

June 13, 2019

[Translation]

## Natural Gas

**Mr. D. Landry:** Thank you, Mr. Speaker. The Premier seems to have a very narrow vision concerning our economic opportunities. For him, it is gas or oil. Recently, he talked a lot about an energy corridor. Conservative and Liberal governments have supported different versions of this proposal for nearly 10 years now. Can the Premier tell us how many jobs this energy corridor will create over the next three years?

[Original]

**Hon. Mr. Higgs:** Mr. Speaker, I appreciate the question. You know, if we continue to say no to everything here, it will be hard to say how many jobs will be created. The only ones that will be able to be funded will be from some invention of a project through a tax program. We do have a different philosophy in that regard.

In relation to gas exploration and climate change, I have talked here in this House before about why British Columbia is building an LNG plant. It is because it is going to feed and displace coal plants overseas, Mr. Speaker. In a global emission strategy—and we are in a global economy and in a global emission issue, Mr. Speaker—little old New Brunswick by itself is not going to save the climate, and Canada is not either, but if we can impact the global effects, it will make a difference, Mr. Speaker.

We talk about the LNG export facility out in British Columbia and what is going to happen in Quebec, with a new LNG plant there to export into Europe and displace fossil fuels. Mr. Speaker, let's get on the program of a transition economy that cleans up our environment one step at a time throughout this global exposure that we have because it is what it is, Mr. Speaker. It is about the globe. It is about the earth.

[Translation]

**Mr. D. Landry:** Mr. Speaker, I had asked the Premier to tell us how many jobs would be created, but I did not get an answer. However, this week, in Saint John, the Premier talked about converting the liquefied natural gas facility to enable exportation. He said that domestic natural gas was the key to doing this.

My question is again for the Premier, who, given his experience, should be able to answer it easily: How much domestic gas is needed to make this happen? At the same time, at the height of production, is there enough gas produced in the Sussex area to make this project profitable?



[Original]

**Hon. Mr. Higgs:** Mr. Speaker, I really do appreciate that question because that is what we are trying to understand: Do we have enough gas in New Brunswick to actually supply an export facility? The size of that facility would be dependent on the supply availability. What we do know is that we do not have the capacity to get it here by pipeline. The point is that if we have the resource right here in New Brunswick and if it is available to us, then we have access to gas that will supply the pipeline.

What have the Repsol people told me? They said that if they had Alberta's gas... What they meant is that if they had access to gas, they would be looking at converting that plant to an export facility, an export facility that would replace fossil fuels in other parts of the world, Mr. Speaker. That is the opportunity that we have in New Brunswick. We have an opportunity to have an impact on parts of the world that are a whole lot worse off in emissions than we are. That is the globe-changing opportunity that New Brunswick has right here.

[Translation]

**Mr. D. Landry:** Mr. Speaker, I do not like to ask hypothetical questions, but I do not like to get hypothetical answers either. What I asked the Premier was if, when this liquefied natural...

[Original]

How many jobs will liquefied natural gas bring to New Brunswick? Do we know whether we have sufficient gas here in New Brunswick? Can we tell the people of this province how many jobs they can anticipate from that natural product, Mr. Speaker?

**Hon. Mr. Higgs:** Thank you for the question. What I know is that it would likely be an \$8-billion to \$10-billion project, minimum. How many jobs would an \$8-billion project create? I would be guessing if I were to say, Mr. Speaker, but certainly, in the construction phase, there would be hundreds, if not thousands. In the long-term view, there would be hundreds.

Mr. Speaker, the whole point of this exercise is that if we have an opportunity here in New Brunswick to create private sector investment in what we have and to be able to impact global economic conditions and global emission conditions... Mr. Speaker, we are punching above our weight. We are making ourselves known in the world as helping to reduce emissions. We have an opportunity—and they are doing it around us—so let's take advantage of what we have right here in New Brunswick right now, at this time. If we want to make a game-changing difference, then here it is, right under our noses. Let's make it happen. I would love to work with the opposition to find out just what we have here, Mr. Speaker.

**Mr. Speaker:** Time, Premier.



[Translation]

**Mr. D. Landry:** Mr. Speaker, following up on this answer, I rise in this House to ask: Is there enough gas in the Sussex area to do it, or will the government need to lift the moratorium throughout the province? Otherwise, will the province need to import gas to create the thousands of jobs that the Premier just talked to us about?

[Original]

**Hon. Mr. Higgs:** Again, thank you for the question. The fact is, Mr. Speaker, we have not looked to know. No, there is no plan to lift the moratorium anywhere in other parts of the province. We have said where we are investigating and want to investigate, and that is in the leaseholds in the Sussex area. We have already said that, and that is what the whole change in the regulations was all about. It was about giving the minister the authority now to go out and go through the consultation process and understand, Okay, can we get agreement? Let's just understand what we have, and then let's tie that to what we could potentially have in private sector money—not government money, private sector investment here in our province.

What does that do, going to the next step? Right today, gas prices here are about three times what they would be in other parts of the country or in the U.S. because those places have a gas supply. Currently, our industries and our businesses, no matter whether they are restaurant businesses, however big or small, and our hospitals and our schools... Any place that is heated with gas is paying more in New Brunswick because we are afraid to look.

[Translation]

## Economic Development

**Mr. D. Landry:** Mr. Speaker, several times this week, we have heard the Premier use the expression “transition economy”. Can the Premier explain the meaning of this expression, and how, according to him, we are in the process of transforming ourselves, in terms of sectors?

[Original]

**Hon. Mr. Higgs:** Once again, thank you for the question. Yes, the idea of the transition economy is this: Rather than just raising taxes to try to pay for the innovation required to look at the next battery and to look at the next best idea for us to swing over to all renewables and to reduce emissions, let's use what we are using right now.

When I talk about using our own oil or having access to it, I am not saying: Let's use more oil. I am saying: Let's displace the oil we are already using with the oil we already have in our country. That is it. There is no new oil here, and we are going to gradually phase this out, but let's use our own while we have this opportunity. And let's let industry pay for the innovation that we need to move forward.



I have said this many times about things that have transitioned over the years. I think the Kodak moment is an example of digital photography taking over the film industry. All of a sudden, the film industry does not exist. Those types of evolutionary changes and innovative changes will make the difference. Let's let industry pay for them while they are still there. Thank you very much.

[*Translation*]

**Mr. D. Landry:** Mr. Speaker, a few times during question period, the Premier cited the Norwegian economy as an example for New Brunswick. In Norway, the economy is largely based on North Sea oil. It is a resource that we do not have. To support their social programs, Norwegians pay a 25% tax on goods and services. What is the parallel between New Brunswick and Norway?

[*Original*]

**Hon. Mr. Higgs:** We do potentially have gas, and in Canada, we do have access to oil. Norway's fortunes have been made through its oil and gas industry over the years. It has accumulated wealth and assets around the world of over \$1 trillion, and it has not done that all through taxes, Mr. Speaker. It has done that through the development of its natural resources. The purpose that I am talking about here is this: We have squandered our money over the years, and the opportunity now is actually to start utilizing what we have while we are using it to pay for the future, Mr. Speaker, and to help us innovate and design the future.

This morning the member opposite, in the question about transfer payments, mentioned Jason Kenney's concern about transfer payments. Mr. Speaker, Alberta has been sending money across this country for generations. It has been feeding our kids for generations. Do we not have some appreciation for the state that it is in right now? It seems as though we think that we are in our own little box. Mr. Speaker, we are a nation, not just a province.

[*Translation*]

**Mr. D. Landry:** Mr. Speaker, I am going to go back to the current budget and its impact on the economy.

In his press release, under "Growing a sustainable economy," the Minister of Finance touted the fact that the front licence plate would be eliminated. Can the Minister tell us how many jobs this will create over the next three years?

[*Original*]

**Hon. Mr. Higgs:** Mr. Speaker, the front licence plate thing was not an economic decision. It was a convenience decision, and people wanted to see it gone. While working with the Alliance Party and talking about getting rid of the front licence plate, it was something we also agreed



with, so together we asked: Can we make it easier for citizens, and can we make it easier for everyday citizens and residents to have a cheaper option or a more convenient option? The front licence plate is a convenience issue. It is not going to save any amount of money.

With respect to the idea, though, of other issues that will be coming forward and that were discussed yesterday here in the House, again, there were certainly mutual discussions about items that have been put forward by our colleagues here. Mr. Speaker, it is about making it easier and more affordable for people to live and work right here in New Brunswick. It is about taking the barrier of excessive taxation out of the way. It is about allowing people to say: I can live in New Brunswick, and I can work anywhere in New Brunswick because I can afford to be there. Do you know what? Maybe people will see that and say: I want to come home to New Brunswick. That is the eureka, Mr. Speaker.

**Mr. D. Landry:** Mr. Speaker, they are saying that.

*[Translation]*

The next item under “Growing a sustainable economy” is this: “The fee paid by volunteer firefighters for their licence plates will be eliminated.” It is a nice gesture we can agree on, but what impact will it have on the economy? How many jobs will be created over the next three years, Mr. Speaker?

*[Original]*

**Hon. Mr. Higgs:** Mr. Speaker, it is an interesting debate we are having here. I know that, you know, you can say: I am going to go out and build something. It is going to take 100 jobs to do it. I am going to raise taxes to do it or spend \$10 million—and here it is. So I can say I am going to create 50 jobs to do that.

Mr. Speaker, this is about building a future, not about taxing a future. This is about a strategy around economic development based on private sector investment. When we start doing things that make sense... The salt mine in Sussex is an example, Mr. Speaker. We did not spend any government money for that—50 jobs, Mr. Speaker. We are also working on another initiative in relation to maybe building and replacing wooden bridges. We are not going to spend any money on that. It is based on a company that wants to set up here if it has a business model that allows it to do so. How many others are there? The LNG expansion is another one, Mr. Speaker. Up north, the iron ore project is another one. If we can get these projects off the ground because people want to be here, work here, and live here... The farmer in Bouctouche, Mr. Speaker, wants to continue to grow and plant here. Those are the opportunities—private money.

**Mr. Harvey:** Mr. Speaker, Opportunities New Brunswick is doing great work in this provincial economy, and it is using our former government’s economic growth plan to accomplish these goals. Mr. Speaker, ONB’s efforts have resulted in 3 122 new jobs in the private sector from



companies it had worked with in 2017-18. Why did the minister responsible for ONB allow this Conservative government, this heartless Higgs government, to cut its 2019-20 operating budget by \$7 million, Mr. Speaker? What is the economic growth vision from this government? Is it a pipe dream, Mr. Speaker, or is it a reality?

**Hon. Mrs. M. Wilson:** Thank you for the question from the member opposite. This is absolutely a reality. This is no pipe dream. It is very important here in our government to have a wonderful economic development plan. Here at ONB, it is no secret that this government is committed to making sure that we get good value for money on behalf of taxpayers and in all areas of government. That also includes how we energize the private sector and how we all must do our part. I am absolutely working closely with the team at ONB during this time, over these weeks and months, to ensure that we continue to deliver on the mandate while providing good value for money. Thank you again for the question. I see great things happening.

As I walk down the streets here in the city of Fredericton, I will tell you that I am stopped daily by the local independent business owners who are so excited that we are doing the right thing here in the province. Thank you.

**Mr. Harvey:** Mr. Speaker, talking about the private sector, it is pretty rich hearing this. I am going to quote from Herb Emery, a Brunswick News columnist and the Vaughan Chair in Regional Economics at the University of New Brunswick.

*There is a clear and objective measure of a government's performance with respect to making New Brunswick a good place to build a business—dollars of private sector investment. So far, by this measure the PC government is not putting points on the scoreboard.*

*Premier Higgs, you have some work to do for that to happen.*

They all talk about the private sector, Mr. Speaker, but it is a pipe dream. What specific measures is this Minister responsible for Opportunities New Brunswick... What specific industries is she targeting to grow our economy in the private sector? Mr. Speaker, these are people who understand that this government is not putting its money where its mouth is. It does not understand the economy, and columnists such as Mr. Emery are saying so.

**Hon. Mr. Higgs:** It is sad, Mr. Speaker, when you hear someone say that private sector investment is a pipe dream. It is sad, Mr. Speaker, when you say that private sector investment... With this previous government that we took over from, we saw for the first time that private sector investment and public sector investment matched. That is a sad state, Mr. Speaker, because that says all you have is a taxpayer-funded economy, and that is just charging more to invent a job. It is a pretty sad state.

And you talk about looking at the future and how we design the future. So why did we want to have the bond raters give us a stable outlook and not continue with a negative outlook? It was



because we did not want \$25 million more of interest and to have to find a reason to tax people more in order to pay for it.

But I know the philosophy is different, Mr. Speaker. I know it is different from the members opposite because they had one philosophy—Cannabis NB. First six months—\$12-million loss. Build the 3 000 ft<sup>2</sup> monuments in different areas just for the sake of it. What kind of business model did they have? None, Mr. Speaker.

**Mr. Harvey:** Well, Mr. Speaker, it is easy to see that the Premier has to get up and rescue his minister, obviously. The other thing is that the Premier still does not understand about the private sector. He talks about cannabis in New Brunswick. He does not understand the concept. There are 1 000 new jobs.

(Interjections.)

**Mr. Harvey:** There are 1 000 new jobs. They laugh, but these are private sector jobs, Mr. Speaker. Over 1 000 new jobs were created by the private sector in the past four years in New Brunswick, and they laugh. They laugh about that investment in the private sector, in the production of this product. They do not understand the industry, the spin-offs with RPC and the universities. They just do not understand, and New Brunswickers are understanding this.

(Interjections.)

**Mr. Speaker:** Order.

**Mr. Harvey:** My question is, I guess, to the minister. Maybe the Premier will have to stand up. But what are the specific sectors that this government is doing on its own, Mr. Speaker? All it is using are sectors that we identified. Cybersecurity, the maple syrup business—we could go on and on with our Economic Growth Plan, but what is it doing?

**Hon. Mrs. M. Wilson:** Thank you, Mr. Speaker, and thank you to the member opposite. If anybody wants to know who understands the private sector, ask the person in this room who has had over 12 000 one-on-one meetings with the local small business owners in this area. I am going to tell you how busy those people are. That meant 60 000 calls and attempts for me to meet with those people because they are that busy. They know that the pulse of the small business sector is flowing through my veins. They know I get it. Every time they see me, they are thrilled that we are here, and all they hear is how my Premier wants to energize the private sector. We recognize where the revenue comes from in this province. It is a healthy, independent sector that supports the public sector. We recognize that.

I was asked about rural New Brunswick yesterday or the day before. One thing we are not going to do is take 50-cent dollars from the federal government to build highways to bypass these areas of the province.



## Climate Change

**Ms. Mitton:** Mr. Speaker, this government's speech from the throne to open the second session of the 59th legislative assembly on November 20 promised a new covenant on governing that would include collaboration between parties. I have not seen enough of that so far. One of the commitments in the throne speech was to work with other parties to develop a position for a legislative officer responsible for science and climate change. I thought that this announcement was a step in the right direction, considering the recent IPCC report that found we have already hit 1°C of warming and are on track to hit 1.5°C as soon as 2030.

Considering the urgency, when will the Premier collaborate with me and my colleagues to introduce legislation to create a legislative officer responsible for science and climate change?

**Hon. Mr. Higgs:** Mr. Speaker, the member opposite brings up a valid point. It was in our throne speech, but it is something that we have not got done yet. Needless to say, we are not complete yet. We have not finished the work here. We will continue to drive and make changes, and this will obviously be one of the priority areas when we are back, in the fall session. But hopefully, prior to that, we will work on this and have it set up so that in the fall we will be able to start meaningfully understanding just what that means. Is it a new position? Is it a redefined position in some way? What does it actually mean?

At the end of the day, I do not want to create just another office for the sake of creating another office. I want to ensure that it actually has a mandate to do what it must, to be independent and to be a judge, but to do that in a way that is meaningful. I am interested in pursuing that, and we will continue to make it a priority. It is just not done yet, Mr. Speaker.

*[Translation]*

**Ms. Mitton:** Mr. Speaker, I appreciate the answer. In the throne speech, the government also committed to creating an all-party committee responsible for developing a strategy to meet our emission targets by 2030. During the summer of 2016, the Select Committee on Climate Change toured the province to find, with New Brunswickers, the best ways to reach these goals. The report of this committee contained 85 recommendations, which all parties approved.

*[Original]*

One of those commitments that made the Climate Change Action Plan endorsed by this government is the creation of a standing committee on climate change to receive annual reports on progress toward responding to climate change. When will the Premier move a motion to create a permanent all-party standing committee on climate change to deal with responding to the climate change emergency?



**Hon. Mr. Carr:** Thank you, Mr. Speaker. I just want to correct the member opposite. That is an excellent question. I may have lost it in the translation, but the member opposite said there are 85 action items. There are really 118. It might have been a translation thing.

Going to the question on how we move forward with the recommendations in the Climate Change Action Plan and the information and questions that the member opposite raised, the Premier is right. We are working on some of those things with regard to a legislative officer reporting process. I think it would be best if we did sit down at some point and define what that means and how that goes forward so that it makes sense for New Brunswickers as well.

I do not think there is one person in this province that I have met in the last six months that does not believe that climate change and reducing our emissions are important. Everybody is on the same page with this. In the coming weeks or months, we will be contacting the members and deciding how we...

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

## Teachers

**Mr. Austin:** Mr. Speaker, it is my understanding that several schools in the Fredericton-Grand Lake riding are facing reduced numbers of teachers. Chipman Forest Avenue School will be reduced by 0.25 teaching positions, Minto elementary school will be cut by two positions, and Minto high school will be cut by one. Principals and teachers alike are facing serious burnout already, with an underfunded inclusion program along with a reduction of courses offered at Minto high school.

I want to make a very important point. Less than 10 years ago, the government spent almost \$1 million renovating the trades shop at Minto high school. Now, with this reduction of teachers, those trades courses may not be offered in the fall session. My question is for the Minister of Education. Will he reverse this decision, and what does he plan to do to make sure that rural schools get the teachers they need to educate the children?

**Hon. Mr. Cardy:** Mr. Speaker, thanks very much to the member for the question. The legislation is clear that once the department sends out money to districts, the districts decide how that is going to be allocated, and there is a funding formula for class composition. The member's question is important because it gets to the heart of why we need to have a broad-based discussion around making sure our education system is world class and ready for the 21st century that we are already nearly a fifth of the way through.

We have to look at things such as making sure that we have French immersion or French-language training programs available to every single student in this province so that we can reach the goal that the Premier has mentioned repeatedly and that is a priority for this government, which is ensuring that New Brunswickers can actually be ready to communicate in



both official languages. We need to make sure that we have the trades back in our schools. This is going to require collaboration from all parties in this Legislature.

There is a summit on education coming up from October 16 to 18 of this year. I am looking forward to inviting members from all parties in this Legislature to join me at that so that we can work together to make New Brunswick's education system world class. Thank you.

**Mr. Austin:** Mr. Speaker, I want to be very clear. We do not need a summit on the trades. What we need is teachers in the school teaching the trades courses for the students. Mr. Speaker, it makes no sense. We cannot talk about formulas as being one-size-fits-all across the province. It is not working for rural schools. Minto high school will be losing teachers, which will directly result in a loss of trades for the students. We talk about the economy in New Brunswick and the fact that there is a labour shortage, yet we do not have enough teachers to teach the students in the high schools to get them into colleges to practise in the trades. We are working backward. I will ask this again. What will the Minister of Education do to reverse these changes to make sure the trades will continue to be offered at Minto high school?

**Hon. Mr. Cardy:** Mr. Speaker, I will repeat part of the answer because it is relevant. We have something called the law. There is an *Education Act*, and it restricts my ability to do things in my department, as it restricts all the other honourable members here who serve as Cabinet ministers. I am not able to interfere in the process the member has just described. Beyond that is my willingness absolutely to work with the member to go talk with folks in the district and the schools—I extend this offer to anyone else, and I have done this with several members on all sides of the House—to see if we can make sure that we have the right courses in the right places.

However, I mentioned the summit because we do have to look at the way the education system is run. The problems the honourable member described are functions of a system that, in terms of its structure, does not make sense and that does not work. I constantly hear these complaints. I get emails from people asking me why I cannot make a bus stop be in a certain location. I do not have the legislative power to do that. We have to make sure that we have a structure that meets the needs of 2019. That is what we are going to do at the summit, and I look forward to the member's cooperation in that process. Thank you, Mr. Speaker.

[Translation]

## Shipyards

**Ms. Thériault:** Mr. Speaker, since the election campaign, the Premier has been telling us he has real experience and he wants to get real results.

[Original]

Real experience. Real results.



[Translation]

That is a good thing, because, back home, in the Acadian Peninsula, in Bas-Caraquet, we have expertise that provides real results. In fact, the New Brunswick Naval Center is an asset for our region. It houses several businesses which provide jobs in shipbuilding and repair. Thanks to investments from various previous governments, the New Brunswick Naval Center acquired equipment to build these boats. However, it is now missing one important component to be able to work well, namely a slipway, which at home we call a “slip.” Without this slip, we cannot go forward, and our businesses cannot bid for the contracts they want.

The situation is critical, and we need a clear answer from the Higgs government: Will the government continue to invest in the New Brunswick Naval Center in Bas-Caraquet?

[Original]

**Hon. Mr. Higgs:** Mr. Speaker, I really appreciate this question because I want to talk about the investment in Bas-Caraquet.

The previous government put \$50 million into the shipyard to have jobs. Not only did the previous government put in \$50 million, but also there was no skin in the game from Groupe Océan, which was there doing the work.

What were the projects that were there, Mr. Speaker? One was a ferry that was going to be used in Belleisle, and it was \$8.5 million or something like that. Another was a \$12-million or \$14-million project to build a three-part dry dock—a three-part dry dock. Where is this three-part dry dock going to be used, Mr. Speaker? It is going to be used at Groupe Océan’s dry dock in Quebec. Who owns that three-part dry dock, Mr. Speaker? The province of New Brunswick does. Here we are creating jobs in a shipyard in New Brunswick to set up competition in the province next door. What kind of economic strategy is that, Mr. Speaker? It is none. That is what it is.

[Translation]

**Ms. Thériault:** Mr. Speaker, I do not think the Premier realizes how critical the situation is. Businesses are shutting down, and people are losing their jobs. Is that real results? Does this government realize that, a few months ago, the federal government announced billions of dollars in investments to build about twenty ships for the Canadian Coast Guard and the Royal Canadian Navy? There will be repairs and refurbishment of ships, and the New Brunswick Naval Center in Bas-Caraquet is willing and able to do the work. However, it is missing an important infrastructure component: the slipway.

For seven months, municipalities, businesses, people, and I have been asking what the government intends to do; my goodness, this government is as slow as molasses in winter.



The Graham, Alward, and Gallant governments all invested in the New Brunswick Naval Center in Bas-Caraquet. Can Premier Higgs tell us whether or not he will continue to invest or if he will let people in the Acadian Peninsula sink?

[Original]

**Hon. Mr. Higgs:** Mr. Speaker, I think the member opposite missed the point. The point was that the \$50 million that was spent before was used to finance a company to compete against Bas-Caraquet. Now, think about that for a minute—\$50 million in taxpayers' dollars, with no investment from Groupe Océan. They are going to build competition in Quebec for Bas-Caraquet. That is the kind of logic that we have experienced as we have looked around the province for investments that were made, just abusing taxpayers' money.

I want to work with the community of Bas-Caraquet. I want to develop a sustainable long-term vision for that shipyard—one where we see a future for people staying and working there, not one that requires a continuous financial contribution from taxpayers to stay afloat. Mr. Speaker, we will work on future plans for that shipyard, but do not plan on it being just another \$50 million to compete with it. That just does not make sense.

