

March 15, 2018

[Original]

Government Spending

Mr. Higgs: The next six months promise to be a study in contrasts between the Premier and me. If the Premier's words in the Legislature are any indication, he will continue to spend our tax dollars at record levels to buy votes. He will be inventing stories and fearmongering, to borrow one of his most commonly used words—fearmongering. The Premier will be asking New Brunswickers to believe him.

My message for New Brunswickers is this: Do not believe him. The Premier is merely employing old-time political strategy taken from a Liberal playbook: If you cannot run on your own record, fearmonger about somebody else, particularly your opponent. My question for the Premier today is this: Can the Premier tell the truth about his own record and run on his own record? Thank you.

Hon. Mr. Gallant: The answer is an absolute yes. By working with New Brunswickers, by working with community leaders and business operators in this province, the economy of the province has grown every single year. When you take the collective from 2015 and the estimates right up to 2018, you see that New Brunswick actually grew its economy at the sixth-fastest rate of all the provinces.

Contrast that with the Leader of the Opposition when he was the Minister of Finance, cutting into health care and cutting into education and, as a result, retracting the New Brunswick economy. When he was the Minister of Finance, New Brunswick was 10th when it came to economic growth during his government's mandate. Luckily, we are working with New Brunswickers and investing in their priorities, and our multiyear Economic Growth Plan is getting results.

(Interjections.)

Mr. Speaker: Order.

Mr. Higgs: The key point there was telling the truth about the record. The growth in the economy was to last place. That is where we are—last place. We have the longest wait times in health, or last place. We have numerous areas in which we are trending downward or headed directly into last place. We are 8th in education. There have been record investments but no return. When the Premier threatens cuts, he is engaging in what is professionally referred to as cognitive dissonance. It is as if the arsonist is telling the firefighters how to do their job.



Let's consider the cuts made by this Premier: 302 teachers and assistants, 15 schools closed, 6 Service New Brunswick offices closed, 4 rural courthouses closed, and the Gagetown ferry sold. The Premier cut food and cleaning budgets for nursing homes, and he has also cut the ratios. He cut the tuition tax credit for working families and the New Brunswick Tuition Rebate for graduating students. He cut arts funding. The Premier spent the past four years making cuts, and now he will be spending the next six months trying to pay it all back through promises made for the future.

Mr. Speaker: Time.

[*Translation*]

Hon. Mr. Gallant: I fully agree with the Leader of the Opposition on one thing: We have made record investments in education. We are investing in our 10-year education plans. We are investing in our postsecondary institutions. We are investing to make postsecondary education more affordable and accessible for people who need help the most. We are making historic investments in early childhood.

[*Original*]

What I do take issue with in the Leader of the Opposition's comments is the following. He wants to pretend that the numbers from Statistics Canada are not right. From 2015 to 2018, when you look at the estimates, we have grown the economy at the sixth-fastest rate of all the provinces. Contrast that with the Leader of the Opposition when he was the Minister of Finance. They were 10th because they retracted the economy. If he has different numbers on the economic growth during the two mandates, I challenge him to go to the media and show them once and for all.

Mr. Higgs: I said yesterday how vehemently the Premier defends last place in the country. It is quite shocking, really.

Many New Brunswickers will not need to be reminded of how this Premier has made life more difficult for them. Those people who are filling out their income taxes these days are being reminded of \$1 billion in new taxes with nothing to show for it. Many are being reminded that the Premier cut the Tuition Tax Credit, costing families thousands of dollars. Seniors will not forget the asset grab. Property owners have been receiving their reminders of the Gallant government property tax scandal in the mail. New Brunswickers waiting for surgery are very aware of the Premier's record of failure in health care.

I contend that since being elected, this Premier has done a poor job in every category except collecting taxes. It now costs the government \$1 billion more to run the government than it did four years ago, and there is nothing to show for it. How can the Premier defend such a dismal record? Thank you.



[Translation]

Hon. Mr. Gallant: Once again, I note that the only one who was in last place in terms of growing the economy during the mandate of his government is the Leader of the Opposition, who was then Minister of Finance. When he was Minister of Finance, he reduced investments in education and health. We have a different approach: We invest in the priorities of New Brunswickers. We invest more in education and health, as well as in programs and initiatives that will grow the economy.

[Original]

I have to say that if the member opposite wants to talk about failure, I will tell you about a failure—it is the failure the former Minister of Finance had with his portfolio. He promised that he would balance the books in four years. He did not even come close to it. All he did was cut into education and health care and retract the economy. We have no lessons to learn from the Leader of the Opposition. We have to listen to the people of the province, and that is what we have done. We have invested in their priorities of economic growth, education, and health care throughout our mandate.

Carbon Tax

Mr. Higgs: Invested to achieve last place. It is quite a record.

There are very clear differences between the Premier and me for New Brunswickers to consider. The Premier believes in Justin Trudeau's carbon tax. I do not. I believe that we need a carbon plan for the future, not a carbon tax for the present. We are meeting and exceeding current emission targets. We were stating this back before Trudeau dictated the carbon tax to provinces. Even the Premier has started to admit that fact. It entered his narrative only very recently though.

We all agree on the importance of meeting our environmental targets today and in the future. The next target we need to meet will be set for 2050. Changes in technology between now and then could very, very well get us there. My question is this: Will the Premier admit that this is a carbon tax? Will he be opposed to this carbon tax? Is this just a stay that we have right now through the election period, and then this new \$200 million of revenue will come upon the taxpayers of this province if he returns to government? Thank you.

[Translation]

Hon. Mr. Gallant: Of course, we agree with the Trudeau government: We must all do more to combat climate change. That is precisely why we made a commitment and undertook over 100 actions to combat climate change here in New Brunswick. We do have a mechanism for carbon pricing. We will put it in place along with the rest of the country, but we will do so in a way that respects the economy, realities, and challenges in New Brunswick. We are proud of the



mechanism that we have put in place, and we are convinced that it will continue to generate the outcomes we expect over the coming years.

[*Original*]

The Leader of the Opposition is right, though. There is a contrast between him and me. There is a contrast between our government and the opposition.

(Interjections.)

Mr. Speaker: Order.

Hon. Mr. Gallant: We want to invest in the priorities of the people of our province—education, health care, and economic growth. He wants to cut into every single one of those things.

Mr. Higgs: We probably have the largest example ever of a government gone wild. It is taxing and spending at record amounts without results. I am talking about another pending tax because the government cannot stop spending.

I was told here . . . Not long ago, the Minister of Environment—current, present, or future, I am not sure—said that this would be a revenue gain of about \$200 million per year. I would like to ask the Premier whether that is correct. If that is correct, where is that \$200 million coming from? Is that coming from taxpayers' pockets, should he get elected in 2018 and carry on with his government? Is that where another \$200 million of tax dollars is coming from, right out of the pockets of hardworking businesses, individuals, communities, and people who are trying to survive? Where is it coming from? Thank you.

[*Translation*]

Hon. Mr. Rousselle: Obviously, I am not surprised. The Premier talks about the very hard years of negative economic growth under the Conservative mandate, under the Minister of Finance at the time, who is the current Leader of the Opposition. I am not surprised about that negative growth, then, because the Leader of the Opposition obviously does not listen to or has not understood what we have been saying for the last few months with regard to our situation in terms of carbon pricing.

We have been very clear: There will be no new tax for consumers. We will reprofile—I repeat, reprofile—the gasoline and motive fuel tax to set up a carbon fund. We have said that, each year, we will set aside 2.3¢ per litre of the gasoline tax, for example. The first year, that will amount to \$37 million. Furthermore, the amount will increase each year to some \$180 million in the fifth year. So, we are in fact talking about \$180 million, and that was announced three or four months ago.



[Original]

Mr. Higgs: There, we have clarified that the number is potentially in the \$200-million range, but I would ask, in relation to the gas tax money, what that is being used for today. Is it taking away from the roads and the communities and the money that is designated for them? Is that where that is going, just to allow government to have more access to and to spend more dollars? Is that money, which continues to increase, coming out of gas tax—and I am assuming the current gas tax formula—going to take away from our infrastructure and our roads, which are the very reasons it is there, in order to fund more largesse in spending from a government out of control?

Hon. Mr. Rousselle: I understand quite well why the Leader of the Opposition does not understand how it is working. It is because during the last four years of our mandate, we not only attained the objectives we had for the deficit but we surpassed them and did better. He did exactly the opposite.

We are going to do the same thing with this tax. It is not a new tax. Consumers will not have more tax to pay. We are just reprofiling the money, and you can be sure that we will be managing the budget in this province in the next four years as we did in the last four years. You can be sure of that.

[Translation]

If the Leader of the Opposition has difficulty understanding, well, we can give him a course on how to manage an economy in order to achieve his objectives while investing strategically in the education and health sectors to secure the future of this province.

[Original]

Mr. Higgs: A \$1-billion increase in revenue from taxation and a deficit that is \$60 million from where it was when they started . . . That is hardly success. That is gouging taxpayers.

We have a situation now where a carbon tax that is coming will be taken out of the gas tax fund. It will only survive this year because of an additional \$130 million coming from the federal government to defer it through the election plan and the election year. My question is, Is there a commitment from the federal government that it is going to continue forever? If it is not, what is happening is that taxpayers are going to be hit hard on January 1, 2019, and it is all going to be coming out of their pockets. Thank you.

[Translation]

Hon. Mr. Rousselle: I want to thank the Leader of the Opposition for his question. It is important to keep in mind that he has at least understood that we have a good relationship with the federal government.



This good relationship with the federal government enables us to invest in various areas of concern to New Brunswickers—climate change or other areas.

You know, the federal government just announced \$51 million for New Brunswick in energy efficiency alone. Also, we have \$71 million with the federal government for everything involving early childhood. Moreover, we have some \$230 million in health funding for seniors' home care and the whole issue of mental health. Those are but a few fine examples of our work with the federal government. Furthermore, an infrastructure announcement will be made this very day, so we can all be proud of what we are achieving.

[Original]

Special Care Homes

Mrs. Shephard: We have had some discussion this week about special care homes and the policy that allows residents with a criminal record and, in particular, sex offenders, to reside in those special care homes. In trying to keep the information factual, I have a very important question to ask the Minister of Seniors and Long-Term Care. How many current residents in our special care homes throughout the province today are listed on the sex offenders list?

Hon. Mrs. Harris: I do not have that information, and I cannot even say for sure whether we have access to that information. That is held by the RCMP, but I will double-check that and get back to the member.

What I, as the Minister of Seniors and Long-Term Care, want to say today is that I, along with the department, certainly do everything that I can to ensure that seniors are safe and secure in their homes, in special care homes, or in nursing homes. We certainly take into consideration making sure that their safety is looked after. If they go into a special care home, their plans are shared with the operator of the special care home and they are looked after with case managers who are well aware of what is happening. We do everything that we can to ensure their safety, and we are going to continue to do so.

Mrs. Shephard: After a discussion, we were made aware that the policies, after a tragic happenstance, are not going to be changed, and the public needs some assurance of the minister's confidence. I made it clear last spring that this was not something that any minister could have foreseen, but now that we know there is a policy that could lead to such a tragic happening, we should be taking steps to raise public confidence that it is never going to happen again. I can only imagine that with the gravity of the situation, this has been at the forefront of the minister's files, and I am sure that she knows as much about this file as any of her other files.

I would like to ask the Minister of Seniors and Long-Term Care again whether she can tell me—because I think that this is a question that should have been asked as soon as she found out



that this had happened—how many current residents in our special care homes throughout the province today are listed on the sexual offenders list.

Hon. Mrs. Harris: As I mentioned, we are going to make sure that we have the best practices and procedures in place. I most certainly care very much about every single person who is living in a special care home or a nursing home, and that is evident.

We have done a jurisdictional scan across the country to see what other jurisdictions are doing, and we are doing what they are doing and even more. I have asked the department to set up a meeting with the Seniors' Advocate to get his ideas to see whether there is anything more that we can possibly do. We certainly have social workers and people who are working in Social Development who, day in and day out, are looking after people. We cannot guarantee that there will not be criminal activity. Not one person in this room can do that, but we are working hard. I, as minister, am going to continue to do it.

Mrs. Shephard: However, the minister has said that the policies that are in place are effective. The policies in place are what they are, and they are not changing. We know now that, tragically, they are not enough. I understand that the minister wants to give this assurance, but she has not given me one iota of how we can have that confidence. We all have people in our families who reside in special care homes or who will be residing in special care homes. This is not an agenda. This is about public confidence, and I need the minister to assure us that she is going to provide that information to the House and that she will undertake to get that information as soon as possible.

Hon. Mrs. Harris: We are certainly looking at the policies and procedures, and it is a very sad day when tragedy happens. When a criminal activity happens anywhere in the province, it is a sad day, but we have to thank the people who are working in the special care homes and who are doing the work day in, day out. We make sure that the operators are aware of the case plan and that they are aware of who is coming into their homes. Special care homes are not forced to take any resident. They have the right to refuse. They make the decision to take that resident, and they work with the resident.

I am very, very open to any ideas on how we could make the policy and procedure better. If the member opposite has some, I would love to hear them. As I have said to her, anytime that she wants to talk about a case, if she can get a confidentiality form signed, she is more than welcome . . .

Mr. Speaker: Time.

Conflict of Interest

Ms. Wilson: The Premier and I were discussing perceived and apparent conflicts of interest yesterday, but we ran out of time. Today, I would like to present some examples to the Premier, starting with Len Hoyt, the head of the transition team, who negotiated a 25-year gas



monopoly for Enbridge with the Premier and then was named head of the Strategic Program Review. Mr. Hoyt was given a big government position. We still do not know how he is being paid or how much. I think this is a good example of what any reasonable-minded New Brunswicker would call a perceived and apparent conflict of interest for the Premier. Can the Premier explain why it is not?

Hon. Mr. Gallant: We have had a discussion, a debate, and some changes to the *Conflict of Interest Act*. I wonder why the member opposite did not propose any amendments if she wanted to include an apparent conflict of interest within the definition or why the Leader of the Opposition did not.

I will tell you why we have an issue with it. We completely understand the spirit as to why you would want to include an apparent conflict of interest, but the worry is this: Where does that stop? Where does it start, and where does it stop? For example, if somebody is collecting a pension from a large business in New Brunswick and would be voting on and discussing that large business in New Brunswick here in the Legislature, would that be an apparent conflict? Some may think that it would be.

Maybe the Leader of the Opposition would like to get up to say what he thinks we should do with “apparent conflict of interest”. Maybe he could talk about some of the things that would happen to him if ever there were an apparent conflict of interest in the definition. They had a chance to act, they did not, and now they are just trying to gain political points.

Ms. Wilson: Does the Premier believe that three of his Liberal candidates are in perceived or apparent conflict by being paid by the taxpayers while campaigning for the fall election or that a fourth candidate of his is in perceived or apparent conflict by negotiating for a union with the Gallant government while being a Liberal candidate in the fall election? Is it the position of the Premier that there is no perceived or apparent conflict of interest in any of these cases?

Hon. Mr. Gallant: I do not know whom she is talking about. I can only assume because the member for Fredericton West-Hanwell was questioning some of the procedures that were put in place and some of the procedures that were followed.

I can tell you that every single one of our candidates has to follow the procedures of his or her employer, and that would, of course, include anybody that would be an employee of the government of New Brunswick. I can also tell you that if a union member wants to run for a political party, we certainly welcome that. We welcome Andy Hardy, who is a candidate for us in Southwest Miramichi-Bay du Vin. If there is an issue with the job that he currently has with the union, it would be on the union side. The union decided to keep him there. We will certainly respect its decision.

Again, I would ask the member opposite and, hopefully, the Leader of the Opposition, if he would get up, to explain what type of apparent conflict of interest they would like to include in the Act and whether that would impact somebody who has a pension from a large employer



here in New Brunswick—somebody who would maybe benefit from a project like the Energy East Pipeline project. The Leader of the Opposition would be vocal about that. Would that be an apparent conflict of interest in his mind?

Ms. Wilson: Does the Premier believe that his legal history with the former Health Minister would be seen by the people of our province as a perceived or apparent conflict of interest? If the Premier revealed that he was the lawyer of the former Health Minister before becoming Premier and then, after becoming Premier, left the former Health Minister on the Parlee Beach file, does the Premier believe that this would be a perceived or apparent conflict of interest in the eyes of New Brunswickers?

[Translation]

Hon. Mr. Gallant: The member is giving me a bit too much credit: The member for Shediac—Beaubassin—Cap-Pelé was never my client. In fact, I was articling at Stewart McKelvey, and I witnessed his signature. I was very proud to do that as a student at Stewart McKelvey.

[Original]

I would ask the member opposite, again, since she wants to ask me what the definition of “apparent conflict of interest” should be, to answer my question. If there were a definition of “apparent conflict of interest” in the Act—they had the chance to do it with an amendment and did not, and now they are trying to say that it should have been there—would it include somebody that is receiving a large pension from a large corporation in this province? Would that mean that this person should not debate, discuss, and vote on things that could affect that large employer? I think it is a pretty easy scenario.

We also have other issues that have come up in this Legislature with regard to the LNG tax breaks, so I ask the member opposite to clarify what should be the definition.

Mr. Speaker: Time.

Universities

Mr. Coon: On February 2, I asked the Minister of Post-Secondary Education about the status of a new funding agreement with St. Thomas University. Over the past five weeks, the government has held press conference after press conference announcing new agreements with the Université de Moncton, Mount Allison University, and, recently, the University of New Brunswick. It seems that a new agreement with St. Thomas University is not any closer. The minister seems to be in the position of refusing to acknowledge that STU has been receiving 11% less funding per student than all the other universities, on average. We are talking about a shortfall of \$1.4 million. Why is the minister unwilling to provide St. Thomas University with the same level of funding per student that he provides for all the other universities in New Brunswick, on average?



Hon. Mr. Melanson: We on this side of the House are very proud to have signed three memorandums of understanding with the Université de Moncton, Mount Allison University, and the University of New Brunswick. We are providing stability in their funding, we are providing tuition predictability for students, and we are providing dollars for pilot projects to enhance enrollment and increase research and development.

I am also happy to say that we are in discussion with St. Thomas. We actually met last week—another time last week—to discuss this situation with St. Thomas. For me, for as long as we keep discussing, it is constructive. We are trying to resolve matters with St. Thomas University and get to an agreement where we can sign a memorandum of understanding because we value what St. Thomas University provides to New Brunswick students.

Mr. Coon: If that is the case, then the minister should acknowledge that he supports fair and equitable funding for St. Thomas University. Instead, he keeps throwing out red herrings to justify his intransigence on these negotiations. For example, in replying to letters of support from St. Thomas University alumni, he has cited a decline in enrollment of 19% over the past five years to justify the lower funding to St. Thomas. What he failed to mention was that UNB, UdeM, and Mount A have all had similar declines in enrollment over the same time period.

The fact remains that Mount Allison University receives \$9 000 per student in operating funds while St. Thomas University receives only \$7 000 per student from this government. It is no wonder that St. Thomas is unwilling to sign one of those agreements. Will the minister explain why he thinks it is okay for his government to provide so much less money per student studying at St. Thomas University?

Hon. Mr. Melanson: We know we have a challenge in terms of increasing enrollment for universities and colleges. We know that the universities have increasing costs, like any other organization. That is why we have brought in very important programs. The Free Tuition Program and Tuition Relief for the Middle Class are going to help students because these programs are going to make postsecondary education more affordable and more accessible. Certainly, they are also going to help universities in the medium term and long term because they are going to increase enrollment and they are going to increase revenue through the enrolled students that are going to come in.

We are working with St. Thomas. We are trying to get to a memorandum of understanding. Absolutely, we are. We are discussing, and the discussions are constructive. I will not negotiate with St. Thomas or the member opposite on the floor of the Legislature. I will negotiate with St. Thomas in the boardroom.

Mr. Speaker: Time, minister.

Mr. Coon: Frankly, the minister just seems not to want to treat St. Thomas University and its students fairly. I do not know why. Maybe it is because it is a liberal arts university. Is that the



reason? I would like to hear because the red herrings that he has been putting out there have been unacceptable.

He is saying that just because STU has raised its tuition costs for students to the provincial average over the last three years, it does not need an increase in its operating funds from the provincial government, unlike the other universities. It is a question of fairness, and it is a question of equity. To suggest that raising tuition to the provincial average has solved this funding inequity is ridiculous. Students are doing their part by paying more tuition. STU has done its part by reducing and keeping its costs as low as possible. Now, the government needs to do its part by bringing STU's operating grant per student in line with the other universities. I am asking the minister again: Will he correct this funding inequity and treat St. Thomas University and its students fairly?

Hon. Mr. Melanson: I am a proud graduate of the liberal arts. I studied political science at the Université de Moncton, so it has nothing to do with what the member opposite just mentioned—it has nothing to do with what the member opposite mentioned. I really hope that the member opposite, who is trying to gain political points here this morning, will stick to the facts.

We are working with St. Thomas University. We are trying to get to a position at which we can sign a memorandum of understanding. However, the funding formula that has been in place for over 40 years takes into account the cost model of each university. It is a weighted funding formula, and it is different for different universities depending on the types of programs they offer. This is the funding formula that was accepted by all universities in the province. We will continue to discuss this. I really hope that we can get to a resolution and sign a memorandum of understanding to bring stability in funding to St. Thomas University and predictability in tuition rates to St. Thomas University students.

Mr. Speaker: Time, minister. The time for question period has expired.

