

March 14, 2017

[Original]

## Property Tax

**Mr. Higgs:** A lot has happened since this House adjourned. To begin, I want to offer congratulations on behalf of the opposition to the Premier and his fiancée and wish them a lifetime of happiness.

Now, moving right along, the property tax assessments were sent out recently, and we all are aware of the controversy surrounding the unjustifiable increases. We had asked for an extension of the appeal deadline, and I was pleased to learn just recently that this has been granted by the Premier's Office and the government. I think that is the right thing to do, and I thank them for that.

However, many New Brunswickers may not yet be aware that there is an issue. Does the Premier agree that there should also be an information campaign to make sure that all New Brunswickers are aware and advised to review their assessments that they recently received, in the past couple of weeks? Thank you.

**Hon. Mr. Rousselle:** The first thing that I would like to say is that 95% of property assessments across the province have been reduced, have remained the same, or have been increased by less than 10%. It is true that concentrating...

[Translation]

Concentrating on the errors is not enough. It is important to know if errors are made, but, when the work is well done, that too must be acknowledged. I would like to note that the Leader of the Opposition seems to forget that when he was in power, the statistics were a lot worse than they are now. For example, do you know how many errors were made in 2014? It was not 2 400, but, in fact, 8 941 errors. I repeat: 8 941 errors.

[Original]

Why did he not consider extending the deadlines in those circumstances?

**Mr. Higgs:** To the Minister of Local Government, the question that I asked was this: Would the government communicate to the number of property assessors... We have indications now that 2 400 mistakes were made. The question is this: Will there be a communications campaign to ensure that these people will be fully aware of the situation, of the fact that the deadline has been extended, and of what the people need to do to ensure that they are treated fairly?



[Translation]

**Hon. Mr. Rousselle:** Yes, it goes without saying that Service New Brunswick will do its job and inform the public. As you know, the 2 400 people who are affected, as it has been said, will have extra time to request a review. However, I would like to say how much the situation has improved over the last year, and we will continue to improve it.

I would like to share the statistics on errors that were made. There were 8 801 errors in 2011, 9 472 in 2012, 7 791 in 2013, and 8 941 in 2014. I would be interested to know where the then Minister of Finance was during that time. Today, he seems very disturbed that errors were made, but where was he when over 35 000 errors were made during his mandate?

[Original]

### Children at Risk

**Mr. Higgs:** Dealing with the present seems to be an ongoing concern for this government. The CBC is currently airing a very disturbing series regarding at-risk child deaths in New Brunswick over the past 20 years. The official opposition is monitoring this heartbreaking information and will be bringing forward some recommendations.

The Deputy Premier is quoted as saying: “To be honest with you, I’m not sure the general public is aware of that or is wanting to know that information.” Does the Premier agree or disagree with his Deputy Premier that New Brunswickers do not want to know that 53 at-risk children have died of unnatural causes in the past 20 years and that those reasons remain hidden from the public?

**Hon. Mr. Horsman:** When I spoke with the media at the time, we spoke for 5 or 10 minutes recently, and they took up the negative of it. It is unfortunate that the media did not state that our primary concern is for families and children. These tragic incidents took place over 13 to 20 years ago, which we have spoken about. The people at Social Development have worked very, very hard and have acted on 100% of the recommendations of either the Child Death Review Committee or the Child and Youth Advocate as well as the Coroner’s Office. That is what I was trying to get at.

Again, the work is being done. We will continue to do it. I am glad that the opposition is bringing it up because we have to remind ourselves that we could always do better, and we will continue to do better.

### Dams

**Mr. Higgs:** Woodland Pulp of Maine is currently seeking approval for the removal of two of the gates from the Forest City dam on East Grand Lake. During the budget estimates, the Minister



of Natural Resources advised the committee that, to the best of his knowledge, no contact had been made with either the provincial or federal government regarding this application. Could the Premier advise the House today whether this is still a situation as far as he is aware?

**Hon. Mr. Doucet:** Thank you very much to the member opposite, the Leader of the Opposition, for bringing this up. There have been some discussions. There are ongoing discussions with our staff and our department about what is taking place at this facility. We all have our concerns, at the same time. We will be taking this into consideration. I will be reaching out to some stakeholders to have some discussions on how we can move this forward and have some solid recommendations to go forward. I understand that this sits with the federal government also.

### Water Quality

**Mr. Higgs:** On December 9, 2016, Minister Boudreau told the CBC that development was not an issue at Murray Beach and was not contributing to water quality issues. Last Wednesday, concerned residents at Murray Beach pointed out that there is, nearby, a large campground that provides services to in excess of 150 recreational vehicles and that the Department of Environment had never performed an environmental impact assessment on that development. It is clear that the Health Minister's statement was not correct. Either the minister was unaware of the campground development at Murray Beach or he intentionally ignored the fact. Can the Premier tell us which it is?

[Translation]

**Hon. Mr. Rousselle:** I thank the Leader of the Opposition for his question. You know, as soon as we heard about this development, we checked to see whether an environmental impact assessment had in fact been performed; it had not. Since then, my department has been looking at this entire issue to ensure that the procedures that had to be followed were followed; if not, we will resolve the situation.

I can assure the House that, as soon as we heard about this situation, we handled it, as usual. In fact, we are taking the necessary steps, because we are a government of action.

[Original]

**Mr. Higgs:** On August 26, 2016, the Health Minister told CBC that: "there has not been a single incident reported... of somebody that has been sick as a result of the condition of the water". On March 9, a local resident of Parlee Beach publicly stated on *Information Morning Fredericton* that he got sick last summer after swimming at Parlee Beach. Either the Health Minister made no attempt to determine whether swimmers at Parlee Beach were getting sick from the water or he was not concerned. Can the Premier tell us which it is?



[Translation]

**Hon. Mr. Rousselle:** You know that Parlee Beach is a major tourist attraction in this province, and our government is well aware of the importance of ensuring the safety of residents and of all visitors from near and far who come to this fantastic place in our province.

I do not know what the Leader of the Opposition is getting at when he attempts to find out whether or not there was an incident. What is important is this: Once again, we are taking action. We established a steering committee that will make sure what was done in the past is reviewed, namely the way water is categorized, to ensure the best possible system is in place, starting this summer. We are also making sure the communication system is improved, and we are doing our job to identify the pollution sources and resolve the situation.

One thing is very interesting: The Leader of the Opposition says that we have to stop looking back, but only when it suits him.

[Original]

**Mr. Higgs:** In that same interview, the Health Minister stated, in reference to the water quality at Parlee Beach: "If it ever was to a point where it would cause significant concern, then greater action would be taken, but so far that has not been required."

In January 2015, the minister received a letter from the Shediac Bay Watershed Association expressing concern about the collection of water quality information at Parlee Beach. That was in January 2015. The letter stated that the responsibility to mitigate water quality issues may require review. That was two years ago. Either the minister did not consider a letter from the Shediac Bay Watershed Association outlining water quality issues at Parlee Beach to be a significant concern or he conveniently forgot about the letter. Can the Premier tell us which it is?

[Translation]

**Hon. Mr. Rousselle:** I am going to repeat what I said: We are doing the work and taking the necessary steps to make sure that Parlee Beach and all beaches in the province have the best water quality monitoring system and the best communication system. As for Parlee Beach, pollution sources must be identified, also.

You know, one thing is very interesting: The current guidelines were established by the previous government. That government was in power for all those years. So, this is interesting because opposition members seem to only be looking at this situation from 2015 on. However, what were they doing between 2010 and 2014? I would like to hear the Leader of the Opposition talk about those years. What did he do during his years of failure?



[Original]

**Mr. Higgs:** I was referring to the letter that was received by the Health Minister at the time from the Shediac Bay Watershed Association in January 2015.

On December 9, the Environment Minister stated, in response to a question about the Minister of Health's conflict on Parlee Beach: "If I were an investor in this area, I would like to make sure that the water is clean because my investment would be in consideration". Is the Premier willing to confirm the Environment Minister's justification that the minister, because of his development, had an inherent interest in maintaining water quality at Parlee Beach and that, because of that interest, he could not have been neglectful of the water quality at Parlee Beach? Thank you.

**Hon. Mr. Gallant:** First, I want to thank the Leader of the Opposition for his well wishes. They are very much appreciated, and I appreciate all the well wishes from the opposition.

On this very important issue of Parlee Beach, let me tell you personally that I understand the importance of Parlee Beach, not only as a tourism destination for our economy and for the sector, but also to the quality of life of the people of the region. I grew up on Shediac Bay. I used to go visit mémère and pèpère in Shediac Bridge, and some of my fondest memories growing up are of going to that beach with my brother, sister, family, cousins, and friends.

With regard to the conflict of interest that was declared, I think that it is important to recognize that the Minister of Health, throughout this process, has been in contact with the Conflict of Interest Commissioner—with three of them, in fact. As you know, there was a past one, an interim one, and a present one. He communicated the situation every step of the way and always had it cleared by the Conflict of Interest Commissioner throughout the process.

**Mr. Higgs:** Four days after the minister stated that no one got sick and four days after he stated that there were no significant concerns about the water quality at Parlee Beach, an extension to his long-delayed campground development at Parlee Beach was approved by the Shediac council. It stands to reason that if the minister had done his job properly and had publicly expressed the concerns of which he was aware regarding the water quality at Parlee Beach, the Shediac council might have rejected the extension to his development. Either the Environment Minister used his justification of being unaware of the full story behind the Health Minister's development at Parlee Beach or he intentionally used a justification that does not apply to the reality. Can the Premier tell us which it is? Thank you.

**Hon. Mr. Gallant:** Again, the Minister of Health, throughout the process, with regard to this file, has been in consultation with the Conflict of Interest Commissioner. It is very important to point out that the commissioner—three filled the position throughout this process—always cleared the actions of the Minister of Health. Then, with regard to a potential recommendation that would come from the actions that we, as a government, are taking to ensure that Parlee



Beach is going to be there for many years to come to help our economy and quality of life, he, as the Minister of Health, recused himself on that file.

In fact, the commissioner said that, even at this moment, the minister would not be in a conflict. However, he recommended that there was the potential for the perception of a conflict, so the Minister of Health and we, as a government, did the appropriate thing. We had the Minister of Health recuse himself from this file, and we gave it to another minister. I think that is the responsible action, and we are going to continue to do everything that we need to do to clean up Parlee Beach and make sure that it is there for generations to come.

**Mr. Higgs:** At the risk of repeating myself, I will repeat the question. Four days after the minister stated that no one got sick, and four days after he stated that there was no significant concern about the water quality at Parlee Beach, an extension to his long-delayed campground development at Parlee Beach was approved by the Shediac council. It stands to reason that, if the minister had done his job properly and publicly expressed the concerns that he was aware of about the water quality at Parlee Beach, the Shediac council might have rejected the extension to his development. Either the Environment Minister used his justification of being unaware of the full story behind the Health Minister's development at Parlee Beach or he intentionally used a justification that does not apply to the reality. Can the Premier confirm which is real? Thank you.

[*Translation*]

**Hon. Mr. Gallant:** Once again, I think the questions from the Leader of the Opposition are clear, and I want to respond to them. The Minister of Health consulted the Conflict of Interest Commissioner at every step of the process related to this file. In fact, there were three different commissioners during that time. There was the former commissioner and the interim one, and there is the current one. At each step of the way, the minister consulted the commissioner about whether the way he was proceeding was correct, and the commissioner always cleared it.

Since it was revealed that there could be a recommendation on the development, the Minister of Health did the right thing. Our government did the same. We transferred the responsibility for this file from the Minister of Health to another minister. The commissioner did not even say the Minister of Health had a conflict of interest, but noted that there might be some perception of one. So, we acted responsibly.

[*Original*]

**Mr. Higgs:** This is for clarification. I guess maybe there is some confusion between departments in relation to who should know what and when. If the Minister of Health did not communicate to the Minister of Environment, then my question here, at the end, was either the Environment Minister used his justification being unaware of the full story behind the Health Minister's development at Parlee Beach or he intentionally used a justification that does not apply to





reality. My question is this: Was the Environment Minister aware of the condition and the concerns about water quality, and did he not inform the actual folks for the approval process at Parlee Beach? Thank you.

[*Translation*]

**Hon. Mr. Rousselle:** As you know, in this province, for a few months, for quite some time even, people have known very well that we are having a debate and that questions are being asked on water quality at Parlee Beach. In light of this, being well informed about the entire file, we established a steering committee that will be responsible for improving the water quality index and for having the best communication system so that people are informed of developments related to this file. We will also work very hard to identify pollution sources to make sure we have the necessary clean-up solutions. So, we are in fact aware of the water quality issue, and we will resolve the situation.

[*Original*]

**Mr. Higgs:** For further clarification, I got the understanding that the Environment Minister was aware, so then the question would be: Was the Shediac council made aware, prior to its granting the extension? Did it have full knowledge of the situation and the quality issues prior to granting the extension, given the fact that the department was aware and the minister just acknowledged that? Thank you.

[*Translation*]

**Hon. Mr. Rousselle:** As you know, during an environmental assessment process, we do our job at the department, and you can be sure that we comply with the Acts and regulations. When a technical committee is doing the work, we examine the entire file. We make sure we see whether there is a way to improve the situation, and, if there are cumulative effects to consider, you may rest assured that, during an environmental impact assessment, the work is done.

So, I do not really see what the Leader of the Opposition is getting at, unless it is too obvious. However, I can tell you that, at the Department of Environment and Local Government, we are doing our job and are doing it well, because we know the importance of having clean water in this province, not only for people's safety, but also because we understand the importance of Parlee Beach as a tourist attraction in New Brunswick.

[*Original*]

**Mr. Higgs:** This is not difficult. The Minister of Environment has indicated that he knew that there was an issue with the water quality, so the question is this: Did the Environment Department—did the minister—inform the Shediac council to give it full disclosure prior to making its decision for an extension on the campground of the Minister of Health? That is the



question. What about the timing? Who knew what and when, and was full disclosure given to the Shediac council prior to the decision?

[*Translation*]

**Hon. Mr. Rousselle:** I will repeat what I have already said, because it seems like certain people need to hear things three or four times before fully understanding them. So, I will make sure I repeat myself.

What I am saying is that, when an environmental impact assessment is done, when the department is called on to intervene, and when the department must deliver permits, you may rest assured that we make sure the environment is respected. We are well aware that economic development cannot occur without respect for the environment. We call this sustainable development.

Rest assured that this government, since the beginning, has been ensuring that development is sustainable in this province and will continue to do so. Rest assured that this government is examining what needs to be improved. This is why we established a steering committee to identify pollution sources, something the opposition members did not do when they were in power.

[*Original*]

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

**Mr. Higgs:** I guess what is clear is that the Department of Environment knew about the situation but the Shediac council did not necessarily know about the situation because it was not properly informed.

On December 9, 2016, Minister Boudreau told the CBC that development was not an issue at Murray Beach and was not contributing to water quality issues. Last Wednesday, concerned citizens at Murray Beach pointed out that there is a large campground nearby providing services to in excess of 150 recreational vehicles and the Department of Environment had never performed an EIA on that development. I ask this question again. Either the minister was unaware of the campground developments at Murray Beach or he intentionally ignored the fact. Can the Premier confirm which it is? Thank you.

[*Translation*]

**Hon. Mr. Rousselle:** Earlier, I noted that, with regard to the campground the Leader of the Opposition is referring to, it has been brought to the attention of my department, the Department of Environment and Local Government, that there was in fact a campground in that location. Looking at our files, we realized that no environmental impact assessment had been done. So, as soon as we found this out, we examined the situation to see what had





happened. Should an environmental impact assessment have been done? If so, we will take the appropriate steps given the circumstances.

So, my department is working on this, and you can be sure that the work will be done conscientiously and diligently, since it is obvious how important sustainable development is in this province.

[Original]

**Mr. Higgs:** On August 26, 2016, the Minister of Health told the CBC that there has not been a single incident reported of somebody who has been sick as a result of the condition of the water. On March 9, a local resident of Parlee Beach publicly stated on *Information Morning Fredericton* that he got sick last summer after swimming at Parlee Beach. Either the Health Minister made no attempt to determine whether swimmers at Parlee Beach were getting sick from the water or he was not concerned. Can we find out here, from either the Premier or the Minister of Health, which it is? Thank you.

**Hon. Mr. Gallant:** Without seeing the interview, I believe that what the minister would have been saying at the time was that there was no incidence of a health-related issue that was reported to the appropriate authorities, to the Department of Health or to the Department of Tourism. If there are cases out there, which may be possible, they were not reported. Obviously, as a government, we go on what is reported to us in an official capacity.

With that said, we recognize the importance of Parlee Beach to the tourism sector, to our economy, and to the quality of life of the people in the region and in the province. I can tell you that, as a government, we are working diligently to ensure that all issues are found and all issues are rectified so that Parlee Beach can continue to be the gem that it is for our economy and for our quality of life for generations to come. Thank you.

[Translation]

## Property Tax

**Mr. Coon:** Many New Brunswickers, myself included, were shocked to learn that the province had subcontracted the unsolicited reassessment of the Canaport LNG property to a company generally used by people from the oil and gas industry to reduce their taxes. The result was the following: the largest single-year reduction in the assessed value of a property in New Brunswick, reduced from \$300 million to \$98 million, meaning the city of Saint John is losing \$5.5 million in revenue. Can the Minister of Finance explain to the House how this could have happened?

**Hon. Mr. Rousselle:** I want to thank the Green Party Leader for his question. You know, when the Act related to the taxation of the Canaport LNG terminal was repealed, it was very clearly said that this property had to be reassessed. In fact, since the former Conservative government



passed the Act allowing tax concessions—the tax break for Irving—it was rather futile to continually assess the property, as the amount to be paid in taxes for the next 25 years had been set at \$500 000. So, as soon as this Act was repealed, some work had to be done, that is, the true value of the property, its fair market value, had to be assessed, and this is what was done. The people from Service New Brunswick thought it was preferable to seek outside expertise to make sure the fair market value was used, and this is what was done.

[Original]

**Mr. Coon:** It is not just the Canaport LNG facility that received special consideration with regard to property tax. Heavy industry in this province has long had special treatment in our property tax regime, leaving homeowners and small businesses to carry the property tax burden in this province unfairly. It is not fair. It is not just. In 2015, the owner of a Tim Hortons in Saint John actually paid twice the taxes that Irving Oil paid on its oil rail terminal just across the street. Will the minister commit to restoring fairness to the property tax system in New Brunswick?

[Translation]

**Hon. Mr. Rousselle:** You know, our government places a lot of importance on having the fairest system possible, and there is a reason, every year on January 1, we make sure properties are reassessed. It is true that sometimes there are increases, depending on the value of the properties. That being said, these are assessments of the fair market value, done by professionals. I would repeat that 95% of assessments done this year either did not result in an increase or resulted in an increase of no more than 10%.

So, I want to assure the House that we are trying to work as fairly and equitably as possible so that all the people of the province get a fair assessment of their property.

[Original]

**Mr. Coon:** The unfairness in our property tax system has actually spanned governments. Since 1980, the province has assigned no property value to crude oil storage tanks or pipelines. In 2002, the Conservative government rolled back the property assessments on heavy industrial properties by 30%; in 2003, by 20%; and, in 2004, by 10%. In 2012, the government was at it again, rolling back property taxes on big industrial and commercial properties. Will the minister commit to an open and transparent review of the property tax regime in New Brunswick with the aim of restoring fairness to the system?

**Hon. Mr. Gallant:** Given the line of questioning, I just want to point out something that I think is very important. The Canaport LNG facility was getting a tax break for many years. This tax break was given by a Tory government a few years ago. We want fair taxation in this province. We want to make sure that everybody is contributing what they should be contributing to help us invest in education, health care, and things that will help us grow the economy. We repealed the tax break for the Canaport LNG terminal.



However, given the questions that are coming from the leader of the third party, I think that it is very crucial to point out that the Canaport LNG terminal, as it is right now, will be paying significantly more in taxes when it comes to the property. This means more money for the city of Saint John as well. Although we are all surprised, myself included, that the assessment went down the way that it did, we should not lose sight of the fact that there will be more paid by the LNG terminal facility.

### Environmental Impact Assessment

**Mr. Keirstead:** The Minister of Environment has addressed the Murray Beach situation with regard to the development that an assessment had not been done previously. A few years ago, we learned of another development. This one was at Parlee Beach, and it was a very large campground development involving the Minister of Health. Can the Minister of Environment advise the House of the results of the environmental impact assessment of this specific campground?

**Hon. Mr. Gallant:** I want to take this moment to repeat this again because I think it is important, given the line of questioning of the Leader of the Opposition and members of the opposition. The Minister of Health, throughout the process of this file, has been in communication with the Conflict of Interest Commissioner. In fact, there have been three of them—the past commissioner, the interim commissioner, and the present commissioner. At every step, he was in consultation with them, and he made sure that he followed their advice.

With regard to a certain potential recommendation that may be made that has been brought to light, the Minister of Health went to see the Conflict of Interest Commissioner yet again. The Conflict of Interest Commissioner said: In fact, you are not in a conflict. However, he gave the advice that there would be the potential for a perception of conflict, so the Minister of Health and the government did the right thing. We have recused the Minister of Health from this file, given there is a potential recommendation with regard to a development that would be made, and we moved this file to another minister.

**Mr. Speaker:** The time for question period has expired.

