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Speaker: Honourable Scott Reid, MHA

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The House met at 2 p.m.

MR. SPEAKER (Reid): Admit strangers.

Order, please!

The hon. the Minister of Finance.

MS. COADY: Mr. Speaker, I move, seconded by the Minister of Digital Government and Service NL, that this House approves in general the budgetary policy of the government.

MR. SPEAKER: The motion is that the House approve in general the budgetary policy of the government.

The hon. the Minister of Finance.

MS. COADY: Mr. Speaker, this is the first budget for Newfoundland and Labrador in the world of a pandemic.

I would like to express my pride in how Newfoundlanders and Labradorians are caring for one another to control the spread of COVID-19 in our communities.

Together, we face the global pandemic as we always face adversity – with diligence; with integrity; and with compassion. It is with this same strength that we will address our financial situation.

While this is Budget Day, I wish to note that it is also Orange Shirt Day.

This day acknowledges the survivors of residential schools. It helps teach important lessons and brings us closer in our quest to achieve reconciliation with Indigenous people.

I'd like to recognize and thank Elder Laura from Conne River, who made these wonderful masks.

Recognizing Indigenous people and achieving reconciliation is important to our government.

Over the last five years, we actioned a plan that controlled expenditures, having slowed the rate of growth to 2.5 per cent over five years after a decade in which provincial budgets increased significantly.

With a financial plan that is generating results, we prioritized investments to reflect the aspirations of Newfoundlanders and Labradorians. Outcomes of those investments included: Creating new jobs and improving access to services through partnerships with businesses to build new schools and health care facilities; increasing access to child care and introducing full-day kindergarten; becoming leaders in how we support people experiencing challenges with mental health and addictions; improving food security; and, focusing on online service delivery.

In fact, up until early this year, we were on a path to return to surplus in 2022-23. However, like jurisdictions around the world, COVID-19 has touched every sector of our province.

Today, I join our new Premier – a world-class surgeon, an award-winning humanitarian, and one of the brightest minds in our province – in presenting this year's budget.

SOME HON. MEMBERS: Hear, hear!

MS. COADY: Under his leadership, we will be responsible. We will be innovative. We will reimagine government.

Budget 2020 navigates a world embroiled in a pandemic.

The budget maintains the core principle of ensuring every taxpayer dollar is closely scrutinized, accounted for, and used prudently to its full potential. It also: eases pressures on families – including \$25/day childcare.

SOME HON. MEMBERS: Hear, hear!

MS. COADY: Improves the economy and supports local businesses; and, reflects new demands on the health care system.

Budget 2020 does not raise corporate or personal income taxes.

Reimagining how programs and services look in the future has to be paramount as we balance fiscal pressures with growing expectations for a more modern, efficient government. This is not limited to government departments, but includes all government organizations.

Budget 2020 also sets a course to deal with the province's financial challenges which have been both compounded by the pandemic and the global oil crisis.

Now, more than ever, it is essential that we address the structural financial problems as we adapt to a global pandemic.

As we build on our track record for fiscal prudence and discipline in our expenditures, we need bigger, bolder solutions to address long-standing structural issues such as a high cost of providing services across a large geography, as well as an older, declining population.

To support this incredibly important work, our Premier engaged Dame Moya Greene to lead an Economic Recovery Team. Dame Moya Greene is a proud Newfoundlander and Labradorian who has earned international accolades for her change-management skills and improvements to large organizations. She is one of our brightest and she will be joined by others.

She, and her team, will review expenditures across government, analyze our fiscal capacity and reimagine government service delivery. By next spring's budget, she will provide recommendations that will inform our path to a sustainable and diversified, vibrant economy for future generations to inherit.

Led by our Premier, our government is focused on four core principles:

1. Promoting physical and mental health – it's imperative that people in this province are well, and are empowered to live healthy, active lifestyles;
2. Growing our population – by making it more and more attractive for people to stay here, to move here, either for the first time, or to come home to stay;
3. Expanding technology – innovation is critical, and technology affects all industries and daily life;
4. Developing our resources – from the fishery that started it all, to energy, to arts and entertainment. At this time of transition, people in all industries will help guide us to a prosperous future.

I am a first generation Canadian.

Both my parents, like so many others here today were born in the Dominion of Newfoundland.

The "Ode to Newfoundland" states: "When blinding storm gusts fret thy shore, And wild waves lash thy strand, Thro' spindrift swirl, and tempest roar, We love thee windswept land."

Our financial situation is a blinding storm; we are in the middle of a tempest. We sing this anthem with pride and deep understanding of its importance.

With that same determination, with that same resolve, with that same pride, we will take hold of the financial structures that bind us, we will demand the financial stability of this place we so love, we will ensure the future generations that they too will know the meaning of "Where once they stood we stand."

Newfoundlanders and Labradorians have pride of place.

We will not falter; we will not hesitate; we will not fold when things are difficult; we will persevere; we will accomplish; we will succeed.

SOME HON. MEMBERS: Hear, Hear!

Financial Landscape

MS. COADY: We have been fully transparent on how COVID-19 and volatility in the oil industry has deepened an already difficult financial situation.

Fiscal Review: 2019-20

In April 2019, our government reached an agreement with the federal government on a new and guaranteed revenue stream from the Atlantic Accord that will deliver \$2.5 billion to the province. This led to an unanticipated surplus in 2019-20, as we are required to count the revenue in the year it was received.

Today, the revised surplus for 2019-20 is \$1.1 billion.

As we are in a pandemic, this is a six-month budget to year end in March 2021.

Normally we would present a multi-year forecast and firm timeline on when we will return to surplus, but that is not possible in the uncertainty of COVID-19. The federal budget is delayed, revenues continue to falter, and extra expenses due to COVID-19 impacts continue to be incurred.

Most provinces have not introduced annual budgets in 2020 for this very reason. Furthermore, this government is also engaged in a process to reimagine government to address the financial structures that have caused our challenges.

Today, I will outline the province's current financial landscape and our plan to support residents and businesses.

The collective weight of COVID-19 and the volatility of the global oil industry has reduced revenues and increased expenses. We also continue to carefully manage the billions of dollars in obligations stemming from the Muskrat Falls project.

Newfoundlanders and Labradorians realize the size and scope of the financial obligations of this project over the last five years. More than \$3 billion being borrowed by the Provincial Government and taxpayers; \$1 billion in cash being invested by Nalcor; and Muskrat Falls represents roughly a third – one-third – of the provincial debt.

As a government, we will not let these pressures hold us back.

We will find solutions and not make excuses. We will continue to execute our plan to manage project costs and electricity rates in close partnership with Ottawa.

While less reliant on oil revenues than previous governments, oil continues to represent a large portion of our provincial revenues.

For Budget 2020, we are projecting oil prices to be US\$39 per barrel and the Canada to United States exchange rate is forecasted at 73.8 cents. Now, these projections are informed by 11 independent oil forecasters.

Under our leadership, we have controlled health care expenditures, which is the province's largest annual investment. In fact, after years of exponential growth, the Canadian Institute of Health Information noted last year that Newfoundland and Labrador is a leader in Canada in managing health care expenditures.

Well done, Sir!

SOME HON. MEMBERS: Hear, hear!

MS. COADY: Expense growth between 2019-20 actuals and 2020-21 projections is \$524 million, of which 93 per cent of it or \$487 million is directly due to projected COVID-19 related spending.

Based on these collective factors the deficit for 2021 is projected to be \$1.84 billion. This is lower than what we projected it would be in July.

To help pay for government programs and services, we will need to borrow \$3 billion this year. This year, to date, we have already borrowed \$2 billion. Our net debt is projected to reach \$16.4 billion this year.

COVID-19 and Health

Mr. Speaker, COVID-19 has demonstrated what's possible when we all come together for the greater good.

In the early days of the pandemic, we collectively mobilized efforts to help families, workers, and businesses. This swift, sustained course of action was carefully considered and investments were made on a priority basis to provide long-term benefits that position the province on a path towards economic recovery.

Partnerships with such groups as Food First NL ensured that food was available to those who needed it. Investments in beef and vegetable production also contribute to our goal of being less reliant on importing food and helping create new jobs.

Starting in July, lower income essential workers received upwards of \$1,500 in additional pay to help offset some of the financial hardships created by the pandemic; electricity customers

received a credit; and in isolated Labrador communities, support was provided to more than 1,200 households to offset the rising food costs.

Financial support was provided for regulated child care centres and family child care homes.

Most recently, a tremendous effort was made to support the safe return of students, teachers, administrators and other staff to the school community.

Well done!

To help build consumer confidence, increase local spending, and ease pressures on businesses, we: deferred, waived and modified fees and pricing for businesses, in particular those in the food and beverage industry and mining sector; increased procurement thresholds to ensure local businesses could compete; invested in the fishery, agriculture, and forestry sectors; and, invested in a tourism and hospitality program, as well as launched a marketing campaign to encourage staycations.

The Residential Construction Rebate has been an overwhelming success for construction and building supply businesses. Some people in the industry have reported that they have never been busier and added to their workforce.

While Newfoundlanders and Labradorians have risen to the challenge and minimized the spread of the virus, the message from health professionals has been clear – we need to plan for life with COVID-19 in our communities. We have seen in our own backyard, and around the world, the uncertainty associated with this virus.

In Budget 2020, we are taking the responsible step of allocating close to \$100 million for such things as personal protective equipment, testing, and mobilizing efforts to support immunization in the event that a vaccine is discovered and safe to use.

Health

High rates of chronic disease, an aging population, and the province's population density creates pressures on our health care system.

These are complex issues that require new ways of delivering care.

Building on improvements in mental health and addictions, home and community care, and bringing primary health care teams to the community, in Budget 2020, we are investing \$3.3 million to support virtual care service through 811.

SOME HON. MEMBERS: Hear, hear!

MS. COADY: In Budget 2020, we're also investing \$1.7 million to expand the Insulin Pump Program. This will increase to \$3.3 million next year and highlights our goal of improving health outcomes, especially with chronic disease prevention, treatment and management.

This year, we are also adding 14 new drugs under the Newfoundland and Labrador Prescription Drug Program to treat such conditions as Parkinson's disease, cancer and Cystic Fibrosis.

Our government is worried about the use of vaping, and its popularity among youth, and it is a significant public health concern.

Today, we are also taking the added measures of: implementing a 20 per cent tax on vaping products; and, increasing tax on tobacco, with an additional five cents per cigarette and an additional 10 cent per gram on fine cut tobacco.

We are also allocating \$1.7 million to prevent and reduce tobacco vaping use. This will support community and school partnerships with those such as the Alliance for the Control of Tobacco and the Newfoundland and Labrador Lung Association's Smoker's Helpline.

The goal of these initiatives is to curb usage and reach people before they start to vape or smoke. Less vaping and smoking supports healthier lifestyles and will help avoid future demands on our health care system.

The Premier has asked the Minister of Health and Community Services to strike a Task Force on Health Care in our province focused on delivering a 10-Year Health Accord. We must work to find ways to reimagine health system

delivery to help reduce costs and eliminate waste while improving services to meet the province's health needs.

Stronger Economy

The pandemic has caused social and economic upheaval.

As we have in previous generations, we will rise, we will build on our strong foundations and we will reap the benefits of our ingenuity, resources and our efforts. As the Premier has often said – with great challenges come great opportunities.

In many ways, we are the envy of the world. Bountiful resources in oil and minerals, forestry and fishery, expanses of land for agriculture. Millennia of culture and arts. Breathtaking vistas and wide open spaces. The ocean – need I say more.

These riches build our opportunity but it is our smart, educated, dedicated workforce that make it reality.

Newfoundland and Labrador Energy

The value of the oil industry to Newfoundland and Labrador cannot be overstated or easily replaced. The industry has represented up to 30 per cent of GDP, 13 per cent of labour compensation and 10 per cent of employment.

The Provincial Government has announced the establishment of an accelerated exploration initiative to provide companies with the incentive to drill more wells in the best prospects. This is a policy measure that will allow all future bid deposit forfeitures to be reinvested, resulting in an injection of hundreds of millions of dollars in our offshore.

This measure will provide near term drilling activity and employment, enhance global competitiveness at a critical time and position the province to realize its resource potential.

This is in addition to the \$26 million to assist the Oil and Gas Corporation of Newfoundland and Labrador in its exploration activities. This is an industry best practice and allows us to

systematically evaluate our offshore basins and image prospects to capture global investment.

Our recently created oil and gas industry recovery task force will also guide immediate actions to get the best return from the Federal Government's \$320 million investment in the industry.

Offshore Newfoundland and Labrador projects are already among some of the lowest carbon intensity emitting oilfields in the world. Global energy companies focused on environmental sustainability are increasingly interested in this low greenhouse gas production.

By continuing to work with our federal and provincial partners on the Atlantic Growth Strategy and through the development of the Atlantic Loop, this province can be a clean energy leader as the Government of Canada advances towards its greener future.

At this time of transition, we are perfectly positioned to be the green battery that powers Eastern Canada and beyond – particularly through the opportunities afforded us by lower carbon oil, and hydroelectric potential.

Technology

Newfoundland and Labrador is home to an increasingly diverse and globally-competitive technology sector, which has a role in diversification and development across all industries.

The sector employs almost 4,000 people and contributes in excess of \$1.6 billion to the provincial economy, and is a pipeline to the future.

It ranges from start-ups to multi-national companies whose innovative technologies are supporting the fishery, aquaculture, defence, ship building, transportation and so many other industries worldwide.

There are a series of programs that we are continuing to advance in Budget 2020 to capitalize on new and emerging opportunities. Examples include close to \$17 million for research and development, commercialization, and business development, as well as \$6 million

for the Innovation and Business Development Fund.

Earlier this week, we announced our partnership with the Federal Government and the Newfoundland and Labrador Association of Technology and Innovation (NATI) on the Business Tech Solutions program. Through this \$2.7 million program that NATI will administer, businesses can apply for assistance to purchase digital solutions and access expertise so that they can create effective, efficient digital solutions to generate new revenue streams.

Mr. Speaker, like businesses around the globe, COVID-19 has forced governments to deliver services differently. It has also highlighted the importance of the steps we have taken to expand online service delivery.

Today, drivers can better plan their routes by accessing highway conditions on the 511 app; and through MyGovNL, residents can do things like renew their driver's licenses, and update their MCP numbers and information.

The response to MyGovNL in particular, has been nothing short of tremendous. Since March, registration has grown by 1,400 per cent. This highlights that our approach is working and the value of building on this great work is there. We are uniquely positioned for success with the newly-created Department of Digital Government and Service NL.

The gains that we have made in a relatively short period of time will inform next steps as we reimagine what service delivery will look like in the future.

As we continue those gains, we will work with stakeholders to help create a clean, tech-based innovation hub in this province and help all industries make remarkable gains.

Small Business, Community Sector and Arts support

These are indeed challenging times. Additional expenses were incurred and innovations were required to manage through the pandemic. Small business and community sectors, as well as the arts community, were particularly impacted.

These are sectors that are significant economic drivers in our communities and that have had to incur expenses to adapt to a new normal.

For small businesses and community organizations, we are introducing a \$30 million Small Business Assistance Program.

SOME HON. MEMBERS: Hear, hear!

MS. COADY: It will be retroactive and help offset expenses and the innovation required to respond to COVID-19. Of this money, \$25 million will be directed toward businesses and \$5 million toward community-based organizations.

The craft brewing industry holds an exciting potential for new entrepreneurs and consumers in urban and rural areas. This sector also holds the added benefit of creating economic and tourism opportunities in communities.

As a government, we support this industry and roughly 100 people that it employs. NLC will be increasing commission discounts, ranging from 95 per cent to 15 per cent based on volume produced. This will provide savings of more than \$1 million to the industry.

SOME HON. MEMBERS: Hear, hear!

MS. COADY: These activities will be actioned with the goal of giving business operators increased opportunity to expand their market presence, product offerings and create new jobs.

Arts and heritage are helping to build vibrant communities and regions. Our artists, heritage practitioners, and cultural entities play a fundamental role in creating, nurturing, and safeguarding our strong cultural identity.

In fact, cultural industries contribute approximately \$450 million to the provincial economy.

In Budget 2020, the provincial government is investing: \$1 million in additional funding to ArtsNL, which brings the annual provincial investment to more than \$3.9 million.

SOME HON. MEMBERS: Hear, hear!

MS. COADY: And \$4 million to support film and television, which employed hundreds of people last year.

Additionally, we will be broadening the eligibility under the Tourism and Hospitality Support Program to include our professional artists and musicians impacted by COVID-19.

I would also like to note that for the first time in the history of this province's film and television industry, there are two concurrent productions employing people this year – highlighting the success and room for potential and expansion of Newfoundland and Labrador's film and television sector.

This allows us to present our stories, our beauty, and our creativity across the globe.

Fishery

We are people of the sea. Newfoundland and Labrador was founded on the fishery, and it continues to be a major industry in our province.

The fish and seafood sector continues to be a major source of employment, especially in rural areas, and directly employs more than 15,000 people in over 400 communities.

When visiting some of those areas, like Harbour Breton for example, one can't help but notice the energy and enthusiasm among the people there, especially the young people.

Our seafood sector is valued at approximately \$1.4 billion. It is part of the very fabric of this great province – particularly in rural areas, and the nooks and crannies that make Newfoundland and Labrador such a special part of the world.

We will foster growth in this important and expanding industry through the \$9-million Atlantic Fisheries Fund, and assist processors and aquaculture operators to expand product lines and markets.

SOME HON. MEMBERS: Hear, hear!

Tourism

MS. COADY: Newfoundlanders and Labradorians take immense pride in showcasing

our rich culture, breathtaking scenery, and amazing adventures to tourists.

Based on the incredible social media posts that I saw during this summer, the Stay Home Year 2020 tourism marketing campaign was effective in encouraging residents to experience the beauty and opportunities of tourism around Newfoundland and Labrador. However, there is no overstating the impact that COVID-19 has had on this industry.

Tourism and travel is vital to our economy and we will get through this together. This year, we are continuing to provide financial assistance to eligible tourism and hospitality operators impacted by the pandemic. Other supports for this important industry include \$13 million for tourism marketing, as well as funding for regional and sectoral economic initiatives.

Food Self-Sufficiency

Our government is working closely with the agriculture sector to ensure a reliable and affordable supply of healthy food exists in this province. We will grow Newfoundland and Labrador's agriculture sector, not only in challenging times, but well into the future.

This year, we will continue to help farmers diversify crops and make Crown land accessible for farming, conduct world-class crop research, enhance local livestock production, and support the establishment of secondary processing in the dairy sector to create more local jobs and greater food self-sufficiency.

To maintain this positive activity, this year we have allocated more than \$12 million for agriculture programs.

SOME HON. MEMBERS: Hear, hear!

Forestry

MS. COADY: In rural areas, forestry is a driver of economic activity contributing to more than 5,000 direct and indirect jobs. It is a sector that is valued at more than \$380 million.

We are seeing increased innovation through the introduction of new forestry biomass program to switch from fossil fuels to alternate fuels.

Through Budget 2020, we will invest more than \$9 million to support this important industry.

SOME HON. MEMBERS: Hear, hear!

Mining

MS. COADY: In mining, Newfoundland and Labrador has 21 of the 35 minerals identified as being critical to the United States. There are mines and advanced developments for a variety of commodities: Iron ore, Nickel-copper, Copper-lead zinc-silver, Antimony, Gold, Uranium, Fluorspar, Rare earth minerals.

This year, \$1.7 million is allocated to support the mineral exploration industry through the Prospector Assistance Program and Junior Exploration Assistance Program.

Stronger Communities

Immigration

On stronger communities, immigration is so important.

The family captured on the cover of this year's budget highlights the importance of immigration. He immigrated from Turkey and she grew up in Nova Scotia. They are now raising their three beautiful children here in Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

MS. COADY: We want to grow our population with more families like theirs, and draw more Newfoundlanders and Labradorians living away back home.

Since 2017, immigration to our province has nearly doubled.

The cultures that are celebrated in our communities, the religions that are practised in our neighbourhoods, and the languages that are spoken enrich this province's diversity. This diversity provides a window into a bigger world, in which we all belong.

Immigrants are instrumental to the future of Newfoundland and Labrador, and it is important to ensure the province is a welcoming

environment. Our government is committed to implementing the Immigration Action Plan, which includes a strong focus on newcomer retention, as well as to developing a Ministerial Committee on Anti-Racism.

By 2022, we plan to surpass our goal of welcoming 2,500 new permanent residents. To help achieve this, \$2.1 million is being allocated to advance efforts to market the province to potential immigrants, and to provide enhanced supports to assist in their settlement.

SOME HON. MEMBERS: Hear, hear!

MS. COADY: Our government is confident that this goal will be met through collaboration with federal and provincial and municipal governments, community, labour and business partners.

Infrastructure

Infrastructure is important to providing services to residents and growing our economy. It also helps retain and attract people to live in communities with easy access to services, in a modern setting.

Whether it is new long-term care homes in the central region, hospitals in Corner Brook and St. John's or the new mental health unit in Happy Valley-Goose Bay, we are providing the right care in the right place at the right time.

SOME HON. MEMBERS: Hear, hear!

MS. COADY: Our approach to working with the business community on construction of these projects is also helping create new jobs.

Presently, approximately 95 per cent of people working on provincial infrastructure projects are Newfoundlanders and Labradorians.

SOME HON. MEMBERS: Hear, hear!

MS. COADY: Budget 2020 investments totaling \$609 million will sustain this positive activity and will include: more than \$165 million to improve provincial roads; approximately \$80 million for health care facilities, including construction of the new mental health and addictions hospital in St. John's and acute care

hospital in Corner Brook; more than \$48 million for ongoing construction of new schools in Gander, Paradise, Bay Roberts – Coley’s Point – and St. Alban’s. \$2.7 million is allocated for the new K-12 Francophone school in the St. John’s area; \$5.5 million to advance the new correctional facility in St. John’s and expand the Labrador Corrections Facility in Happy Valley-Goose Bay; and \$400,000 to complete an engineering study on the scope and replacement costs of the wharf in Lewisporte to help inform future infrastructure investments.

This year, our government is taking steps towards creating modern communications systems for first responders. This work, will be supported by an initial investment of \$500,000 and the ongoing request for qualifications.

SOME HON. MEMBERS: Hear, hear!

Seniors and Inclusive Communities

MS. COADY: Supporting individuals who experience barriers, including seniors, people with disabilities and people with low incomes, to be more active and engaged in their communities is aligned with our vision of healthier communities and contributes to better health outcomes.

To help achieve these goals and promote social inclusion, we are investing over \$200,000 for the Seniors’ Social Inclusion Initiative to support 50+ clubs advance initiatives that promote social inclusion. We are also maintaining accessible and community transportation programs, as well as age-friendly programs and programming to encourage all residents to be active throughout their life span.

Poverty Reduction

Poverty reduction programs are wide-ranging and we continue to work with community-partners to improve approaches, address gaps and respond to current realities.

Programs include everything from supports to expectant mothers for ensuring that school-aged children receive nutritious meals; affordable housing and homelessness prevention to education; and from childcare to benefits for low

income seniors, individuals, families and persons with disabilities.

Budget 2020 includes: over \$123 million for the Newfoundland and Labrador Income Supplement, which includes a disability component, as well as a Seniors’ Benefit; \$12 million to enhance and increase access to adult literacy programs and services, as well as improve the employability of persons with literacy challenges; \$2.1 million for Metrobus or GoBus Passes; and, \$270,000 for the Mother Baby Nutrition Supplement.

Our government plans to develop a renewed 10-year poverty reduction strategy. It is important to understand barriers to both employment and community engagement, and fundamentally, rethink systems to ensure they are accessible and work for people.

Housing

Our government is working closely with community partners to improve access to affordable housing, as well as assisting households with low incomes, persons with disabilities, persons with complex needs, and those experiencing or at risk of becoming homeless.

Investments made to support this work through the Newfoundland and Labrador Housing Corporation include: \$11.4 million for the Rent Supplement Program; \$8.8 million for 10 transition houses; \$8.8 million for Home Repair Programs; \$7.6 million for the Supportive Living Program; \$3.35 million for the Home Energy Savings Program; and, \$4.5 million for the Emergency Shelter Program.

SOME HON. MEMBERS: Hear, hear!

Climate Change

MS. COADY: Governments, industry, all of us, have a role to play in addressing the seriousness of climate change.

The Federal Government has mandated provinces to impose a price on carbon that increases each year. This year, the price must increase to \$30 per ton. If we do not follow the Federal Government’s direction, they could

potentially impose the federal back-stop on our province, resulting in higher taxes on such things as home heating fuels.

This year, the province is further reducing the provincial portion of the gas tax on gasoline by two cents per litre.

As a result of these changes, starting tomorrow the price of gasoline will increase by 0.21 cents per litre – that’s one-fifth of a cent – while the tax on diesel will increase 2.68 cents per litre. These changes will take effect on October 1, 2020.

In 2020, we will continue to transition more public buildings to clean electricity, including education and health care facilities, by investing \$14.1 million.

These projects, along with the creation of the province’s first electric vehicle fast-charging network, will help lower rates and decrease our carbon footprint. And, quite frankly, they’re the right thing to do.

Our plans are supported by Budget 2020 investments totalling \$30 million. This includes programs through the Low Carbon Economy Fund, such as the Climate Change Challenge Fund, and residential energy efficiency programs, as well as industry-focused climate change adaptation initiatives.

Work has also started toward meeting net zero greenhouse gas emissions by 2050. Beyond existing electrification initiatives, for example, work is ongoing to identify ways to electrify offshore petroleum platforms, reduce flaring and capture carbon emissions.

This year, we are contributing \$100,000 towards Memorial University’s Harris Centre’s Climate, Economy and Society Initiative, which will explore how we address climate change as we recover from the impacts of COVID-19.

Municipalities

Our province shares the goals of municipalities to make communities the best possible place to live and to improve their ability to attract business development and create new jobs.

This year, nearly \$116 million is available for investment to help communities improve infrastructure and enhance services. This includes funding for such programs as the Federal Gas Tax Program, Municipal Operating Grant Program, and Special Assistance Grants Program.

We have also allocated approximately \$90 million for projects aimed at improving existing infrastructure and enhancing services.

Public Safety

Violence affects everyone and we need to be a part of the dialogue to effect real and positive change in our province.

To continue to support the re-introduction of electronic monitoring \$508,000 is allocated this year. This will enhance the supervision of offenders to increase victim and public safety, as well as keep offenders accountable to no-contact conditions.

To help prevent and reduce incidents of family violence, we are allocating more than \$350,000 to facilitate the expansion of the Family Violence Intervention Court. This specialized court is already in St. John’s and Stephenville and provides access to dedicated services designed to increase offender responsibility and provide early intervention.

By capitalizing on federal funding totalling \$220,000, the Drug Treatment Court utilizes judicially supervised therapeutic intervention, treatment and long-term community supports and services to help offenders break the cycle of crime motivated by drug addiction.

Addiction costs all of us. By reducing addiction related crimes through treatment and support services, Drug Treatment Court contributes to community safety and overall societal savings.

Smart Investments

Women and Gender Equity

My grandmother won the right to vote in 1925. It wasn’t until 1929 that she was recognized as a person under the law. Today, only 20 per cent of

members in House of Assembly are women; 27 per cent in the House of Commons.

I am the second female to hold the office of President of the St. John's Board of Trade, only the third to hold the office of Chair of the Canadian Chamber of Commerce. I say this to illustrate that we have much work to do to ensure equality for women.

The social, economic and cultural security of women and diverse populations must be at the forefront of government decision-making. This year, we have allocated an additional \$425,000 to advance our work in this area.

We will be developing a Premier's Roundtable on Gender Equity, which will be co-chaired by the Premier and the Minister for the Status of Women. It will be outcome focused, and include all political parties, key Indigenous leaders, community stakeholders and individuals from across Newfoundland and Labrador.

Additionally, funding has been allocated for an expansion of the Sexual Assault Nurse Examiner Program. This will provide an important service in our ongoing support for victims of violence.

Budget 2020 provides \$3.2 million to community groups and organizations including Violence Prevention organizations, women's centres, the Multicultural Women's Organization of Newfoundland and Labrador, the Newfoundland Aboriginal Women's Network, the Newfoundland and Labrador Sexual Assault Crisis and Prevention Centre, the St. John's Women's Centre's Safe Harbour Outreach Project, and the Coalition Against the Sexual Exploitation of Youth, a program of Thrive.

Our commitment to Gender Based Analysis Plus training is also bringing to the forefront the perspectives of those who are marginalized because of factors like gender, ability, race, income, and culture. It is strengthening voices that have been excluded, as an awareness of intersectionality helps us recognize the differences among us. It is creating a culture that helps ensure the path to prosperity for Newfoundland and Labrador is accessible to all.

Education and Child Care

Affordable and accessible child care, coupled with investments in education and skills development, is paramount in a modern economy. These investments, and collaboration with our education partners, will contribute to a stronger economy today and into the future.

To help ease the financial pressures on families, especially on women, in Budget 2020 we are committed to \$25 a day child care in 2021.

SOME HON. MEMBERS: Hear, hear!

MS. COADY: This has been a priority for our new Premier and will allow more parents into the workplace, grow the economy, and ensure that children receive the early learning, care and positive experiences that will benefit their lifelong learning.

To borrow words from our Premier – himself, a father of three children:

“It is an economic driver. It unlocks economic potential for the province. These are the kind of targeted investments we need to make responsibly now to bear fruit in the future.”

Under the Operating Grant Program, participating child care centres have lowered their fees and with the increases offered under the federal bilateral agreement created over 1,000 more affordable spaces. Families eligible for child care subsidy receive free child care in these centres.

In just three years, we have increased the net family income threshold for a full child care subsidy from \$27,000 to \$35,000. Partial subsidies are also available to many families with a higher income.

We have also increased the annual income supplement to qualified Early Childhood Educators from \$6,600 a year in 2016-17 to between \$12,900 and \$16,900 in 2019-20 – one of the best in Canada.

SOME HON. MEMBERS: Hear, hear!

K-12

MS. COADY: Implementation of the Education Action Plan is well underway with 80 per cent of the actions already completed or substantially underway. These actions are transforming our education system.

The pandemic highlighted the need for enhanced digital learning. Our \$20 million investment for laptops for all teachers, and Chromebooks for junior high and high school students will ensure that learning continues outside of the classroom, while providing teachers with the tools they need to effectively deliver remote instruction.

It also recognizes the importance of digital literacy on a more even playing field, and supports our government's focus on enhancing coding education within the school system.

To sustain the progress thus far, Budget 2020 allocates \$22 million, an increase of \$9 million from last year to this effort.

SOME HON. MEMBERS: Hear, hear!

MS. COADY: The 2020-21 school year will see the full implementation of the new Responsive Teaching and Learning Policy in Kindergarten to Grade 6, with a total of 350 additional teaching resources. This includes: additional reading specialists, teacher librarians, teaching and learning assistants and English-as-a-Second Language teachers; professional learning for teachers and learning resources for teachers to support reading in the primary and elementary grades; and, new learning resources for school libraries to support literacy development and bursaries for K-6 teachers to upgrade their qualifications.

Last year, the budget for Student Assistant hours was increased by \$300,000. This year, an additional \$600,000 will help ensure the needs of individual students are met.

SOME HON. MEMBERS: Hear, hear!

Post-Secondary Education

MS. COADY: There has been a long-standing commitment to affordable, accessible post-secondary education system in this province.

This year, Memorial University will be provided with \$363.2 million, which includes \$54.1 million for the Faculty of Medicine and \$68.4 million to continue current tuition levels for Newfoundland and Labrador students.

SOME HON. MEMBERS: Hear, hear!

MS. COADY: College of the North Atlantic will receive \$87.9 million to fund the operations of the College of the North Atlantic and its 17 campuses throughout Newfoundland and Labrador. This also includes \$14.9 million to enable the continuation of current tuition levels for Newfoundland and Labrador students.

The work of the independent review of the public post-secondary education system is ongoing.

The review will help ensure our institutions are positioned to meet the needs of students well into the future, and continue to contribute to the province's economic growth by matching Newfoundlanders and Labradorians with the careers that fit the job market now and into the future, including through retraining opportunities where appropriate.

Skill Development/Workforce Development

Mr. Speaker, working with our community and industry partners, we are strengthening the provincial workforce and positioning it for future opportunities.

Budget 2020 includes \$160 million for employment and training programs. The Provincial and Federal Governments also continue to support participation in the local labour market for underrepresented groups, including women and youth, and assist them to achieve gainful employment.

Indigenous Communities

This year, we have allocated \$200,000, which will help identify the final resting place of the remains of Demasduit and Nonosabasut in their homeland. This money will also help celebrate Indigenous cultures in our province.

Last year, was the first time the Government of Newfoundland and Labrador provided core

funding to the province's three Friendship Centres. Budget 2020 continues the core funding of \$30,000 to each centre, which plays an important role in supporting Indigenous people.

This year, the Torngat Joint Fisheries Board and Torngat Wildlife and Plans Co-Management Board will be provided \$497,000. With advice from the Torngat Secretariat, these Boards undertake activities which provide advice to the Federal, Provincial and Nunatsiavut Governments on the sustainable utilization and management of wildlife, plants, fisheries, and their habitat in the Labrador Inuit Settlement Area.

Our government intends to commence the Inquiry into the Treatment of Innu Children in Care this year. We share the desire of the Innu to complete a process that helps all partners gain a better understanding of the experiences of Innu children in care so that we can reduce the number of Innu children in care and achieve better outcomes for those that are in care.

Our government recognizes that there are higher rates of violence against Indigenous women and girls and we are allocating \$241,500 for the Indigenous Violence Prevention Grants Program. This program provides funding for culturally-appropriate projects aimed at preventing violence against Indigenous women and girls.

Additionally, we will provide \$25,000 for the Provincial Indigenous Women's Gathering, which allows Indigenous women to come together to share and identify ways to improve the lives and well-being of women in their communities.

By these and other means we will continue to advance Reconciliation.

Labrador

Labrador is benefitting from our government's commitment to grow the economy in such areas as tourism, mining, agriculture and forestry.

We are making investments to improve road, marine and communication networks and municipal infrastructure.

The completion of the Trans-Labrador Highway is within sight. The final tender to complete paving of the Trans-Labrador Highway between Happy Valley-Goose Bay and Southern Labrador was awarded this spring. This highway is on course to be completed in the following two construction seasons.

SOME HON. MEMBERS: Hear, hear!

MS. COADY: Building on this progress, through Budget 2020 we have allocated \$200,000 for a pre-feasibility study for a road to the north, which will potentially link northern communities to the rest of the Big Land.

SOME HON. MEMBERS: Hear, hear!

MS. COADY: Through the five-year Marine Infrastructure Plan, \$4.1 million is allocated for infrastructure improvements in Makkovik, which are expected to be completed next year.

Construction will also begin on a new six-bed mental health unit at the Labrador Health Centre in Happy Valley-Goose Bay, which will provide private bedrooms for patients receiving professional mental health and spaces for recreation and group therapy. Furthermore, an Indigenous Health Team under Towards Recovery is developing a plan for Indigenous land-based wellness programming and is engaged in the design of the new unit.

The Labrador Affairs Secretariat also administers programs specific to the region, including: the Labrador Transportation Grooming Subsidy program, \$471,000; the Labrador Sport Travel Subsidy program, \$730,000; the Labrador Aboriginal Nutritional and Artistic Assistance program, \$50,000; and provides \$100,000 to the Combined Councils of Labrador.

Conclusion

As I conclude my budget remarks, I want to say to every Newfoundlander and Labradorian thank you for being resilient; for caring for one another; for working hard for your families. We'll get through this pandemic together.

Today marks a new beginning, a renaissance for Newfoundland and Labrador. Let us go forth

from this day with a new resolve. We will reimagine our government, reimagine our economy, address the systemic issues that plague us financially and move forward with strength, with vigour, with pride.

To quote our new Premier – “We cannot change the past but we can shape the bright future that our province and its people deserve.”

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Minister of Finance.

MS. COADY: Thank you, Mr. Speaker.

I move, seconded by the Minister of Education, that the debate be adjourned.

MR. SPEAKER: The motion is that debate be adjourned.

Is it the pleasure of the House to adopt this motion?

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, ‘nay.’

Carried.

On motion, budget debate adjourned.

MR. SPEAKER: The hon. the Minister of Finance.

MS. COADY: Mr. Speaker, I wish to inform the House that I have received a message from Her Honour the Lieutenant-Governor.

MR. SPEAKER: All rise.

The message from Her Honour:

As Lieutenant-Governor of the Province of Newfoundland and Labrador, I transmit Estimates of sums required for the Public Service of the Province for the year ending 31 March 2021, in the aggregate of \$7,402,809,500,

and in accordance with the provisions of sections 54 and 90 of the *Constitution Act, 1867*, I recommend these Estimates to the House of Assembly.

Sgd.:

Her Honour, Judy Foote, Lieutenant-Governor

The hon. the Minister of Finance.

MS. COADY: Thank you, Mr. Speaker.

I move, seconded by the Government House Leader, that the message, together with the Estimates, be referred to a Committee of Supply.

MR. SPEAKER: It is moved and seconded that the message from Her Honour the Lieutenant-Governor, together with the Estimates, be referred to a Committee of Supply and that I do now leave the Chair.

Is it the pleasure of the House to adopt this motion?

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, ‘nay.’

Carried.

On motion, that the House resolve itself into a Committee of the Whole, the Speaker left the Chair.

Committee of the Whole

CHAIR (P. Parsons): Order, please!

We shall now take a few minutes to distribute the budget documents to all hon. Members.

(Budgetary documents are distributed.)

CHAIR: The Chair recognizes the hon. Government House Leader.

MR. CROCKER: Madam Chair, I move that the Committee rise, report progress and ask leave to sit again.

CHAIR: The motion is that the Committee rise, report progress and ask leave to sit again.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, that the Committee rise, report progress and ask leave to sit again, the Speaker returned to the Chair.

MR. SPEAKER (Reid): Order, please!

The hon. the Member for Harbour Grace - Port de Grave.

MS. P. PARSONS: Thank you, Mr. Speaker.

Mr. Speaker, the Committee of Supply have considered the matters to them referred and have directed me to report that they have made some progress and ask leave to sit again.

MR. SPEAKER: The Chair of the Committee of Supply reports that the Committee have considered the matters to them referred and have directed her to report that they have made some progress and ask leave to sit again.

When shall the report be received?

MR. CROCKER: Now.

MR. SPEAKER: Now.

When shall the Committee have leave to sit again?

MR. CROCKER: Tomorrow.

MR. SPEAKER: Tomorrow.

On motion, report received and adopted. Committee ordered to sit again on tomorrow.

MR. SPEAKER: Notices of Motion.

Notices of Motion

MR. SPEAKER: The hon. the Minister of Finance.

MS. COADY: Thank you, Mr. Speaker.

I give notice that I will ask leave to introduce a bill entitled, An Act To Amend The Revenue Administration Act, Bill 43.

Mr. Speaker, I give notice that I will ask leave to introduce a bill entitled, An Act To Amend The Revenue Administration Act, No. 2, Bill 44.

Further, Mr. Speaker, I give notice that I will ask leave to introduce a bill entitled, An Act To Amend The Revenue Administration Act, No. 3, Bill 45.

MR. SPEAKER: Further notices of motion?

The hon. the Government House Leader.

MR. CROCKER: Mr. Speaker, I give notice of the following resolution:

That, notwithstanding the Parliamentary Calendar issued by the Clerk for 2020 or any Standing Order to the contrary, the Parliamentary Calendar for the fall 2020 sitting of this House shall be as follows: That this House will meet in accordance with the daily schedule prescribed in the Standing Orders, as follows: from September 30 to October 8, 2020, inclusive and from October 19, 2020, to November 5, 2020, inclusive. And that the week of October 12, 2020, shall be a constituency week.

MR. SPEAKER: Further notices of motion?

MR. CROCKER: Mr. Speaker, I give notice, and by leave, the following motion:

That the Government Services Committee comprise the following Members: the Member for Burin - Grand Bank, the Member for Ferryland, the Member for Harbour Grace - Port de Grave, the Member for Lake Melville, the Member for Placentia - St. Mary's, the Member for St. Barbe - L'Anse aux Meadows, the Member for St. John's East - Quidi Vidi and the Member for Terra Nova.

That the Social Services Committee comprise the following Members: the Member for Lake Melville, the Member for Bonavista, the Member for Burin - Grand Bank, the Member for Harbour Grace - Port de Grave, the Member for Harbour Main, the Member for Placentia - St. Mary's, the Member for St. Barbe - L'Anse aux Meadows and the Member for St. John's Centre.

That the Resource Committee comprise the following Members: the Member for Burin - Grand Bank, the Member for Grand Falls-Windsor - Buchans, the Member for Harbour Grace - Port de Grave, the Member for Labrador West, the Member for Lake Melville, the Member for Placentia - St. Mary's, the Member for St. Barbe - L'Anse aux Meadows and the Member for Topsail - Paradise.

MR. SPEAKER: Is it the pleasure of the House to adopt this motion?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

The hon. the Government House Leader.

MR. CROCKER: Mr. Speaker, I further give notice, and by leave move, that the following heads of expenditure be referred to the Government Services Committee: Consolidated Revenue Fund; Digital Government and Service NL; Department of Finance; the Public Procurement Agency; the Public Service Commission; and the Department of Transportation and Infrastructure.

That the following heads of expenditure be referred to the Resource Committee: the Department of Fishery, Forestry and Agriculture; the Department of Immigration, Skills and Labour; the Department of Industry, Energy and Technology; and the Department of Tourism, Culture, Arts and Recreation.

And that the following heads of expenditure be referred to the Social Services Committee: the Department of Children, Seniors and Social

Development; the Department of Education; the Department of Environment, Climate Change and Municipalities; the Department of Health and Community Services; the Department of Justice and Public Safety; and the Newfoundland and Labrador Housing Corporation.

Mr. Speaker, I also wish to advise Members, on Wednesday, September 30, 2020, at 5:30 p.m. the Social Services Committee will meet in this Chamber for a review of the Estimates for Justice and Public Safety.

MR. SPEAKER: Is it the pleasure of this House to adopt this motion of referral?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

The hon. the Government House Leader.

MR. CROCKER: Mr. Speaker, I move, seconded by the Deputy Premier and Minister of Finance, that the remaining Orders of the Day do stand deferred and that this House, on its rising, do adjourn.

MR. SPEAKER: The motion is that the House do now adjourn.

Is it the pleasure of this House to adopt this motion?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

This House stands adjourned to tomorrow, Thursday, October 1, at 1:30 p.m.

On motion, the House at its rising adjourned until tomorrow, Thursday, at 1:30 p.m.