

December 5, 2017

[Original]

## Property Tax

**Mr. Higgs:** According to an article published on April 6 of this year, the Premier's Chief of Staff told the *Telegraph-Journal* that the Premier learned of an idea to fast-track property tax modernization efforts during a public visit to an nb<sup>+</sup> digital lab on May 6, 2016. The Auditor General reported that the Premier told her that he did not learn of the fast track until March 2017. Both these statements cannot be true. Will the Premier tell us which it is? Thank you.

[Translation]

**Hon. Mr. Rousselle:** We know that many property tax assessment errors have been made since 2011. Over subsequent years, nothing was done, but, as a government, we have very clearly stated we want to solve the problem.

With this in mind, after years and years during which thousands and thousands of errors were made, our province finally has a government that is taking the bull by the horns. Our government commissioned the Auditor General to conduct the investigation. We asked her to do so because she indicated that she wanted to, and we are proud that she did; we want to thank her, too. The Auditor General made 25 recommendations that we will follow to the letter, because our province finally has a government that is going to resolve the situation once and for all.

[Original]

**Mr. Higgs:** Following recommendations has not exactly been a strong suit of this government. I do not hold a lot of hope for the 25 new ones that the Auditor General put forward.

On March 9, the MLA for Saint John Lancaster tweeted about a constituent who showed her an unreasonable property tax bill with a 26% increase. With that, the property tax scandal became public. Five days later, the Legislature resumed sitting, and over the next eight sitting days, we asked 44 questions regarding the scandal. The Premier responded to only 3 and gave no answers. The minister responsible responded to none. The Attorney General responded to the rest.

The Premier has been dodging questions about the property tax scandal for nine months now—almost nine months—but should he not dodge this question? Should he not tell the truth on this question? The Premier or his Chief of Staff is not being . . . The stories do not match. I want to know which one is clear, which one is true.



[Translation]

**Hon. Mr. Rousselle:** Since we are talking about telling the truth, we have to talk about what the Auditor General said in her report. Her report is very clear: No document and no person in any way connected this fast tracking issue to the Premier.

Yes, on May 6, 2016, the Premier saw a presentation about aerial photography. The Premier then expressed concerns because he was very aware that what was being proposed could have an impact on New Brunswickers. This impact could mean that, instead of property assessments being done every 10 years, they could be done every 3 or 4 years.

The Premier shared his concerns with his Chief of Staff, who asked questions to make sure the concerns of New Brunswickers were taken into account. This is a Premier who pays attention to citizens because he cares about what happens to them.

[Original]

**Mr. Speaker:** Time.

**Mr. Higgs:** From March 14 to 31 of this year, over eight sitting days and 44 questions, the Premier remained seated on all but three occasions. His Attorney General denied that there was a problem and said 24 times that there were no more errors than in past years, which, by the way, is something that the Auditor General refuted in her report.

Denial, deflection, and diversion are the three pillars of this government—a government that is in crisis management. Accountability, responsibility, and just plain telling the facts the way they are and taking accountability at the onset do not seem even to factor into the equation. I will ask again: Can I get the real facts, and will the Premier clarify? Who is right? Is it the Chief of Staff, or is it the Premier, with his version of when he learned of the fast-track model?

**Hon. Mr. Rousselle:** I am glad to tell this House that the person who is right is the Auditor General. After seven months, thousands of documents, and dozens of interviews with SNB staff, the Auditor General could not find one document or one single person who said he or she had had a conversation with either the Premier or his Chief of Staff about accelerating the implementation of pictometry. Now, the opposition members are saying they could have done a better job if only the Leader of the Opposition had been tasked with this investigation.

[Translation]

In other words, because the Leader of the Opposition is not satisfied with the Auditor General's independent answers, he would now like to conduct his own investigation to find his own answers, fictitious answers based on false documents, as the Auditor General very clearly stated.



[Original]

**Mr. Higgs:** The Auditor General was stymied by conflicting accounts, and she actually made that comment in her report. The changing stories from the Premier's Office have been highlighted in the media. It is no small thing when the people's government actively defrauds them and no one knows why. We must figure out why, and we must start with the Premier's Office. Will the Premier tell us whose version of events is the factual account? Is it the Chief of Staff's or the Premier's? It is one or the other. It cannot be both because they do not agree with each other.

[Translation]

**Hon. Mr. Rousselle:** First of all, I urge the Leader of the Opposition to reread the report, because he obviously did not read the same document as I did.

[Original]

I will quote the Auditor General.

*AGNB confirmed, through interviews, both of these communications*

—to which the Leader of the Opposition is referring—

*are not direct quotes and incorrectly imply the Premier requested "Fast Track".*

She also said that she feels her audit found everything there was to find. There are no outstanding issues or mysteries. She added that O'Brien—sorry, the Chief of Staff—contacted SNB about aerial photography, not about the fast track. What is the Leader of the Opposition talking about?

[Translation]

I reiterate: The Auditor General conducted a thorough and independent investigation. The Leader of the Opposition does not like the answers he got from the Auditor General and he would now like to conduct his own investigation.

[Original]

**Mr. Higgs:** I will tell the minister what I am talking about. Here is a June 3, 2016, e-mail from Gordon Gilman to the Chief of Staff, Jordan O'Brien.

*Here is the Assessment modernization presentation with financial estimates included. Let me know if you need a staff briefing on this, looks like a great opportunity to me but haven't talked directly to Alan and his staff yet.*



That was dated May 27, 2016. The response from Jordan O'Brien to Gordon Gilman was this:

*Let's do it. We should have a chat offline concerning some of the implementation challenges/concerns though.*

Offline, they went. Would the minister deny that the communication ever happened? There is proof of it, and his message right now said that there was not any. Here is proof. Thank you.

[Translation]

**Hon. Mr. Rousselle:** The Leader of the Opposition seems to believe that the Auditor General did not get to see all the documents. Well, I will reassure him, because the Auditor General saw all the emails. She could have compelled people to appear. She could also have had them give evidence under oath. She got such cooperation that she deemed it unnecessary to take those steps.

Unlike what the Leader of the Opposition claims, based on certain documents, the Auditor General did in fact have the power to take those steps. She had the power to interview anyone she wanted. She had access to all the documents, including those in question, and she concluded that there was no proof the Premier was involved. There is no such proof, because the Premier was not involved. It is time for the Leader of the Opposition to accept this fact. He should even apologize to the Auditor General, because she conducted a thorough investigation, and we have to respect her findings.

[Original]

**Mr. Higgs:** Denial, deflection, and diversion—the three pillars are strong, but they are the only pillars that are holding up this government. When the government comes clean, when the government recognizes the reality of what information is available . . .

I will go back to this e-mail again. I am asking the minister this since the Premier has decided not to speak on this topic: Is the minister denying the existence of this e-mail that I am referring to—from CEO Gordon Gilman first and then the response from Chief of Staff Jordan O'Brien? Is he denying the existence of this e-mail? If he would like a copy of it before he answers, I can certainly send that to him. All I want is a yes or no. Right now, he is denying, deflecting, and avoiding. This is a real document, in real time, but it is from 2016, in May. Thank you.

[Translation]

**Hon. Mr. Rousselle:** I am even embarrassed by what the Leader of the Opposition is saying. The Auditor General had access to all the documents, including the one in question, and she clearly said that no document and no person could link the Premier or the Premier's Office to this issue of fast tracking the process.



I will quote the Auditor General.

[*Original*]

She feels that her audit found everything that there was to find. No outstanding issues or mysteries.

[*Translation*]

Unlike what the Leader of the Opposition is saying. . . He also released a document saying the Auditor General could not compel people to appear or take their statement under oath. Well, yet again, I have to correct what the Leader of Opposition said, because the Auditor General has such powers. She even issued a press release as a reminder that she does have such powers.

[*Original*]

**Mr. Higgs:** For further clarification, maybe it is important to identify the title of this particular e-mail. The title is “Modernization Fast track”. Now, it is getting deeper because it is not unclear what that topic is about. It is clear that it came from CEO Gordon Gilman and went to Chief of Staff Jordan O’Brien. It is clear that the Chief of Staff responded and said: “Let’s do it.” Let’s get together and talk about it offline. The link to the Premier’s Office is clear.

If the Premier did not know anything about it until March 2017, although the accounts from the Chief of Staff certainly suggest otherwise, the Chief of Staff certainly knew about it. The point is that if the Chief of Staff was doing things behind the Premier’s back, that is not a very functional office. We might question the functionality in any case, but it is really dysfunctional if the Chief of Staff is not keeping the Premier informed.

The point is this: Is there a discrepancy? Yes. Will the Premier tell us who is right and who is wrong? Will the minister tell us? That is what we want to know.

**Mr. Speaker:** Time.

**Hon. Mr. Rousselle:** What the Leader of the Opposition is saying to us is quite embarrassing. I will repeat this. The Auditor General said that she feels that her audit found everything that there was to find. No outstanding issues or mysteries. I want to be clear. No document and no person could link this fast track to the Premier or to the Premier’s Office. She has been very clear on that.

I am saying that it is quite embarrassing because, right now, the integrity of the work of the Auditor General is being put into question by the Leader of the Opposition. That is completely unacceptable. How can he say that she made a wrong report? She did all her work—



independent work—and we are proud of the work that she did. We have full confidence in the report that she made, and we will be following the 25 recommendations that she made.

**Mr. Higgs:** I think that it is important to elaborate. I talked about the recommendations. Following through with recommendations is so important. This government has proved that was an issue with the Atcon recommendations from the Auditor General. We talked about the recommendations on the forestry project that the Auditor General put forward in 2015, and there was no follow-through on those either. We talked about this, and the minister said that he was going to follow all 25 recommendations. There is no record that it has ever been the case for this government to follow the Auditor General's recommendations. Let's not pretend that the government is going to do otherwise this time around because I do not buy it.

In relation to the Auditor General not going to the next step of subpoenaing witnesses, which we want to do and for which we will put a motion forward, I would say, let's go to the next step. That would validate the situation, and then we would be good. We would be done. But there is a discrepancy here, and that will only be solved by subpoenaing the witnesses under oath to make it happen. I assume that the minister wants to get to the bottom of this and will support that. Thank you.

**Hon. Mr. Rousselle:** The Auditor General very clearly said that she had the full cooperation and the full collaboration of everyone involved in this affair. I want to repeat that she said that there are no outstanding issues, nothing more to find, and no mysteries at all.

Basically, what the Leader of the Opposition is doing right now is putting into question the integrity and the work of the Auditor General. That is completely unacceptable, and I am asking him to apologize to the Auditor General because she did excellent work.

Yes, there are problems in Service New Brunswick with property assessment, but finally—I repeat, finally—there is a government that is ready to focus and to fix these problems once and for all. Thank you very much.

## Ambulance NB

**Mr. B. Macdonald:** We are not criticizing the Auditor General, but she does not have the power to subpoena witnesses—we do. If this government wants to get to the bottom of it, let's bring those people in here under oath.

Last year, \$3.5 million that was budgeted for land ambulances was not spent. Instead of reinvesting that money in ambulance services, the Gallant government split it with Medavie. The Gallant government and the contract that it has with Medavie are actually paying to keep ambulances off the road. Instead of changing this contract, the government has renewed it for another 10 years, and it is about to charge into another contract, also sole-sourced to Medavie, for another 10 years. Will the Premier at least get a grip on this contract before he charges into another 10-year contract with Medavie?



**Hon. Mr. Rousselle:** I have to answer this question because the member opposite talked about the fact that the Auditor General cannot subpoena people or take people under oath. Well, as the Auditor General herself said last week, she has that power but, given the fact that she had the full cooperation and full collaboration of everyone on this file, she decided that she did not need to use it.

From what the opposition is telling us, it wants to do what it considers would be a better job than what was done by an independent person, such as an officer of this House. The opposition wants to do a better job than she did? No, that is completely unacceptable. On this side of the House, we will not accept that kind of comment in this House. Thank you very much.

**Mr. B. Macdonald:** Well, the minister opposite has bought his colleague some time to answer this question, but the question remains. Last year alone, \$3.5 million was split between the Gallant government and Medavie—keeping ambulances off the road. That is clearly a perverse incentive inside this contract. When is this government going to eliminate that? When is the government going to make sure that this money gets reinvested so as to ensure that ambulances are on the road and serving New Brunswickers? Is it going to go back and change the 10-year contract it has just signed?

*[Translation]*

**Hon. Mr. Bourque:** The really perverse thing about what was said is the statement made by the member opposite, because Medavie is actually doing an excellent job of managing the assets of Ambulance New Brunswick. The organization has met all of its contractual goals. By the way, four of these years were during the previous government's mandate, when the current opposition was in government. I think that reminder is important. It is funny that opposition members do not mention that in their statements. This is all to say that Medavie is doing an excellent job, and that the organization has fulfilled its contractual obligations.

Obviously, as we all know, the system is not perfect. We are working diligently with Ambulance New Brunswick to rectify this situation, and we will continue to do so. We are convinced that the integration of services we are doing will improve the situation.

*[Original]*

**Mr. B. Macdonald:** New Brunswickers are concerned. They are proud of the extra-mural services they have in this province. The system works well, but this government wants to marry it to Ambulance New Brunswick, a system that is having problems. There are vast concerns about the number of ambulances on the road and about their response times, especially in rural areas.

This government has a contract with Ambulance New Brunswick that provides an incentive for it to keep the ambulances off the road. They split the difference. The Gallant government wants



to merge extra-mural services with Ambulance New Brunswick. It wants to sole-source another 10-year contract to Medavie without competition, against the advice of at least one of its regional partners, Vitalité, and of many other groups. We are giving the Premier an opportunity. Will he at least remove the incentive to keep ambulances off the road in the Ambulance New Brunswick contract, and will he at least reconsider competing this contract fairly? Thank you.

**Hon. Mr. Gallant:** I am going to let the Minister of Health continue with the line of questioning and answer, but I just want clarification from the member opposite. When he says that the government signed another sole-sourced deal with Medavie, was he referring to the sole-sourced deal that was signed by the person sitting right next to him when he was the Minister of Health and signed a sole-sourced contract with Medavie? We had MLA after MLA from the Conservative government get up and talk about how excellent Medavie was and how excellent it was that they had signed that contract that was sole-sourced with Medavie.

I would really appreciate it if the member opposite would clarify that. When he said that the government, yet again, signed another sole-sourced deal with Medavie, is he indeed referring to the person sitting to his right, the member for Rothesay, who signed a sole-sourced deal, a sole-sourced contract, with Medavie? Is that the yet another one that he is referring to?

[Translation]

## Social Assistance

**Mr. Coon:** Social assistance benefits are so low that some people are forced to live in poverty. In a report entitled *Disability and Deep Poverty in New Brunswick*, the New Brunswick Front for Social Justice revealed last week that single people need more than \$1 250 per month in order to meet their basic needs in Moncton. However, single people only get \$537 per month in social assistance. What is the Minister of Families and Children waiting for to increase social assistance benefits to a level that would enable New Brunswickers to lift themselves out of the poverty into which the government has forced them?

[Original]

**Hon. Mr. Horsman:** I appreciate the question from the member opposite because this government wants to ensure that this province, New Brunswick, will continue to be the best place to live, work, and raise a family. That is why we continue to meet with anybody, with any group, that sees a better opportunity for us to help the people of our province, and we will continue to do so.

I recently met with members of the Common Front for Social Justice here in Fredericton, and we talked about this. They were very happy after they left. They were very encouraged to know that we will look at everything. We are looking at ways around Canada and around the world to better serve the people in poverty. That is why we have reduced the number of people looking





for homes. We have increased the minimum wage three times since we came to government, and we will continue to do so. Again, we are open. If the member opposite has people who have issues, I would recommend that they please come to see the local member at Social Development.

**Mr. Coon:** Over 20% of children in New Brunswick live in poverty. Half of those children in single-parent families live in poverty. Why on God's great green earth does the Department of Social Development take that child support payment away from those families? This is nothing but government-enforced poverty. In a just-released 2017 *Child Poverty Report Card*, the Saint John Human Development Council recommended that this appalling practice be ended to help single parents meet the most basic needs of their children. Will the Minister of Families and Children abolish the practice of clawing back child support payments from social assistance recipients?

**Hon. Mr. Horsman:** The Department of Social Development works extremely hard on a daily basis to ensure that people are treated with dignity and fairness in our province. That is why we will continue to work with our department. I want to thank the 1 600 people in Social Development throughout the province who continue to work with people who are living in poverty, people who are looking for homes, and people who are looking for jobs.

We will continue to help those people. I am very proud of the work that we have done. We continue to help people with dental needs and those looking for homes. We continue to help people with decreasing the problems or issues that they have. Nothing is set in stone, and nothing is black and white. If people have issues or are running into problems, I would recommend that they come to see us at Social Development, and we will certainly look at their issues. Nothing is set in stone, and nothing is black and white. We will continue to help everybody in our province as we see fit. Thank you.

**Mr. Coon:** Some things certainly seem to be set in stone.

Here is another thing that could help people on income assistance meet their very basic needs: permitting them to share an apartment. However, the government's Household Income Policy does not allow social assistance recipients to do this except for some exemptions. Housing accounts for at least half of a single person's monthly expenses, with some constituents of mine spending up to 90% of their income from social assistance on housing. Sharing apartments frees up a few hundred dollars for other necessities such as food, household supplies, and transportation.

Will the Minister of Families and Children eliminate the senseless Household Income Policy and allow social assistance recipients to share accommodations, which could help them escape government-enforced poverty?



[Translation]

**Hon. Mr. Gallant:** It is my pleasure to rise in the House today to discuss this very important subject. As you can imagine, ministers, private government members, and opposition members work day and night to make sure we are improving the quality of life of New Brunswickers, and that certainly includes eradicating poverty in the province.

[Original]

This is why we are working hard to grow the economy in a way that works for everyone. We have raised taxes on the 1% richest in our province so that we can invest more in education and health care. We have enhanced the CPP for seniors who will be retiring. As the minister said, we have raised the minimum wage three times to help people get the support they need when they are working hard. That is why we have created the Free Tuition Program. This allows anybody living in poverty to go to university or college in our province for free. That is why we are also, as the minister said, investing in affordable housing, and that is why we will be investing \$10 million over the next few years to help people in Saint John end generational poverty.

### Health Care Services

**Mr. Wetmore:** There are some very basic questions that the Gallant government has not answered about its plan to privatize the management of the Extra-Mural Program. One of those questions is this: Who started the discussions between this government and Medavie? What I mean by that is this: Was it the Gallant government that reached out to Medavie, or was it Medavie that reached out to the Gallant government?

**Hon. Mr. Bourque:** It is funny because I have spent over 20 hours in committee now, and that question has been asked repeatedly. I will repeat the same answer that I have given because it is a truthful one. There have been many ongoing discussions between Medavie and the Department of Health on a number of issues over a number of years. Some have come to fruition, and some have not. We are not in a position to determine who started what.

What we can say is that when it came to this partnership, we all agreed that this was worth looking into. In early 2016, an MOU was signed and we published it in the budget in early 2016. Everybody was aware at that time that discussions were ongoing, and it was only on September 1—one and a half years later—that we had an agreement.

**Mr. Wetmore:** I will probably ask the member for Rothesay that question, and he will certainly be able to tell me.

New Brunswickers would like to know this: How many nurses could have been hired and added to our existing Extra-Mural Program instead of hiring 21 new managers as the result of the



privatization of the management of the Extra-Mural Program? The minister should know something as simple as that. Thank you.

**Hon. Mr. Bourque:** In this particular case, as the member opposite very well knows, we have recruitment challenges here in New Brunswick when it comes to health professions. This is the case mainly for nurses and other health professionals. This is not just for the Extra-Mural Program. We have staff shortages in hospitals, health clinics, and health centres, and that is ongoing throughout the New Brunswick health care system. As well, it is not just New Brunswick. It is the rest of the country. Everywhere in Canada, we have those issues.

What is the best way to keep a good system going well? It is to build a better capacity in that system. We will have problems hiring more staff within the current existing system because there are not enough staff to go around. That is why we are doing this partnership. It is the right thing to do. We are moving ahead, and it is going to be great.

**Mr. Speaker:** Time.

**Mr. Wetmore:** Ambulance New Brunswick was unable to discuss its dispatch system or its financials when it appeared before the Crown corporations committee. The minister assures us that ANB is open and transparent, but we already know it is difficult to get answers in committee. Will these problems not be magnified with more under the care of Medavie?

**Hon. Mr. Bourque:** We on this side of the House have the utmost confidence that there will not be additional problems regarding what the member referred to. Thank you.

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

