for the property tax assessments, keep the House going until we get to the bottom of this scandal, and have the minister resign and do the right thing. Thank you very much.

[*Translation*]

Hon. Mr. Gallant: Once again, I want to clarify that no minister was up to date on this file. We found out about it because of a request made by a journalist. This is a disappointing situation, and I can tell you that we will take steps to rectify it.

[*Original*]

The member opposite is unfortunately undermining the great day that we had yesterday. We had three political parties in the Legislature agree to banning corporations and unions donating to political parties. Why would he use that with any negative connotation? It is a good day. It is good for New Brunswickers to know that the people they elect will be focused on representing them—not big businesses and not unions. Will the Leader of the Opposition join me in passing that legislation today?

Mr. Higgs: In case there was a loss of thought there, we are talking about property tax and the wrong assessment of over 2 000 homeowners in this province. We are talking about a miscalculation that should have been investigated several weeks ago but was ignored. The government was hoping that it would go away. We are talking about doing the right thing for this province, standing up and saying: Oh, yes, we are going to put in whistle-blower legislation now that this has come to light. This is not a time for deflection. This is a time for the Premier to stand up and take ownership. This is a time for the minister to stand up and say: You are right. I should have looked into this two weeks ago, but I did not. I ignored it. Instead, I blamed what has been done in the past because that has always worked for us before.

It is not working this time because the scandal is heightening. We need the extension of the House in order to get this right. We need the extension of the deadline in order to do the right thing for the province. We need the resignation of this minister.

Hon. Mr. Gallant: I just want to correct a couple of things that the Leader of the Opposition said. He said “loss of thought” because we are talking about property assessments. He brought up the banning of donations to political parties from unions and corporations. Yes, I commented on that since he commented on it. He said that we are putting whistle-blower protection in place now because of this situation. That is inaccurate. It is something that, as a government, we have talked about for years.

We found out yesterday about this very troubling and very disappointing situation. Again, it was disappointing and troubling to find out through a media request. You can be certain that, as your government, we are going to look into this matter in a very serious way and make sure that we rectify this. We ask that the Leader of the Opposition recognize that so that we can then work together to rectify this as a province.



Mr. Higgs: The point is finding out yesterday. When did we acknowledge that there were 2 400 mistakes? I think the comments were that there were only 2 400 but we are looking into those. It was weeks ago. Given that, this should have been investigated. Even if the government members were going to hide the real information, when this came out, they could have found some way to say: Oh, we know what happened. We have a plan. We are changing it. This is the deal.

Either way, they would have looked bad, but, still, they would have actually done something in the last two weeks. That has not happened. It should have been looked into weeks ago. We should have been talking about the answers, not talking about the issue.

I ask again. The right thing to do here is to extend this sitting of the House. Let's get this fixed, and let's make sure that the people of the province understand that it is done right—not with a headline that has been created and a press release from the government. Let's make sure that it is done right because the people's House has the full deal, the full information. Then let's extend the deadline on the assessments. Then let this minister find something else to do.

[*Translation*]

Hon. Mr. Gallant: Once again, I remind you that the sessional calendar was given to the opposition months ago and that today is the day we are to adjourn for a few weeks.

I hope the Leader of the Opposition is not giving New Brunswickers the impression he is not working when we are not sitting in the House. I was Leader of the Opposition, so I know there is a lot to do when we are not sitting. In fact, opposition members can continue to do a lot of things to make sure the government is accountable and to suggest their own ideas on ways to move our province forward.

So, we will assure the opposition and—even more importantly—New Brunswickers that we are going to analyze this disappointing situation and take it seriously. I can tell you that we are going to take steps and that, throughout the process, we are going to be very transparent in that regard, as a government.

[*Original*]

Mr. Higgs: Credibility comes with taking responsibility. You earn credibility. You do not state: Oh, I am credible. And away we go. You earn it. You earn it through your entire career. You earn it every step of the way when people... You say what you believe in, and you do what you believe in. You do not have to say it because people see you doing it. Unfortunately, the minister who most often speaks about this assessment deal is not speaking much today because he is not taking ownership. No, his whole program is to deflect and blame: We do not take ownership. That is not what we do as government. We deflect it. We try to make it go away.



This one is not going away. It has not gone away since this House opened. It is not going away because the people of this province realize, once again, that they are being hosed. Once again, there are taxes beyond compare from a government that has a spending addiction that it cannot control. What do we do about it? We just tax more.

I will ask one more time. The minister should resign. Thank you.

Hon. Mr. Gallant: I certainly want to get up and talk about the accusation that the Leader of the Opposition just made with regard to taxes. Yes, we raised taxes. We raised taxes on the richest 1% of New Brunswickers, people like...

(Interjections.)

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

Hon. Mr. Gallant: We raised taxes on people like Irving executives...

(Interjections.)

Mr. Speaker: Member from Grand Lake.

Hon. Mr. Gallant: ... which I am sure the Leader of the Opposition is aware of.

(Interjections.)

Mr. Speaker: Member for Gagetown-Petitcodiac.

Hon. Mr. Gallant: We raised taxes on the richest 1% so we can invest more in education, so we can invest more in health care, and so we can invest in things such as training, innovation, and infrastructure to help grow our economy. When he says that we are spending too much, that demonstrates that he would not invest enough in the priorities of the people of our province—on things that will help with economic growth, that will improve educational opportunities, and that will deliver a strong health care system for families in our province.

Government Policy and Procedure

Mr. Coon: In the first months of this government's tenure, the Premier took the...

(Interjections.)

Mr. Speaker: The member for Sussex-Fundy-St. Martins will come to order immediately.



Mr. Coon: In the first months of this government's tenure, the Premier took the step of publishing mandate letters for his ministers, a practice then repeated by the Prime Minister. At the time, the Premier said: "By making these mandate letters available to the public, it is easier for New Brunswickers to see our plan in action and understand what we are working on." It has been 10 months since the Premier shuffled his Cabinet. We still have not seen the mandate letters. Will the Premier release the mandate letters now so that New Brunswickers can understand, in fact, what his Cabinet members are working on?

Hon. Mr. Gallant: That is a great question. I want to clarify one thing. Of course, all the departments and ministers are working on the initiatives, focuses, and priorities that were laid out in the first mandate letters. New Brunswickers are well aware of what they are. They are ensuring that we have economic growth. They are ensuring that we are investing in improving education and that we are strengthening health care for the families of our province. We made those public. We wanted to ensure that all New Brunswickers could see what their Cabinet ministers and their government were doing for them.

In terms of reinvigorating the mandate letters, that will happen. In fact, we are working on it right now. There are some drafts sitting on my desk. When the Legislature is done, I will be glad to go through them. I will hopefully sign them very soon, and we will make them public, of course, so that New Brunswickers can see that their government is working very hard to create jobs for them, working to make sure that we are helping seniors and families with the care that they need, and investing more than any other government in education.

Mr. Coon: During the past three weeks, I have asked the Minister responsible for Aboriginal Affairs where the government stands on the calls to action of the Truth and Reconciliation Commission. I have asked the Minister of Families and Children whether he will review his policies with a gender lens and commit to greater transparency on the unnatural deaths of children. I have asked the Minister of Transportation and Infrastructure for a plan to provide public transportation services. The mandate letters will let us all know what priorities the Premier has, in fact, set for all of them.

My question to the Premier is this: Will he release these mandate letters before the House adjourns for the summer so that all members present and all New Brunswickers know what his ministers are supposed to be working on?

[*Translation*]

Hon. Mr. Gallant: We will make sure the letters that provide instructions for ministers and departments on actions to be taken to move our economy, health, and education forward in this province are released, since we want to be as transparent as possible. Yes, this will be done before the summer; in fact, I am hoping this will be done in a few weeks. As I indicated earlier, drafts have already been prepared, and I now have to review and, finally, sign them.



All this because, as a government, we decided to be as transparent as possible, and we demonstrated this when we released these letters. People in Cabinet are working with the letters released at the beginning of our mandate. We are going to revise these letters so that we continue focusing on economic growth, education, and health.

[*Original*]

Mr. Speaker: I will remind the leader of the third party that he is given one question and two supplementaries on the first question. Continue, please.

Mr. Coon: The past three weeks in the House have been heated indeed. The Premier and his Cabinet have been called to account on the property tax fiasco, on the lack of transparency on child death reviews, and on the treatment of public health concerns in Shediac Bay, to name only a few.

Right now, the question is this: What, in fact, are his ministers supposed to be working on? What are they actually doing? They have certainly not, in the case of the property tax fiasco, been trying to drill down into what caused the problem. It had to be revealed by a whistleblower when the minister responsible should have been the one demanding answers from his department on what the problems were. That did not happen.

Will the Premier release the mandate letters for all his ministers? They are in draft form. Let's see them immediately.

Hon. Mr. Gallant: I hope that the member opposite, the leader of the third party, will understand that I am not going to release draft letters. They are in draft form at the moment. This means that I am to revise and then finally sign them. The minute that they are finalized, we will make them transparent. We will make them available to the people of our province.

Again, I think it is important to reiterate that all members of Cabinet are still focused on the priorities and actions laid out in the first mandate letters that were made public when we became the government. Those priorities are very clear. We are focused on doing everything that we can do to grow the economy and to invest in education more than any other government in the history of our province. We are doing everything that we can to improve health care for the families of our province. We are very pleased that we had the best economic growth rate since 2004. That happened right here in New Brunswick in 2015, and, in the past two years, it continued to grow.

