



Session:	2/65
Date:	21 April 2017
No:	52

LEGISLATIVE ASSEMBLY
OF
PRINCE EDWARD ISLAND

RESPONSES TO QUESTIONS AND ORAL QUESTION PERIOD
(PRELIMINARY PROCEEDINGS)

FOR

FRIDAY, 21 APRIL 2017

Responses to Questions Taken as Notice

Questions by Members

Speaker: The Leader of the Opposition.

Service from Premier's department to public

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

Two years in a row the Auditor General has reviewed parts of the Premier's own department to deal with vulnerable Islanders. Two years in a row the AG has found major issues with how the public is served by this Premier's department.

Question to the Premier: Why does this keep on happening to your department?

Some Hon. Members: Hear, hear!

Speaker: The hon. Premier.

Premier MacLauchlan: Mr. Speaker, the Auditor General has her annual cycle of studies and audits and reports. We cooperate fully with those. It's always welcome when you're in government to get the advice of the Auditor General. In particular, where there are recommendations to improve service, to improve systems in ways that can be beneficial to the Prince Edward Islanders that we serve and we welcome that, Mr. Speaker.

Thank you.

Some Hon. Members: Hear, hear!

Speaker: The hon. Leader of the Opposition.

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

I have to question the Premier's leadership then.

In last year's AG report it was the maintenance enforcement, an office that directly impacts the well-being of Island children. Major problems were found with how this service was managed.

Question to the Premier: When the AG found big problems in maintenance enforcement last year did you check around your department to find out if this was an isolated incident or not?

Some Hon. Members: Hear, hear!

Speaker: The hon. Premier.

Premier MacLauchlan: Mr. Speaker, as the Minister of Justice and Public Safety and in turn with the great leadership of the deputy minister in our department and directors and officials, we are continuously looking for ways that we can improve service; where there are lessons to be learned; where there are additional resources required. Indeed, that's a continuous part of the work that we do.

You can see that in the response to maintenance enforcement. Indeed, you can see it in other parts of the work that we do at justice and public safety.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Mr. Speaker, this is not the deputy minister's department. This is the Premier's department.

The AG certainly did check around. This year the auditor found over 300 vulnerable Islanders, who depend on the Public Trustee program aren't being well served either.

Question to the Premier: Why does this tired Liberal government continue to fail and protect our most vulnerable people on PEI?

Some Hon. Members: Hear, hear!

Speaker: The hon. Premier.

Premier MacLauchlan: Mr. Speaker, to be clear, when the Auditor General looks at areas where she might conduct an audit as part of her regular work and as part of her annual review, indeed, government is part of that conversation.

We were well aware and indeed, welcomed the work of the Auditor General to take a look at what we do in the Office of the Public Trustee, recognizing the importance of that service and the way in which it is important to the lives of the 300 Islanders mentioned in the question.

We welcome that work and are acting on the Auditor General's advice, and indeed, acted in anticipation of it.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Rustico-Emerald.

Public Trustee and client assets

Mr. Trivers: Mr. Speaker, the Public Trustee administers the estates of PEI residents who have died leaving assets within the province when there is no one in a representative capacity.

In this year's report the Auditor General found that: the process to administer and safeguard client's assets is inadequate. There are significant internal control weaknesses and missing support documentation for money spent.

This is a question for the Premier. Premier, you are the minister responsible: Why are you treating our most vulnerable Islanders this way?

Some Hon. Members: Hear, hear!

Speaker: The hon. Premier.

Premier MacLauchlan: Mr. Speaker, the Public Trustee is one of the longest standing services, aspects of the PEI public service, going back to the early years of government for the very reasons that are implied in the question and implied in our commitment to work with the Auditor General, receive her advice, and to act on that advice.

Or, as I said previously: To anticipate areas where we know that there is an opportunity to offer better service. One of them is, indeed, to do with documentation. Steps had been taken to put in place a more robust

information technology to deal with those documents.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Rustico-Emerald.

Mr. Trivers: Mr. Speaker, also was stated by the auditor: Public reporting is an essential component of transparency and accountability. The Public Trustee office has no goals or performance measures of any kind.

This office held close to \$9.5 million in assets on behalf of these vulnerable Islanders in 2014.

Question for the Premier: Premier, why did government not provide the auditor with the assets figure for 2015 or 2016? What is this government trying to hide?

Some Hon. Members: Hear, hear!

Speaker: The hon. Premier.

Premier MacLauchlan: Mr. Speaker, the Auditor General's Report has those figures, so I'm under the understanding that there was full cooperation with the Auditor General, which generally happens. It certainly was the case with the Public Trustee and the leadership of that group and of the Department of Justice and Public Safety and others who could help with her work.

I'm pleased to say, that she was able to conduct a complete audit and to provide advice. It's advice that we're taking and working on.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Rustico-Emerald.

Public Trustee financial statements

Mr. Trivers: Thank you, Mr. Speaker.

It's a requirement by law that the Office of the Auditor General performs an annual audit of the Public Trustee's financial statements. Yet, the March 31st, 2014 audited financial statements were completed only this winter, and they are still working on the 2015 and 2016 financial statements to get them to the auditor.

But, a bigger problem is the Public Trustee's audited financial statements have not been publicly available since 2011. This is six fiscal years and counting.

Question for the Premier: Premier, what exactly is this government hiding from Islanders?

Some Hon. Members: Hear, hear!

Speaker: The hon. Premier.

Ms. Biggar: Oh, scared.

Premier MacLauchlan: Mr. Speaker, there is no reason to be other than open and transparent when it comes to this work. Indeed, to conduct and offer the services of the Office of the Public Trustee on the most efficient terms, and open and transparent terms, that's our commitment. There is no question, whatsoever, of anything being hidden.

One area, though, that was brought to light by the Auditor General's work is the need for additional staff in that office.

I'm pleased to say that this year's Estimates include a provision for an additional staff member to an office that currently has just under two FTEs to bring up, to in effect, increase by 50% the staff in that office, and to include an added allocation of \$86,000.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Rustico-Emerald.

Public Trustee and public money

Mr. Trivers: Mr. Speaker, the fact is that the 2015 and 2016 financial statements are not with the auditor.

When a client dies the *Public Trustee Act* requires that, "...until an executor or administrator is appointed, the Public Trustee shall continue to conserve the estate of the person."

The act further states that: All property held of a deceased person that is not claimed within five years of the date of death shall be converted into cash and paid to the Minister of Finance.

Mr. LaVie: Oh!

Mr. Trivers: Premier: How much money has this government made off with from deceased Islanders through the Office of the Public Trustee?

Some Hon. Members: Hear, hear!

Speaker: The hon. Premier.

Mr. LaVie: Balancing the books.

Premier MacLauchlan: Mr. Speaker, let's remember that we're dealing here with vulnerable Islanders who don't have someone else to look after their affairs, which is why the Public Trustee has existed from the inception of that office going back many decades.

I think it's incumbent on us, in government, and in this House, not to add to any anxiety that people have, what the work of that office has done under law. That's exactly as the question said, and it doesn't help anyone to suggest that anyone's making off with their money –

Mr. Myers: Don't question the Premier on it.

Premier MacLauchlan: – this is the operation of law and it's the work and the honest work and the open and transparent work –

Mr. Myers: Very (Indistinct)

Premier MacLauchlan: – of the Public Trustee that serve vulnerable Islanders.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Rustico-Emerald.

Assets of deceased Islanders

Mr. Trivers: Mr. Speaker, it's seven years going on eight without audited statements. Clearly there is something wrong, and it's been since 2011 that there have been any publicly published statements of this money.

What the auditor found when the 2014 books were finally given to her two months ago was shocking. In 2014, the assets of 72 deceased Islanders with a value of \$545,000 were converted into cash and paid to the finance minister.

Premier: Why is this government profiteering off of vulnerable, deceased Islanders who you are supposed to be protecting?

Some Hon. Members: Hear, hear!

Speaker: The hon. Premier.

Premier MacLauchlan: Mr. Speaker, that transfer of funds – anyone who read the Auditor General's report would know it – takes place under the operation of law where people pass away and there aren't beneficiaries. There's nothing more to it than that, and I don't think it helps anyone, and certainly not vulnerable Islanders, to imply that there's anything else to it.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Rustico-Emerald.

Mr. Trivers: Mr. Speaker, the last publicly available audited books are from 2009-2010. That can't be disputed. They appear to show over \$900,000 being disposed from this office back to the province. In 2014, it was \$545,000.

The auditor has also found this office has no documented policy for seeking out and contacting heirs when a client dies. Rather, it appears this government sits on the assets for five years, then converts them to cash to pay to the finance minister.

Premier: How much has this government pocketed from deceased Islanders over your tired Liberal government's 10 years in power?

Some Hon. Members: Hear, hear!

Speaker: The hon. Premier.

Premier MacLauchlan: Mr. Speaker, the fact that the Auditor General pointed out that there is no policy that lays out how those steps would be taken is not to say that that office fails to take steps to contact beneficiaries, and that's a very highly qualified and hard working team, a small team in that office, and indeed it's a team that has been working with the guidance of the Auditor General and with the benefit of the work of her report, as well as in anticipation of ways in which that service can be improved to add staff, to enhance the information technology, and indeed to look at ways in which the legislation can be updated, and that's something – that work is underway and will be brought to this House at a further sitting.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Souris-Elmira.

Dollars spent to party ad agency

Mr. LaVie: Mr. Speaker, in the last election this Liberal government spent over \$800,000 on ads. That's more than all other parties combined on the whole election.

Question to the Premier: Premier, why has your tired Liberal government spent over \$1.3 million of taxpayers' dollars to your party ad agency?

Some Hon. Members: Hear, hear!

Speaker: The hon. Premier.

Ms. Biggar: It's nothing to do with the House.

Premier MacLauchlan: That's a pretty big number, Mr. Speaker, and it's one I had not heard before, and I assume the Member

from Souris-Elmira has some source or documentation to –

Mr. LaVie: Yeah.

Premier MacLauchlan: – support it.

Ms. Biggar: Table it.

Mr. Myers: Yeah, it's (Indistinct) yes.

Premier MacLauchlan: But Mr. Speaker, we –

Mr. Myers: Only took you two years to figure that out.

Premier MacLauchlan: We do indeed have robust elections in this province, and it's an opportunity to inform Islanders of our platform and of what they can expect if we form a government.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Souris-Elmira.

Mr. LaVie: Well Mr. Speaker, between 2009 and 2016 your tired Liberal government spent over \$1.3 million to Results Marketing, your party ad agency.

Question to the Premier: You spent over \$800,000 to your ad agency in the last election. Why did you have to feed them another \$1.3 million of taxpayers' money?

Some Hon. Members: Hear, hear!

Speaker: The hon. Premier.

Premier MacLauchlan: Mr. Speaker, several points on this. One, it sounds to me like I'm being asked here about the affairs of the Liberal Party of Prince Edward Island, which I didn't realize would be the normal course of business for Question Period. Two –

Mr. LaVie: Using taxpayers' money.

Premier MacLauchlan: – what the Liberal party does is with funds that it raises from donors, and it may indeed be that the tired people are the ones asking the question. It

sounds like things aren't going too badly for the Liberal party by the numbers –

Mr. Myers: Knives are in your back though.

Premier MacLauchlan: – that the member is using.

Mr. Myers: The knives are in your back. They're polling you. It's over.

Mr. LaVie: (Indistinct)

Premier MacLauchlan: And let me remind the House that I presented to this House in a statement in December a letter to the leaders of the other parties, inviting an exploration and an updating of our laws regarding campaign financing.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Ms. Biggar: Maybe it is a challenge to ask questions related to the Budget.

Speaker: The hon. Member from Souris-Elmira.

Untendered money paid to ad agency

Mr. LaVie: Thank you, Mr. Speaker.

Mr. Speaker, \$1.3 million is a lot of money. That's a pretty big fee. That's taxpayers of Prince Edward Island, that's their money.

Question to the Premier: Why was over \$1 million of this windfall for your Liberal party ad agency untendered?

Some Hon. Members: Hear, hear!

Mr. Myers: Good question, more untendered contracts.

An Hon. Member: Could ask the same thing.

Speaker: The hon. Premier.

Ms. Biggar: All you've got to ask.

Premier MacLauchlan: Mr. Speaker, I think the best thing that the hon. member could do would be to write a letter to the

executive director or the president of the Liberal party –

Mr. Myers: Government (Indistinct) government money.

Premier MacLauchlan: And you never know –

Mr. Myers: It's government money.

Premier MacLauchlan: – if things are –

Some Hon. Members: (Indistinct)

Speaker: Order, order!

Okay, hon. member, you're very close to personal attacks, which is not –

Mr. Myers: Well, it's disrespectful to the hon. member to (Indistinct)

Ms. Casey: Challenging the Chair?

Mr. Myers: No, I'm not challenging the Chair –

Some Hon. Members: Oh, oh!

Speaker: No, I'm just saying you're very close to personal attack, hon. member, and just watch it from now on.

The hon. Member from Souris-Elmira.

Mr. LaVie: Mr. Speaker, over \$1.3 million – that's a lot of taxpayers' dollars, and this Premier spent it. Don't put the blame on your party. It's your government that spent it.

One point three million dollars could give a lot of hurting Islanders a warm bed and a roof over their heads.

An Hon. Member: Hear, hear!

Mr. LaVie: Instead, you fed your Liberal party friends.

Question to the Premier: Did you think taxpayers got value for the \$1.3 million your tired Liberal government fed your party ad agency?

Some Hon. Members: Hear, hear!

Mr. Roach: Same question four or five times, that's tired.

Ms. Biggar: (Indistinct) do with the Budget or any (Indistinct)

Speaker: The hon. Premier.

Mr. LaVie: Must be guilty.

Premier MacLauchlan: Mr. Speaker, first I expect the number that's being used is inflated. Two, if the hon. member would like to know more about this, I'd recommend that he write to the executive director or the president of the Liberal Party of PEI, and you never know if you get some of the information that you're looking for on that, you might even learn a few things that could be helpful to the conservative party of PEI.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Souris-Elmira.

Money paid to ad agency for website

Mr. LaVie: He talks of the conservative party – you spent more money on one election than all parties combined in the last election.

Change – you campaigned on change. There's no change. What change? It's just more of the same tired Liberal talk.

Question to the Premier: How is paying your Liberal party ad agency \$550 to put a website good value for money?

Some Hon. Members: Hear, hear!

Speaker: The hon. Premier.

Premier MacLauchlan: Let me say, Mr. Speaker, that the money that is spent in the course of an election campaign in this province, whether it's by the parties represented here in the House or by others, is in the main spent through the publications or broadcasters who are able to help Islanders understand what's on offer or what the issues are in an election, so let me say whatever is being implied here – and I think it's frankly not the business of the House,

but in any event – what is being implied here about the ad agency doesn't get at the essence of what these transactions are, and that is it's to pay for the value that is given by the print media, the broadcast media, and the avenues by which we inform Islanders. I believe it helps to keep a healthy media in this province and we don't apologize for that.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Souris-Elmira.

Cost of design re: Budget cover book

Mr. LaVie: Thank you, Mr. Speaker.

This Premier is putting this all in a tailspin – he's trying to confuse the people. Between 2012 and 2014, your tired Liberal government paid your Liberal Party agency \$49,000 for a better access, better care campaign.

Mr. Myers: Yeah, untendered.

Mr. LaVie: Question to the Premier: How is paying your Liberal Party ad agency over \$6,000 to design a budget cover book that has nothing inside of it.

Mr. MacEwen: Just a cover.

Mr. LaVie: You paid over \$6,000 just for the cover. Premier: How is that a good value for your money?

Mr. Myers: Good question.

Speaker: The hon. Minister of Finance.

Mr. Myers: Runs away when (Indistinct)

Mr. Roach: Thank you, Mr. Speaker.

I assure you that any work that that ad agency did with respect to the budget book that came out is not just for one cover on one book, that's there to provide a number of books that – not only that are available to each and every one in this House –

Mr. LaVie: (Indistinct).

Mr. Roach: – it's also three different types of books that go out when we prepare the budget –

Mr. Trivers: I heard it was designed in house, he just sent it back.

Mr. Roach: – and send it out. There's also a number of books out there that are prepared –

Mr. LaVie: \$6,000.

Mr. Roach: – for the general public and that's something that's been done for years and it's good value for dollar.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Leader of the Third Party.

Creation of new department-RRD

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

Government recently created a new department of rural and regional development and while I'm glad to see the increased attention to rural communities, I have to wonder though that with the haste with which this department appeared and the continuing lack of a mandate letter, how well thought out the whole thing was.

A question to the hon. Minister of Rural and Regional Development: Could he please explain the rationale behind the creation of his new department?

Some Hon. Members: Hear, hear!

Speaker: The hon. Minister of Rural and Regional Development.

Mr. Murphy: Thank you, Mr. Speaker.

Thank you for that question, Green Party leader.

We do have a mandate. I can read some of it here to you. I'll just be brief because it's – develop a comprehensive approach to rural and regional development –

Mr. Trivers: You know it well; you've got to read it.

Mr. Murphy: – advance the population strategy building on retention; recruitment and repatriation; work with the minister of economic development; work with the other ministers right across –

Some Hon. Members: (Indistinct).

Chair: Members! Go ahead hon. member.

Mr. Murphy: – work with other ministers right across government to spur economic development in rural parts of the province; deliver employment investment programs – which I'm sure a lot of you MLAs are familiar with the rural job initiative and economic development agency program; and support small and rural businesses.

Since I've been appointed to this portfolio, I have been right across the province. I've been in Georgetown several times –

Mr. Henderson: He's been everywhere.

Mr. Murphy: I've been in Belfast, met with the communities of Montrose, community of St. Louis, community of Miminegash.

Mr. Trivers: (Indistinct).

Some Hon. Members: (Indistinct)

Speaker: Okay, that's good thanks.

Some Hon. Members: Hear, hear!

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

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

I just want to be clear, I checked five minutes before I came upstairs to Question Period today and the mandate letter is, indeed, not published publically – it's certainly not on the website. I expect the new minister, hope that we do see this new mandate letter soon.

The government website says that the new department will work primarily with the Departments of Workforce and Advanced Learning and Economic Development and Tourism. Surely, if we are to have a holistic

vision for rural Prince Edward Island, all of the departments: Health and Wellness, Family and Human Services, education early learning – all of these should be included in the discussion.

A question to the minister: Why does the department's mandate not include working with all government departments?

Some Hon. Members: Hear, hear!

Speaker: The hon. Minister of Rural and Regional Development.

Mr. Murphy: Thank you, Mr. Speaker.

Actually, the mandate was published in the press release. I think it goes without saying, that every aspect of government touches rural Prince Edward Island. Rural and urban are so intertwined that it's hard to function without crossing over each and every department.

An Hon. Member: That's the regional part.

Some Hon. Members: Hear, hear!

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

PEI and new rural Secretariat

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

Just to be clear, it's the mandate letter I was referring to, which is not, as far as I can tell, available anywhere.

One of the things mentioned in the description of the new department is the creation of a secretariat. Now rural secretariats, of course, have been implemented in other provinces and federally as Canada – a tool to engage rural citizens and stakeholders, and through that engagement to apply a rural lens to government policy decisions.

A question to the minister: Will PEI's new rural secretariat follow this same model?

Speaker: The hon. Minister of Rural and Regional Development.

Mr. Murphy: Yes it will.

Ms. Biggar: Good answer.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Tignish-Palmer Road.

Promotion of new Stompin' Tom Centre

Mr. Perry: Thank you, Mr. Speaker.

West Prince residents are excited about the new Stompin' Tom Centre and looking forward to the grand opening to take place during the Canada Day weekend. The new centre is an important cultural resource for the area and residents want to ensure that it is sustainable well into the future and that efforts are made to promote it to both visitors and to Islanders.

My question is to the minister responsible for tourism: Can you tell the House today how his department plans to promote this new attraction.

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

Mr. MacDonald: Thank you, Mr. Speaker.

It is a very exciting time for West Prince. The Stompin' Tom Centre is not just for the West Prince area, but Stompin' Tom is recognized right across this province and right across Canada. There's lots of exciting things, actually, happening in West Prince and we've been in discussion most of this week on some of them. We've partnered in funding on the establishment of the facility. We're considering a funding application to go along with the grand opening – we've been in consultation. We work closely with North Cape Coastal Drive to promote any events in that area and will continue to do so.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Tignish-Palmer Road, your first supplementary.

Mr. Perry: Thank you, Mr. Speaker.

In Stompin' Tom's words: Get to it and get at it.

Minister: What is your department doing to promote the region of West Prince?

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

Mr. MacDonald: Just recently the center is being included in our story ideas pitch to regional, national and international media. There's already been some uptake on it. Social media, obviously, is going to play a significant role in the advancement of this product when it's completed. We will continue to utilize it and you'll see it throughout the summer on advertising activities.

We have a new initiative that we're perusing right now that Stompin' Tom will be a part of that, but I'll speak to that at a later date.

But I can tell you right now, we're very proud of Stompin' Tom and the West Prince area and we'll continue to promote it the best we can.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Tignish-Palmer Road, your second supplementary.

Mr. Perry: Thank you, Mr. Speaker.

I've heard from visitors to the west that it's quite a gem up there that we have. They were quite disappointed when they stopped at some of the visitor information centres that, when they asked about what was up west, they were told: Really nothing is up west. They were directed other ways. We all know in this House that that's not true. West Prince has a lot to offer.

Minister: What will you do to ensure that your staff, specifically those that work in the visitor information centres, are well informed and will promote tourism in West Prince?

Some Hon. Members: Hear, hear!

Mr. LaVie: Work with rural development (Indistinct)

Some Hon. Members: (Indistinct)

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

Mr. MacDonald: Thank you, Mr. Speaker.

That's not good to hear, obviously, as a minister. Each and every year we take the VIC individuals on a FAM tour and perhaps we can do it more in depth.

There's lots of good things happening in West Prince. Just recently, Moth Lane Brewing is going to be part of the Festival of Small Halls, we have West Point Lighthouse, we have national wind farm. We have the potato museum.

An Hon. Member: (Indistinct)

Mr. MacDonald: We have Mill River golf. We have Stompin' Tom, the bottle house –

Mr. LaVie: Answer the question.

Mr. MacDonald: We have all kinds of festivals and events and we have to continue to promote each and every place on PEI.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. MacDonald: Hockeyville.

Speaker: The hon. Member from Charlottetown-Lewis Point.

Needs-based grants for low-income students

Ms. Casey: Thank you, Mr. Speaker.

My question today is directed to the Minister of Workforce and Advanced Learning. Recent data from Statistics Canada shows that low-income Islanders are still struggling to access post-secondary education. Needs-based grants are designed to give student financial aid to those from lower socio-economic backgrounds. As a result of a presentation from the UPEI Student Union, the Standing Committee on Education and Economic Development recommended that a needs-based grant system be explored to assist low and middle-income Islanders attend post-secondary university.

Could the minister update the House on what your department has done to address this recommendation?

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

Mr. Gallant: Thank you, Mr. Speaker. Thank you for the question, hon. member.

We appreciate that financial barriers exist for low-income students seeking post-secondary education. We provide over \$30 million in financial assistance programs and as mentioned earlier this week, we will soon have more opportunities for those who are eligible for EI to attain training.

Also, through a combination with our federal counterparts, programs offered through the student assistance offices, we are making student eligible with low-incomes that they can receive that \$25,000 in non-repayable assistance towards their education.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

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

Ms. Casey: Thank you, Mr. Speaker.

Minister, I understand that Ontario and New Brunswick have adopted comprehensive needs-based grant systems that help to cover the costs of education for those from low-income backgrounds.

Minister: Could you tell us if the Ontario and New Brunswick models have been examined by your department?

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

Mr. Gallant: Thank you, Mr. Speaker.

Our department has explored the approaches of Ontario and New Brunswick with great interest, and we noticed there have been some challenges in their model and we are closely monitoring the effects of these challenges and see how it affects post-secondary training.

Thank you.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Charlottetown-Lewis Point, your second supplementary.

Ms. Casey: Thank you, Mr. Speaker.

Minister, Government of Canada has also expanded the Canada Student Grant Program and created a fixed-rate contribution system for assessing financial need.

Minister: Has the provincial government changed our needs assessment protocols to match the federal program to ensure low-income Islanders have access to financial aid?

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

Mr. Gallant: Thank you, Mr. Speaker.

As I had mentioned earlier, we work closely with our federal government and the increase in the Canada Student Grant Program has allowed low and middle-income students in PEI receive more funding and we will continue to work and I look forward to helping students of low income and middle class students to have access to post-secondary education.

Some Hon. Members: Hear, hear!

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

Operating agreement with Mill River

Mr. Myers: Thank you, Mr. Speaker.

Last year, this tired Liberal government signed an operating agreement with Mill River and they agreed to pay the new operators \$400,000 in management fees to run the course on all its properties.

Question to the economic development minister: Who got the revenue from the last year's operation of the forests?

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Thank you, Mr. Speaker.

Mill River, obviously I've discussed this several times, through estimates over the past week and prior to that, likely a couple of weeks. I think everybody recognizes the fact that it's a flagship property in West Prince. We just had questions about marketing in West Prince and what entities – what we're trying to do to achieve success in that area.

Part of the management agreement and part of the whole package was tabled here last night. We've been as transparent as possible with this, and it's obvious that some people disagree with our position across the floor, but I can tell you this deal, based on \$850,000 losses per year to the taxpayers of Prince Edward Island with no capital improvements on the property going forward, is not something that we can sustain.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

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

Reimbursement of staff wages at Mill River

Mr. Myers: Thank you, Mr. Speaker.

I hear, and I think all my colleagues very much view Mill River as a flagship property for West Prince, we never suggested that you shut it down. We didn't suggest you give it away, either.

We know that your operator got to keep all the revenue, all the revenue last year from the course to green fees, the food, the pro shop sales, the beer on the course, but they had to reimburse government for the staff wages.

Question to the minister: How much were you reimbursed?

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Thank you, Mr. Speaker.

I'd have to bring that back to the House, Mr. Speaker.

Thank you.

Some Hon. Members: Hear, hear!

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

Number of golf rounds sold as package by Rodd's

Mr. Myers: Thank you, Mr. Speaker.

The minister has told us on numerous occasions there was over 15,000 rounds in Mill River last year. Could the minister tell the House how many of those 15,000 rounds were sold as part of a package by Rodd's?

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Thank you, Mr. Speaker.

I don't have that information at my fingertips as I discussed last night in Estimates, and we could get it for the hon. member.

But there's more important issues here. We're talking about a property that was going to cost \$6.6 million in reinvestments in capital going forward over the next 12 years, which is the length of this contract, and if the hon. member thinks that anybody is going to pursue that as an interest without having other investments in this property, he is absolutely wrong.

This is such an important and integral part of West Prince tourism. With 200 units, 110 of them – 90 of them at Mill River, there's got to be reasons we have to continue to invest in rural PEI.

We can't divide rural PEI. If I took this approach with any other constituency over there in their ridings, I can assure you that they'd be standing up opposite to what we're saying here today.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

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

Revenue made from running golf course

Mr. Myers: Thank you, and yes, I can assure you that over here if you paid somebody to take a golf course that we would stand up against it, because we'll stand for Islanders and we'll stand for taxpayers and we'll stand for responsible government any day that you guys won't, which is every day.

Fifteen thousand rounds at \$65 a round works out to about \$1 million, plus you gave them \$400,000 in management fees. That's \$1.4 million, and according to your budget book, the salary savings by not having any of the salaries from the golf course in this year's was \$500,000.

Can you tell me, Mr. Minister: How much money did Don McDougall make last year running the golf course?

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Thank you, Mr. Speaker.

Those numbers aren't available at this point in time, but I will tell you this: The year before, we lost \$465,000 ourselves as government – \$465,000 we had to compensate that property to keep it going. Then – that's taxpayers' money, and then on top of that there was over \$300,000 to the Rodd property. Now, we're up to almost \$850,000.

Going forward, \$850,000 over 12 years is approximately \$10 million. There's no capital improvements invested in that property.

Where is that property going to be in 12 years? I can tell you where it's going to be. They're worried about subdividing it – it'll be subdivided because there'd be no other use for it, Mr. Speaker.

Thank you.

Some Hon. Members: Hear, hear!

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

Mr. Myers: Thank you, Mr. Speaker.

It's really sad to hear the minister who's responsible for tourism has such little faith in West Prince –

An Hon. Member: No.

Mr. Myers: And I urge the West Prince MLAs to talk to him, because that golf course has been well run over the years. There's been lots of rounds on it and there's been great staff on it.

I'll do the math for you; \$900,000 is what he made last year, but this year over half of the employees are gone and they've reduced their pay by 33%.

Question again to the minister: Given the fact that he made \$900,000 last year, how much money do you think he'll make this summer?

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Thank you, Mr. Speaker.

I find that applaud-able, I guess, to some extent in reference to rural PEI and the investment that we're making in rural PEI. I can tell you right now, 17.9% of my loan portfolio is in tourism and the tourism product from one end of the Island to the other.

We're continuously investing; \$2.3 million in grants in our grant program through Tourism PEI.

I understand the opposition is focused on politics of division – politics of division, urban versus rural. We created a new portfolio to give it more strength. We continuously invest in rural PEI.

The hon. member's own riding has 8% of the lending portfolio.

Mr. Trivers: (Indistinct)

Mr. MacDonald: Some of his – if he talks about the Kings Playhouse or we talk about Cloggeroo, or – you know, we're investing all the time. This is nothing new.

What we're trying to do is create a flagship that will draw more people to the West Prince area and with the surrounding items that I mentioned here earlier on other questions from members in the House, this is exactly what we need to do to create, to drive that 5% travel that's coming to Prince Edward Island.

Some Hon. Members: Hear, hear!

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

Mr. Myers: Thank you, Mr. Speaker.

We know that last year the operator took in \$1.44 million. We estimate that he probably made about \$900,000.

Question again, to the minister: Does that mean in your opinion, do you believe that that means the operator finished in the black, not in the red?

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Obviously, with the questioning my opinion doesn't matter. I'm glad to hear him say it was an estimate because the numbers he's firing around, I have – there is no concrete value to them. It's all a guess.

It is that divide thing again. We are a government that's charging ahead. We are aggressive. We are somewhat risk-taking. We're going to promote Prince Edward Island right across the Island. We're saving taxpayers' money in the long run on this deal.

We've been told for numbers of times that: Get out of the golf business. You shouldn't be in the golf business.

I gave the numbers last night in Estimates. Which golf courses make money, which ones don't; this was obviously one that

doesn't. \$850,000 a year over 12 years is over \$10 million –

An Hon. Member: Big money.

Mr. MacDonald: – with no capital improvements.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Georgetown-St. Peters, your final question.

Mr. Myers: Thank you, Mr. Speaker.

Now, I find it very funny that the minister is accusing me of trying to divide. If I recall on that announcement the minister for rural development didn't show up for it. The Member from Tignish-Palmer Road didn't show up for it, Bobby Morrissey didn't show up for your announcement.

You guys are dividing. It has nothing to do with what we're doing; it sounds like those fellows aren't even on board with your big scheme over there.

All along you've tried to justify this sweetheart deal to Islanders. You know what? When we did budgeted estimates last night, it dawned on me: Don McDougall made \$900,000 last summer. \$900,000 and he paid you \$500,000. He still had \$400,000 –

Ms. Biggar: Question!

Mr. Myers: – after his was done.

Ms. Biggar: Question!

Mr. Myers: Do I have the floor, Mr. Speaker?

Speaker: You do, hon. member.

Mill River and government money

Mr. Myers: Thank you.

Question to the Minister of Economic Development and Tourism: How can you justify these fire sale prices to Islanders when the operator cleared enough to buy the resort last summer and pocket \$400,000 to boot?

Some Hon. Members: Hear, hear!

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

Mr. MacDonald: Thank you, Mr. Speaker.

You know it's easy to stand up and to say whatever comes to mind –

Mr. Myers: Oh! It's coming back.

Mr. MacDonald: – to throw out figures with no relevant concrete information to back them up.

I can tell you –

Mr. Myers: You won't give us any.

Mr. MacDonald: If you look at this establishment over a number of years and you look at it last year, it had, obviously, significant losses. This is the first year –

Mr. Trivers: Give us the numbers.

Mr. MacDonald: – that this property has been open year-round in a long time.

Next time the hon. member is up west, and if Burger Love is still on, tell him to go in and try it because there is line up every night.

An Hon. Member: Yes.

Mr. MacDonald: We're already seeing an economic spin-off –

Ms. Biggar: Yes.

Mr. MacDonald: – relevant to Mill River.

Sooner or later there will be –

Mr. Myers: Free golf course with every burger.

Mr. MacDonald: – there will be a flag on this property. Every time we see a flag come to Prince Edward Island it gives us a world of opportunity to capture even additional markets.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Ms. Biggar: Good job.

[End of Question Period]