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LEGISLATIVE ASSEMBLY
OF
PRINCE EDWARD ISLAND

RESPONSES TO QUESTIONS AND ORAL QUESTION PERIOD
(PRELIMINARY PROCEEDINGS)

FOR

TUESDAY, 18 APRIL 2017

Responses to Questions Taken as Notice

Questions by Members

Speaker: The hon. Member from Kensington-Malpeque.

Mill River deal and minister of development

Mr. MacKay: Mr. Speaker, will the minister of economic development tell Islanders who cooked up the Mill River sweetheart deal and when did they bother bringing it to your attention?

Some Hon. Members: Hear, hear!

Mr. Trivers: Easy one.

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

Mr. MacDonald: Thank you, Mr. Speaker.

I think we talked about this last week and I think previous to that two or three times in the House, and to inform the opposition, it's relevant that we develop and maintain our strategic product that we have in the tourism market, but not only that, more importantly in rural PEI, and this deal is for rural PEI, and we've heard it through the media, we've heard it through neighbours and friends, that this is a sunset clause for this government to take the taxpayers off the hook.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Kensington-Malpeque.

Mr. MacKay: Mr. Speaker, this winter when the minister was trying to sell this sweetheart deal he said, and I quote: When I was first brought in, I looked at the numbers and thought, holy jumpins that's a lot of money to give.

Minister, when were you first brought into this backroom sweetheart deal?

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Thank you, Mr. Speaker.

I actually did say that, but what's remiss was when I learned that how much money taxpayers are losing annually on this property and where this property was at.

When there was a study done in 2013 and it said that we're going to need an investment of \$40 million to keep this strategic asset in West Prince, you have to look at things through a business sense and also through a community and rural development sense, and that's exactly what this government has done.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Kensington-Malpeque.

Mill River deal and senior government officials

Mr. MacKay: Mr. Speaker, this is a backroom deal that was cooked up by Robert Ghiz, the current Minister of Finance who was innovation minister at the time, and their officials.

Will the minister of economic development admit the fact this sweetheart deal was cooked up by Robert Ghiz and senior government insiders from 2013 onward?

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Mr. Speaker, this deal was done in the best interest of everyone on Prince Edward Island. As a minister responsible for the taxpayers and the lending portfolio of 370 some million in Prince Edward Island that work each and every day, from fishermen to small business to tourism operators to just about any business that you could think of – this is a government that is being very aggressive, and when we look at these types of situations there's many facts that come into play: One is the roofed accommodations aspect in West Prince; one is the visitation in West Prince; and most of all the

employment in West Prince. You take 100 or over 100 jobs out of West Prince, what does that do to a community?

Mr. LaVie: (Indistinct)

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Kensington-Malpeque.

Mill River study and public money

Mr. MacKay: Mr. Speaker, just like egaming, I'm sure the finance minister will claim he knew nothing about the file either, and I'm sure Islanders will see through this as well.

Minister, how much public money was spent on your secret 2013 Mill River study?

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Mr. Speaker, going back to 2013, I have no knowledge of that. All I know is that the independent third-party study came back and said we're going to need a \$40 million investment.

But if we're going back, do we want to go back to Dunderave and see what we've done there as a Conservative government? Do we want to go back –

Some Hon. Members: Oh.

Mr. MacDonald: Do we want to go back to Polar Foods, Mr. Speaker?

Some Hon. Members: (Indistinct)

Mr. MacDonald: Oh yes, we got their attention, and if they want to go back, we can go back.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Kensington-Malpeque.

Mr. J. Brown: (Indistinct) Tories were in the (Indistinct) –

Release of report

Mr. MacKay: Mr. Speaker, this secret study only came to light after a FOIPP request that was denied and a successful appeal to the privacy commissioner.

Minister, why did this tired Liberal government refuse to release this report?

Mr. Myers: Good question.

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Thank you, Mr. Speaker.

Again, the economy on Prince Edward Island is very important to us. I mean, we're leading the country in many entities –

Mr. Myers: (Indistinct) the question.

Mr. MacDonald: And you know we continue to be a leader in Atlantic Canada –

Mr. Myers: (Indistinct)

Mr. MacDonald: And it's because we're a government that is very active. We're a government that wants to see Islanders do prosperity –

Mr. Myers: Islanders won't forget this (Indistinct) –

Mr. MacDonald: We're not a government –

Mr. Myers: Everywhere.

Mr. MacDonald: – that taxpayers are on the hook for \$31 million with Polar Foods, and how many jobs were lost at that time? No word of that in this House ever since I've been a member, two years.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. LaVie: You're not here long enough. You're still wet behind the ears.

Speaker: Okay, let's have some order here now, members.

Mr. Myers: (Indistinct) always crosses the line.

Speaker: When somebody is answering a question, at least listen to it. You may not like what you hear, but listen to it anyway.

Mr. Myers: I'd love if you'd answer the question.

Speaker: The hon. Member from Kensington-Malpeque.

FOIPP request

Mr. MacKay: Thank you, Mr. Speaker.

That's probably the most frustrating part as opposition, as well as Islanders: We never get real answers. I don't think we've heard an honest answer yet.

Minister, why did you instruct your department to fight the appeal made to the privacy commissioner?

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Thank you, Mr. Speaker.

I believe solely in what the Auditor General has said recently and the corrections that we've made in our departments in growing transparency and accountability. I believe in the FOIPP, and I think it's a useful tool for anybody in the general public as well as government and the opposition.

Mr. Myers: You've never used it, then, if you believe that.

Mr. MacDonald: Mr. Speaker, I think this deal for Mill River – I'm going to get back to the Mill River deal – is specifically targeted at the taxpayers of Prince Edward Island. I believe it's positive for the people of West Prince.

Mr. Myers: Yeah, they are going to pay for it. You're right on that.

Mr. MacDonald: We're maintaining jobs. We have a new infrastructure. And we have an individual that has invested in West

Prince, that has grown up there, that is a well-to-do businessman with great intentions for the western part of the province.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Kensington-Malpeque.

Mr. MacKay: Minister, if you believed in FOIPP, you wouldn't be putting roadblocks up.

Secret study

Minister, what is this tired Liberal government trying to hide from Islanders?

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Well, Mr. Speaker, I don't think we're trying to hide anything. In fact, I don't know what –

Mr. Trivers: Answer the questions, then.

Mr. MacDonald: – exactly, we're doing, but we're doing the right thing when we're growing the economy and we're outpacing a national average on just about everything.

And it's interesting that the investment in West Prince is – when we take Georgetown-St. Peters, their investment there is almost \$29 million. I didn't hear anybody talking about that.

Mr. Myers: (Indistinct)

Mr. LaVie: (Indistinct)

Mr. MacDonald: Morell-Mermaid is \$34 million, Mr. Speaker.

Some Hon. Members: (Indistinct)

An Hon. Member: – don't believe it.

Mr. MacDonald: There is all kinds of money being invested in every constituency on PEI, and we're doing it in a manner that's fair and equitable, and we're growing the economy on PEI.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Ms. Biggar: (Indistinct) West Prince.

Speaker: The hon. Member from Kensington-Malpeque.

Mr. Myers: Ronnie's talking about you –

Mr. MacKay: Mr. Speaker, the secret study talked about opportunities for government: The opportunity to close the close the fun park; the opportunity to close the campground; the opportunity to close the provincial park maintenance unit –

An Hon. Member: No.

Mr. MacKay: Lots of closure opportunities and balance sheet savings in this file.

Mr. Myers: Is that in that report?

Mr. MacKay: Minister, is this truth what your tired Liberal government was trying to hide from Islanders?

Some Hon. Members: Hear, hear!

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

Mr. Currie: Big investment in rural PEI.

An Hon. Member: Lots of opportunities –

Mr. MacDonald: Thank you, Mr. Speaker, and I'm glad you brought that up, because in 2013 when the study was done it was \$40 million, and I hope the hon. member doesn't expect the taxpayers to pay \$40 million and forever operate golf courses, because all I've heard since I came to this House is that we shouldn't be in the golf course business.

Here we make a deal with a sunset clause for the taxpayers of Prince Edward Island. We still get criticized for it. We are maintaining jobs. We're maintaining an important infrastructure. We're continuing to grow prosperity in West Prince, which is rural PEI.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Kensington-Malpeque.

Mr. MacKay: Mr. Speaker, this is what the minister's own report had to say about its efforts: There is a general sense that Mill River has been de-marketed by provincial emphasis on Crowbush, Brudenell, and Dundarave; that it is the afterthought golf destination.

Minister: Is truth what your tired Liberal government was trying to hide from Islanders?

Mr. Myers: Good question.

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Thank you, Mr. Speaker.

I hope all the tourism operators are watching this today, and hopefully not having a negative impact on any decisions they're making for likely one of the busiest seasons we're ever going to have.

Just recently we just invested over \$600,000 in golf carts for Brudenell and Crowbush –

Mr. Myers: Are you bragging about that for real?

Mr. MacDonald: Yes, I am actually –

Mr. Myers: You tried to close my school –

Mr. MacDonald: – bragging because –

Mr. Myers: You tried to close my school and you're bragging about buying half a million dollars worth of golf carts –

Speaker: Order, order!

Mr. Myers: Do yourself a favour (Indistinct)

Speaker: Go ahead hon. Minister of Economic Development and Tourism.

Mr. MacDonald: Thank you, Mr. Speaker.

We're reinvesting in what pays to keep those schools open and that's tourism; \$430 million in revenue generated. That's what keeps our hospitals and schools open.

Mr. Myers: Half a million in golf carts (Indistinct)

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Kensington-Malpeque.

Mr. MacKay: Mr. Speaker, it is getting harder and harder to believe this tired Liberal government. It appears they are not proud they are not proud of their record of long ignoring West Prince.

The secret study also said: There are virtually no complimentary tourism services or experiences providing for critical mass so most of the critical mass will have to occur on the site itself.

Minister: Is this truth what your tired Liberal government was trying to hide from Islanders?

Mr. Myers: Good question.

Ms. Biggar: (Indistinct) question.

Mr. Myers: (Indistinct)

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

Mr. MacDonald: I think we turned the corner, Mr. Speaker. I think we turned the corner; they're actually starting to care about West Prince right now. This is really good because the last couple of days in the House, when I'm answering questions they didn't really care –

Mr. Myers: What's Ronnie saying?

Mr. MacDonald: We've been diligently investing in rural PEI. Over 60% of my loan portfolio is in rural PEI. I stated two cases. Eight per cent in one hon. member's riding. That's a huge investment. To me, those are some.

You take Cloggeroo in Georgetown, a \$20,000 investment. We do that on an annual basis. We have to continue to build

in those rural communities to drive the economy and prosperity of people on PEI.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Kensington-Malpeque.

Mr. MacKay: Mr. Speaker, this would explain the minister's attempt to justify the spin-offs of KFC and Greco in Prince County last Question Period.

Minister: Will you finally accept your ministerial responsibilities for failing to invest or proper market this Mill River property and turning around and dumping them in your sweetheart fire sale deal?

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Thank you, Mr. Speaker.

If the hon. member doesn't think that there isn't a spin-off of 15,000 rounds of golf, and 6,000 room nights sold and 2,500 campsites sold at Mill River; if they don't think those small businesses are gaining from that –

An Hon. Member: (Indistinct) you said it (Indistinct)

Mr. MacDonald: – I think your numbers should be – you should take a look at your business sense there. It is unfortunate.

The spin-off to that property; you take 100 jobs out of Georgetown; you take 100 jobs out of Kensington –

Mr. Myers: Which (Indistinct) did.

Mr. MacDonald: – you take 100 jobs out of Cavendish –

Leader of the Opposition: (Indistinct) took 300 (Indistinct)

Mr. MacDonald: – and see what's left in that community.

We're taking a property with a sunset clause and we're leaving the taxpayers of Prince Edward Island millions of dollars –

Mr. Roach: (Indistinct) still doing it (Indistinct)

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Georgetown-St. Peters.

Mr. LaVie: Here we go.

Business case for Mill River

Mr. Myers: Thank you, Mr. Speaker.

It's funny hearing the minister talk about how great Mill River did last year. If we recall, Rodd's were the ones who marketed Mill River last year, and you took it from them. You not only took it from them you threatened them to get their signature on a piece of paper.

Readers of this secret document will find that most developments highlighted in it create this sweetheart deal.

Question to the minister: Why is the business case on which your fire sale sweetheart deal is based on secret study that Islanders paid for?

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Mr. Speaker, I believe the study, if you're talking about the 2013 study. That study has been available for some time. It was even – there was an article in the newspaper in reference to that study, Mr. Speaker.

Thank you.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Georgetown-St. Peters.

Mr. Myers: Thank you.

When the next question-asker gets up you don't get a reset. You just told him why you

were – he was asking you questions, why you were trying to hide it from Islanders; were you blocking the FOIPP request? You did it twice.

That's how it got to the paper, they had to FOIPP it. You weren't giving it up freely. This minister knows how tired this Liberal government is and they know that sweetheart deals like this is the only way that they can get anybody to do business with them this day.

How is it that your tired government only requires a new owner to make \$1 million worth of renovations and upgrades to the property even though you're forking over \$8 million to this company?

Mr. LaVie: Oh.

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Thank you, Mr. Speaker.

I'll reiterate again. This property was losing somewhere in the vicinity of \$850,000 to \$1 million per year. Now, anybody in the market for a property is going to look at that and say: What kind of investment do we need?

We, as government, and responsible to the taxpayers of Prince Edward Island, have to look at it long-term and say: How can we get out of this? How can we get – but without losing jobs, without losing an infrastructure, without losing a tourism product in West Prince, which is needed. How do we do this?

Over 12 years this will cost the taxpayers less than what we're doing, Mr. Speaker.

Thank you.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Georgetown-St. Peters.

Discussions about selling Mill River

Mr. Myers: Thank you, Mr. Speaker.

I know lots of Islanders who would have taken a free golf course. There are lots of them. There are probably people in this room who would have taken a free golf course. I don't know what you're even talking about. It's a good deal for one person. It's not a good deal for Islanders. It's a good deal for one person. The only person you negotiated with was one person.

Will you admit to this House today that you've never had a discussion with anybody else but this one person for this secret sweetheart deal?

Some Hon. Members: Hear, hear!

Mr. LaVie: The truth is coming.

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

Mr. MacDonald: Thank you, Mr. Speaker.

This goes back to, I believe, it was 2012, when the first ROI was actually put out. There was an ROI put out for all of the golf courses on PEI. It has been no secret. We've been in the paper. We have been talking to several entities about golf courses. All three and we have to continue to do that. The private sector is telling us and the taxpayers of Prince Edward Island: We need to get out of the golf business.

Just go back to Dundarave. Go back to Dundarave –

Mr. Trivers: (Indistinct) nobody else was offered (Indistinct)

Mr. MacDonald: – 1997. Even Binns Tories recognized how bad the deal was and tried to reverse it in 2000. Ultimate cost of Dundarave to taxpayers was probably between \$12 million to \$14 million.

The worst part: we're still losing money at Dundarave and it's costing the taxpayers each and every year more money to run that golf course.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Georgetown-St. Peters.

Releasing document of Mill River deal

Mr. Myers: Thank you, Mr. Speaker.

I find it ironic, this minister standing up here and using a bad deal to defend his bad deal.

Question to the minister: Will you publicly release every document that has to do with your sideways, backroom Mill River deal?

Some Hon. Members: Hear, hear!

Mr. Trivers: Stop the secrecy.

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

Mr. MacDonald: Mr. Speaker, my department has worked closely with the Auditor General. Everything that she decided and wanted us to do, and we have made all of those recommendations –

Mr. Trivers: Back to the Auditor General.

Mr. MacDonald: – available to anybody. We'll continue to work. We're a transparent and accountable government. We're talking about figures. We have shown basically what we've paid, what we didn't pay. We did it in a press release.

We've worked with the new owners and we'll continue to work with the new owners. If someone comes forward with Brudenell or Crowbush, we'll work with them, as well, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Georgetown-St. Peters.

Mr. Myers: Thank you, Mr. Speaker.

I don't think you're being upfront with Islanders at all. Question again to the minister, you claimed: We didn't have too many options when this deal was done.

Will you yes or no: Yes or no? Was public money used to finance the \$500,000 that you sold the property for?

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Mr. Speaker, this was a deal that was put together for the benefit of the employees –

Mr. Trivers: Simple question –

Mr. MacDonald: – for the benefit –

Mr. Trivers: Answer the question.

Mr. MacDonald: – of the taxpayers of Prince Edward Island.

Mr. Trivers: No answer.

Mr. MacDonald: It was a deal that was complicated –

Mr. Trivers: What are you hiding?

Mr. MacDonald: – there was a campground involved, a water park involved, a privately-owned resort involved and a golf course. They were all losing money. I shouldn't have to say anymore, Mr. Speaker.

Thank you.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Georgetown-St. Peters.

Mr. Myers: Thank you, Mr. Speaker.

This was a sweetheart deal for one person and government basically gave away the entire asset, which was a resort, a golf course, a fun park, a campground all for the tune of \$500 but you loaned them the \$500.

Question to the minister: Why did you loan him the \$500 to pay for his share of the sweetheart deal?

Ms. Biggar: Five hundred thousand.

Mr. Myers: The \$500,000, sorry.

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

Mr. MacDonald: Thank you, Mr. Speaker.

Again, you just got to look at this as a big picture. It's a sunset clause –

Some Hon. Members: (Indistinct)

Mr. Trivers: Answer the question.

Mr. MacDonald: – for the taxpayers.

Mr. Trivers: (Indistinct) answer the question.

Mr. MacDonald: There's a sunset clause for the taxpayers of Prince Edward Island. I can't understand how the opposition is not even standing up defending this deal –

Mr. Trivers: (Indistinct) the question.

Mr. MacDonald: We're getting out of the golf course business. We have an operable person in there that's going to take that and make more and build on that infrastructure. We're going to maintain jobs, and the taxpayer of Prince Edward Island is going to be off the hook in a number of years, whereas I just talked about Dundarave since the 1990s and we're still paying for it.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Georgetown-St. Peters.

Value of Mill River property (further)

Mr. Myers: Thank you, Mr. Speaker.

This whole golf course is worth \$7 million, and what this minister has told the House is that they found a buyer and the buyer put the \$500,000 in that they sold it for. But, what he didn't tell this House was that they lent him the \$500,000.

Question again to the minister: Why did you give away a golf course and not even get the buyer to put five cents of their own money into it?

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Thank you, Mr. Speaker.

I'll go back to the study of 2013. If the hon. member really thinks that that's all the money that's going to have to be invested in that property – when the study said there

was \$42 million, I believe, required to bring it up to where it was at one point in time in its life – if that hon. member thinks that's going to happen, then we did make a bad deal. We did make a bad deal if that's all that's going to happen.

But let me tell you, we didn't make a bad deal. The investment that gentleman is going to put in that property is going to keep a signature property in West Prince. It's going to develop, it's going to grow, it's going to keep jobs and it's going to get the taxpayer off the hook.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Georgetown-St. Peters.

Mr. Myers: Thank you, Mr. Speaker.

I asked this three times. I'm going to ask it again. These properties were worth \$7 million. It was a sweetheart deal that you gave them away for \$500,000. So fact: That's a sweetheart deal. What's an even bigger sweetheart deal was you guys gave the \$500,000, which meant it cost your buyer \$0. How many Islanders could afford to pay \$0 for a golf course and have all of their losses covered? I'll tell you how many: Every one.

Question: Why did you give the \$500,000 to Don MacDougall?

Some Hon. Members: Hear, hear!

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

Mr. LaVie: I'll tell you why.

Mr. MacDonald: Thank you, Mr. Speaker.

Again, look what this property has done to West Prince and what it has done to maintaining jobs in West Prince.

Mr. Trivers: (Indistinct)

Mr. MacDonald: These jobs are not high-paying jobs to any effect. These are jobs that keep that community going, and I can't understand how rural PEI is being talked about this way in relevance to: We're trying to grow rural PEI. We've done a number of

things in this government to maintain rural PEI and we're continuing to do that. I just can't see for the sight of me that this establishment is not worthy of that, Mr. Speaker.

Thank you.

Some Hon. Members: Hear, hear!

Speaker: The hon. Leader of the Third Party.

Non-binding plebiscite on electoral reform

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

Motion 80 on electoral reform is still on the order paper, but as we know the so-called binding referendum outlined in it is, how shall I put this? Problematic in that it's not constitutionally valid. During debate last week on the *Election Age Act*, the Government House Leader revealed a new plan to create a larger package on electoral reform for the next election.

Question to the Premier: Is government still committed to holding a second non-binding plebiscite on electoral reform as outlined in Motion 80? Or if not, what is the new plan?

Some Hon. Members: Hear, hear!

Speaker: The hon. Premier.

Premier MacLauchlan: Mr. Speaker, government indicated in the fall session of last year that there would be a referendum held in conjunction with the next election and it is constitutionally valid. I don't know where that language comes from, and indeed that will be done, and done in a way that will permit Prince Edward Islanders to make a definitive choice about a very important question of our democracy and of our constitution, which is how we elect government.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

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

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

Much of the criticism of the plebiscite on the electoral reform, especially from government members, was that the ballot question was too complicated. Government's new plan to put a larger package up on electoral reform for a plebiscite is potentially a far more complicated affair than the plebiscite was last fall.

Question to the Premier: How will you ensure that a plebiscite on this larger reform package is not complicated and that Islanders have a better understanding of what they are actually voting for?

Speaker: The hon. Premier.

Premier MacLauchlan: Mr. Speaker, the referendum has been put forward as an opportunity for Islanders to have a clear choice, an A versus B choice, between two options for their democratic and electoral future. In order to adopt referendum legislation, that matter will come forward to this House and we will have an opportunity to ensure that the choice is clear.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

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

Open debate versus closed debate between leaders

Dr. Bevan-Baker: Thank you, Mr. Speaker. Before resuming debate, the Premier wishes to wait for the new leader of the Conservative party to be chosen so that we can know where that party stands on the issue. This would suggest, at least in the Premier's mind, that a party's position on a topic is determined by the leader rather than by debate and democratic process within a party caucus.

A question to the Premier: Why has the plan changed from an open debate in this House to a closed debate between leaders?

Some Hon. Members: Hear, hear!

Mr. Myers: Good question.

Speaker: The hon. Premier.

Premier MacLauchlan: Mr. Speaker, I'd remind the House of two things: When Motion 80 was on the floor last fall the Leader of the Third Party tried twice to (Indistinct) all debate and asked you to stop it on the question of engaging leaders. I wrote to the leaders about campaign finance and haven't heard back from them.

I think we should all look forward to having an open and an active, and a clear debate in this House that will enable Prince Edward Islanders to make a clear choice about their electoral future.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Ms. Biggar: Good job.

An Hon. Member: Very good.

Speaker: The hon. Member from Charlottetown-Brighton.

Strategy for minimum wage increase

Mr. J. Brown: Thank you, Mr. Speaker.

My question is for the Minister of Workforce and Advanced Learning. Minister, I have been contacted by a number of small business owners that were caught off guard by the raise in the minimum wage.

Can the minister inform the House as to the strategy for minimum wage increases and what's being – a strategy for minimum wage increases has been prior to the most recent increase?

Thank you.

Speaker: The hon. Minister of Workforce and Advanced Learning.

Mr. Gallant: Thank you, Mr. Speaker.

Minimum wage increased 25 cents on April 1st to put us up to \$11.25 per hour, which is the highest in Atlantic Canada. The reason minimum wage is looked at by the three provinces is for competitiveness and to keep our workforce here. This puts more money

into the economy and into pockets of Islanders.

The *Employment Standards Act* requires that the Employment Standards Board reviews minimum wage on a yearly basis, and they take in many factors. As I had said earlier, the three provinces have shared a date of April 1st for any future increases. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Charlottetown-Brighton, your first supplementary.

Business community and future change to minimum wage

Mr. J. Brown: Thank you, Mr. Speaker.

It's always important for employers to be aware of changes that will impact business operational costs. How is your department ensuring that the business community will be aware of any future changes to the minimum wage?

Speaker: The hon. Minister of Workforce and Advanced Learning.

Mr. Gallant: Thank you, Mr. Speaker.

It's very important that the business community is aware of any changes to upcoming minimum wage increases. There is always consultation before the minimum wage goes up, and that's encouraged by the Employment Standards Board.

Mr. Trivers: That's not what business owners said in my district.

Mr. Trivers: (Indistinct)

Mr. Gallant: From this year forward, any changes to the minimum wage will be announced well in advance of April 1st so the business community can be prepared.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Trivers: (Indistinct) 2:00 p.m. on a Thursday afternoon (Indistinct)

An Hon. Member: (Indistinct)

Speaker: Order, order!

The hon. Member from Charlottetown-Brighton, your second supplementary.

Process for minimum wage changes

Mr. J. Brown: Thank you, Mr. Speaker.

Minister: Can you explain to the House the process for making minimum wage changes?

Speaker: The hon. Minister of Workforce and Advanced Learning.

Mr. Gallant: Thank you, Mr. Speaker.

As I had mentioned earlier, the *Employment Standards Act* requires that the Employment Standards Board reviews minimum wage once a year and they take many things into consideration. One of them is the social and economic effects of minimum wage rates, the cost of living increase, the economy of the province, and of course, the reasonable return on investment for businesses.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

An Hon. Member: Good job.

Speaker: The hon. Member from Summerside-Wilmot.

Statistical information on university graduates

Mr. Palmer: Thank you, Mr. Speaker.

My question is also for the Minister of Workforce and Advanced Learning: I am personally aware of several university students who have graduated with a degree, but are unable to find work in their field of study. These students are either underemployed or fully unemployed.

Can the minister inform the house as whether statistical information is collected on how many of these cases we have here on PEI?

Speaker: The hon. Minister of Workforce and Advanced Learning.

Mr. Gallant: Thank you, Mr. Speaker.

There is statistical information that is collected on university graduates and my department studies that information annually. Maritime Provinces Higher Education Commission recently found employment rates within two years of postsecondary graduation are approaching 90%.

From 2014-2016, the employment rate among those aged 20-24 has dropped by more than 2% and we have the strongest labour force participation rate east of Manitoba. Day-to-day, I see many success stories due to the entrepreneurial spirit young Islanders, whether it is through opening their own business, taking part in programs and startup zones at the business incubator or participating in programs like The Grove pop-up shop this past month.

Thank you, Mr. Speaker.

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

Mentorship program re: hiring of graduating students

Mr. Palmer: Thank you, Mr. Speaker.

There's tremendous value to having experience on a resumé.

Minister: Is your department offering any type of mentorship programs to encourage employers to hire graduating students?

Speaker: The hon. Minister of Workforce and Advanced Learning.

Mr. Gallant: Thank you, Mr. Speaker.

My department is delivering a graduate mentorship program and it provides wage subsidies for employers to hire graduates to help them train in their field of study. In the past year alone, I am pleased to announce, that nearly 300 graduates were supported under this program. Through this program, recent grads had the opportunity to work in such Island businesses as: WEICan in North

Cape, Vector Aerospace, Heartbeet Organics, AquaBounty Canada and Trout River Industries, to name a few.

Thank you, Mr. Speaker.

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

Apprenticeship programs

Mr. Palmer: Thank you, Mr. Speaker.

For those students who have graduated from college or have chosen a trade, does your department offer any type of apprenticeship programs to encourage job training and work experience?

Speaker: The hon. Minister of Workforce and Advanced Learning.

Mr. Gallant: Thank you, Mr. Speaker.

There's also support for college students who follow the mentorship route. My department offers a variety of support to students and recent graduates and unemployed Islanders. Those who have graduated with diplomas, can access the Graduate Mentorship Program and if they chose the apprenticeship route, they can access training through PEI – through Training PEI. This gives them the opportunity to obtain on-the-job training and supports block release for the classroom components.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Souris-Elmira.

Landline telephones re: government

Mr. LaVie: Thank you, Mr. Speaker.

My question is to the finance minister: Currently, how many landline telephones does government pay for each year?

Speaker: The hon. Minister of Finance.

Ms. Biggar: (Indistinct)

Mr. Roach: Thank you, Mr. Speaker.

It's finally great to be standing on the floor of the House answering questions.

That's not a number that I would have at my fingertips, but at the earliest opportunity, I'll have somebody count the phones and I'll bring that answer back.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Souris-Elmira.

Mr. LaVie: Thank you, Mr. Speaker.

(Indistinct) was up today and these ministers are not debriefed. This minister here was elected in 2011, you should be debriefed. There are over 6,900 landlines that government is paying for.

Question to the finance minister: Do we really need close to 7,000 landline phones in this day and age?

Some Hon. Members: Hear, hear!

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

That's certainly something that we've had the opportunity to take a look at and I'll be making an announcement a little bit later – later on in the House on the floor with respect to that.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Souris-Elmira.

Mr. LaVie: Thank you, Mr. Speaker.

So I guess he's going to make an announcement later on in the House. He's not going to answer my questions when he's going to answer his own questions on his own statement.

Mr. Roach: Patience, patience.

Cell phones re: government

Mr. LaVie: Question to the finance minister: Currently, how many cell phones does government pay for each year?

Some Hon. Members: Hear, hear!

Mr. Myers: Good question. Good question. Let's see if he can go 0 for 3.

Speaker: The hon. Minister of Finance.
Mr. Roach: Thank you, Mr. Speaker.

Although I don't have the exact number at my fingertips, which I think most people would normally expect that wouldn't be the case, but we've obviously done a lot of work in this area over the last while and we're going to be assessing that as well. And again, save for the hon. Member from Souris-Elmira, patience. I'll give him a lot more as soon as I make the announcement in a few minutes.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Trivers: (Indistinct)

Speaker: The hon. Member from Souris-Elmira.

Phone costs to Island taxpayers

Mr. LaVie: Thank you, Mr. Speaker.

Question to the finance minister: There are nearly 2,000 cell phones that government is paying for each year – 1,952 to be exact.

Question to the finance minister: How much do these 6,900 plus government landlines cost Island taxpayers each year?

Some Hon. Members: Hear, hear!

Speaker: The hon. Minister of Finance.

Mr. R. Brown: (Indistinct)

Mr. Roach: Thank you, Mr. Speaker.

When we're talking about landlines for government and cell phones for government, that's a pretty broad area. We're talking about all of our departments within government, we're talking about education, we're talking – an awful lot of phones.

We're talking about everything that are in the hospitals, everything that's in education, and you look at some of those departments and those phones are needed dearly – so are the cell phones.

We've certainly taken the time to look at that and we are now adjusting what it is that we intend to do and I'll be more than happy to talk more about that in an announcement a little bit later this afternoon.

Mr. R. Brown: Great.

Mr. Roach: Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Souris-Elmira.

Mr. LaVie: Thank you, Mr. Speaker.

Question to the finance minister: That is a lot of phones. There is a lot of phones out there right across Prince Edward Island – government phones. It is, \$2 million a year, that's what it's costing, \$2 million a year. That'll put a school in Georgetown. That'll put an ambulance in Souris.

Question to the finance minister: Why are we paying for so many unused land lines?

Some Hon. Members: Hear, hear!

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

I appreciate the work that the Member from Souris-Elmira has done in figuring out what the costs are, but you can't just shut down every phone in government and say: That's it. Nobody's talking anymore. We're going to spend \$2 million here, or \$2 million there. We have to be reasonable about that. We have to assess that. We have to make the correct decisions. Part of doing that, and the part of the numbers that we looked at, those are certainly things that we've looked at that have enabled us to reach a balanced budget.

Thank you, Mr. Speaker.

Mr. R. Brown: Yeah.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Souris-Elmira.

Cell phone costs to government

Mr. LaVie: Thank you, Mr. Speaker.

He talks about a fake balanced budget. \$2 million is a lot of money. There's 1,952 unused phones out there – landline phones. With today's technology, emails, BBMs, text messaging –

Question to the finance minister: How much do the 1,952 government cell phones cost government each year?

Mr. Myers: Good question.

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker.

If the hon. Member from Souris-Elmira wants to know that, just take what he's paying for his cell phone and then he can multiply that by 1,952. It'll probably give him a pretty good idea of where it's at.

Mr. R. Brown: I bet he did it. I bet he did.

Mr. LaVie: Thank you, Mr. Speaker.

This is not about the member from Souris-Elmira, District 1. Don't turn that around. This is not about the member – listen –

An Hon. Member: Another bridge. Another bridge.

Mr. LaVie: You were there for a while. You could have done your homework in this and you can't answer the questions. You can't answer the questions. According to the Freedom of Information – that's all you had to do – according to the Freedom of Information request from our office, the bill for government cell phones is over \$100,000 a month.

Question to the finance minister: Do you think spending around \$1.2 million on cell phones and another \$2 million on landlines is making the most of our – best for our taxpayers on Prince Edward Island?

Some Hon. Members: Hear, hear!

Ms. Biggar: Don't you have a cell?

Speaker: The hon. Minister of Finance.

An Hon. Member: – Morse code.

Mr. Roach: Thank you, Mr. Speaker. We've taken the time to look at the – of the hard lines, as we call them, and the cell phone lines, and we're also looking at all other areas of communication.

We're in a time and an era where it's very important for people to be able to be in contact for a variety of different reasons, and certainly as I said before when we look at the people that we provide cell phones to in government, whether it's doctors, whether it's nurses, whether it's – it doesn't matter who it is – within our education system. Some of these things are important and we think that that's money well spent for Islanders to have that connection in all forms of communication –

Mr. Myers: (Indistinct) cell phones.

Mr. Roach: – and we look forward to continuing with that.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Souris-Elmira, this will be your final question.

Millions spent on cell phones and landlines

Mr. LaVie: Thank you, Mr. Speaker.

We know any time that opposition brings up an issue they're always looking into it. They're always looking into it. You've had 10 years now to look into it –

Ms. Biggar: (Indistinct)

Mr. LaVie: You've had 10 years to look into it. You fellows have been there for 10 years now. When opposition brings it up: We're looking into it. We're looking into it.

We know that \$23 million went out the door from this tired Liberal government on its Bell high speed Internet. Now, we find out

about another \$2 million on landlines and another million-plus on cell phones.

Question to the finance minister: How many more of these backroom deals will be dumped on taxpayers by this tired Liberal government?

Some Hon. Members: Hear, hear!

Mr. Myers: Good question, that's a good question.

Speaker: The hon. Minister of Finance.

Mr. Roach: Thank you, Mr. Speaker, and I appreciate the question posed by the Member from Souris-Elmira and the depth of which he has gone to research this and to look at that, but you know what? I think that I can look at the legislative schedule for today and figure out where the questions are coming from.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. LaVie: I'll table the documents.

Mr. Roach: Go ahead, table them.

Some Hon. Members: (Indistinct)

Mr. Trivers: (Indistinct)

Mr. Myers: (Indistinct) came back February 28th, did they not tell you?

Ms. Biggar: It's no secret.

Mr. Myers: They're like a house band, they just walk right in (Indistinct)

Mr. LaVie: I'll table it for you.

Speaker: Okay –

Mr. Roach: I've got something to table for you here later.

[End of Question Period]