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LEGISLATIVE ASSEMBLY  
OF  
PRINCE EDWARD ISLAND

RESPONSES TO QUESTIONS AND ORAL QUESTION PERIOD  
(PRELIMINARY PROCEEDINGS)

FOR

THURSDAY, 19 APRIL 2018



Questions by Members

**Speaker:** The hon. Leader of the Opposition.

**Leader of the Opposition:** Thank you very much, Mr. Speaker.

Throughout the year government invites Islanders, everyday Islanders to apply to be members of boards here. I think that's a great initiative. In fact, the government regularly advertises vacant positions.

**Appointments to board and public funds**

My first question today is to the Premier: Premier, do you believe that your government is being transparent by allowing appointments to a board that distributes public funds?

**Speaker:** The hon. Premier.

**Premier MacLauchlan:** Mr. Speaker, there are many boards and agencies and opportunities to give public service that are filled. It has been our practice through Engage PEI since we came to government to encourage all Islanders to express an interest in such positions. Those boards have a lot of different decisions that they get to make.

Thank you, Mr. Speaker.

**Speaker:** The hon. Leader of the Opposition.

**Leader of the Opposition:** Thank you very much, Mr. Speaker.

There's one obvious exception to what we've just discussed and that I asked the Premier about. It's the IIDI board.

This board, this secretive board, is made up of five handpicked, selected deputy ministers.

**IIDI board and closed-door meetings**

Question to the Premier: Why is this secretive IIDI board allowed to have closed-door meetings with no public input?

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

**Mr. Palmer:** Thank you, Mr. Speaker.

Our loans are distributed and managed through the IIDI board. We're really proud of that that we're able to support small business across PEI with loans that can help them grow their business, hire staff, find new markets. And with those businesses, the money they make comes back into the economy of PEI. We're thrilled to do that so that we can inject money into the province to pay for hospitals and schools and manors and roads. We're very proud to support that.

**Speaker:** The hon. Leader of the Opposition.

**Leader of the Opposition:** Thank you very much, Mr. Speaker.

There was no response, no reply to my question as to why this secretive board can hold private meetings with no public input.

IIDI held assets over \$400 million, taxpayer dollars. Their lending portfolio totaled over \$150 million in 2016-2017. IIDI also manages the province's immigration program and owns industrial assets such as Slemon Park.

**Public oversight and government agencies**

Question again to the Premier: In the spirit of transparency, will you agree that public oversight is vitally important for all government agencies?

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

**Mr. Palmer:** Thank you, Mr. Speaker.

Our loan portfolio is around \$355 million and we lend that out to about 1,000 businesses across PEI that support about 14,000 employees. The loan portfolio generates about \$15 million in revenue to the province. We make – we net, \$5 million. We're happy to support business, and make a buck while we're doing it.

**Ms. Biggar:** (Indistinct) it's so funded (Indistinct)

**Speaker:** The hon. Leader of the Opposition.

**Leader of the Opposition:** Thank you very much, Mr. Speaker.

The budget of IIDI is not included in the government's budget estimates, therefore is outside the scrutiny of this Legislative Assembly. An annual report is the only window that the public has into the activities of this powerful and secretive board.

However, quite often this report, annual report, is as late as two years.

### **Publishing of annual report**

Question to the Premier: Would you be satisfied with just an annual report that is years behind in being published if that was your personal money?

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

**Mr. Palmer:** Thank you, Mr. Speaker.

Our report is available online. The funds were – our lending portfolio funds were put in place around the year 2000. We do not contribute yearly funding to that because it's self-sustaining. The revenues that come from that, from the small businesses that we support, come back in to help fund that.

As I've said: and we make some money at it. We make about \$5 million a year and support businesses at the same time.

Thank you, Mr. Speaker.

**Speaker:** The hon. Leader of the Opposition.

**Leader of the Opposition:** Thank you very much, Mr. Speaker.

This is also the same board that annually writes off millions of dollars; millions of dollars in bad loans.

We believe that members of the public should be able to serve on government boards that impact their lives.

Bill No. 108, *An Act to Amend the Island Investment Development Act*, would allow Islanders outside of government to be able to serve on the IIDI board.

### **Public oversight and government agencies (further)**

Again, question to the Premier: Will you support Bill No. 108 and the principle of public oversight of powerful government agencies?

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

**Mr. Palmer:** Thank you, Mr. Speaker.

We make about \$15 million a year in revenues in our loan portfolio –

**An Hon. Member:** I thought it was \$5 million (Indistinct)

**Mr. MacKay:** You wrote off 18 last year.

**Mr. Palmer:** – our net profit is about \$5 million and our average write-off is about \$1 million a year, so we're still making money at it. I think we even perform better than most chartered banks.

Thank you very much, Mr. Speaker.

**Speaker:** The hon. Member from Kensington-Malpeque.

**Mr. MacKay:** Thank you, Mr. Speaker.

Public loans to private businesses have been a hot topic as of late. Over the last while a number of respected small business people in my district have reached out to me in this.

What they're telling me is that what matters is there's a level playing field and everyone gets a fair shot.

### **Transparency and government loans**

Question to the economic development minister: Why isn't there more transparency around large government loans?

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

**Mr. Palmer:** Mr. Speaker, we're proud to support businesses across PEI; small business, farmers and fishers, and 60% of our loan portfolio is held in rural PEI and we're very proud of that. There's jobs

created and brings new money into the province that can support our schools, our hospitals and our roads.

We are happy and proud to continue to do that, Mr. Speaker.

**Speaker:** The hon. Member from Kensington-Malpeque.

**Mr. MacKay:** Thank you, Mr. Speaker.

Minister, I want to reel you in and say we're going to talk about Cabinet approval loans. When Cabinet approves multi-million dollar loans and Order in Council is issued. Sometimes, there may be a project description, but most times the only information is the amount and who got it.

### **Order in Council and loan description**

Question to the minister: Is there any reason why those Orders in Council couldn't include the loan amount, who received the loan, a project description and what the terms are?

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

**Mr. Palmer:** Mr. Speaker, again, I'm proud to support business across PEI. Actually, in the member's district is a little bit over \$10 million in loans that have been to businesses there that help them grow, help them succeed and help them employ Islanders –

**Mr. Trivers:** (Indistinct)

**Mr. Palmer:** – and we know that that brings new money into the province that can help pay for all the things that we know are so important.

Thank you, Mr. Speaker.

**Speaker:** The hon. Member from Kensington-Malpeque.

**Mr. MacKay:** Thank you, Mr. Speaker.

Once again, minister, we are talking about Cabinet approval loans.

### **Orders in Council approved since 2015**

Questions to the minister: How many Orders

in Council has Cabinet approved for government loans since 2015?

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

**Mr. Palmer:** Mr. Speaker, we have professional staff in Finance PEI that review all loan applications. They make recommendations based on the merit of the project, the ability of the proponent to pay it back, and the management expertise.

We are very proud with the record that we have and there's lots of investment going on right across PEI in all districts and we're happy to continue to do that, Mr. Speaker.

Thank you.

**Speaker:** The hon. Member from Kensington-Malpeque.

**Mr. MacKay:** Thank you, Mr. Speaker.

Minister, there were 23 Orders in Council for government loans approved by Cabinet since 2015. Would it surprise you to know that those loans totaled over \$58 million and change?

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

**Mr. Palmer:** Mr. Speaker, it would not surprise me at all because PEI is on a tear –

**Some Hon. Members:** Hear, hear!

**Mr. Palmer:** – there are all kinds of great things going on in PEI. Businesses are growing everywhere –

**An Hon. Member:** (Indistinct) health care (Indistinct)

**Mr. Palmer:** – we have over 2,700 new jobs created this year –

**Mr. Myers:** (Indistinct)

**Mr. Palmer:** – and we're happy to have small business do that –

**An Hon. Member:** (Indistinct)

**Mr. Palmer:** – they're the backbone of our economy and we're really proud to have them.

Thank you, Mr. Speaker.

**Mr. LaVie:** (Indistinct)

**Ms. Biggar:** (Indistinct) saying (Indistinct)

**Speaker:** The hon. Member from Kensington-Malpeque.

**Mr. MacKay:** Thank you, Mr. Speaker.

Twenty-three loans for \$58 million approved by Cabinet since 2015. Another thing those business people told me was that they don't have any problem with loans to new businesses creating a new product, but when government starts picking winners and losers then there's a problem.

#### **Transparency and government loans (further)**

Question to the minister: With the public concerns around government loans and political ties, wouldn't more proactive disclosures make sense?

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

**Mr. Palmer:** Mr. Speaker, small business is the backbone of the economy in PEI. We all know that, and they continue to grow and we're happy to support more business every year that continue to hire new employees –

**Mr. LaVie:** Retire, you're hung over.

**Mr. Palmer:** – that create brand new opportunities that bring brand new money into the community. So, we're very happy to do that and we'll continue to do that.

**Speaker:** The hon. Member from Kensington-Malpeque.

**Mr. MacKay:** Thank you, Mr. Speaker.

We press government to publicly disclose loan write-offs, and after a while they finally agreed with us and did it. The sky didn't fall.

#### **Order in Council and loan description (further)**

Question to the Premier: Will you commit to making the changes to disclose more information when Cabinet approves a loan, including the loan amount, the recipient, and the terms?

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

**Mr. Palmer:** Mr. Speaker, small business across PEI makes tremendous investments in the community. They employ people. They bring new money into the community, and we're very proud to support small business owners through PEI and we will continue to do that.

**Speaker:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** Thank you, Mr. Speaker.

The *Liquor Control Act* has not had a full top-to-bottom review in over 40 years; 40 years. Thankfully, government has indicated that a review of the act is forthcoming.

#### **Public consultations on *Liquor Control Act***

Question to the finance minister: When are the public consultations on the *Liquor Control Act* scheduled to begin?

**Speaker:** The hon. Minister of Finance.

**Mr. MacDonald:** Thank you, Mr. Speaker.

**Mr. LaVie:** You on a tear too?

**Mr. MacDonald:** I'm glad to rise on the occasion, too, but also to recognize Amy Smith from the – we all know the relevant issue of kombucha, so just in relationship to what the hon. member is saying, yes it has.

I think it was 1974 since the act was actually revisited, and one of my first jobs when I came forward was – coming from the tourism industry, was to review the act and that's what my intention is. In the next likely six to seven days I'll even have more information on changes to the regulations within that act.

Thank you, Mr. Speaker.

**Speaker:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** Thank you, Mr. Speaker.

Indeed, the public is interested. Heart Beet Organics is interested. If a major law like the *Liquor Control Act* is being reviewed, I would hope that the public would have an opportunity to weigh in.

Question to the Minister of Finance: Can you confirm that public consultations will be held as part of the *Liquor Control Act* review?

**Mr. LaVie:** The last minister did.

**Speaker:** The hon. Minister of Finance.

**Mr. MacDonald:** Thank you, Mr. Speaker.

A number of liquor license holders and industry associations and citizens across PEI have already contacted me, many of them. In fact, the hon. Member from Charlottetown-Parkdale – we had a meeting recently. My door is always open. I've been receiving many emails on this topic from many businesses. It is an antiquated act, as far as I'm concerned, and as far as the public is concerned, I believe they'll agree with it.

We're going to move forward on this. There are lots of things in the regulations that are very minor changes. But, if you look at what we've done to small business in our Budget alone, we are for the small business operators; small-to-medium enterprises run this province and anything we can do to help them grow, we're going to help them grow.

**Mr. Myers:** (Indistinct) 3% and he gave them a half a per cent back.

**Mr. Roach:** (Indistinct)

**Speaker:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** Thank you, Mr. Speaker.

Minister, you said it. After recent high-profile examples of red tape run amok with local businesses and products like kombucha from Heart Beet Organics and The Humble

Barber, there's a clear need to modernize the act, absolutely.

Now, when the now minister of economic development raised the issue over a year ago he was told that the *Liquor Control Act* review was a few months away. When he raised the issue again in December, he was told the review would be done in six to nine months.

### **Review of *Liquor Control Act***

A question to the finance minister: What's the hold up on this review and getting down to business?

**Speaker:** The hon. Minister of Finance.

**Mr. MacDonald:** Thank you, Mr. Speaker.

The hon. member wants us to speed things up, but then he wants to do a plebiscite and slow things down. You know what? We're a proactive government on this side of the House. We're going to continue to make changes to the regulations as fast as we possibly can; allow the companies, the small businesses to grow within the PEILCC act, and that's what we're going to continue to do because we feel it's extremely important to our culture, and our heritage, and our tourism industry.

Creating small business and creating wealth for Islanders, I think it's a proven track the last three years that we've been in power, that if you've seen the growth right across the Island, we're doing the right thing.

Thank you, Mr. Speaker.

**Speaker:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** Well, Mr. Speaker, it's clear to see why we're not making much progress. Why would you ever hold a plebiscite on the *Liquor Control Act*? It makes no sense whatsoever.

**Some Hon. Members:** (Indistinct)

**Mr. Trivers:** Mr. Speaker, the act is long overdue for a dose of common sense.

### **Regulations for production of hard cider**

Question to the finance minister: What are the regulations around establishing a production facility for hard cider?

**Speaker:** The hon. Minister of Finance.

**Mr. MacDonald:** Mr. Speaker, like I said, if the hon. member can wait six or seven more days, I'll have a good answer for him.

Thank you, Mr. Speaker.

**Speaker:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** Thank you, Mr. Speaker.

According to the regulations, hard cider is defined as wine and this means a hard cider facility must use fruit from an orchard with a minimum size of three acres immediately adjacent to the production facility. This severely limits the ability to access locally-sourced apples from across the Island and it limits the options to locate production in retail facilities.

Question to the finance minister: Why are we allowing restrictive red tape to choke the creativity of Island entrepreneurs?

**Speaker:** The hon. Minister of Finance.

**Mr. MacDonald:** Thank you, Mr. Speaker.

The hon. member and I don't agree on much, but that is one point that I'll stand and agree with him, and that's some of the issues that we're dealing with. That's some of the issues I'll be bringing forward as far as the regulations. I'm certainly aware, that's why I'm taking this initiative and we're looking at rewriting the act.

As we move forward, we're not going to wait until the act is ready to be rewritten; we're changing the regulations as we go as fast as we can legally. We're making those adjustments.

I do take offense with some of the stuff that he had said in regards to what's happening with the economy in Prince Edward Island. No one out there is going to argue that we are trending in the right direction. We are growing the economy, and people are better off with it.

Thank you, Mr. Speaker.

**Speaker:** The hon. Member from Rustico-Emerald.

**Mr. Trivers:** Thank you, Mr. Speaker.

Island entrepreneurs are continuing to succeed despite the poor decisions from this government, and thank goodness for our Island entrepreneurs. Regulations are there, and I'm glad to hear the minister say that he's going to work to change the regulations. He is not giving us any timeframes. He's not giving us any commitments.

Cider is a popular and fast-growing market, and its growth locally is being choked by red tape. Any review of the liquor act should lean towards common sense rather than maintaining outdated red tape. We need a commitment. We need to know when.

#### **Review of *Liquor Control Act* (further)**

Question to the finance minister: Islanders are ready, and it's time. Can we please work together to bring the *Liquor Control Act* into the 21<sup>st</sup> century now?

**Mr. Roach:** (Indistinct)

**Speaker:** The hon. Minister of Finance.

**Mr. MacDonald:** Mr. Speaker, I'm at a loss because I can't explain it any better that we're moving as fast as we can. We've made changes.

**Mr. Trivers:** (Indistinct)

**Mr. MacDonald:** We're creating all kinds of opportunities for small businesses. We started with the micro loans, then we created a venture capital for small business –

**Some Hon. Members:** (Indistinct)

**Mr. Trivers:** (Indistinct)

**Mr. MacDonald:** – then we lowered the incorporation tax rate in the most recent Budget, then we put a 15% rebate on a \$25,000 capital investment.

I think small business is looking at us saying

–

**Mr. Trivers:** You've got the power, use it.

**Mr. MacDonald:** – you guys got it, keep it going.

Thank you, Mr. Speaker.

**Mr. Trivers:** (Indistinct)

**Mr. Myers:** (Indistinct) hands in your pockets.

**Ms. Biggar:** Come on up to Tyne Valley. I'll show you Arlington Orchards.

**Mr. LaVie:** (Indistinct)

**Mr. Trivers:** You can't use their apples to make cider.

**Speaker:** The hon. Member from Charlottetown-Parkdale.

**Ms. Bell:** Thank you, Mr. Speaker.

Last fall, I brought up the issue that government is failing to retain Blackberry and other instant messages that might fall into the category of government records. At the time, I tabled a special report by the Information Commissioner of Canada in which she states: Instant messaging presents an unacceptable risk to the rate of access to information. She also makes numerous recommendations to ensure that valuable government records are not carelessly destroyed.

#### **Policy around government records (further)**

A question to the Minister of Justice and Public Safety: Have you read the commissioner's report, and if so, what do you think of her recommendations?

**Speaker:** The hon. Minister of Justice and Public Safety.

**Mr. J. Brown:** Thank you very much, Mr. Speaker.

I'm glad that this question is coming back to the floor again this time around. I am glad that because this hon. member led us all to believe here that there was a magic switch that we could somehow flip and we would

have the ability to retain Blackberry messages.

Well, I can tell you here today that ITSS has looked into this, and there's not a magic switch and as it turns out, there's about a \$1 million cost each year to go and do that.

Thank you, Mr. Speaker.

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

**Ms. Bell:** Thank you, Mr. Speaker.

I'm really pleased to hear that the minister has followed up and done some investigations from those recommendations in the report and that has spoken to ITSS.

To that minister: Can you advise us then of what steps have been taken to implement this solution?

**Speaker:** The hon. Minister of Justice and Public Safety, and the Attorney General.

**Mr. J. Brown:** Thank you very much, Mr. Speaker.

What I will do is advise this Chamber as to the cost of putting that solution in place and that is that the software alone that's required to do it would have an implementation cost of \$725,000 with an annual renewal cost of \$475,000. In addition, there would be storage costs with an implementation cost of \$150,000 and an increase in storage costs required annually of \$75,000.

Thank you, Mr. Speaker.

**Speaker:** The hon. Member from Charlottetown-Parkdale, your second supplementary.

**Ms. Bell:** Thank you, Mr. Speaker.

These software costs are comparable to the costs required to implement records management systems as they are in federal government departments. For instance, in the department of veterans affairs, which has had BlackBerry server and BlackBerry messaging situations in place for 12 years and I know so because I built them.

### **Recommendation to Information Commissioner**

Minister, perhaps you could advise how much accountability is truly worth considering this is as recommendation for the Information Commissioner of Canada.

**Speaker:** The hon. Minister of Justice and Public Safety, and the Attorney General.

**Mr. J. Brown:** Thank you very much, Mr. Speaker.

For somebody that actually built that technology, you'd think that person would know a little bit more about it and would not be misleading this House.

**Some Hon. Members:** Oh!

**Mr. J. Brown:** That being said, we have looked into this and I, as Minister of Education, Early Learning and Culture, in addition to my other responsibilities, must take our Budget very seriously. And we're talking about the difference between implementing 10 additional teachers, or flipping a switch for BlackBerry messages, which is about one-tenth of the possible communication means that we're talking about here. That is not a wise use, I wouldn't say, of our resources.

Thank you.

**Speaker:** Thank you, minister.

I just want to remind the minister that using the term 'misleading the House' is very, very close to unparliamentary. Okay?

The hon. Leader of the Third Party.

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

A number of times over the past year I have brought up the issue of the lack of oversight when government contracts outside legal services. I was shocked to find out, last year, that legal services are explicitly exempt from Treasury Board policy and it concerns me that so much money is being spent with little or no oversight.

A year ago, I recommended to the former minister of justice that he should adopt the Nova Scotia policy where all expenditures

for legal services in government go through the Attorney General's office according to some very strict criteria.

### **Contracting outside legal services**

Question to the new minister of justice: Can you tell me whether any follow-up work has been done on implementing a similar policy here on PEI?

**Speaker:** The hon. Minister of Justice and Public Safety, and the Attorney General.

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

Yes, I can advise the House that since having become minister I certainly look back at the question that was posed by the hon. Leader of the Third Party and the Hansard would indicate that the Premier, who was minister at the time, had indicated that he did feel that there was some wisdom in that and thank the hon. member for forwarding the policy from Nova Scotia.

We have begun to do some preliminary work on this and I can report that there is a large degree of this work that is sent out through a public process, Mr. Speaker. So, I don't think it's fair to say that there's no public scrutiny of this right now.

Thank you.

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

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

I was recently provided with data from the Department of Finance that indicated that over \$650,000 was spent on outside legal fees by government departments over the last three years.

### **Hiring more in-house lawyers**

To the same minister: Do you think there might be savings to be made by hiring more in-house lawyers so less work needs to be contracted out?

**Speaker:** The hon. Minister of Justice and Public Safety, and the Attorney General.

**Mr. J. Brown:** Mr. Speaker, this is actually a very interesting question for me to stand

and answer and I can tell you that I'm not going to be able to do it in 40 seconds, or not do justice to it in that period of time, but the short answer is no.

There is a much longer answer which involves the expertise of the people that we might hire, the reasons why you might have different outside council do different things. I might get along to say that there's different way that we can look at this, which is what we are doing in terms of ways that we can go out to the public – and, in fact, we are doing this now – through an RFP process or a different public process to ensure that we are getting the best deal that we possibly can.

Thank you, Mr. Speaker.

**Speaker:** The hon. Leader of the Third Party.

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

I distinctly remember during budget deliberations asking the first department that came up about legal services and whether they have to be contracted out and there was an explicit answer: No, we don't have to do that. So, government has spent over \$650,000 and as I previously pointed out, the Liberal Party has received over \$78,000 in donations from legal firms or individual lawyers during the 2015 election.

#### **Return on investment for legal firms**

To the same minister: As a lawyer, do you think legal firms are, you might say, getting a good return on their investment?

**Speaker:** The hon. Minister of Justice and Public Safety, and the Attorney General.

**Mr. J. Brown:** Thank you very much, Mr. Speaker.

That might be a question that the hon. Leader of the Third Party would do better to put to Matt MacFarlane, who's his justice critic and who works for one of the firms that I would suspect has made donations over the course of that time.

I will say that this follows a troubling line of questioning that started yesterday when the hon. member started to question the ethical

integrity of the chair of the Island Regulatory and Appeals Commission, who's somebody that I will say I practice at a different from, but I have the utmost of respect for that individual. I would never say one bad thing about him. I would never question his integrity ever. For him to have made a political contribution and to have donated his time to numerous good causes in the Charlottetown area and around Prince Edward Island and then to be subject to this kind of thing, Mr. Speaker, is totally unfair.

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

**Mr. Perry:** Thank you, Mr. Speaker.

My question is to the Minister of Economic Development and Tourism.

Minister: The Leader of the Third Party recently talked about being at a roundtable discussion and a question came up and I quote from Hansard, "...why is government supporting a really successful business. Is this an appropriate thing to do?" Minister, I believe they were talking in reference to ADL.

#### **Government support of successful businesses**

Could you tell us why the government supports successful businesses?

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

**Mr. Palmer:** Thank you, Mr. Speaker.

We are very proud to support small business and large business across PEI. We know that's very important to the economy. They're the backbone. They help drive the engine that keeps PEI moving. We have professionals in Finance PEI that will evaluate loans, they make sure that people are able to pay it back, that new staff are being hired. We continue to do that for large business and small business alike. This year in our Budget, we announced new programs: tax cut for small business that will save businesses \$2,500 a year and a small business capital rebate which will save them up to \$3,750 a year.

Thank you, Mr. Speaker.

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

**Mr. Perry:** Thank you, Mr. Speaker.

Last week the Leader of the Third Party suggested that large companies do not need support as much as small businesses. I quote from Hansard again, "...I just wish, perhaps, we were a bit more unfocused in our support and that we would spread this around a little bit and not forget about the little guys."

Minister: Does your department only support large business as suggested by the Leader of the Third Party?

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

**Mr. Palmer:** Mr. Speaker, again, we're proud to support business, both small and large, on PEI. We're also proud to support the 275 employees at ADL, and the 165 small business farmers on PEI –

**Some Hon. Members:** Hear, hear!

**Mr. Palmer:** – and the 1,500 indirect jobs that are created because of the success of companies like ADL.

Thank you, Mr. Speaker.

**Ms. Biggar:** Yes.

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

**Mr. Perry:** Thank you, Mr. Speaker.

I think the idea of investing in Island companies to keep good-paying jobs here on Prince Edward Island is very important.

The Leader of the Third Party mentioned three smaller companies last week and he said, and again I quote, "All of these micro-producers who are not going to see a penny of government money, I don't think they ever have, but they could be part of the rural revitalization."

The Leader of the Third Party is implying that your department does not support small business. Can you, minister, confirm how your department supports small business so that the Leader of the Third Party would

have the appropriate information so that he can spread the correct information?

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

**Mr. Palmer:** Thank you, Mr. Speaker.

I'm not about to pit one business off against another other as the Leader of the Third Party may want to do.

We support the micro-producers that were referenced by the Leader of the Third Party. We're very happy to do that. Maybe, the Leader of the Third Party could follow our lead and fight for business instead of just fighting for new office space for himself.

**Speaker:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Mr. Speaker.

If you think that's bad, I have to share an office with member from Georgetown, the member from Souris.

**Some Hon. Members:** [laughter]

**Mr. Myers:** We're crammed in there.

**Mr. R. Brown:** You're fighting for new offices, too.

**Mr. MacEwen:** It's tough.

Mr. Speaker, the standing committee on health had a wonderful presentation a couple of weeks ago from the Rotary Club of Montague. I was talking with a few members after. I would call it one of the most complete, passionate and commonsense presentations we've had for a while.

A question to the minister of health: They come up with a number of recommendations for our committee and for the government, the first one was a big one, long-term one, was about a basic income guarantee.

**Pilot project for basic income guarantee**

Can the minister give us an update on negotiations with the federal government on a pilot project for a basic income guarantee for PEI?

**Speaker:** The hon. Minister of Health and Wellness.

**Mr. Mitchell:** Thank you, Mr. Speaker.

Certainly, I am aware of the Montague Rotary presenting to standing committee. I'm looking forward to recommendations coming from the standing committee.

Unfortunately, basic guarantee income does not fall under my department. I believe it's under a different department, Mr. Speaker.

**Speaker:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Mr. Speaker.

Can, perhaps, the Premier speak to it? Have we had any update on federal-provincial meetings on a basic income guarantee?

**Speaker:** The hon. Premier.

**Premier MacLauchlan:** Mr. Speaker, the situation, as much as it was when it was discussed in the House in the previous sitting. The federal government has moved forward with five relatively small pilot projects. I believe it's five in different areas of the country. It seems that that's where they are for now.

Let me say, that in our Budget we implemented the fifth of five increases in the food allowance. We increased the shelter allowance. We made tax changes that are beneficial to people who are vulnerable when it comes to their economic situation. We've invested –

**An Hon. Member:** Too bad about the Auditor General's report.

**Premier MacLauchlan:** – in further subsidies for child care. We are working across the board, and not least of all, by adding 2,700 jobs to our economy in the last 12 months.

Thank you, Mr. Speaker.

**Speaker:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Mr. Speaker.

I'm glad the Premier brought up the economics of it. Carla Morgan, Maureen Hanley and Sharon Riley were the ones that presented to us that day. The Rotary Club is in its sixth year; \$2.8 in winnings they've given out, \$2.2 million to charities.

I want to talk about one of their short-term priorities and that's travel for medical on and off the Island. All of us, MLAs, in here have had people come to us: do you know what? I've got to travel tomorrow. I've got to travel right away. We know the difficulty it is in trying to access funding for something like that.

### **Supports for on and off-Island travel for medical procedures**

Has the minister of health have any new programs or any thoughts to supporting on and off-Island travel for medical procedures in PEI?

**Speaker:** The hon. Minister of Health and Wellness.

**Mr. Mitchell:** Thank you, Mr. Speaker.

Certainly, we are very pleased to have a partnership with Hope Air that handles out-of-province travel. Obviously, I belong to a club on Prince Edward Island that does a lot of fundraising for various causes throughout the province.

In the past, that has been an issue with families that had to travel out-of-province for those needs. Based on situations like that the Province of Prince Edward Island stepped up, a couple of years ago, to develop programs with Hope Air that allows those seeking medical attention in other provinces the ability to do that with their cooperation, Mr. Speaker.

**Speaker:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Mr. Speaker.

The Hope Air partnership, it is great. I'm happy the province has done it. But, we know the bureaucratic nature of trying to go through that process to go through Hope Air. It is ridiculous to be quite honest with you.

I want to give you an example that the

presenters gave to us that day. They said: you know what? "...the bus is not an option. After six months of radical chemotherapy in PEI, there is no way we can put a woman on a bus to go to Halifax, by herself, for further rounds of chemotherapy and say that is looking after their needs. It's just not happening. The support person is important. The travel is important."

Does the minister of health have any plans to provide funding for the support person and for that person that is travelling over for off-Island medical treatment?

**Speaker:** The hon. Minister of Health and Wellness.

**Mr. Mitchell:** Thank you, Mr. Speaker.

Currently, at this time, there are no programs for support for any medical attention for any individual leaving the province.

Since its inception, Hope Air has – to the contrary to the hon. member's, I've talked to many that have used the system and are very pleased with the system. They provide boat, they provide bus passes, they provide the bridge pass, they provide air when that's needed. It's a very valuable assistance that is offered by Hope Air for Islanders when they need it the most; when their health care is needing attention and they can get to other areas or other provinces or jurisdictions for that much needed help they need, Mr. Speaker.

**Speaker:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Mr. Speaker.

Another one of their short-term priorities – and I should add; the Rotary Club of Montague is one the ground. They know what they're doing. They're responding to needs immediately. We heard it at that presentation.

Ostomy supplies is another serious problem. I give credit to the Member from Charlottetown-Parkdale for putting forward a motion on this.

I'll give you another example. Another quote, "Ostomy supplies is something we

deal with a lot. You're looked after, you're a senior. You go home. Your ostomy supplies are not covered by the Catastrophic Drug Program. They run \$400 to \$500 a month. That individual then tries to..." stretch that out, "... They have infection or sepsis. They are then in the hospital or an assisted-living facility. It's a short-term savings for a long-term expense. And we've robbed that person of their quality of life."

This is from the presenters and I agree. Does the minister have a plan for ostomy supplies for the people of PEI?

### Coverage for ostomy supplies

**Speaker:** The hon. Minister of Health and Wellness.

**Mr. Mitchell:** Thank you very much, Mr. Speaker.

Certainly, I was very pleased and delighted with a recent meeting that I had for those advocating for ostomy supplies. The Member from Charlottetown-Parkdale, her mother was one of the those individuals that came to me and painted an exceptionally good picture of daily challenges that those who require ostomy supplies would need.

I've agreed to meet back with them in June. I expect that later on this year to be able to stand with them and make some kind of a very positive announcement because it is a challenge for those folks, and I think it's something that we, as a government, should look very seriously at, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Speaker:** The hon. Member from Morell-Mermaid.

**Mr. MacEwen:** Thank you, Mr. Speaker.

That's great news that that's coming. I encourage the minister not to just sprinkle a little money around like the last budget. Let's go full way with it because that is important and I'm glad to hear that you're taking that serious.

Another priority for this group, a pilot project for school breakfast programs; the Rotary Club coordinates 12 different schools, supplying everything.

Let me quote again, “We look after every school lunch, breakfast program for 12 schools.” They’ve got a system in place, “That’s done and dusted. It needs some coordination.”

**Coordinator for breakfast program**

Does the minister of health, or minister of education, even, have any plans for a coordinator for that?

**Speaker:** The hon. Minister of Health and Wellness.

**Mr. Mitchell:** Thank you, Mr. Speaker.

Certainly, as minister of health, I know full well the value of breakfast programs. And, to add, on top of that, as well, lunch programs that are now being looked at and being developed across the province.

Healthy students eating healthy lunches and breakfasts make for healthy adults. We certainly support that. We will be putting influence there up to the tune of \$200,000 towards that. I look very much at supporting those programs today and well into the future because our healthy children will become our healthy adults and probably the people that sit in the chairs of this Legislature, Mr. Speaker.

**Speaker:** The hon. Member from Morell-Mermaid, your final question.

**Mr. MacEwen:** Thank you, Mr. Speaker.

Mr. Speaker, we go through the provincial budget every year and it comes up every year in estimates – the \$200,000 for the breakfast program. Yes, the schools appreciate it. Apparently it’s based on some sort of a per capita, but this group knows – they coordinate the programs. They know that some schools don’t have the money as other schools. Some schools have a piece of white bread and a granola bar. Other schools have full-fledged breakfast there.

Sometimes there’s more volunteers available than in other spots. What we need is someone to help – they don’t want to take this over. We’ve got good volunteers in the schools. We need someone to help coordinate that through many, many schools to leverage those partnerships with our

agriculture industry and with other industries.

**More funding for school breakfast program**

Will the minister commit to doing more than just talking about that same old \$200,000 every year?

**Mr. Trivers:** Hear, hear!

**Speaker:** The hon. Minister of Justice and Public Safety, and the Attorney General.

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

I’ll clarify that I’ll answer this for education, early learning and culture, although it is a concern of all government departments.

In that vein, I will actually reference the investment from agriculture and fisheries, which we were able to access through a federal program last year, which the hon. member would be well aware of because Morgan Palmer was out – she works with the Public Schools Branch through that funding – she was out at schools in Morell, I think, twice this year gearing up exactly that kind of programming.

I was at the provincial home and school AGM this past Saturday and this was a topic of discussion at that AGM and the home and school is very supportive of the approach that’s being taken in hiring Morgan Palmer to develop this programming and to do it at a grassroots, organic level so that it’s sustainable going into the future. We’d certainly recognize the importance of that and that’s why we doubled the budget for it in 2015. That’s why we added the budget last year of \$100,000 and that’s why we’ll continue to look at ways that we can build upon this programming, Mr. Speaker.

Thank you.

[End of Question Period]