

BUDGET 2005

Page

STATEMENTS:

I	Summary of Borrowing Requirements	ii
II	Reconciliation of Borrowing Requirements - Budgetary to Consolidated Accrual Budget	iii
III	Consolidated Accrual Revenue and Expenditure	iv
IV	Consolidated Change in Net Debt and Accumulated Deficit.	v
V	Comparative Summary of Current and Related Revenues	vi
VI	Summary of Current and Capital Account Expenditures	vii
VII	Summary of Current Account Expenditures	viii
VIII	Summary of Capital Account Expenditures	ix
IX	Summary of Related Revenues and Expenditures by Main Object and Sector	x

EXHIBITS:

I	Selected Economic Statistics 2001 to 2004	xi
II	Estimated Provincial and Federal Revenues 2005-06 and 2004-05 Revised	xii
III	Current and Capital Revenues Provincial and Federal Sources 2001-02 to 2005-06	xiii
IV	Expenditure Summary 2005-06 Estimated and 2004-05 Revised	xiv
V	Public Sector Debt 2001 to 2005	xv
VI	Summary and Chart - "Where the Money Comes From"	xvi
VII	Summary and Chart - "Where the Money Goes".	xvii
VIII	Summary and Chart - Gross Capital Account Expenditures	xviii
IX	Summary and Chart - Gross Government Expenditures	xix
X	Summary of Budgetary Financing Sources.	xx
XI	Summary of Salary Costs by Department	xxi
XII	Estimated Interest and Debt Retirement 2005-06.	xxii
XIII	Details of Capital Expenditures.	xxiv
XIV	Details of Tangible Capital Asset Acquisitions.	xxvi
XV	Newfoundland and Labrador Estimate of 2005 Tax Expenditures	xxviii

STATEMENT I
NEWFOUNDLAND AND LABRADOR
SUMMARY OF BORROWING REQUIREMENTS
2005-06 and 2004-05 Revised

	2005-06 Estimates		2004-05 Revised	
	(\$000)	(\$000)	(\$000)	(\$000)
BUDGETARY REQUIREMENTS				
Current Account:				
Gross Expenditure	4,243,424		4,056,551	
Related Revenues	293,147		232,851	
Net Expenditure	<u>3,950,277</u>		<u>3,823,700</u>	
Provincial and Federal Revenues	<u>4,092,245</u>		<u>4,061,345</u>	
Financial Contribution		(141,968)		(237,645)
Capital Account:				
Gross Expenditure	296,460		247,602	
Related Revenues	<u>92,443</u>		<u>31,216</u>	
Net Expenditure		<u>204,017</u>		<u>216,386</u>
TOTAL BUDGETARY REQUIREMENTS (CONTRIBUTION)		62,049		(21,259)
BORROWING REQUIREMENTS - OTHER ENTITIES				
Newfoundland and Labrador Municipal Financing Corporation	-		30,000	
Newfoundland and Labrador Student Loan Corporation	<u>-</u>		<u>5,000</u>	
TOTAL BORROWING REQUIREMENTS - OTHER ENTITIES		<u>-</u>		<u>35,000</u>
TOTAL BORROWING REQUIREMENTS - BUDGETARY		62,049		13,741
NON-BUDGETARY TRANSACTIONS				
Debt Retirement:				
Redemptions (See Exhibit XII)	100,000		198,895	
Contributions to Sinking Funds (See Exhibit XII)	45,231		42,174	
Retirement of Pension Liabilities	<u>156,000</u>		<u>156,000</u>	
TOTAL NON-BUDGETARY TRANSACTIONS		<u>301,231</u>		<u>397,069</u>
TOTAL BORROWING REQUIREMENTS		<u>363,280</u>		<u>410,810</u>

STATEMENT II
NEWFOUNDLAND AND LABRADOR
RECONCILIATION OF BORROWING REQUIREMENTS - BUDGETARY
TO CONSOLIDATED ACCRUAL BUDGET
2005-06 and 2004-05 Revised

	2005-06 Estimates	2004-05 Revised
	(\$000)	(\$000)
Borrowing Requirements - Budgetary (per Statement I)	62,049	13,741
Tangible Capital Asset Adjustments (CRF):		
Acquisition of Tangible Capital Assets During the Year	(124,187)	(41,343)
Depreciation - Acquisition of Tangible Capital Assets During the Year	3,020	1,034
Depreciation - Unamortized Beginning Balance of Tangible Capital Assets ..	78,984	80,379
	<u>(42,183)</u>	<u>40,070</u>
Other Accrual Adjustments:		
Interest and Current Service Cost		
of Pensions and Other Retirement Benefits	445,953	425,785
Sinking Fund Earnings, Net of Cash Received	(49,000)	(38,716)
Amortization of Foreign Exchange Gains	(5,835)	(1,752)
Other Accrued Revenues and Expenses, Net of Cash Receipts and Payments ..	(43,768)	73,149
	<u>367,216</u>	<u>512,277</u>
Consolidated Revenue Fund Accrual Deficit	367,216	512,277
Other Entities	92,702	(67,856)
Tangible Capital Asset Adjustments (Other Entities):		
Acquisition of Tangible Capital Assets During the Year	(39,630)	(41,690)
Depreciation - Acquisition of Tangible Capital Assets During the Year	989	1,042
Depreciation - Unamortized Beginning Balance of Tangible Capital Assets ..	71,187	69,041
	<u>32,546</u>	<u>28,393</u>
Consolidated Accrual Deficit (see Statement III)	492,464	472,814

STATEMENT III
NEWFOUNDLAND AND LABRADOR
CONSOLIDATED ACCRUAL REVENUE AND EXPENDITURE
2005-06 and 2004-05 Revised

	2005-06 Estimates	2004-05 Revised
	(\$000)	(\$000)
REVENUE		
Provincial		
Taxation	2,207,238	2,128,121
Investment	232,305	215,906
Fees and Fines	170,613	195,111
Other	305,886	329,636
	2,916,042	2,868,774
Government of Canada	1,748,358	1,666,241
TOTAL REVENUE	4,664,400	4,535,015
EXPENDITURE		
General Government Sector	1,504,574	1,438,027
Resource Sector	194,050	175,267
Social Sector	3,632,643	3,561,422
TOTAL EXPENDITURE	5,331,267	5,174,716
NET INCOME OF GOVERNMENT BUSINESS ENTERPRISES . . .	174,403	166,887
CONSOLIDATED ACCRUAL DEFICIT (see Note 2)	492,464	472,814

Notes:

1. This Statement reflects the estimated financial activity of the Consolidated Revenue Fund and those entities, as approved by Treasury Board, which are controlled by Government. It is prepared using the applicable policies described in Note 1 (Summary of Significant Accounting Policies) of Volume I of the 2003-2004 Public Accounts.
2. Refer to Statement II for a reconciliation of the Borrowing Requirements - Budgetary per Statement I to the Consolidated Accrual Deficit per above.

STATEMENT IV
 NEWFOUNDLAND AND LABRADOR
 CONSOLIDATED CHANGE IN NET DEBT AND ACCUMULATED DEFICIT
 2005-06 and 2004-05 Revised

	2005-06 Estimates	2004-05 Revised
	(\$000)	(\$000)
NET DEBT:		
NET DEBT - beginning of period	11,881,840	11,477,489
Deficit for the period	<u>492,464</u>	<u>472,814</u>
Changes in tangible capital assets:		
Acquisition of tangible capital assets	163,817	83,033
Amortization of tangible capital assets	<u>(154,180)</u>	<u>(151,496)</u>
Increase (Decrease) in net book value of tangible capital assets	<u>9,637</u>	<u>(68,463)</u>
Increase (Decrease) in net debt	<u>502,101</u>	<u>404,351</u>
NET DEBT - end of period	<u><u>12,383,941</u></u>	<u><u>11,881,840</u></u>
ACCUMULATED DEFICIT:		
ACCUMULATED DEFICIT - beginning of period	9,774,164	9,301,350
Deficit for the period	<u>492,464</u>	<u>472,814</u>
ACCUMULATED DEFICIT - end of period	<u><u>10,266,628</u></u>	<u><u>9,774,164</u></u>

STATEMENT V
COMPARATIVE SUMMARY OF CURRENT AND RELATED REVENUES
2005-06 and 2004-05 Revised

	2005-06 Estimates	2004-05 Revised
	(\$000)	(\$000)
PROVINCIAL:		
Taxation:		
Personal Income Tax	779,770	766,446
Sales Tax	614,440	635,804
Gasoline Tax	145,700	142,000
Payroll Tax	92,000	90,700
Tobacco Tax	112,400	102,800
Corporate Income Tax	175,990	170,000
Offshore Royalties	215,370	234,420
Mining Taxes and Royalties	20,940	14,425
Other	47,120	46,700
	<u>2,203,730</u>	<u>2,203,295</u>
General Revenues:		
Newfoundland Liquor Corporation	99,000	105,370
Lottery Revenues	114,500	117,000
Vehicle and Driver Licences	69,497	68,627
Registry of Deeds, Companies and Securities	23,151	22,406
Fines, Fees and Forfeitures	9,280	9,305
Other	34,859	55,474
	<u>350,287</u>	<u>378,182</u>
Expenditure Programs - Related Revenues:		
Recoveries - Sinking Fund Surpluses	-	4,084
Interest Income	45,291	5,012
Other	165,314	146,622
	<u>210,605</u>	<u>155,718</u>
TOTAL: PROVINCIAL REVENUES	<u>2,764,622</u>	<u>2,737,195</u>
GOVERNMENT OF CANADA:		
Fiscal Transfer Payments:		
Equalization	860,959	790,613
Atlantic Accord	-	129,342
Arrangement on Offshore Revenues	188,700	133,600
Health Transfers	346,472	289,575
Social Transfers	140,389	135,030
Statutory Subsidies	1,708	1,708
	<u>1,538,228</u>	<u>1,479,868</u>
Cost-Shared Programs:		
Resource	6,722	6,325
Offshore Fund	657	1,169
Human Resources Development	24,000	23,000
Native Peoples	7,605	7,774
Other	43,558	38,865
	<u>82,542</u>	<u>77,133</u>
TOTAL: GOVERNMENT OF CANADA REVENUES	<u>1,620,770</u>	<u>1,557,001</u>
TOTAL: CURRENT AND RELATED REVENUES	<u>4,385,392</u>	<u>4,294,196</u>

STATEMENT VI

SUMMARY OF CURRENT AND CAPITAL ACCOUNT EXPENDITURES

2005-06 and 2004-05 Revised

	2005-06			2004-05
	Gross Expenditure	Related Revenue	Net Expenditure	Revised (Net)
	\$	\$	\$	\$
General Government Sector				
Consolidated Fund Services	581,110,800	60,321,000	520,789,800	536,931,100
Executive Council	42,660,000	2,653,500	40,006,500	29,809,800
Finance	65,602,300	58,491,700	7,110,600	1,118,200
Government Services	34,647,600	11,006,400	23,641,200	21,035,500
Labrador and Aboriginal Affairs	8,311,000	4,683,400	3,627,600	2,792,500
Legislature	15,416,400	165,800	15,250,600	14,777,800
Public Service Commission	2,732,900	-	2,732,900	2,270,000
Transportation and Works	306,825,300	90,971,200	215,854,100	185,436,400
Resource Sector				
Business	1,431,500	-	1,431,500	277,800
Environment and Conservation	25,041,100	5,960,600	19,080,500	17,248,600
Fisheries and Aquaculture	10,325,600	2,209,400	8,116,200	6,980,700
Innovation, Trade and Rural Development	43,563,300	2,176,500	41,386,800	21,954,700
Natural Resources	77,843,300	12,231,300	65,612,000	57,396,700
Tourism, Culture and Recreation	38,762,000	2,481,200	36,280,800	73,151,300
Social Sector				
Education	904,345,200	31,753,400	872,591,800	928,962,200
Health and Community Services	1,788,948,100	34,588,900	1,754,359,200	1,641,418,900
Human Resources, Labour and Employment	276,838,100	18,115,100	258,723,000	261,356,700
Justice	145,334,700	11,643,500	133,691,200	134,286,900
Municipal and Provincial Affairs	160,494,700	36,137,200	124,357,500	92,970,200
Newfoundland and Labrador Housing Corporation	9,650,000	-	9,650,000	9,910,000
TOTAL	<u>4,539,883,900</u>	<u>385,590,100</u>	<u>4,154,293,800</u>	<u>4,040,086,000</u>

AMOUNT TO BE VOTED 2005-06

Gross Current and Capital Expenditure		4,539,883,900
Less: Expenditures Approved by Statute:		
Interest	501,240,400	
Pensions and Gratuities	56,700,100	
Debt Management Expenses	5,115,600	
Issues under Guarantee	100,000	
Salaries (Auditor General and Comptroller General)	220,300	563,376,400
Amount to be Voted by Supply Bill		<u>3,976,507,500</u>

STATEMENT VII
SUMMARY OF CURRENT ACCOUNT EXPENDITURES
2005-06 and 2004-05 Revised

	2005-06			2004-05
	Gross	Related	Net	Revised
	Expenditure	Revenue	Expenditure	(Net)
	(\$000)	(\$000)	(\$000)	(\$000)
General Government Sector				
Consolidated Fund Services	580,907	59,799	521,108	537,061
Executive Council	39,160	2,654	36,506	28,590
Finance	65,602	58,492	7,110	1,057
Government Services	32,071	10,901	21,170	19,834
Labrador and Aboriginal Affairs	8,311	4,683	3,628	2,792
Legislature	15,417	166	15,251	14,778
Public Service Commission	2,733	-	2,733	2,270
Transportation and Works	212,760	34,094	178,666	170,185
Resource Sector				
Business	1,432	-	1,432	278
Environment and Conservation	24,884	5,961	18,923	16,967
Fisheries and Aquaculture	10,290	2,209	8,081	6,980
Innovation, Trade and Rural Development	32,543	2,177	30,366	21,237
Natural Resources	71,325	12,231	59,094	51,974
Tourism, Culture and Recreation	32,987	2,481	30,506	23,856
Social Sector				
Education	876,041	31,753	844,288	836,318
Health and Community Services	1,741,417	34,589	1,706,828	1,625,306
Human Resources, Labour and Employment	276,009	18,115	257,894	260,901
Justice	144,168	11,644	132,524	131,037
Municipal and Provincial Affairs	65,717	1,198	64,519	62,369
Newfoundland and Labrador Housing Corporation	9,650	-	9,650	9,910
TOTAL	<u>4,243,424</u>	<u>293,147</u>	<u>3,950,277</u>	<u>3,823,700</u>

STATEMENT VIII
SUMMARY OF CAPITAL ACCOUNT EXPENDITURES
2005-06 and 2004-05 Revised

	2005-06			2004-05
	Gross Expenditure	Related Revenue	Net Expenditure	Revised (Net)
	(\$000)	(\$000)	(\$000)	(\$000)
General Government Sector				
Consolidated Fund Services	204	522	(318)	(130)
Executive Council	3,500	-	3,500	1,220
Finance	-	-	-	62
Government Services	2,576	105	2,471	1,202
Transportation and Works	94,065	56,877	37,188	15,251
Resource Sector				
Environment and Conservation	158	-	158	281
Fisheries and Aquaculture	36	-	36	-
Innovation, Trade and Rural Development	11,020	-	11,020	717
Natural Resources	6,518	-	6,518	5,423
Tourism, Culture and Recreation	5,775	-	5,775	49,295
Social Sector				
Education	28,304	-	28,304	92,645
Health and Community Services	47,531	-	47,531	16,113
Human Resources, Labour and Employment	829	-	829	456
Justice	1,166	-	1,166	3,250
Municipal and Provincial Affairs	94,778	34,939	59,839	30,601
TOTAL	<u>296,460</u>	<u>92,443</u>	<u>204,017</u>	<u>216,386</u>

Note: For details refer to Exhibit XIII.

STATEMENT IX
SUMMARY OF RELATED REVENUES AND EXPENDITURES
BY MAIN OBJECT AND SECTOR
2005-06 and 2004-05 Revised

	General Government Sector 2005/06 (\$000)	Resource Sector 2005/06 (\$000)	Social Sector 2005/06 (\$000)	Total 2005/06 (\$000)	% of 2005/06 Total %	Total 2004/05 Revised (\$000)
Current:						
Salaries	132,051	69,507	125,677	327,235	7.71	310,484
Employee Benefits	120,810	577	1,230	122,617	2.89	109,154
Transportation and Communications	13,834	13,031	11,682	38,547	0.91	33,746
Supplies	35,696	6,594	15,374	57,664	1.36	56,641
Professional Services	7,923	6,075	256,684	270,682	6.38	256,180
Purchased Services	104,891	26,270	34,630	165,791	3.91	134,678
Property, Furnishings and Equipment	597	1,508	1,608	3,713	0.09	3,234
Allowances and Assistance	5,865	20	352,804	358,689	8.45	348,925
Grants and Subsidies	16,632	47,784	2,300,831	2,365,247	55.74	2,284,295
Debt Expenses	501,400	-	2,830	504,230	11.88	496,060
Information Technology	17,262	2,095	9,652	29,009	0.68	23,154
Expenditure By Sector Before Recharges	<u>956,961</u>	<u>173,461</u>	<u>3,113,002</u>	<u>4,243,424</u>	<u>100.00</u>	<u>4,056,551</u>
Voted in Other Departments and Divisions	2,730	-	-	2,730		2,034
Recharged to Other Departments and Divisions	<u>(2,730)</u>	<u>-</u>	<u>-</u>	<u>(2,730)</u>		<u>(2,034)</u>
Gross Current Expenditure	<u>956,961</u>	<u>173,461</u>	<u>3,113,002</u>	<u>4,243,424</u>		<u>4,056,551</u>
Federal Revenue Sources	(7,290)	(9,433)	(65,818)	(82,541)	28.16	(77,132)
Provincial Revenue Sources	<u>(163,499)</u>	<u>(15,626)</u>	<u>(31,481)</u>	<u>(210,606)</u>	<u>71.84</u>	<u>(155,719)</u>
Total Current Related Revenues	<u>(170,789)</u>	<u>(25,059)</u>	<u>(97,299)</u>	<u>(293,147)</u>	<u>100.00</u>	<u>(232,851)</u>
Net Current Expenditure	<u>786,172</u>	<u>148,402</u>	<u>3,015,703</u>	<u>3,950,277</u>		<u>3,823,700</u>
Capital:						
Salaries	5,132	106	515	5,753	1.94	2,337
Employee Benefits	-	-	1	1	0.00	1
Transportation and Communications	1,564	5	78	1,647	0.56	665
Supplies	614	4	3	621	0.21	200
Professional Services	1,885	-	6,588	8,473	2.86	1,808
Purchased Services	69,093	6,984	15,540	91,617	30.90	29,191
Property, Furnishings and Equipment	15,176	3,041	35,933	54,150	18.26	15,260
Loans, Advances and Investments	100	13,000	8,000	21,100	7.12	4,504
Grants and Subsidies	-	-	102,267	102,267	34.50	185,527
Debt Expenses	1,235	-	841	2,076	0.70	3,288
Information Technology	5,546	367	2,842	8,755	2.95	4,821
Expenditure by Sector Before Recharges	<u>100,345</u>	<u>23,507</u>	<u>172,608</u>	<u>296,460</u>	<u>100.00</u>	<u>247,602</u>
Voted in Other Departments and Divisions	5,020	-	-	5,020		1,549
Recharged to Other Departments and Divisions	<u>(5,020)</u>	<u>-</u>	<u>-</u>	<u>(5,020)</u>		<u>(1,549)</u>
Gross Capital Expenditure	<u>100,345</u>	<u>23,507</u>	<u>172,608</u>	<u>296,460</u>		<u>247,602</u>
Federal Revenue Sources	(14,602)	-	(34,939)	(49,541)	53.59	(20,328)
Provincial Revenue Sources	<u>(42,902)</u>	<u>-</u>	<u>-</u>	<u>(42,902)</u>	<u>46.41</u>	<u>(10,888)</u>
Total Capital Related Revenues	<u>(57,504)</u>	<u>-</u>	<u>(34,939)</u>	<u>(92,443)</u>	<u>100.00</u>	<u>(31,216)</u>
Net Capital Expenditure	<u>42,841</u>	<u>23,507</u>	<u>137,669</u>	<u>204,017</u>		<u>216,386</u>
Total Net Expenditure	<u>829,013</u>	<u>171,909</u>	<u>3,153,372</u>	<u>4,154,294</u>		<u>4,040,086</u>

EXHIBIT I
SELECTED ECONOMIC STATISTICS
2001 to 2004

	2004	% Change	2003	% Change	2002	% Change	2001
Population as of July 1 (000's)	517.0	-0.3	518.4	-0.2	519.4	-0.5	522.0
Gross Domestic Product at Market Prices (\$ Millions) . .	19,717*	7.9	18,268	9.9	16,615	16.8	14,221
Personal Income (\$ Millions)	12,669*	2.7	12,340	4.2	11,845	2.7	11,536
Per Capita Personal Income (\$)	24,505*	2.9	23,804	4.4	22,805	3.2	22,100
Labour Force, Annual Average (000's)**	255.0	0.4	254.1	2.2	248.7	2.3	243.0
Employment, Annual Average (000's)**	215.2	1.3	212.4	2.4	207.4	1.6	204.2
Unemployment Rate, Annual Average (%)**	15.6	-0.8	16.4	-0.2	16.6	0.6	16.0
Wages and Salaries (\$ Millions)	6,284	3.4	6,079	4.5	5,817	3.2	5,639
Consumer Price Index (1997=100)	113.6	1.8	111.6	2.9	108.4	2.5	105.8
Oil Production (Millions of Barrels)	114.8	-6.7	123.0	17.9	104.3	92.1	54.3
Volume of Fish Landings (000's of Metric Tonnes)	326.1	6.0	307.5	14.7	268.0	2.7	261.0
Value of Fish Landings (\$ Millions)	605.1	5.1	575.6	13.9	505.4	3.7	487.2
Newsprint Shipments (Thousands of Metric Tonnes) . .	731.7	-6.3	780.9	5.5	740.3	-0.7	745.8
Iron Ore Shipments (Millions of Metric Tonnes)	15.0	-24.2	19.8	4.2	19.0	9.2	17.4
Value of Manufacturing Shipments NAICS (\$ Millions). .	3,086.7	9.2	2,826.5	12.5	2,513.5	2.0	2,465.1
Private and Public Capital Investment (\$ Millions) . . .	4,223	13.8	3,712	10.4	3,361	-0.3	3,371
Dwelling Starts (Number)	2,870	6.6	2,692	11.3	2,419	35.3	1,788
Retail Trade (\$ Millions)	5,721	0.7	5,679	5.8	5,369	3.9	5,165
New Motor Vehicle Sales (Number)	22,898	-9.9	25,428	-1.4	25,790	4.6	24,649

Note: Some data are preliminary.
Some percent changes are based on unrounded data.
* Estimate of the Economics and Statistics Branch.
**Data not strictly comparable to earlier tables due to rebasing of LFS population estimates to the 2001 Census.

Source: Statistics Canada; Economics and Statistics Branch,
Department of Finance

EXHIBIT II
ESTIMATED PROVINCIAL AND FEDERAL REVENUES
2005-06 and 2004-05 Revised

	2005-06 Estimates	2004-05 Revised
	(\$000)	(\$000)
PROVINCIAL TAX SOURCES:		
Personal Income Tax	779,770	766,446
Sales Tax	614,440	635,804
Gasoline Tax	145,700	142,000
Payroll Tax	92,000	90,700
Tobacco Tax	112,400	102,800
Corporate Income Tax	175,990	170,000
Offshore Royalties	215,370	234,420
Mining Taxes and Royalties	20,940	14,425
Insurance Companies Tax	37,000	36,600
Corporate Capital Tax	7,820	7,800
Forest Management Tax	2,300	2,300
TOTAL: Provincial Tax Sources	2,203,730	2,203,295
OTHER PROVINCIAL SOURCES:		
Newfoundland Liquor Corporation	99,000	105,370
Lottery Revenues	114,500	117,000
Vehicle and Driver Licences	69,497	68,627
Registry of Deeds, Companies and Securities	23,151	22,406
Fines, Fees and Forfeitures	9,280	9,305
Inland Fish and Game Licences	4,920	4,796
Water Power Rentals	4,980	4,987
Registry of Personal Property	3,400	3,210
Crown Lands	1,800	1,690
Forestry Royalties and Fees	2,110	2,110
Mining and Petroleum Permits and Fees	2,474	2,459
Offshore Revenue Fund	5,000	29,802
Other	10,175	6,420
TOTAL: Other Provincial Sources	350,287	378,182
TOTAL: PROVINCIAL SOURCES	2,554,017	2,581,477
GOVERNMENT OF CANADA:		
Equalization	860,959	790,613
Atlantic Accord	-	129,342
Arrangement on Offshore Revenues	188,700	133,600
Health Transfers	346,472	289,575
Social Transfers	140,389	135,030
Statutory Subsidies	1,708	1,708
TOTAL: GOVERNMENT OF CANADA	1,538,228	1,479,868
TOTAL: PROVINCIAL AND FEDERAL REVENUES	4,092,245	4,061,345

EXHIBIT III

CURRENT AND CAPITAL REVENUES

PROVINCIAL AND FEDERAL SOURCES

2001-02 to 2005-06

	2005-06		2004-05		2003-04		2002-03		2001-02	
	Estimates		Revised		Audited		Audited		Audited	
	(\$000)	%	(\$000)	%	(\$000)	%	(\$000)	%	(\$000)	%
Current Revenues :										
Provincial Sources	2,764,622	63.0	2,737,195	63.7	2,508,012	62.4	2,363,145	60.5	2,230,299	58.7
Federal Sources	1,620,770	37.0	1,557,001	36.3	1,511,881	37.6	1,543,881	39.5	1,570,500	41.3
Total: Current Revenues	4,385,392	100.0	4,294,196	100.0	4,019,893	100.0	3,907,026	100.0	3,800,799	100.0
Capital Revenues :										
Provincial Sources	42,902	46.4	10,888	34.9	25,973	33.0	32,304	39.2	61,129	51.5
Federal Sources	49,541	53.6	20,328	65.1	52,799	67.0	50,046	60.8	57,633	48.5
Total: Capital Revenues	92,443	100.0	31,216	100.0	78,772	100.0	82,350	100.0	118,762	100.0
Current and Capital Revenues :										
Provincial Sources	2,807,524	62.7	2,748,083	63.5	2,533,985	61.8	2,395,449	60.0	2,291,428	58.5
Federal Sources	1,670,311	37.3	1,577,329	36.5	1,564,680	38.2	1,593,927	40.0	1,628,133	41.5
Total: Current and Capital Revenues	4,477,835	100.0	4,325,412	100.0	4,098,665	100.0	3,989,376	100.0	3,919,561	100.0

EXHIBIT IV

EXPENDITURE SUMMARY

2005-06 Estimated

<u>Head</u>	Total		Current		Capital	
	Gross (\$000)	Net (\$000)	Gross (\$000)	Net (\$000)	Gross (\$000)	Net (\$000)
Consolidated Fund Services	581,111	520,790	580,907	521,108	204	(318)
Executive Council	42,660	40,006	39,160	36,506	3,500	3,500
Finance	65,602	7,110	65,602	7,110	-	-
Government Services	34,647	23,641	32,071	21,170	2,576	2,471
Labrador and Aboriginal Affairs	8,311	3,628	8,311	3,628	-	-
Legislature	15,417	15,251	15,417	15,251	-	-
Public Service Commission	2,733	2,733	2,733	2,733	-	-
Transportation and Works	306,825	215,854	212,760	178,666	94,065	37,188
Business	1,432	1,432	1,432	1,432	-	-
Environment and Conservation	25,042	19,081	24,884	18,923	158	158
Fisheries and Aquaculture	10,326	8,117	10,290	8,081	36	36
Innovation, Trade and Rural Development	43,563	41,386	32,543	30,366	11,020	11,020
Natural Resources	77,843	65,612	71,325	59,094	6,518	6,518
Tourism, Culture and Recreation	38,762	36,281	32,987	30,506	5,775	5,775
Education	904,345	872,592	876,041	844,288	28,304	28,304
Health and Community Services	1,788,948	1,754,359	1,741,417	1,706,828	47,531	47,531
Human Resources, Labour and Employment	276,838	258,723	276,009	257,894	829	829
Justice	145,334	133,690	144,168	132,524	1,166	1,166
Municipal and Provincial Affairs	160,495	124,358	65,717	64,519	94,778	59,839
Newfoundland and Labrador Housing Corporation	9,650	9,650	9,650	9,650	-	-
TOTAL	4,539,884	4,154,294	4,243,424	3,950,277	296,460	204,017

EXPENDITURE SUMMARY

2004-05 Revised

Consolidated Fund Services	561,831	536,931	561,627	537,061	204	(130)
Executive Council	31,179	29,810	29,959	28,590	1,220	1,220
Finance	53,690	1,119	53,628	1,057	62	62
Government Services	31,584	21,036	30,332	19,834	1,252	1,202
Labrador and Aboriginal Affairs	7,494	2,792	7,494	2,792	-	-
Legislature	14,964	14,778	14,964	14,778	-	-
Public Service Commission	2,270	2,270	2,270	2,270	-	-
Transportation and Works	226,845	185,436	199,885	170,185	26,960	15,251
Business	278	278	278	278	-	-
Environment and Conservation	22,325	17,248	22,044	16,967	281	281
Fisheries and Aquaculture	9,142	6,980	9,142	6,980	-	-
Innovation, Trade and Rural Development	27,031	21,954	22,917	21,237	4,114	717
Natural Resources	69,938	57,397	64,515	51,974	5,423	5,423
Tourism, Culture and Recreation	75,743	73,151	26,321	23,856	49,422	49,295
Education	960,988	928,963	865,445	836,318	95,543	92,645
Health and Community Services	1,669,034	1,641,419	1,652,921	1,625,306	16,113	16,113
Human Resources, Labour and Employment	276,125	261,357	275,669	260,901	456	456
Justice	146,668	134,287	143,418	131,037	3,250	3,250
Municipal and Provincial Affairs	107,114	92,970	63,812	62,369	43,302	30,601
Newfoundland and Labrador Housing Corporation	9,910	9,910	9,910	9,910	-	-
TOTAL	4,304,153	4,040,086	4,056,551	3,823,700	247,602	216,386

EXHIBIT V
PUBLIC SECTOR DEBT
2001 to 2005

	Five Years ending March 31				
	2005*	2004	2003	2002	2001
	(Millions of dollars)				
Provincial Direct Debt:					
Payable in Canadian Dollars	4,346.9	3,945.8	3,714.1	3,464.1	3,458.5
Due Government of Canada	1,012.1	633.7	633.7	633.7	634.3
Payable in U.S. Dollars (i)	1,384.6	1,508.0	1,688.2	1,833.3	1,849.8
Payable in Japanese Yen	-	-	-	-	28.9
Payable in Swiss Francs	-	-	162.7	284.4	272.8
Total Debenture and Other Debt.....	6,743.6	6,087.5	6,198.7	6,215.5	6,244.3
Treasury Bills	494.0	494.0	494.0	494.0	390.0
Total Provincial Direct Debt (ii)	7,237.6	6,581.5	6,692.7	6,709.5	6,634.3
Crown Corporation and Other Debt:					
Utility	1,414.0	1,416.5	1,293.9	1,150.2	1,055.6
Housing	46.0	57.1	60.4	79.4	124.4
Municipal	636.1	675.3	602.4	594.4	579.1
Student Loans	213.0	213.0	-	-	-
Other	347.6	389.7	381.5	346.1	276.7
Total Crown Corporation and Other Debt	2,656.7	2,751.6	2,338.2	2,170.1	2,035.8
Deduct Sinking Funds held for Redemption of Debt:					
Direct Debt (iii)	948.1	785.2	834.4	1,029.9	1,282.3
Guaranteed Debt	352.2	274.5	253.7	232.0	244.4
Total Sinking Funds.....	1,300.3	1,059.7	1,088.1	1,261.9	1,526.7
Total Public Sector Debt (iv).....	8,594.0	8,273.4	7,942.8	7,617.7	7,143.4

* Forecast

Notes: (i) For 2005, foreign currency debt is converted to the Canadian dollar equivalent using the exchange rate of 1.204.

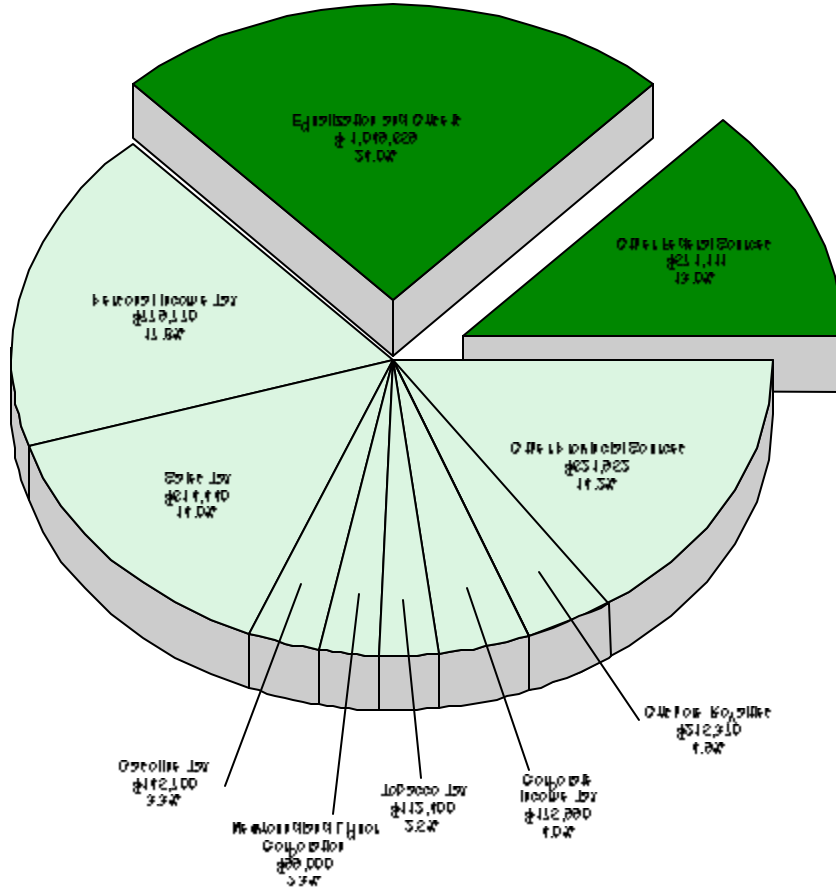
(ii) Between the years 2001 and 2005, the Province borrowed a total of \$735 million for the purpose of making special payments to address the unfunded liabilities of its pension plans.

(iii) During this period, sinking fund assets of \$462 million were returned to the Province upon the wind-up of voluntary sinking funds related to borrowings from the Canada Pension Plan.

(iv) The public sector debt includes the debt of Government, its Crown Corporations, boards and agencies, guaranteed debt, and debt incurred by municipalities, even though such debt may not be guaranteed. It does not include payables and accruals or unfunded liabilities related to pensions, severance or retirement benefits.

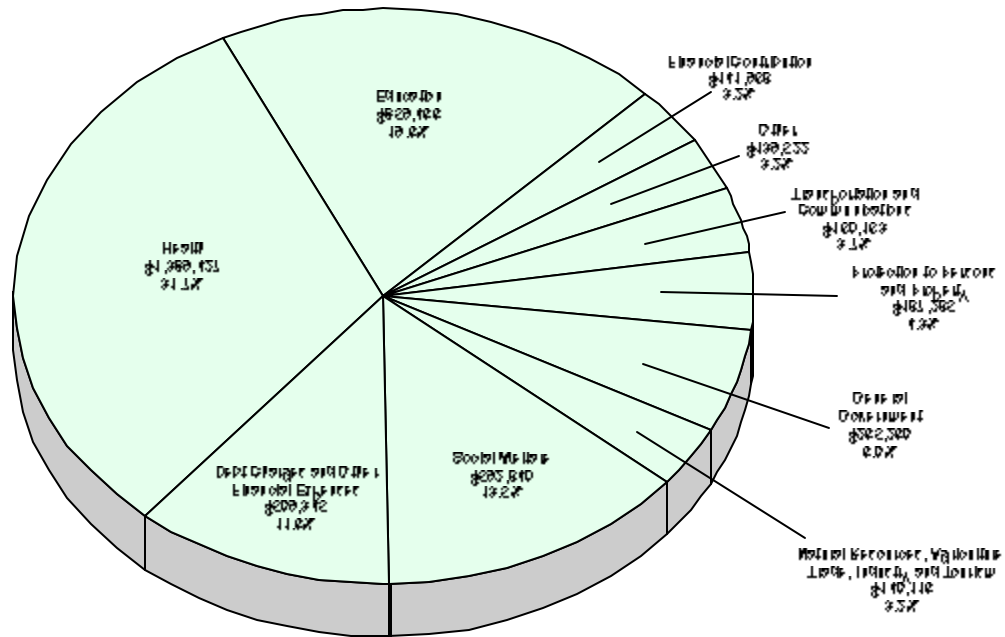
EXHIBIT VI

SUMMARY OF CURRENT REVENUES (By Source)
WHERE THE MONEY COMES FROM



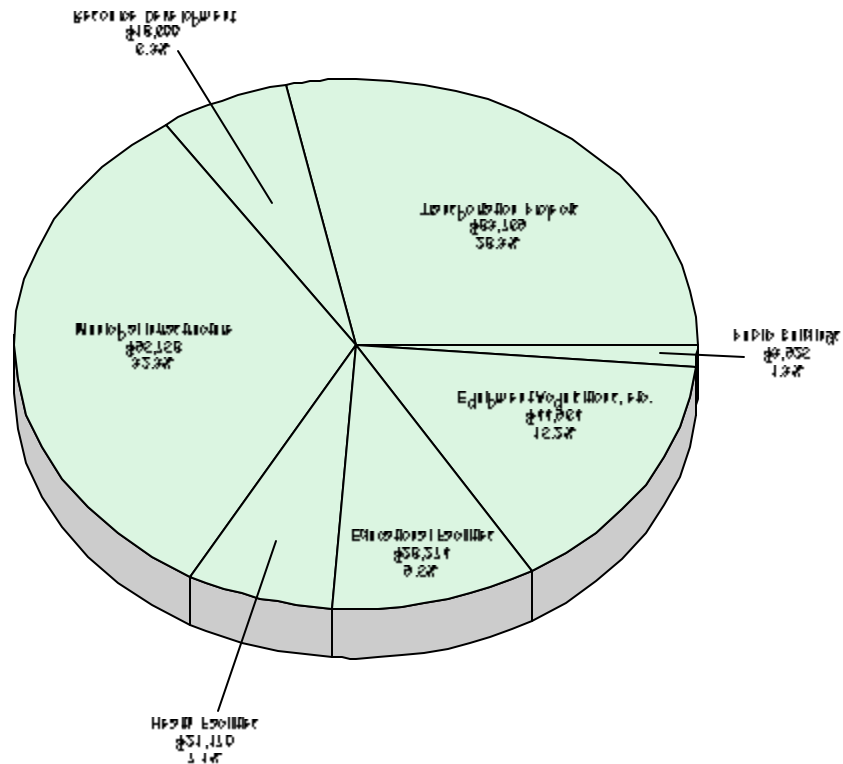
Percentage Of Total		Source	Amount (\$000)	
Revised 2004-05	Estimate 2005-06		Estimate 2005-06	Revised 2004-05
Provincial:				
17.8	17.8	Personal Income Tax	779,770	766,446
14.8	14.0	Sales Tax	614,440	635,804
3.3	3.3	Gasoline Tax	145,700	142,000
5.5	4.9	Offshore Royalties	215,370	234,420
2.5	2.3	Newfoundland Liquor Corporation	99,000	105,370
2.4	2.5	Tobacco Tax	112,400	102,800
3.9	4.0	Corporate Income Tax	175,990	170,000
13.5	14.2	Other Provincial Sources	621,952	580,355
<u>63.7</u>	<u>63.0</u>	Total: Provincial	<u>2,764,622</u>	<u>2,737,195</u>
Government of Canada:				
24.6	24.0	Equalization and Offsets	1,049,659	1,053,555
11.7	13.0	Other Federal Sources	571,111	503,446
<u>36.3</u>	<u>37.0</u>	Total: Government of Canada	<u>1,620,770</u>	<u>1,557,001</u>
<u>100.0</u>	<u>100.0</u>	Total	<u>4,385,392</u>	<u>4,294,196</u>

EXHIBIT VII
SUMMARY OF CURRENT ACCOUNT EXPENDITURES (By Function)
WHERE THE MONEY GOES



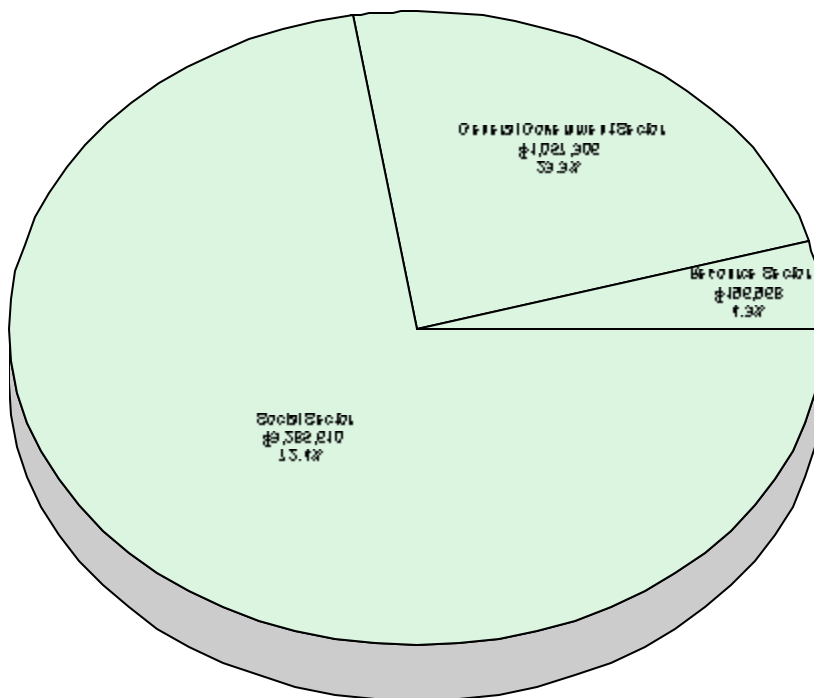
Percentage of Total		Function of Expenditure	Amount (\$000)	
Revised 2004-05	Estimate 2005-06		Estimate 2005-06	Revised 2004-05
		Expenditure:		
19.7	19.6	Education	859,466	847,641
30.7	31.7	Health	1,389,427	1,318,368
11.7	11.6	Debt Charges and Other	509,345	500,299
		Financial Expenses		
13.5	13.5	Social Welfare	592,840	578,576
2.7	3.2	Natural Resources, Agriculture, Trade, Industry and Tourism	140,116	117,977
5.3	6.0	General Government	265,260	227,066
4.3	4.3	Protection to Persons and Property	187,285	184,357
3.6	3.7	Transportation and Communications	160,163	153,212
3.0	3.2	Other	139,522	129,055
<u>94.5</u>	<u>96.8</u>	Total: Expenditures	<u>4,243,424</u>	<u>4,056,551</u>
<u>5.5</u>	<u>3.2</u>	Financial Contribution	<u>141,968</u>	<u>237,645</u>
<u>100.0</u>	<u>100.0</u>	Total	<u>4,385,392</u>	<u>4,294,196</u>

EXHIBIT VIII
SUMMARY OF GROSS CAPITAL ACCOUNT EXPENDITURES
(By Function)



Percentage of Total		Category of Capital Expenditure	Amount (\$000)	
Revised 2004-05	Estimate 2005-06		Estimate 2005-06	Revised 2004-05
Expenditure:				
9.4	28.3	Transportation Projects	83,769	23,356
3.4	6.3	Resource Development	18,600	8,392
17.5	32.3	Municipal Infrastructure	95,758	43,442
4.4	7.1	Health Facilities	21,170	10,800
38.6	9.5	Educational Facilities	28,274	95,513
6.5	15.2	Equipment Acquisitions, etc.	44,964	16,026
20.2	1.3	Public Buildings	3,925	50,073
<u>100.0</u>	<u>100.0</u>	Total: Expenditure	<u>296,460</u>	<u>247,602</u>
Source of Financing:				
8.2	16.7	Government of Canada Revenues	49,541	20,328
4.4	14.5	Provincial Revenues	42,902	10,888
87.4	68.8	Financial Requirement	204,017	216,386
<u>100.0</u>	<u>100.0</u>	Total: Sources	<u>296,460</u>	<u>247,602</u>

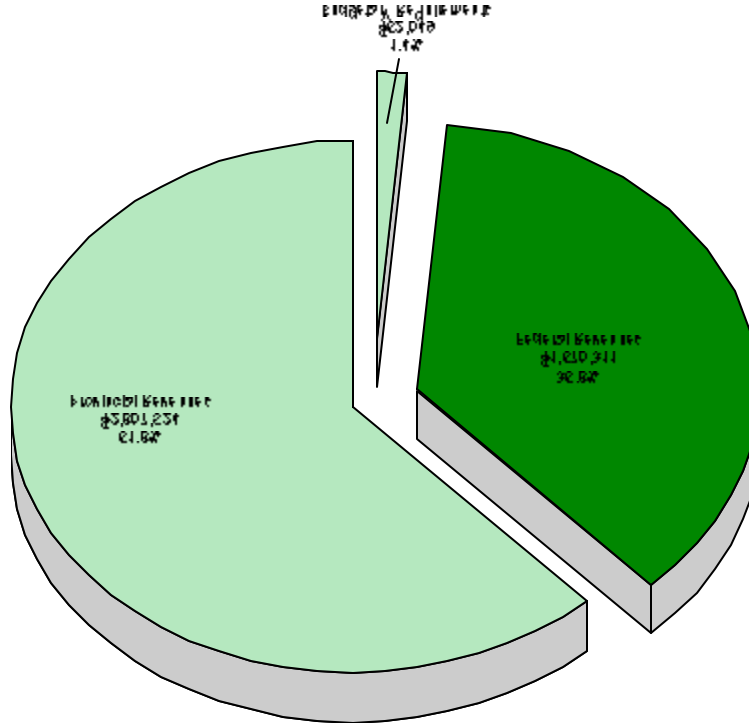
EXHIBIT IX
**SUMMARY OF GROSS GOVERNMENT EXPENDITURES
 CURRENT AND CAPITAL
 (By Sector)**



(TOTAL EXPENDITURE: \$ 4,539,883,900)

GROSS GOVERNMENT EXPENDITURE			RESOURCE SECTOR		
	Estimate 2005-06 (\$000)	Percentage of Total %		Estimate 2005-06 (\$000)	Percentage of Total %
Sector Expenditure			Business	1,432	0.1
General Government	1,057,306	23.3	Environment and Conservation	25,042	0.6
Resource	196,968	4.3	Fisheries and Aquaculture	10,326	0.2
Social	3,285,610	72.4	Innovation, Trade and Rural Development	43,563	0.9
Total: Expenditure	<u>4,539,884</u>	<u>100.0</u>	Natural Resources	77,843	1.7
			Tourism, Culture and Recreation	<u>38,762</u>	<u>0.8</u>
			Total: Resource Sector	<u>196,968</u>	<u>4.3</u>
SOCIAL SECTOR			GENERAL GOVERNMENT SECTOR		
	Estimate 2005-06 (\$000)	Percentage of Total %		Estimate 2005-06 (\$000)	Percentage of Total %
Education	904,345	20.0	Consolidated Fund Services	581,111	12.8
Health and Community Services	1,788,948	39.4	Executive Council	42,660	0.9
Human Resources, Labour and Employment.....	276,838	6.1	Finance	65,602	1.5
Justice	145,334	3.2	Government Services	34,647	0.8
Municipal and Provincial Affairs ...	160,495	3.5	Labrador and Aboriginal Affairs	8,311	0.2
Newfoundland and Labrador Housing Corporation	9,650	0.2	Legislature	15,417	0.3
Total: Social Sector	<u>3,285,610</u>	<u>72.4</u>	Public Service Commission	2,733	0.1
			Transportation and Works	<u>306,825</u>	<u>6.7</u>
			Total: General Government Sector	<u>1,057,306</u>	<u>23.3</u>

EXHIBIT X
SUMMARY OF BUDGETARY FINANCING SOURCES
(For Gross Current and Capital Account Expenditures)



Percentage of Total		Category of Financing	Amount (\$000)	
Revised 2004-05	Estimate 2005-06		Estimate 2005-06	Revised 2004-05
Revenue Sources:				
63.9	61.8	Provincial	2,807,524	2,748,083
36.6	36.8	Federal	1,670,311	1,577,329
<u>100.5</u>	<u>98.6</u>		<u>4,477,835</u>	<u>4,325,412</u>
Budgetary Requirements:				
5.0	4.5	Capital Account (Net Expenditure)	204,017	216,386
<u>(5.5)</u>	<u>(3.1)</u>	Current Account (Financial Contribution)	<u>(141,968)</u>	<u>(237,645)</u>
<u>(0.5)</u>	<u>1.4</u>	Total Budgetary Requirements (Contribution):	<u>62,049</u>	<u>(21,259)</u>
<u>100.0</u>	<u>100.0</u>	Total: Sources	<u>4,539,884</u>	<u>4,304,153</u>

EXHIBIT XI

SUMMARY OF SALARY COSTS BY DEPARTMENT

2005-06 and 2004-05 Revised

DEPARTMENT	2005-06 Estimates \$	2004-05 Revised \$
Executive Council	18,753,700	16,511,600
Finance	11,777,900	7,759,700
Government Services.	20,965,000	19,975,200
Labrador and Aboriginal Affairs	1,468,000	1,291,300
Legislature	7,158,200	6,859,500
Public Service Commission	2,107,700	1,771,700
Transportation and Works	74,952,900	69,576,200
Business	560,000	100,000
Environment and Conservation	13,351,000	12,569,400
Fisheries and Aquaculture	5,843,000	5,068,400
Innovation, Trade and Rural Development	10,194,100	8,541,100
Natural Resources	31,729,700	30,544,900
Tourism, Culture and Recreation	7,935,000	7,877,500
Education	11,485,000	10,837,700
Health and Community Services	12,823,000	12,311,500
Human Resources, Labour and Employment	27,089,500	25,380,600
Justice	68,273,700	69,350,700
Municipal and Provincial Affairs	<u>6,520,600</u>	<u>6,494,300</u>
TOTAL	<u>332,988,000</u>	<u>312,821,300</u>
Less: Capital Account Salary Expenditure.	<u>5,752,600</u>	<u>2,337,000</u>
Total: Current Account Salary Expenditure	<u><u>327,235,400</u></u>	<u><u>310,484,300</u></u>

EXHIBIT XII

ESTIMATED INTEREST AND DEBT RETIREMENT 2005-06

Term	Series	Amount Outstanding	Interest Rate	Sinking Fund Rate	Interest	Sinking Fund	Debt Redemption
			%	%	\$	\$	\$
Payable in Canadian Dollars:							
1987/2007	5S	42,300,000	10.79	2.0	4,564,200	846,000	
1987/2010	5R	100,000,000	9.375	2.0	9,375,000	2,000,000	
1988/2008	5T	100,000,000	11.25	2.0	11,250,000	2,000,000	
1989/2012	5U	125,000,000	11.0	2.0	13,750,000	2,500,000	
1989/2014	5V	150,000,000	10.125	1.5	15,187,500	2,250,000	
1991/2021	5X	147,892,000	10.95	-	16,194,200		
1993/2013	EC6	81,734,000	5.65	2.0	4,618,000	1,634,700	
1995/2025	6B	100,000,000	9.15	0.75	9,150,000	750,000	
1996/2026	6C	150,000,000	8.45	0.75	12,675,000	1,125,000	
1997/2007	6E	150,000,000	5.90	-	8,850,000		
1998/2008	6G	250,000,000	5.70	-	14,250,000		
1998/2028	6F	450,000,000	6.15	1.0	27,675,000	4,500,000	
1999/2009	6J	200,000,000	6.70	-	13,400,000		
1999/2029	6H	200,000,000	6.50	1.125	13,000,000	2,250,000	
2000/2030	6K	450,000,000	6.55	1.125	29,475,000	5,062,500	
2001/2005	6M	100,000,000	4.61	-	4,610,000		100,000,000
2001/2011	6L	200,000,000	6.4	-	12,800,000		
2002/2010	EC7	200,000,000	5.125	-	10,250,000		
2002/2042	6Q	250,000,000	6.24	0.5	15,600,000	1,250,000	
2003/2033	6R	300,000,000	5.60	1.25	16,800,000	3,750,000	
2004/2014	6S	300,000,000	5.25	-	15,750,000		
2004/2035	6T	300,000,000	5.70	1.25	17,100,000	3,750,000	
2005/2006 Anticipated			-	-	2,875,000		
					299,198,900	33,668,200	100,000,000
Payable in United States Dollars:							
1987/2007	AF	100,000,000	11.625	2.0	14,531,300	2,500,000	
1989/2019	AG	150,000,000	9.00	1.5	16,875,000	2,812,500	
1990/2020	AH	150,000,000	9.875	0.5	18,515,600	937,500	
1990/2020	AJ	150,000,000	10.00	0.5	18,750,000	937,500	
1991/2021	AK	200,000,000	9.00	0.5	22,500,000	1,250,000	
1992/2022	AM	200,000,000	8.65	0.5	21,625,000	1,250,000	
1993/2023	AN	200,000,000	7.32	0.75	18,300,000	1,875,000	
					131,096,900	11,562,500	
					430,295,800	45,230,700	100,000,000

EXHIBIT XII

ESTIMATED INTEREST AND DEBT RETIREMENT 2005-06 (Cont'd)

Term	Series	Amount Outstanding	Interest Rate	Sinking Fund Rate	Interest	Sinking Fund	Debt Redemption
			%	%	\$	\$	\$
Canada Pension Plan: (20 Year Term)							
1985/86	3A	50,570,000	10.58-12.57	-	3,631,700		
1986/87	3A	59,659,000	9.04-10.17	-	5,735,200		
1987/88	3A	43,829,000	9.12-11.07	-	4,280,400		
1988/89	3A	41,635,000	9.62-10.39	-	4,196,400		
1989/90	3A	45,188,000	9.15-10.31	-	4,475,100		
1990/91	3A	40,432,000	9.78-11.33	-	4,385,400		
1991/92	3A	40,858,000	9.81-10.04	-	4,052,800		
1992/93	3A	28,770,000	9.17- 9.45	-	2,695,300		
1998/99	3A	1,827,000	5.97	-	109,100		
1999/00	3A	35,282,000	5.89-7.02	-	2,248,100		
2000/01	3A	42,645,000	6.41-6.90	-	2,851,100		
2001/02	3A	52,376,113	6.38-6.85	-	3,452,800		
2002/03	3A	52,104,000	5.88-6.61	-	3,275,400		
2003/04	3A	50,738,000	5.41-6.15	-	2,907,200		
2004/05	3A	47,146,000	5.36-5.92	-	2,680,100		
2005/06 Anticipated					1,068,500		
					52,044,600		
TOTAL					482,340,400	45,230,700	100,000,000

AVERAGE EXCHANGE RATE USED IN CONVERSION

U.S..... 1.2500 Cdn.

EXHIBIT XIII
DETAILS OF CAPITAL EXPENDITURES
ESTIMATES 2005-06

ACTIVITY NO.	DETAILS	GROSS EXPENDITURE	RELATED REVENUE	NET EXPENDITURE
		\$	\$	\$
CONSOLIDATED FUND SERVICES				
1.2.01	Recoveries on Loans, Advances and Investments	-	521,100	(521,100)
1.3.01	Various Facilities	103,800	-	103,800
1.4.02	Issues Under Guarantee	100,000	1,000	99,000
TOTAL		203,800	522,100	(318,300)
EXECUTIVE COUNCIL				
4.1.02	Administrative Support	3,500,000	-	3,500,000
TOTAL		3,500,000	-	3,500,000
GOVERNMENT SERVICES				
1.2.02	Administrative Support	2,576,200	105,000	2,471,200
TOTAL		2,576,200	105,000	2,471,200
TRANSPORTATION AND WORKS				
1.2.05	Administrative Support	1,200,000	325,000	875,000
2.2.05	Salt Storage Sheds	1,000,000	-	1,000,000
2.3.03	Equipment Acquisitions	8,796,000	125,000	8,671,000
3.2.04	Administrative Support	112,600	-	112,600
3.2.05	Improvement and Construction - Provincial Roads	4,000,000	-	4,000,000
3.2.06	Highway/Regional Road Construction	18,000,000	8,910,000	9,090,000
3.2.07	Trans Labrador Highway	41,000,000	41,000,000	-
3.2.08	Strategic Highway Infrastructure Program	13,650,000	6,092,200	7,557,800
3.2.09	Land Acquisition	2,000,000	-	2,000,000
3.3.02	Development of New Facilities	500,000	-	500,000
4.1.04	Airstrips	425,000	425,000	-
4.2.05	Ferry Terminals	1,350,000	-	1,350,000
4.2.06	Ferry Vessels	2,031,300	-	2,031,300
TOTAL		94,064,900	56,877,200	37,187,700
ENVIRONMENT AND CONSERVATION				
1.2.04	Administrative Support	157,500	-	157,500
TOTAL		157,500	-	157,500
FISHERIES AND AQUACULTURE				
1.2.02	Administrative Support	36,000	-	36,000
TOTAL		36,000	-	36,000
INNOVATION, TRADE AND RURAL DEVELOPMENT				
1.2.05	Administrative Support	20,000	-	20,000
3.1.05	Strategic Enterprise Development Fund	11,000,000	-	11,000,000
TOTAL		11,020,000	-	11,020,000

EXHIBIT XIII
DETAILS OF CAPITAL EXPENDITURES
ESTIMATES 2005-06

ACTIVITY NO.	DETAILS	GROSS EXPENDITURE	RELATED REVENUE	NET EXPENDITURE
		\$	\$	\$
NATURAL RESOURCES				
1.2.03	Administrative Support	1,018,000	-	1,018,000
2.1.04	Resource Roads Construction	3,500,000	-	3,500,000
3.1.03	Land Development	2,000,000	-	2,000,000
TOTAL		6,518,000	-	6,518,000
TOURISM, CULTURE AND RECREATION				
1.2.04	Administrative Support	375,000	-	375,000
3.1.07	Newfoundland and Labrador Film Development Corporation	2,000,000	-	2,000,000
3.1.08	Rooms Facility	3,400,000	-	3,400,000
TOTAL		5,775,000	-	5,775,000
EDUCATION				
2.1.04	Administrative Support	30,000	-	30,000
3.1.09	School Facilities - New Construction and Alterations to Existing Facilities	9,450,000	-	9,450,000
4.2.02	Physical Plant and Equipment	8,724,100	-	8,724,100
4.3.02	Physical Plant and Equipment	2,100,000	-	2,100,000
4.4.04	Newfoundland and Labrador Student Loans Program	8,000,000	-	8,000,000
TOTAL		28,304,100	-	28,304,100
HEALTH AND COMMUNITY SERVICES				
1.2.09	Administrative Support	2,044,600	-	2,044,600
3.2.01	Furnishings and Equipment	24,420,000	-	24,420,000
3.2.02	Health Care Facilities	21,066,500	-	21,066,500
TOTAL		47,531,100	-	47,531,100
HUMAN RESOURCES, LABOUR AND EMPLOYMENT				
1.2.04	Administrative Support	828,700	-	828,700
TOTAL		828,700	-	828,700
JUSTICE				
1.2.04	Administrative Support	1,141,400	-	1,141,400
3.1.02	Supreme Court Facilities	25,000	-	25,000
TOTAL		1,166,400	-	1,166,400
MUNICIPAL AND PROVINCIAL AFFAIRS				
1.2.03	Administrative Support	20,000	-	20,000
3.2.01	Municipal Infrastructure	60,830,800	-	60,830,800
3.2.02	Canada/Newfoundland and Labrador Infrastructure Program	24,381,300	24,208,900	172,400
3.2.03	Community Development - Coastal Labrador	8,145,800	2,867,700	5,278,100
4.1.04	Disaster Assistance	1,400,000	7,862,200	(6,462,200)
TOTAL		94,777,900	34,938,800	59,839,100
TOTAL: CAPITAL ACCOUNT EXPENDITURES		296,459,600	92,443,100	204,016,500

EXHIBIT XIV
DETAILS OF TANGIBLE CAPITAL ASSET ACQUISITIONS
ESTIMATES 2005-06

ACTIVITY NO.	DETAILS	GROSS EXPENDITURE	RELATED REVENUE	NET EXPENDITURE
		\$	\$	\$
EXECUTIVE COUNCIL				
4.1.02	Administrative Support	3,500,000	-	3,500,000
TOTAL		3,500,000	-	3,500,000
GOVERNMENT SERVICES				
1.2.02	Administrative Support	2,576,200	105,000	2,471,200
TOTAL		2,576,200	105,000	2,471,200
TRANSPORTATION AND WORKS				
1.2.05	Administrative Support	1,200,000	325,000	875,000
2.2.05	Salt Storage Sheds	1,000,000	-	1,000,000
2.3.03	Equipment Acquisitions	8,796,000	125,000	8,671,000
3.2.04	Administrative Support	112,600	-	112,600
3.2.05	Improvement and Construction - Provincial Roads	4,000,000	-	4,000,000
3.2.06	Highway/Regional Road Construction	18,000,000	8,910,000	9,090,000
3.2.07	Trans Labrador Highway	41,000,000	41,000,000	-
3.2.08	Strategic Highway Infrastructure Program	13,650,000	6,092,200	7,557,800
3.2.09	Land Acquisition	2,000,000	-	2,000,000
3.3.02	Development of New Facilities	500,000	-	500,000
4.1.04	Airstrips	425,000	425,000	-
4.2.05	Ferry Terminals	1,350,000	-	1,350,000
4.2.06	Ferry Vessels	2,031,300	-	2,031,300
TOTAL		94,064,900	56,877,200	37,187,700
ENVIRONMENT AND CONSERVATION				
1.2.04	Administrative Support	157,500	-	157,500
TOTAL		157,500	-	157,500
FISHERIES AND AQUACULTURE				
1.2.02	Administrative Support	36,000	-	36,000
TOTAL		36,000	-	36,000
INNOVATION, TRADE AND RURAL DEVELOPMENT				
1.2.05	Administrative Support	20,000	-	20,000
TOTAL		20,000	-	20,000
NATURAL RESOURCES				
1.2.03	Administrative Support	1,018,000	-	1,018,000
2.1.04	Resource Roads Construction	3,500,000	-	3,500,000
3.1.03	Land Development	2,000,000	-	2,000,000
TOTAL		6,518,000	-	6,518,000

EXHIBIT XIV

DETAILS OF TANGIBLE CAPITAL ASSET ACQUISITIONS

ESTIMATES 2005-06

ACTIVITY NO.	DETAILS	GROSS EXPENDITURE	RELATED REVENUE	NET EXPENDITURE
		\$	\$	\$
TOURISM, CULTURE AND RECREATION				
1.2.04	Administrative Support	375,000	-	375,000
3.1.08	Rooms Facility	3,400,000	-	3,400,000
TOTAL		3,775,000	-	3,775,000
EDUCATION				
2.1.04	Administrative Support	30,000	-	30,000
3.1.09	School Facilities - New Construction and Alterations to Existing Facilities	9,450,000	-	9,450,000
TOTAL		9,480,000	-	9,480,000
HEALTH AND COMMUNITY SERVICES				
1.2.09	Administrative Support	2,044,600	-	2,044,600
TOTAL		2,044,600	-	2,044,600
HUMAN RESOURCES, LABOUR AND EMPLOYMENT				
1.2.04	Administrative Support	828,700	-	828,700
TOTAL		828,700	-	828,700
JUSTICE				
1.2.04	Administrative Support	1,141,400	-	1,141,400
3.1.02	Supreme Court Facilities	25,000	-	25,000
TOTAL		1,166,400	-	1,166,400
MUNICIPAL AND PROVINCIAL AFFAIRS				
1.2.03	Administrative Support	20,000	-	20,000
TOTAL		20,000	-	20,000
TOTAL: TANGIBLE CAPITAL ASSET ACQUISITIONS		124,187,300	56,982,200	67,205,100

EXHIBIT XV

NEWFOUNDLAND AND LABRADOR ESTIMATE OF 2005 TAX EXPENDITURES

ESTIMATES 2005-06

The principal function of the tax system is to raise the revenues necessary to fund government expenditures in a manner that is both efficient and equitable. The tax system is also an instrument of policy that serves to advance a wide range of economic, social and other public policy objectives. Tax measures that reflect such objectives include exemptions, deductions, rebates, deferrals and credits, and are typically referred to as "tax expenditures". Tax expenditures can be viewed as substitutes for direct program spending, and are disclosed in the following estimates.

	(\$ Millions)
Personal Income Tax	
Child Benefit	8.5
Senior's Benefit	7.8
HST Credit	5.6
Low Income Tax Reduction	5.5
Labour Sponsored Venture Capital Tax Credit	0.2
Direct Equity Tax Credit	0.1
Political Contributions Tax Credit	0.1
Corporate Income Tax	
Small Business Tax Rate Reduction	17.8
Manufacturing and Processing Profits Tax Rate Reduction	8.0
Research and Development Tax Credit	3.8
New Small Business Tax Holiday	0.3
EDGE Remissions	0.3
Film and Video Industry Tax Credit	0.3
Offshore Area Tax Reduction	0.2
Harmonized Sales Tax	
Book Rebate	3.7
Labrador Building Materials Rebate	0.5
Gasoline Tax	
Exemptions for Fishing, Aquaculture, Farming and Logging	4.5
Exemptions for Electricity Generation	2.0
Exemptions for Municipal Governments	1.0
Exemptions for Mineral Exploration and Pre-production Development	0.6
Exemptions for Rock Crushing and/or Screening Aggregates	0.3
Tobacco Tax	
Labrador Border Zones Reduced Rates	1.6