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LEGISLATIVE ASSEMBLY
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RESPONSES TO QUESTIONS AND ORAL QUESTION PERIOD
(PRELIMINARY PROCEEDINGS)

FOR

FRIDAY, 13 NOVEMBER 2015

Responses to Questions Taken as Notice

Speaker: The hon. Minister of Health and Wellness and Family and Human Services.

Paladin Security (further)

Mr. Currie: Thank you, Mr. Speaker.

I am just responding to a line of questions from the Leader of the Opposition yesterday regarding the security contract. As I indicated, we take security very seriously in our health care system here in the Province of Prince Edward Island.

His question regarding: Did the contract and the tender winner come back to renegotiate? The absolute answer is: Absolutely not.

Thank you.

Questions by Members

Speaker: The hon. Leader of the Opposition.

E-gaming platform and Premier

Leader of the Opposition: Good morning. Thank you, Mr. Speaker.

My question is to the Premier: Premier, when did you first become aware of the government's failed attempt to establish an e-gaming platform in Prince Edward Island?

Speaker: The hon. Premier.

Premier MacLauchlan: Mr. Speaker, I believe this matter was covered extensively in the public media during the year 2014.

I can't say for sure that it wasn't in the media prior to that. It's my understanding that the government's involvement with that initiative ended in February of 2012, so I may well have read about it or heard about it through the public media at that time.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: When you decided to run for the leadership of the party, Mr. Premier, did you receive any briefings on this matter? Were you brought

up to speed on it by anybody in government?

Speaker: The hon. Premier.

Premier MacLauchlan: I'm not sure what the Leader of the Opposition means precisely when he says when I decided, but if the question is at any time prior to my indicating that I would be a candidate for the leadership, the answer is no.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: You became the premier designate in January. Question to the Premier: How many briefings did you have after that in regards to e-gaming and that file?

Speaker: The hon. Premier.

Premier MacLauchlan: Mr. Speaker, I think we should be clear that during the period until the 23rd of February, when I was sworn in as Premier, I was a private citizen so the short answer is: I had no briefings on anything prior to February 23rd.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Okay. I actually find that hard to believe and the reason being is the fact that I think I would want to know, if I'm going into a job, exactly what's going on within government and I would almost wonder about that, but anyway.

So you became Premier in February. After you became Premier in February, did you receive any briefings by anybody in government or any other ministers in regards to the e-gaming file?

Speaker: The hon. Premier.

The hon. Minister of Finance.

An Hon. Member: And it begins.

Mr. Roach: Thank you, Mr. Speaker.

As you will recall in late February this government acted very swiftly and asked the Auditor General to do a complete review of this file.

Thank you.

Premier MacLauchlan: Mr. Speaker, point of order?

Speaker: Yeah, okay.

Premier MacLauchlan: Mr. Speaker –

Speaker: Mr. Premier –

Premier MacLauchlan: I'll speak later, then.

Speaker: Yes, at the end of Question Period.

Mr. Myers: I have the rule book over here if you want it.

Speaker: The hon. Leader of the Opposition.

Mr. Myers: I'll send it over (Indistinct).

Leader of the Opposition: Thank you, Mr. Speaker.

Question to the Premier: In regards to this file, e-gaming file, what action did you authorize when you took office in regards to the e-gaming file?

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

As I previously answered, in late February this government referred this matter to the Auditor General for a review. As there's an outstanding case before the courts now with respect to this it would be inappropriate to answer detailed questions with reference to this file.

Mr. Myers: Because Islanders don't deserve to know.

Mr. Roach: Thank you, Mr. Speaker.

Mr. Myers: Islanders don't deserve to know.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Question to the Premier. Okay, you forwarded it to the

Auditor General? What was the scope that was laid out to the Auditor General in regard to her mandate or to what she was supposed to look into?

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

That was subject of a Cabinet order and it's in that order.

Thank you, Mr. Speaker.

Speaker: The hon. Leader of the Opposition.

Mr. LaVie: Hiding something.

Leader of the Opposition: To the Minister of Finance: Will you table that order?

Speaker: The hon. Minister of Finance.

Mr. Roach: Mr. Speaker, that in fact is a public document.

Thank you.

Mr. LaVie: Hiding something.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Okay, question to the Premier.

Mr. LaVie: Something (Indistinct).

Leader of the Opposition: A \$25 million legal action was filed against the province. I'm not interested in what's going on before the courts. We're not asking for any information on what the courts (Indistinct). We're asking about the government.

A \$25 million legal action was filed against the province in April. What action did you government take to avoid this legal action being filed?

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

With respect to any case that goes before the courts, once that lawsuit is filed there's a legal process that's followed and this

government is not going to interfere whatsoever in that process. It would be inappropriate to do so and, as I stated earlier, with this case being before the courts at the present time, it would be inappropriate to –

Mr. LaVie: What happened before the courts? You're hiding something.

Mr. Roach: – get into the detail of that file.

Thank you, Mr. Speaker.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Question to the Premier or the Minister of Finance: Is any member of the government mentioned or named in the lawsuit going to be brought before the court?

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

Again, that's before the courts and it's up to those working through that process who will be called as a witness.

What I can say is that this government is certainly taking a different approach towards driving our economy, and we're committed to being a frugal government with respect to finance. We're going to do everything we can to continue to drive the economy of Prince Edward Island, looking at the various ways in which we can encourage those revenues and encourage businesses to get out and drive the economy within the private sector.

Thank you, Mr. Speaker.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: We're not talking, Mr. Speaker, of what is before the courts.

We're talking about what action this government took or how it acted in regards to that file. That's what we want to know.

So I'm asking again: What action was taken by the government in regards to the e-gaming file?

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

I would refer back to a previous answer. The action that this government has taken, through an Executive Council order, was to ask the Auditor General of the province of PEI to look into this file.

Thank you, Mr. Speaker.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: A question for the finance minister. Who had the conversation with the Auditor General and laid out the scope?

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

As I stated earlier, clearly this government wanted to move in a direction swiftly on this particular file. There's an executive order, which is a public document, which I would encourage the Leader of the Opposition to go and have a look at and review. That is the action that the government took on this file.

The results of that document and of that Executive Council order are the lead or the direction that was provided to the Auditor General with respect to this file and with respect to the scope of the investigation.

Thank you, Mr. Speaker.

Speaker: The hon. Leader of the Opposition.

E-gaming legal costs

Leader of the Opposition: Question to the finance minister, Mr. Speaker.

How much is spent in legal costs up to date in regards to the e-gaming file? How much has government spent?

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

I don't have that information directly at my hands but I would be more than pleased to

go back and speak with staff and research that and provide that information.

Thank you, Mr. Speaker.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: I think as the Minister of Finance, Mr. Speaker, that something of such importance to Islanders, especially when we're talking about a \$25 million lawsuit that the province is facing and the implications thereof, that the Minister of Finance would know exactly how much government money has been spent.

Is it in excess of \$500,000?

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

As the Minister of Finance there certainly are a lot of dollars out there in the province. By no means am I going to tell this House that I have that type of information simply sitting at my fingertips for each and every issue that should come up with respect to such a broad spectrum of finances across the province.

As I answered earlier, I'd be more than pleased to go back and check with staff and find out what those – and give an accurate answer to this House.

Thank you, Mr. Speaker.

Speaker: The hon. Leader of the Opposition.

E-gaming costs and budget

Leader of the Opposition: Okay. Thank you, Mr. Speaker.

I'd like to know, if we're in excess of \$500,000, whatever number, and it could be as high as \$1 million, which in some cases have been reported, how is the province going to handle that in its budget and the possibility of having to pay out \$25 million? How's that being budgeted for?

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

I think it's a little early in the stage of – or very early disclosure in this case – for anyone to assume that the province is going to be spending or paying out \$25 million. There's a long distance between the date and time today and when this is going to occur.

But as happens in all situations, I mean, we had the flooding that took place last December. There was no expectation – and we didn't know at all and no one could predict that there was going to be roughly \$10 million in costs there. As a fiscally responsible government we'll certainly have to look at this going forward, as we did with respect to the flooding. We have a tremendous staff that work for us here in government. When situations arise we dig down deep and come up with ways and means in which to finance those, as was the case in the past.

We can look back at major expenditures previous governments were involved with that were total failures, and somehow governments over the years, as did this one –

Some Hon. Member: (Indistinct).

Some Hon. Members: Hear, hear!

Mr. Roach: – in dealing with some of the failures in previous years, and we budgeted and we worked through those.

Thank you, Mr. Speaker.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Final question to the Premier. This is to the Premier.

I know we can't budget for things that mysteriously happen as acts of God, floods. Are you taking any measures within the budget to deal with what could possibly be the outcome of this lawsuit and what it could cost Islanders?

Speaker: The hon. Minister of Finance.

Mr. LaVie: Wannabe premier.

Mr. Roach: Thank you, Mr. Speaker.

We have seen situations – for example, with Polar sea foods where that cost us in excess of \$80 million. Total failure. Government dealt with that. As these situations come along we will be looking forward and preparing for that should it happen.

But at this extremely early stage it certainly is on the back of mind of our finance department and, like many other issues, we will deal with it. We have very professional staff. We will deal with it.

Speaker: The hon. Member from Kensington-Malpeque.

E-gaming and Mi'kmaq Confederacy

Mr. MacKay: Thank you, Mr. Speaker.

Question to the minister of economic development: Can the minister confirm the status of the 950,000 advanced by the province to the Mi'kmaq Confederacy to develop the e-gaming platform?

Speaker: The hon. Minister of Economic Development and Tourism.

Mr. MacDonald: Thank you, Mr. Speaker.

The matter has been referred to the Auditor General. At this time we will have no comment on anything before the courts.

Mr. Myers: This is Question Period. We have no comment. (Indistinct).

Speaker: The hon. Member from Kensington-Malpeque.

Mr. MacKay: Thank you, Mr. Speaker.

Can the minister confirm whether this 950,000 was advanced in the form of a loan or a grant?

Speaker: The hon. Minister of Economic Development and Tourism.

Mr. MacDonald: Mr. Speaker, the Premier acknowledged the Auditor General's concerns and forwarded this to the Auditor General for review, the present situation is before the courts, and we'll wait and see what happens.

Mr. LaVie: (Indistinct) taxpayers' money.

Speaker: The hon. Member from Kensington-Malpeque.

Mr. MacKay: Thank you, Mr. Speaker.

Can the minister detail what securities were offered against this 950,000?

Speaker: The hon. Minister of Economic Development and Tourism

Mr. MacDonald: Thank you, Mr. Speaker.

This effort is not reflective of the economic development that we're proceeding with in a go-forward motion with this government.

Thank you, Mr. Speaker.

Speaker: The hon. Member from Kensington-Malpeque.

Mr. MacKay: Thank you, Mr. Speaker.

Minister, your predecessor's minister told this House that there was public money invested in the e-gaming project and the loan of 950,000 was current. Is this correct?

Speaker: The hon. Minister of Economic Development and Tourism.

Mr. MacDonald: Thank you, Mr. Speaker.

Again, I suggest that this issue is before the courts and in the hands of the Auditor General. We will wait and see what happens.

Thank you.

Speaker: The hon. Member from Kensington-Malpeque.

Mr. MacKay: Thank you, Mr. Speaker.

Last fall in this House the then-finance minister told this House that there was no public money invested in the e-gaming project.

Minister, who had it right? The former innovation minister or the former finance minister?

Speaker: The hon. Minister of Economic Development and Tourism.

Mr. MacDonald: Can he repeat the question please, Mr. Speaker?

Speaker: The hon. Member from Kensington-Malpeque.

Mr. MacKay: Minister, who had it right, the former innovation minister or the former finance minister, whether or not there was taxpayers' dollars invested in e-gaming or not?

Speaker: The hon. Minister of Economic Development and Tourism.

Mr. MacDonald: Mr. Speaker, I am unaware of what either of those gentlemen had said in the past.

Thank you, Mr. Speaker.

Speaker: The hon. Member from Kensington-Malpeque.

Mr. MacKay: Thank you, Mr. Speaker.

What's confusing to a lot of Islanders was the secrecy and contradictions around this project. One minister telling Islanders that there was no taxpayer money in the project and the other saying close to a million dollars was in play. Why all the secrecy and confusion?

Speaker: The hon. Minister of Economic Development and Tourism.

Mr. MacDonald: Mr. Speaker, when the Premier referred this matter to the Auditor General, I believe that all Islanders looked upon this situation as being transparent and we're waiting for the outcome.

Thank you, Mr. Speaker.

Speaker: The hon. Member from Kensington-Malpeque.

Mr. MacKay: Thank you, Mr. Speaker.

On November 28th of last year the Confederacy stated publicly that they "...obtained conditional funding from Innovation PEI" to pursue the e-gaming initiative and that the money was to be repaid from revenues once e-gaming was in line. Is this accurate?

Speaker: The hon. Minister of Economic Development and Tourism.

Mr. MacDonald: Again, Mr. Speaker, we referred this to the Auditor General and we will continue our stance as it's before the courts that we will not have comment on this matter.

Thank you, Mr. Speaker.

Speaker: The hon. Member from Kensington-Malpeque.

Mr. MacKay: Thank you, Mr. Speaker.

The Confederacy further stated: That because the e-gaming plan never went live that they have no unpaid debt. Is this accurate?

Speaker: The hon. Minister of Economic Development and Tourism.

Mr. MacDonald: Again, Mr. Speaker, I will continue with my previous comments that it is before the courts and I have no comment at this time.

Thank you, Mr. Speaker.

Speaker: The hon. Member from Kensington-Malpeque.

Mr. MacKay: Thank you, Mr. Speaker.

Minister, we'll throw a yes/no question at you: Was this 950,000 for e-gaming written off by the province, yes or no?

Speaker: The hon. Minister of Economic Development and Tourism.

Mr. MacDonald: Thank you, Mr. Speaker.

We're in the presence of rewriting legislation on write-offs and at that time perhaps that issue will be addressed.

Thank you, Mr. Speaker.

Speaker: The hon. Member from Kensington-Malpeque.

Mr. MacKay: I'll repeat the question, minister: Was the 950,000 for e-gaming written off by the province, yes or no?

Speaker: The hon. Minister of Economic Development and Tourism.

Mr. MacKay: At this time, Mr. Speaker, I'm not aware of that situation.

Thank you, Mr. Speaker.

Speaker: The hon. Member from Kensington-Malpeque.

Mr. MacKay: Thank you, Mr. Speaker.

Will the minister table the financial arrangements around this 950,000 of public money for e-gaming?

Speaker: The hon. Minister of Economic Development and Tourism.

Mr. MacDonald: Thank you, Mr. Speaker.

At this time, and it's before the courts, the whole situation, and I think until further ado we'll remain status quo.

Thank you, Mr. Speaker.

Speaker: The hon. Member from Belfast-Murray River.

Atlantic Lottery Corporation payback

Ms. Compton: Thank you, Mr. Speaker.

The previously mentioned illegal e-gaming scheme it not the only gambling that this present government has pursued. The most recent audited blue books show that this government entered into an arrangement with Atlantic Lotto where we'll pay back \$7.6 million from now until March 2019 out of our share of the ALC profits.

To the Minister of Finance: Why is the province being required to pay back \$7.6 million to ALC?

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

Really, there's two parts to that question. The first part is I don't think anybody's determined that anything illegal has taken place with respect to my department, the PEI commission, Atlantic Lottery Commission

that we have here on Prince Edward Island, and the Atlantic Lottery Corporation.

Secondly, the money that the Member from Belfast-Murray River refers to with the ALC, it has nothing to do with any investments in any kind of e-gaming whatsoever. It has to do with the corporation and it has to do with the 650 employees who work for that corporation, and it has to do with an actuary coming in and redefining the benefits that were supposed to be paid to those individuals starting back in 2003. The government of the day in 2003 was aware of this. It's simply monies that should have been paid from 2003 to current date.

When the actuaries came in and discovered this, then obviously that money still has to be paid. All four Atlantic Provinces are in the process today for – and it'll take place into the next three and a half years – to return the money where it properly should have been – in the benefits packages of those 650 employees who work for the Atlantic Lottery Corporation.

Thank you, Mr. Speaker.

Speaker: We will now go to a question from the hon. Leader of the Third Party.

Rural Action Plan

Dr. Bevan-Baker: Thank you, Mr. Speaker.

A question to the Minister of Economic Development and Tourism: With the previous government's Rural Action Plan set to expire this year, could the minister give the House an evaluation of that plan and how it has benefitted rural communities on Prince Edward Island?

Speaker: The hon. Minister of Economic Development and Tourism.

Mr. MacDonald: Thank you, Mr. Speaker.

The Rural Action Plan, as indicated, we're in the process of presently reviewing the Rural Action Plan with staff and going over any highlights and places where we require improvement.

Thank you.

Speaker: The hon. Leader of the Third Party, first supplementary.

Rural economic development

Dr. Bevan-Baker: Thank you, Mr. Speaker.

Every community council that I have met with in my district, be that Emyvale, Crapaud, Kingston, Victoria, Canoe Cove, have told me that they're concerned about the direction of rural development on Prince Edward Island, and no doubt, my colleagues who represent rural districts would agree with me and they will have heard the same.

Could the minister tell us if he plans to develop a new strategy for rural economic development on PEI?

Speaker: The hon. Minister of Economic Development and Tourism.

Mr. MacDonald: Thank you, Mr. Speaker.

We're building a strong and cohesive effort to build communities across the province through economic development. We are seeing strong growth in our export. We're up 18% overall, we're leading Canada. Our manufacturing sales are up 5.6%, or 5.9%, to be correct. We continue to build and invest in businesses throughout the region. We want to become sustainable in those rural communities.

I'll give you another good example of – Innovation PEI most recently, \$19.5 million in grants year-to-date already that we've invested. Over 50% of that went to rural PEI. Through the cultural grant program, \$2 million a year that we've invested. Through the tourism grant program, \$2.7 million a year. These are going into theatres, festivals, events, strategic places, and we're looking forward to the infrastructure information that we're receiving from Ottawa.

Thank you, Mr. Speaker.

Speaker: The hon. Leader of the Third Party, your second supplementary.

Dr. Bevan-Baker: Thank you, Mr. Speaker.

Yesterday we heard a very worthy suggestion from the official opposition about an infrastructure summit to take

advantage of the anticipated new federal funds which will be coming our way. However, all of those programs that you cited, minister, quite correctly, used leveraged funds from the Island Community Fund, a fund which has been discontinued.

How will the minister ensure that rural communities have access to the provincial funds required to take full advantage of any new federal funding opportunities that may come forward?

Speaker: The hon. Minister of Economic Development and Tourism.

Mr. MacDonald: Thank you, Mr. Speaker.

It was discontinued, that fund, the ICF fund. I think at this point and time through economic development and what we're trying to do as a body – and believe me, tourism is economic development, and the two co-exist very well together. But you're seeing advancements in rural PEI through – you take Trout River Industries, 70 and 80 employees. You take Aspin Kemp and what they're doing. East Isle Fabrication. All over PEI we have development, and they're long-term, sustainable employment jobs and that's what this government has to focus on.

Thank you, Mr. Speaker.

Speaker: Now we'll go to a question –

Mr. LaVie: (Indistinct)!

Speaker: Order, please!

We'll go to a question from the hon. Member from Summerside-St. Eleanors.

Cultural strategy

Ms. Mundy: Thank you, Mr. Speaker.

It has been indicated that the province would be creating a comprehensive long-term cultural strategy. This strategy will be extremely vital to encourage and support Islanders to continue to expand our Island heritage and cultural community.

My question is to the Minister of Education, Early Learning and Culture: Minister, has this process for the strategy begun yet?

Speaker: The hon. Minister of Education, Early Learning and Culture.

Mr. Perry: Thank you, Mr. Speaker.

The process for the strategy has begun. We are in the first phase of developing this strategy. The framework has begun. We are collecting information. We will be having public consultations throughout the winter months and I will announce more details on this in the coming weeks.

Thank you.

Speaker: The hon. Member from Summerside-St. Eleanors, your first supplementary.

Ms. Mundy: Thank you, Mr. Speaker.

Thank you for that, minister. As many of us know, there are many unique stakeholders involved in the Island cultural community. It will be absolutely necessary for the success of the strategy to engage with as many groups and individuals as possible. Will the minister please give us an overview of who will be engaged in this process?

Speaker: The hon. Minister of Education, Early Learning, and Culture.

Mr. Perry: Thank you, Mr. Speaker.

We will be engaging with all within the cultural sector right across the many industries from tip to tip on the Island. We're going to engage with the visual and performing arts, with musicians, with artists, with heritage and museum groups. Again, right from across Prince Edward Island. Including those who are active in exporting some of our cultural products from PEI.

The engagement will be very broad, as I just stated, and there will be public consultations and open forums for the public to provide input on what they should expect to be in this cultural strategy. Again, more details will be coming in the next few weeks.

Thank you.

Speaker: The hon. Member from Summerside-St. Eleanors, your second supplementary.

Ms. Mundy: Thank you, and through you, Mr. Speaker, thank you, minister.

I would be happy to provide some suggestions on groups that should be consulted as well, and engaged.

My second supplementary question: Could the Minister also give us a time line for this strategy? Do you have an estimate on when this provincial cultural strategy will be implemented?

Thank you.

Speaker: The hon. Minister of Education, Early Learning, and Culture.

Mr. Perry: Thank you, Mr. Speaker.

With all due respect, I look forward to announcing more details on this plan for this strategy in the upcoming weeks.

Speaker: The hon. Member from Alberton-Roseville.

Mill River bridge inspection

Mr. Murphy: Thank you, Mr. Speaker.

My question is to the Minister of Transportation, Infrastructure and Energy. The Mill River bridge in Cascumpec is in dire need of replacement. Currently snow plows and school busses cannot cross this bridge. This obviously causes a great deal of concern to my district with regards to the overall structural integrity of this bridge.

My question to the minister: How often are safety inspections conducted on the structural integrity of this bridge?

Speaker: The hon. Minister of Transportation, Infrastructure and Energy.

Ms. Biggar: Thank you, Mr. Speaker.

I'd like to inform the Legislature, and in fact all Islanders, that bridges are inspected biannually across Prince Edward Island, not just in the particular area that the member from Alberton-Roseville lives. But in regard to the Cascumpec bridge specifically, the last inspection on it was in fact on July 2015, and subsequent to that there is certainly a restriction for travel on that

bridge at the moment in regard to buses and snow plows.

Speaker: The hon. Member from Alberton-Roseville, your first supplementary.

Mr. Murphy: Thank you, Mr. Speaker.

The project to replace this bridge was originally scheduled to begin this fall but has now been pushed back. Will the minister give us an update on the timelines on this project?

Speaker: The hon. Minister of Transportation, Infrastructure and Energy.

Ms. Biggar: Thank you, Mr. Speaker.

The hon. member, as you noted, it was delayed this particular season, but if we could get support from the Member from Alberton-Roseville we'll be happy to start that project in May of 2016 and have it done by August.

Mr. LaVie: Oh, you're not supporting it! (Indistinct). You're not supporting it?

Speaker: The hon. Member from Alberton-Roseville, for your second supplementary.

Mr. Murphy: Thank you, Mr. Speaker.

I can certainly offer my support. We can start tomorrow if you wish, Ms. Minister. There's been a lot of interest from the community and the watershed groups in the design of this new bridge. One question that I have heard a lot is: With the rising sea levels, will the new bridge be high enough to allow boats to pass under it? Will there be an increase in water flow underneath it? This is important because this is probably the busiest recreational river in the province and home to an important public shellfishery.

Mr. LaVie: I got the seals going under mine.

Mr. Murphy: Will these two matters be considered in the construction of a new bridge?

Speaker: The hon. Minister of Transportation, Infrastructure and Energy.

Ms. Biggar: Thank you, Mr. Speaker.

In regard to water flow, I'd like to note also that our department has done three separate inspections in regard to data on water flow on that particular bridge. I think, as the member over there is aware, we've worked closely with the watershed groups and the fishers in that area to gather that data on a number of occasions to help in planning for the bridge structure.

Presently that bridge structure has six and a half feet of clearance from the water line. We will be raising it two feet, so it will be in fact eight and a half feet. We will be having a public information session before we start and put out that tender, but again, I'd like to reiterate, we will be putting that tender out with a projected start date for early May, and I appreciate your support, hon. member.

Speaker: Now we'll go back to the hon. Member from Belfast-Murray River.

Atlantic Lottery Corporation payback and GeoSweep

Ms. Compton: Thank you, Mr. Speaker.

Question again to the Minister of Finance. This \$7.6 million dollars – which I believe you were quoted as saying before that it was just a part of doing business – it's on top of approximately \$5 million dollars this government wrote off in the spring to pay off this government's gambling debts in its failed gamble on GeoSweep.

The blue books also indicate that the PEI Lotteries Commission is also responsible for all loans and costs related to the province's failed investment in GeoSweep.

Minister, will you agree that over \$12 million dollars of public money is a significant amount of lost tax dollars for this province?

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

With respect to the \$7 million I don't see that as a gamble or a loss. As I explained earlier in answering the previous question, this is a corporation. The provinces of Newfoundland and Labrador, Nova Scotia,

New Brunswick, and Prince Edward Island have a partnership with that corporation which is private, and those employees that work within that corporation certainly have the right when it comes to their benefits. ALC is required to follow the international financial reporting standards and as a result of that it was determined that the funding that should have been going in the benefits packages to those 650 employees – which many of them are here on Prince Edward Island – were lacking and it dates right back to 2003.

As a corporate citizen and as partners in that we're all responsible for the monies that are made in that corporation to ensure that the employees are treated in a proper manner. That is just levelling the field within that business. That's a business. I wouldn't consider that taxpayers in Prince Edward Island losing money on any kind of a gamble. That's the province and the ALC commission of Prince Edward Island standing up for its obligations in the partnership with ALC.

Thank you, Mr. Speaker.

Speaker: The hon. Member from Belfast-Murray River.

Ms. Compton: Thank you, Mr. Speaker.

I'm glad to have the explanations on the \$7.6 million dollars but we'd also like to explore – maybe the minister can explain why his predecessor stated to this House multiple times that not one cent of taxpayers' money was going to be used in his GeoSweep gamble.

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

The Atlantic Lotto Corporation – and I talked about the business partnership that they have with all of Atlantic Canada's governments – do explore many different types of games that they will use within the corporation. This was one game that they presented to the Province of New Brunswick and the Province of Prince Edward Island and they felt quite sure that this was going to be successful. In 2011 an investment was made. Atlantic Lottery Corporation made an investment in what they believed was going

to be another successful game that they would provide to all of Atlantic Canada.

It didn't work out. We expressed our disappointment to the Atlantic Lottery Corporation on that particular matter. Our debt has been paid to Atlantic Lottery Corporation on that. We'll be watching any future programs that they wish to enter into and we'll be looking at those in great detail.

Thank you, Mr. Speaker.

Speaker: The hon. Member from Belfast-Murray River.

Ms. Compton: Thank you, Mr. Speaker.

Maybe our debt has been paid but winter's fast approaching. We've got a number of Islanders in need. Five million dollars would have went a long way to putting fuel in furnace oil tanks. I believe this government cut back the Salvation Army furnace oil program from 500,000 to \$125,000.

Mr. LaVie: Shame, shame!

GeoSweep approval

Ms. Compton: So \$5 million is a lot of money and Islanders are concerned.

I'd like to ask the minister: Who actually approved the \$5 million in GeoSweep?

Speaker: The hon. Minister of Finance.

Mr. Roach: Mr. Speaker, that would have been a process that went through with the Province of Prince Edward Island and the Province of New Brunswick during discussions in 2011.

I was not involved in that directly. I can't give you the names of who was directly involved in that –

Mr. LaVie: You were at the table.

Mr. Roach: – particular operation.

Mr. LaVie: You were in Cabinet.

Mr. Roach: There are many files that have come through government over the number of years that have resulted in losses. I mentioned one earlier to the tune of \$80

million and I'd certainly like to have that today.

Thank you, Mr. Speaker.

Speaker: The hon. Member from Belfast-Murray River.

GeoSweep and Order in Council

Ms. Compton: Thank you, Mr. Speaker.

There were two provinces in on this scheme, New Brunswick and PEI. New Brunswick's Cabinet has issued two Orders in Council, one for each chunk of public money.

Can this minister explain why this government did not issue an Order in Council when they put millions into this GeoSweep gamble?

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

Again, I was not the Minister of Finance at the time.

Mr. LaVie: You were at the table.

Mr. Roach: I think that the actions that this government has taken with respect to that file – I can't speak for the Province of New Brunswick either – but we were very swift to ensure that those dollars and that debt were repaid. We've accounted for it on our books. We've been very open and transparent about it.

We look forward to continuing a great relationship with ALC going forward because that corporation, over the number of years that it's been in existence, has provided a tremendous amount of revenue to all of Atlantic Canada and to all Atlantic Canadians, and benefitted us all.

If Atlantic Lottery Corporation goes out and they have one program that they try and it doesn't work, it certainly doesn't take away from the successes that ALC has had in the many years behind us and all the great things that those revenues have provided to every person in Atlantic Canada.

Thank you, Mr. Speaker.

Speaker: The hon. Member from Belfast-Murray River, final question.

GeoSweep loss effects

Ms. Compton: Thank you, Mr. Speaker.

It is this government who lost the \$5 million to Islanders. Maybe a different minister, but it is this government and this government is accountable for those dollars.

Will the minister tell Islanders how many teachers and nurses this would have provided for the shortage that we have on PEI?

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

As I said earlier, we've been very open and transparent about those dollars, about where they went, about why it went there, about the great relationship that we have with ALC, and about the great revenue that (Indistinct) generate and what all of that does for not only Prince Edward Islanders but everyone in Atlantic Canada.

If we want to sit and pick out one item where it didn't work, I can sit and pick out more than a hundred things that the ALC, different programs that they've started, that have generated revenue. I think they are no different than anyone else. Sometimes they make investments on behalf – and the vast, 99.9% of them, were completely successful. We have one that wasn't as successful.

Mr. Aylward: Three times (Indistinct) successful.

Mr. Roach: But had it been successful, Mr. Speaker, we wouldn't be having this conversation.

Mr. Aylward: Three times (Indistinct) –

Mr. Roach: But still –

Mr. LaVie: Seven million dollars later.

Mr. Roach: – we have a partnership with the ALC. I certainly appreciate that partnership and we value the revenue that's provided through that great partnership. That's been a partnership that has been

going on for many years, through many governments on Prince Edward Island, regardless of their colour.

Thank you, Mr. Speaker.

Speaker: That ends Question Period.