

November 2, 2017

[Original]

### Government Policy and Procedure

**Mr. Higgs:** You know, it has been an interesting week. Certainly, I think that it is time to do a little recap. I want to go back to the original mandate letter dated October 7, 2014. In that letter, the Premier had written to all the ministers—with all good intentions, I am sure—about their conduct while being a minister and their conduct while being in office. Whether it be a conflict of interest or whether it be a perceived conflict of interest, their conduct, nevertheless, had to be above reproach. Accountability and transparency were the orders of the day.

I would like to comment on and read the statement that is in the letter from the Premier to the ministers, this one to the particular minister in question: “It is not enough to avoid conflicts of interest; you must also be diligent in avoiding the perceptions of such.” The question today, right now, is very simple. Does the Premier truly believe that the minister in question, the former Labour Minister, was really putting himself in a position of conflict? Was he putting himself in a position where there is indeed a perception of a conflict?

[Translation]

**Hon. Mr. Gallant:** We want to make sure our government is always as transparent and accountable as possible; this is important. It is important, because New Brunswickers deserve it. It is important because it leads to better decision-making to advance the priorities of New Brunswickers, such as growing the economy and strengthening our education and health care systems.

I can tell you that the Leader of the Opposition is quoting a letter I wrote and indeed signed. This letter was meant for the ministers. In this case, I think it is important to point out that the member for Campbellton-Dalhousie has not been a minister for a few months now.

I can tell you that the transparency and accountability that New Brunswickers deserve is something our caucus and our government take seriously. That is why we are taking concrete steps to make sure our actions are transparent for New Brunswickers.

[Original]

**Mr. Higgs:** It seems that the opportunity to enforce that letter was very much prevalent back in mid-August. The actions of the former Minister of Labour are wrong. His actions may be technically legal but still wrong in the eyes and minds and hearts of New Brunswickers. The Premier’s refusal to speak on the matter up to this point—maybe we have a breakthrough here—continues to cost him credibility and trust.



A lot of questions are swirling around the now-infamous letter that is dated August 22. The copy of the letter that has been published is missing a key element: a date stamp showing when it was received. All government correspondence is generally received and date-stamped. Can the Premier produce just one copy of that letter that has been date-stamped? Thank you.

**Hon. Mr. Gallant:** Again, transparency and ensuring that we are accountable to the people of New Brunswick are important, not only because New Brunswickers deserve that but also because that will lead to better decisions on and better outcomes for the priorities of the people of our province—economic growth, education being strengthened, and improving our health care services.

In this case, the member for Campbellton-Dalhousie did follow the rules, but we have said over the last few days that we agree with the opposition that those rules need to be strengthened. We are willing to work with the opposition to strengthen the *Conflict of Interest Act*. The member himself has acknowledged that his current situation is a perceived conflict of interest. I want to make it very clear to the people of New Brunswick that we made it clear to the member for Campbellton-Dalhousie that he is in a perceived conflict of interest and that he has to act and make a decision between being a Liberal MLA or having the job that is perceived as containing lobbying in its description.

**Mr. Higgs:** It is clear that in this situation, yes, we both agree now. I think the Premier said that, that he agrees it is indeed a perceived conflict of interest. So, why was it not dealt with? Why was it not dealt with back on August 22, if that was the first time he knew about it? There is an old saying that paper won't refuse ink.

That letter dated August 22 might have been written at any time. It might have been written moments before the member for Campbellton-Dalhousie released it to the media. Without a date stamp or some other solid evidence, how are we to know? Do not ask the people of New Brunswick just to take it on trust. The government and this Premier lost that privilege long ago. The roadwork patronage e-mails, the seniors' asset grab, the Atcon action of this government, and countless more breaches have left the Premier lacking trust and credibility. Does the Premier have any solid evidence to offer verifying the supposed date on his letter to the member for Campbellton-Dalhousie?

**Hon. Mr. Gallant:** Transparency and accountability to the people of New Brunswick are important. Again, the Leader of the Opposition is citing a letter that I sent to ensure that the member for Campbellton-Dalhousie, the then Minister of Labour, would be recused from labour, which would be given to another minister. We took concrete action right away, and we are taking concrete action yet again.

We made it clear to the member for Campbellton-Dalhousie several days ago that he must make a choice between being a Liberal MLA in this Legislature or having a job that is perceived to include lobbying in it. We made this choice very clear to the member for Campbellton-



Dalhousie because we want to assure New Brunswickers that we are as transparent and accountable to them as possible. We want to do that because it is going to help ensure that we can lead on the priorities that people want us to advance in this province, such as economic growth and strengthening education and health care. We have taken concrete action, and this whole team stands by those actions.

**Mr. Higgs:** What we find confusing... What we find interesting is that statements have been dripping out over the past while. They are statements that are kind of conflicting, or a little bit more. It kind of reminds us of the property tax scandal, where we would get a little bit more, as we would all get to understand or become a little more savvy about the real deal.

I have a question particularly related to the letter. The question is this: When was it actually written? Is there anything that validates that it was actually on August 22, as dated? That is one question, which has not been answered at this point. The other question related to that is this: Is the date August 22 the date that the member in question was actually relieved of his duties as Labour Minister? Thank you.

[*Translation*]

**Hon. Mr. Gallant:** Once again, the Leader of the Opposition is referring to a letter I wrote to make sure the member for Campbellton-Dalhousie, who, as minister, was responsible for labour issues, would be recused and could no longer make decisions about these files. A conversation we had led me to take this concrete step to ensure the government is transparent and accountable toward New Brunswickers.

Again, we are taking other concrete steps. A few days ago, we informed the member for Campbellton-Dalhousie that he had to decide between being a Liberal MLA here in the House or taking a job that would be perceived as having lobbying as one of its functions.

We are taking this concrete step even though the member for Campbellton-Dalhousie has complied with all the legislation that we have before us. Moreover, we are taking other concrete steps: For example, we will strengthen the Act to make sure it is clearer and has more teeth.

[*Original*]

**Mr. Higgs:** I think that I need to ask this again: When was the letter written? I also want to know this: When was the member in question relieved of his duties? Am I to believe that this conversation took place on August 22, the letter was written on August 22, and the minister was relieved of his duties on August 22? That can take one simple answer if, in fact, that is the message that the Premier is trying to communicate. All he needs to do is answer: Yes, that is when it happened, August 22; that is when he was relieved of his duties, August 22; and that is when the letter was written, August 22. That is all I need to know at this point. It is a simple question—one answer. Thank you very much.



[Translation]

**Hon. Mr. Gallant:** We took concrete steps to ensure our government is transparent and accountable toward New Brunswickers. We made sure the minister who was responsible for labour files was recused from working on them and no longer had authority to make decisions involving labour issues.

I can therefore tell you that we are going to continue taking concrete steps and working with the opposition to strengthen the Act.

[Original]

We are going to work with the opposition to strengthen the *Conflict of Interest Act*, and we are going to take concrete action. We have made it very clear over the past several days to the member for Campbellton-Dalhousie that he must choose between being a Liberal MLA in this Legislature or doing the job that he presently holds, which is perceived to contain lobbying in its functions. We are doing this because we want to show New Brunswickers that we are as transparent and accountable to them as possible.

**Mr. Higgs:** The only thing that is evident here is that the Premier is not willing to confirm when the actual letter was written, when the discussion was held with the member in question, and that the date was actually October 22. He is not willing to communicate that. When was the letter stamped? When did Mr. Dupuis and Ms. Wagner actually receive the letters? We are not being transparent. This government is not being transparent with the people of this province. It is very clear.

Is this another cover-up situation like the property tax scandal, which is now starting to surface? The Premier's refusal, over the past few days, to answer questions on the growing conflict scandal makes us take a look back at his behaviour on other occasions when he found himself in hot water, such as the property tax scandal. We look back at the strategic absences from the province over the past three years every time that bad news was coming. Most recently, the Energy East Pipeline project failure found the Premier absent from the province. As my colleague from Sussex observed, it took seven weeks for the Premier to show up as PCS closed.

I want to understand. It seems as though the Premier is allergic to adversity. Can the Premier explain why a September 1...

**Mr. Speaker:** Time.

**Hon. Mr. Gallant:** I recognize that the Leader of the Opposition reads speeches and says things about Living SJ that he does not even mean. He did not know what was in his speech because he has all the backroom people such as Dominic Cardy and Kelly Lamrock writing his material. I



would ask him to look at his questions before he gets up in the Legislature. Clearly, he thought that I would not be on my feet answering these questions.

(Interjections.)

**Mr. Speaker:** Order.

**Hon. Mr. Gallant:** I am fielding the questions from the opposition with regard to this subject, and we have made it very clear to New Brunswickers that we are going to act. We indicated to the member for Campbellton-Dalhousie several days ago that he has to make a choice between the job that he has, which is perceived to have lobbying within its functions, and sitting in this Legislature as a Liberal MLA.

When it comes to the Energy East Pipeline project, we worked twice with the opposition over the past few years to show that we support the Energy East Pipeline project. We worked hard with the federal government. We worked hard with other partners. Unfortunately, it did not go the way we wanted because of market conditions.

**Mr. Speaker:** Time.

**Mr. Higgs:** We not only have a conflict of interest. We have a big conflict of information. We not only have a perception of a conflict of interest. We have a perception of a government that wants the people of this province to perceive it as open and transparent. We have a letter dated August 22 that says that the Minister of Labour is now no longer Minister of Labour. He has been relieved of his duties. We have a press release that is dated September 1 that states: "The following statement was issued today by Post-Secondary Education, Training and Labour Minister"—none other than the minister from Campbellton-Dalhousie.

That information does not jibe, but this Premier is not prepared to be open and transparent about the reality of these facts. The facts are that either the letter was written after the fact or it was never given to the member in question. Or, his duties were never relieved at all, but now we want to make it look as though they were. There is not just a perception. There is an actual scandal going on, not unlike...

**Mr. Speaker:** Time.

**Hon. Mr. Gallant:** I can assure the people of New Brunswick that everybody involved in that letter was told as soon as they possibly could be. I can tell you that they were told before the long weekend of September. We did this because we wanted to take concrete action to show New Brunswickers that we were going to be as transparent and accountable as possible. This is important not only because New Brunswickers deserve to have their government be transparent and accountable to them but also because it leads to better decisions to advance the priorities of the people of New Brunswick, growing the economy and ensuring that we strengthen education and innovate in and improve the health care system.



We have made it very clear that we are willing to take more action. We have said that we are willing to work with the opposition to strengthen the law to ensure that situations that we now have before us do not happen again. We made it clear to the member for Campbellton-Dalhousie several days ago that he has to choose between the job he holds, where there is a perceived lobbying function, and sitting here as a Liberal MLA.

**Mr. Flemming:** It is interesting that when the Leader of the Opposition was asking questions, they were simple. When was the letter typed, not when was it dated? When was it written? When was it delivered? When was it delivered to Ms. Wagner? When was it delivered to Mr. Dupuis? We do not get those answers, so I will go into the rumour world then.

Long before August 22, the worst-kept political secret in Fredericton was making the rounds. What was that secret? The Minister of Labour was getting a new job in the labour world. I do not know when this began, but I heard about it long before April 22. My question for the Premier is this: When did he first learn that the member for Campbellton-Dalhousie was negotiating for his new labour job?

**Hon. Mr. Fraser:** I want to address the members opposite to make it very clear that I was the Acting Minister of Labour. I was appointed in that role long before the Labour Day weekend in September. I also have correspondence from the deputy minister offering me his cell phone number and telling me that he did not expect that there would be any labour-related files coming up in the near future but that if there were, he would reach out. It is very clear here today that I was appointed the Acting Minister of Labour and that I held those responsibilities, not the member in question.

**Mr. Flemming:** When did the Premier first learn that the member for Campbellton-Dalhousie was negotiating for his new labour job? This is Liberal entitlement at its worst. Here are some of the things that I have read: crooked, in it for himself, no wonder, typical Atcon, unfair to constituents, it's all about the money, it's greed. That is just some of the verbiage we have heard. Dates are flying all over the place, and people want answers. The opposition wants answers, and I want to know whether the Premier is going to call an inquiry under the *Inquiries Act* so that we can call witnesses, interview people, take evidence under oath, and get to the bottom of this once and for all.

[*Translation*]

**Hon. Mr. Gallant:** As we have said, I met with the member for Campbellton-Dalhousie on August 21. At that time, I had a conversation with him when I told him very clearly that, since he would not be running in the next election, he would no longer be in Cabinet after the impending shuffle that we were planning at the time. Subsequently, we sent a letter to make sure another minister could take over labour-related functions.



Since then, we have continued taking steps. We have said we agree to work with the opposition to strengthen provisions of the *Members' Conflict of Interest Act*. We have also very clearly stated that we asked the member for Campbellton-Dalhousie to make a choice. He can either keep the job in which he is perceived as lobbying, or he can remain a Liberal Member of the Legislative Assembly. He cannot do both, and we are awaiting his decision.

[Original]

**Mr. Flemming:** The Attorney General, obviously, is a lawyer, and the Premier is a lawyer. I have a question for them. It is a very legal question. Do they consider that a sitting Minister of Labour who is negotiating a job with a labour union would be tantamount to influence peddling under the laws of this country?

[Translation]

**Hon. Mr. Gallant:** I will repeat this once more: when I sat down with the member for Campbellton-Dalhousie and found out that, since he would no longer be in Cabinet, he might consider taking another job, I very clearly told him that in the time between our dinner and the day of the shuffle, a new Minister of Labour would have to be appointed. That is just what we did.

[Original]

On top of that, we are taking more actions to ensure that we are going to be as transparent and accountable as possible to the people of New Brunswick. This is important if we want to continue to advance their priorities of economic growth and strengthening education and health care. That is why we will work with the opposition to strengthen the law, ensuring that a situation like this does not happen again, even if the member for Campbellton-Dalhousie followed the rules with regard to the *Conflict of Interest Act*. We will also ensure that the member makes a choice between sitting in this Legislature as a Liberal MLA or doing the job which is perceived to have a function of lobbying. Thank you.

**Mr. B. Macdonald:** The Premier is finally asking the member for Campbellton-Dalhousie to choose. That is good. That means the Premier understands that it is wrong to be both an MLA and a lobbyist. But if it is wrong to be both an MLA and a lobbyist, it is also wrong to be a minister campaigning and negotiating for a job while he is minister.

The Premier knew on August 21 that one of his ministers was negotiating for a job. However, he allowed him to continue as minister and to seek employment and negotiate that employment for a further two weeks before he removed him from Cabinet. Will the Premier acknowledge now that the fault is his and that he should have removed this minister from Cabinet immediately upon understanding that he was using that position to seek employment?



[Translation]

**Hon. Mr. Gallant:** From my perspective, that is not what happened. I had dinner with the member for Campbellton-Dalhousie, who was still minister at the time. We discussed the fact that he would not be running in the 2018 election. I explained to him that it was therefore time to ask others to be in Cabinet. He told me that he would consider taking a new job in that case. When I heard that, we decided to remove labour issues from his responsibilities. Since then, we have continued taking concrete steps.

[Original]

I want to correct the member opposite. The word to use is not “finally”, to say that we finally asked him to make a choice. We actually asked the member for Campbellton-Dalhousie several days ago to make the choice between being a sitting Liberal MLA and having the job that he has that is perceived to include lobbying in its functions. We have taken concrete action from the beginning because the people of New Brunswick deserve to have their government be transparent and accountable to them.

**Mr. B. Macdonald:** Let’s recap the timeline because it does not actually follow. On August 21, the minister and the Premier apparently sat down for dinner, and discussed the fact that the minister was negotiating for a job. On August 22, the Premier found that so egregious that he sent the minister a letter removing him from the portfolio of Labour. Yet, on September 1, that minister, on a Labour Web site, with Labour letterhead, was speaking on a labour issue, as the Minister of Labour, with a photo. On September 4, on Labour Day, the minister, identifying himself as minister, tweeted on a labour issue, with a photo of him in front of a crowd of labour people.

On September 5, the Premier decided he was going to remove the minister from Cabinet. Here we are on Halloween, and the Premier finally decides that what the member is doing is wrong. Will the Premier acknowledge that he personally empowered this minister to continue to negotiate for a job while he was minister?

**Hon. Mr. Fraser:** I would advise the House that, acting in my role not only as the minister responsible for employment and labour but also as an MLA for Miramichi and also as a minister in this government, I also tweeted pictures on Labour Day of a picnic that I went to, to congratulate the labour movement because we believe in working cooperatively with the labour movement. We have a great working relationship with the labour movement. I also tweeted out pictures, as I am sure the member opposite has done on many occasions to celebrate different occasions in his riding. I know that, on many occasions, the member opposite has had people from the military here, and he has tweeted about them.

I am not quite sure where the member is going. I would make it very clear here on the floor of the House that I was the minister responsible for labour issues. I was notified that I would be taking over those duties. I took over those duties, and I did them well. Thank you.





**Mr. B. Macdonald:** The entire point here is that, for two weeks, the Premier knew that one of his ministers was actively negotiating for employment. Using your position for employment seems to me to be contrary to the *Criminal Code* of Canada, which says that any member of a Legislature should not use his or her position to seek employment. That is a pretty clear conflict.

However, this Premier allowed his minister to retain the title of minister and retain his seat in Cabinet for the whole time that he was negotiating for a job. There were two weeks there when this Premier knew explicitly what his minister was doing, to the point where he even sent him a letter to tell him not to do it. However, this Premier allowed that minister to stay on as minister while he was negotiating for a job. This Premier sanctioned the actions of that member.

Will this Premier now accept responsibility for what he has done? Will he accept responsibility for the fact that he allowed this minister to remain in Cabinet while he was negotiating with the union?

[Translation]

**Hon. Mr. Gallant:** I want to be very clear. When I sat down to talk to the member for Campbellton-Dalhousie to find out if he would be running in the next election, he told me he would not. At that point, I informed him that I thought it was therefore time to have other people in Cabinet. The member answered that he might consider taking another job. I actually wanted to make sure he would be relieved of his functions relating to the labour portfolio. About two weeks later, there was a shuffle, and he was excluded from Cabinet.

Since then, we have been taking other steps. We agree with the opposition that the Act needs to be strengthened to prevent similar situations from arising. Moreover, we told the member for Campbellton-Dalhousie that he had to choose between being a Liberal member here in the House or occupying a position that creates the perception that lobbying will be one of his functions.

## Health Care Services

**Mr. Coon:** It would seem that neither the Minister of Health nor the Premier trust the two health networks to do their jobs. It is not news to anybody when I say that the aging population is making our health care system more vulnerable. However, the minister has not yet explained why he is transferring the management of the Extra-Mural Program from the health networks to Medavie. Why does the Minister of Health not trust his own employees to establish a good working relationship between Extra-Mural Program professionals and paramedics?

**Hon. Mr. Gallant:** We want to work with the health networks, but one thing has to be very clear: As a government, we want to promote guidelines that provide a high-quality health care system throughout the province.



Our government very clearly thinks it is important to have health care services in the rural areas of our province.

[Original]

We are not just going to blindly allow the health authorities to do everything that they want if it goes against the very clear direction that we have given. In this case, it is very clear that, when the former CEO of Horizon was suggesting that we close rural hospitals, we said no. It is very clear that, when Vitalité has tried to cut services in rural hospitals, we have said no. We will work with them to figure it out, but there is a balance to be struck between ensuring that they do what they need to do in terms of operations and ensuring that they follow the big picture that we have to make health care top-notch in this province.

**Mr. Coon:** Perhaps the problem with creating linkages between the extra-mural nurses and other health professionals managed by the regional health authorities and the paramedics is the private management of those paramedics. The *Telegraph-Journal* has reported that Ambulance New Brunswick has sought permission from the Integrity Commissioner to ignore its right-to-information request for information concerning the frequency with which ambulances are taken off the road due to staffing shortages, something that concerns all New Brunswickers. At the same time, it says, in fact, that it does not even have that information because it is held in secret by its private Medavie managers. With our extra-mural health services going to private management, when those services decline under that private management, will the minister also defend the shroud of secrecy that will descend around them?

[Translation]

**Hon. Mr. Bourque:** I will repeat what I have said several times in the House: On our side of the House, we take all right to information matters very, very, very seriously. We are there to follow the Act, and we are willing to cooperate with anyone who presents a request, and the Minister of Health is no exception.

[Original]

The RTI Act is there to determine what information should be released and what information should be protected. That always requires interpretation by the body that has the data. In this case, the privacy commissioner is there to serve in that role. That is an independent body of the Legislative Assembly. We will fully respect its interpretation, and we will comply with what it asks us to do. Again, for us, the right to information is our government's top priority.

**Mr. Speaker:** Time.

**Mr. Coon:** From what I can see, secrecy abounds everywhere. The President of Ambulance New Brunswick, in his role as the president of Medavie's subsidiary, NB EMS, refused to release the



company's audited financial statements to the Crown corporations committee. In fact, he does not even provide those audited financial statements to the board of Ambulance New Brunswick. This Medavie subsidiary received over \$2 million in performance bonuses last year for underspending at Ambulance New Brunswick.

Under the new contract for managing the Extra-Mural Program, this Medavie company will earn up to an additional \$1.8 million annually in performance bonuses for a total of close to \$4 million in performance bonuses. Can the Minister of Health tell this House why that money would not be better spent by the regional health authorities to integrate paramedics with the extra-mural care under their management?

**Hon. Mr. Bourque:** That answer is quite simple. The ambulance system has never been a public system. It has always been managed by private organizations, and that has always been the fact, except for when it became Ambulance New Brunswick about 10 years ago. Then it became a Part III public entity. Since Medavie has been managing it, and only since then, it has been a public entity.

Since then, we have respected the RTI process. There is a process in place, and that process allows interpretation to be done by all parties. We certainly want to see as much transparency and accountability as possible, and that is what we are doing. It is also normal that there would be some discrepancies in interpretation, and that is why we have the privacy commissioner, who will look into that. I can assure the people of this House that we will fully comply with the decision.

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

