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No. 28

Thursday, February 5, 1998.

8.30 o'clock a.m.

Prayers.

Hon. Mr. Frenette announced changes to the composition of the Executive Council effective Friday, February 6, 1998; that the Hon. Alan Graham, Minister of Natural Resources and Energy will take on additional responsibilities for Mines and Energy; and that the Hon. Bernard Thériault, the Minister of Intergovernmental and Aboriginal Affairs, will assume the additional responsibilities of Acting Minister of Education.

During Introduction of Guests and Congratulatory Messages, Mr. Speaker advised Mr. Mockler that congratulatory messages should be extended as a result of a recent occurrence and that his remarks may, therefore, be inappropriate.

Standing Committee on Crown Corporations

Mr. Kavanaugh, from the Standing Committee on Crown Corporations, presented the Second Report of the Standing Committee on Crown Corporations for the session which was read and is as follows:

February 5, 1998.

To the Honourable
The Legislative Assembly of
The Province of New Brunswick

Mr. Speaker:

I have the honour to submit the Second Report of the Standing Committee on Crown Corporations for the Third Session of the Fifty-third Legislative Assembly.

This report pertains to the Committee's review of the various provincial Crown Corporations, Agencies and Commissions. The report contains one recommendation as follows:

That a request be made to the Workplace Health, Safety and Compensation Commission of New Brunswick, that the case-related management process be reassessed in order to give more compensation flexibility in situations where the injured worker is experiencing difficulty in finding an appropriate training related job.

I also wish to report that a meeting held on January 28, 1998, on motion of Mr. Allaby, seconded by Ms. Weir; Mr. Kavanaugh was elected Chairperson. On motion of Mr. Allaby, seconded by Mr. Sherwood; Mrs. Jarrett was elected Vice-Chair.

Mr. Speaker, on behalf of all members of the Committee, I would like to take this opportunity to thank you for having capably served on this Committee as Chairman.

Your Committee would also like to thank the officials of the various Crown Corporations for their cooperation throughout the hearings.

And your Committee begs leave to make a further report.

Respectfully submitted,
(Sgd.) Al Kavanaugh, M.L.A.
Chairman.

The full report of the Committee as presented follows:

February 5, 1998
To The Honourable
The Legislative Assembly of
The Province of New Brunswick

Mr. Speaker:

Your Standing Committee on Crown Corporations begs leave to submit this their Second Report.

Your Committee met in an organizational session on September 2, 1997, to review the Committee's mandate and to schedule hearings for a review of the activities of the various provincial Crown Corporations.

Your Committee commenced its review on September 23, 1997 by meeting with the Auditor General Daryl Wilson, Deputy Auditor General Kenneth Robinson and various staff of the Office of the Auditor General. In a presentation to the Committee, the Auditor General outlined the significance of Crown Corporations to the province, noting that in excess of two billion dollars is expended annually through provincial Crown Corporations and Agencies.

The Auditor General briefed the Committee on the *1996 Report of the Auditor General* and highlighted the sections which pertain to provincial Crown Corporations, Agencies or Commissions. The Auditor General outlined specific chapters of the report pertaining to Audits of Crown Agencies, Crown Corporation Governance, Lotteries Commission of New Brunswick/Atlantic Lottery Corporation, and Crown Agencies Audited by Others.

Officials of the New Brunswick Investment Management Corporation also appeared before the Committee on September 23, 1997. This is the first time that the Corporation has appeared before the Crown Corporations Committee. Appearing were Ernest MacKinnon, President and Chief Executive Officer; Richard Lesage, Senior Vice-President and Chief Investment Officer; Daniel Goguen, Vice-President of Finance; and Leonard Lee-White, Director of Fixed Income Investments.

The New Brunswick Investment Management Corporation was established by legislation passed in December 1994 and became a legal entity through the proclamation of the legislation on March 11, 1996. In a presentation to the Committee Mr. MacKinnon outlined the goals and objectives of the Corporation and presented an overview of the corporate structure and governance within the organization. The goals in creating the NB Investment Management Corporation were outlined as follows:

To manage the diversification of pension investments into equities
Strengthened trusteeship of funds
Development of the financial services sector
Improve local capital markets

The Committee was provided a copy of the Investment Policy of the Corporation. The document describes the investment objectives, the strategy, the measurement of performance, governance and other miscellaneous issues for the management of the funds of the pension plans for which the Corporation has been appointed Trustee, namely the New Brunswick Teachers' Pension Plan, the Pension Plan for New Brunswick Provincial Court Judges and the New Brunswick Public Service Superannuation Plan.

The Committee reviewed the *1996 Annual Report* of the Corporation which covers the period that the Corporation was in existence during the 1996 fiscal year. The Report deals with expenses only as the investment activity for that period was reported to the Public Accounts Committee by the Department of Finance. The *1996-1997 Annual Report* covers a full year of investment activity and operations and will be reviewed by the Crown Corporations Committee in early 1998.

Further meetings of the Committee were held on September 24, 25, 26 and October 21 and 22, 1997. Officials appeared on behalf of the Crown Corporations and Agencies as set out below:

September 24, 1997

New Brunswick Liquor Corporation:

- Roger Landry, President and Chief Executive Officer
- Jack Dorcas, Executive Vice-President, Finance and Administration

New Brunswick Geographic Information Corporation:

- Mavis Hurley, President
- David Jennings, Vice-President of Operations
- Carol MacDonald, Executive Director of Corporate Services and Chief Financial Officer

Provincial Holdings Ltd.:

- Francis McGuire, President
- Dick Burgess, Vice-President and Assistant Deputy Minister, Financial Services Division
- Jim Lovett, Secretary

Regional Development Corporation:

- Frank Swift, General Manager
- Gordon Gilman, Assistant General Manager, Finance and Administration Branch
- Oscar Paulin, Corporate Secretary
- Roland Cormier, Assistant General Manager of Development
- Duska Geldart, Manager of Accounting
- Charles-Édouard Landry, Coordinator of Action Nord

September 25, 1997

Workplace Health, Safety and Compensation Commission of New Brunswick:

- Medard Collette, Chairperson of the Board of Directors
- Tom Calkin, President and Chief Executive Officer
- Léonard Arseneault, Chairperson of the Appeals Tribunal
- David Greason, Vice-President of Technology and Planning
- Brian Connell, Vice-president of Operations
- Frank Chevrier, Vice-President, Finance and Administration
- Warren Gerow, Manager of Treasury and Investments
- Barbara Keir, Director of the Worker's Rehabilitation Centre

New Brunswick Forest Products Commission:

- J. Clermont Richard, Chairman
- Linda D. Gould, Executive Director

September 26, 1997:

Lotteries Commission of New Brunswick:

- John Mallory, Commissioner and Deputy Minister of Finance
- Brian Steeves, Secretary
- Larry Bennett, Director of Accounts Management (Compliance Branch of the Revenue Division- Department of Finance)
- Rick Phillips, Director of Accounting (Administration and Management Division of the Department of Finance)

Algonquin Properties Limited:

- G. Stephenson Wheatley, President
- Rick Burnett, General Manager, Operations
- Heather Silver, Secretary-Treasurer

October 21, 1997

Farm Products Marketing Commission:

- Robert Shannon, Chairman
- Wayne J. Buffett, Executive Director
- Raymond Miller, Administrative Secretary
- David Johnston, Trade Relations Officer

Atlantic Lottery Corporation:

- Cluny Macpherson, President
- Carmen McAfee, Vice President of Finance
- Vincent Brunet, Vice President of Information Technology
- Francine Phillips, Executive Secretary

New Brunswick Power Corporation:

- James Hankinson, President and CEO
- Carl Flynn, Vice President, Finance and Corporate Services
- Ken Little, Vice President, Marketing and Customer Service

October 22, 1997

Regional Development Corporation:

- Frank Swift, General Manager
- Gordon Gilman, Assistant General Manager, Finance and Administration Branch
- Oscar Paulin, Corporate Secretary
- Roland Cormier, Assistant General Manager of Development
- Duska Geldart, Manager of Accounting
- Charles-Édouard Landry, Coordinator of Action Nord

During the appearance of the Workplace Health, Safety and Compensation Commission of New Brunswick (WHSCC), concerns were raised regarding the difficulty faced by many injured workers in finding a meaningful job after the completion of training. Concerns were expressed that compensation to injured workers may be cut off after their training has been completed, although they may not yet have been successful in securing a job.

There must be flexibility in determining the cut-off point for compensation to individual workers, with consideration given to the individual's ability to secure employment. It is important to note that although an injured worker may receive training, the fact that he or she has been injured in the past may make that person seem less attractive to a future employer than someone who has not had an injury. This may add to the difficulty in finding employment. It must be ensured that the training provided to each individual is adequate and that the training is in a field in which there will be reasonable prospects of obtaining employment.

The Committee therefore recommends:

That a request be made to the Workplace Health, Safety and Compensation Commission of New Brunswick, that the case-related management process be reassessed in order to give more compensation flexibility in situations where the injured worker is experiencing difficulty in finding an appropriate training related job.

On January 15, 1998, the Committee met with Auditor General Daryl Wilson. Mr. Wilson presented a briefing on the *1997 Report of the Auditor General*. The Committee will meet in early 1998 to review the report as it pertains to Provincial Crown Corporations.

Your Committee wishes to express its appreciation to the various Crown Corporations and Agencies that appeared before it and thank officials for their cooperation in providing the information requested.

And your Committee begs leave to make a further report.

(Sgd.) Al Kavanaugh, M.L.A.
Chairman

Ordered that the report be received, that leave be granted and the Committee continued.

With leave of the House, Mr. Kavanaugh moved the following resolution, seconded by Mrs. Jarrett: (Motion 89)

THAT the recommendation contained in the Second Report of the Standing Committee on Crown Corporations dated February 5, 1998, be concurred in by the House.

And the question being put, it was resolved in the affirmative.

During Statements by Members, Mr. Speaker reminded Members that all comments should be directed through the chair.

Bills Introduced

The following Private Bills were introduced and read the first time:

By Mrs. Jarrett,

Bill 39, *An Act to Repeal an Act to Incorporate General Insurance Corporation of New Brunswick*.
Bill 40, *An Act to Amend the Physiotherapy Act 1985*.

Ordered referred to the Standing Committee on Private Bills.

Government Motions re Business of House

Hon. Mr. Tyler announced that following Private Members' Motions it was the intention of government that the House resolve itself into a Committee of Supply to consider the estimates of the Departments of Natural Resources and Energy, Economic Development and Tourism, and Health and Community Services.

The Government House Leader informed the House that it was the intention of government to resume the adjourned debate on the motion for second reading of Bills 28 and 29 at the next daily sitting; and during this day's consideration of Private Members' Motions, to dispose of certain tabling motions remaining on the Order and Notice Paper for which the documents had been tabled.

Second Reading

The following Bill was read the second time and ordered referred to the Committee of the Whole House:

Bill 38, *An Act to Amend the New Brunswick Investment Management Corporation Act*.

Private Members' Motions

Debate resumed on the amendment to Motion 3, moved by Mr. Allaby, seconded by Mr. Duffie, as follows:

AMENDMENT

That Motion 3 be amended as follows:

1. In the first paragraph, by deleting the word "promised" and replacing it with the word "demonstrated", and by deleting the words "would be" and also by inserting the words "by steps toward self-sufficiency is a" after the word "province":
2. In the second paragraph by deleting the words "the level of" and replacing them with the word "any", and by deleting the words "continues to be among the highest in the country" and by deleting the words "many people in our province" and replacing them with the words "the people affected";
3. In the resolution clause, by deleting the words "to honour its commitment by immediately implementing" and by substituting the words "to continue to implement".

At the conclusion of the debate and prior to putting the question, Mr. Speaker corrected the amendment and added "and" after "country" on line 3 of clause 2.

And the question being put, the amendment was carried.

Debate continued on Motion 3 as amended, as follows:

WHEREAS this government has repeatedly demonstrated to the people of New Brunswick that bringing an end to poverty in the province by steps toward self-sufficiency is a high priority; and

WHEREAS any poverty in New Brunswick has a devastating impact on the lives of the people affected;

BE IT RESOLVED THAT the Legislative Assembly call upon the government to continue to implement policies to combat poverty throughout New Brunswick.

And after some time, Mr. Speaker interrupted proceedings and announced that the time allotted for Private Members' Motions had expired.

It was agreed by unanimous consent to dispose of certain tabling motions remaining on the Order and Notice Paper for which the documents had been tabled.

Motion 25 by Ms. Weir was, by leave of the House, withdrawn.

Motion 8 by Mr. Mockler was, by leave of the House withdrawn.

Motion 23 by Mr. Volpé was, by leave of the House, withdrawn.

Motion 22 by Mr. Robichaud was, by leave of the House withdrawn.

Motions 27 by Mr. D. Graham was, by leave of the House, stood until Tuesday, February 17, 1998.

Motion 28 by Mr. D. Graham were, by leave of the House, withdrawn.

Motions 38 and 54 by Mr. Robichaud were, by leave of the House withdrawn.

Motion 41 by Mr. D. Graham was, by leave of the House, stood until Tuesday, February 17, 1998.

Motion 42 by Mr. Mesheau was, by leave of the House, stood until Tuesday, February 10, 1998.

Motion 45 by Mr. Robichaud was, by leave of the House, stood until Tuesday, February 17, 1998.

Motion 50 by Mr. Mesheau was, by leave of the House, stood until Tuesday, February 17, 1998.

Motion 52 by Mr. Sherwood was, by leave of the House withdrawn.

Motion 61 by Mr. Mockler was, by leave of the House, withdrawn.

Motions 64 and 67 by Ms. Weir were, by leave of the House withdrawn.

Motions 68 and 69 by Mr. Mockler were, by leave of the House, stood until Tuesday, February 10, 1998.

Motion 70 by Mr. Sherwood was, by leave of the House, stood until Tuesday, February 17, 1998.

Motion 71 by Mr. Sherwood were, by leave of the House withdrawn.

Motions 72, by Mr. Mesheau was, by leave of the House, stood until Tuesday, February 17, 1998.

Motions 75, 76, and 77 by Mr. Mesheau were, by leave of the House, withdrawn.

Motion 78 by Mr. Mockler was, by leave of the House, withdrawn.

Motion 80 by Mr. D. Graham was, by leave of the House, withdrawn.

Motion 81 by Mr. Sherwood was, by leave of the House, stood until Tuesday, February 17, 1998.

Motion 82 by Mr. Sherwood was, by leave of the House, withdrawn.

Committee of Supply

The House, according to Order, resolved itself into a Committee of Supply with Mr. O'Donnell in the chair.

And after some time, the Chairman declared it to be 12.30 o'clock p.m., and left the chair, to resume again at 2 o'clock p.m.

2 o'clock p.m.

The Committee resumed with Mr. MacDonald in the chair.

And after some time, Mr. O'Donnell took the chair.

And after some time, it was agreed by unanimous consent to continue sitting beyond 6 o'clock p.m.

And after some further time, Mr. Speaker resumed the chair and Mr. O'Donnell, the Chairman, after requesting that Mr. Speaker revert to Presentations of Committee Reports, reported that the Committee had made some progress in the consideration of the matters referred to them, had passed several items, and asked leave to sit again.

Pursuant to Standing Rule 78.1, Mr. Speaker then put the question on the motion deemed to be before the House, that the report be concurred in, and it was resolved in the affirmative.

The following are the items reported:

MAIN ESTIMATES - ORDINARY ACCOUNT 1998 - 1999

DEPARTMENT OF NATURAL RESOURCES AND ENERGY

Resolved, That there be granted to her Majesty a sum not exceeding \$75,687,500 to defray the expenses of the Ordinary Account program allocations of the Department of Natural Resources and Energy for the fiscal year ending the 31st day of March, 1999.

DEPARTMENT OF HEALTH AND COMMUNITY SERVICES

Resolved, That there be granted to her Majesty a sum not exceeding \$1,300,147,700 to defray the expenses of the Ordinary Account program allocations of the Department of Health and Community Services for the fiscal year ending the 31st day of March, 1999.

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

Resolved, That there be granted to her Majesty a sum not exceeding \$38,100,400 to defray the expenses of the Ordinary Account program allocations of the Department of Economic Development and Tourism for the fiscal year ending the 31st day of March, 1999.

GENERAL GOVERNMENT

Voted, Supply in the following amounts to defray the expenses of the following programs:

32 28 Strategic Assistance 15,300,000

CAPITAL ACCOUNT Voted

DEPARTMENT OF HEALTH AND COMMUNITY SERVICES

Voted, Supply in the following amounts to defray the expenses of the following programs:

30 50 Public Hospitals - Capital Equipment 3,750,000

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

Voted, Supply in the following amounts to defray the expenses of the following programs:

17 50 Parks - Capital Improvements 2,650,000

LOANS AND ADVANCES

DEPARTMENT OF TRANSPORTATION

Voted, Supply in the following amounts to defray the expenses of the following programs:

40 85 Unsatisfied Judgement Account Claims 0

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

Voted, Supply in the following amounts to defray the expenses of the following programs:

17 72 Economic Development Act 45,000,000

WORKING CAPITAL - MAXIMUM BALANCES
1998-1999 Voted

WORKING CAPITAL ADVANCES

Health and Community Services 4,900,000

PETTY CASH ADVANCES

Natural Resources and Energy 25,300

Health and Community Services 27,000

Economic Development and Tourism 7,100

INVENTORIES

Natural Resources and Energy 510,000

Health and Community Services 5,000

The said items were concurred in by the House.

And then, 6.09 o'clock p.m., the House adjourned.

The following documents, having been deposited with the Clerk of the House since the last sitting of the House, were deemed laid upon the table of the House pursuant to Standing Rule 39:

Documents requested in Notice of Motions 41, 42, 45, 46, 68, 69, 70, 72 - February 4, 1998

