

## Finance

September 30, 2020

## Budget 2020 Supports Families, Businesses and Communities During Global Pandemic

In Budget 2020: Today. Tomorrow. Together. the Provincial Government is making investments on a priority basis. From affordable child care to business supports to improved access to prescription drugs, Budget 2020 supports families, businesses, and communities as the province adapts to the COVID-19 global pandemic.

Building on the strong foundations developed over the past five years, we will support and partner with businesses and industry as they put their ingenuity and talent to the task of building a stronger and more sustainable economy in Newfoundland and Labrador. Budget 2020 investments include:

- ▶ To help ensure that young families can enter or stay in the provincial workforce while having access to affordable childcare, \$25 a day child care will be introduced in 2021.
- ▶ To help achieve the goal of welcoming 2,500 new permanent residents to the province by 2022, \$2.1 million is being allocated to market the province and provide enhanced supports to assist in newcomer settlement.
- ▶ A \$30 million Small Business Assistance Program to help offset expenses and innovation required to respond to COVID-19. \$25 million will be directed towards small businesses and \$5 million towards community-based organizations.
- ▶ Broadening the eligibility under the Tourism and Hospitality Support Program to include our professional artists and musicians impacted by COVID-19.
- ▶ The Budget also includes \$1 million in additional funding for ArtsNL, bringing the annual provincial investment to more than \$3.9 million.
- ▶ To encourage and support the craft brewing industry, further discounts will be introduced that will provide savings for the industry of over \$1 million.

COVID-19 has demonstrated what's possible when we all come together for the greater good. To support stronger and healthier communities, Budget 2020 investments include:

- ▶ Close to \$100 million is available for such things as personal protective equipment, testing, and mobilizing efforts to support immunization in the event that a vaccine is discovered and safe for use.
- ▶ 14 new drugs for the Newfoundland and Labrador Prescription Drug Program and expanded Insulin Pump Program
- ▶ Continuing to transform the education system through the Education Action Plan with an investment of \$22 million, as well as a \$20 million investment to enhance digital learning through laptop and Chromebook purchases for junior high and high school students.
- ▶ Increased tax on vaping and tobacco products to prevent usage and avoid long-term health care costs.
- ▶ Over \$200,000 for the Seniors' Social Inclusion Initiative

Infrastructure is important to providing services to residents and growing our economy. Budget 2020 features \$609 million in infrastructure funding, a significant investment in local jobs with 95 per cent of employees living in the province full time. This funding supports projects such as:

- ▶ More than \$170 million for provincial highways and bridges, including \$39.8 million for the Trans-Labrador Highway;
- ▶ \$23 million for upgrades to existing health care facilities, as well as \$22 million to support the replacement of capital equipment;
- ▶ \$16.4 million toward the construction of the adult mental health and addictions facility in St. John's;
- ▶ \$46 million for ongoing construction of new schools in Gander, Paradise, Bay Roberts and St. Alban's;
- ▶ \$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.

By next spring's budget, the Economic Recovery Team led by Dame Moya Greene will provide recommendations that will inform our path to a sustainable and vibrant economy. The team will be tasked with reviewing expenditures across government, providing independent analysis of our fiscal capacity and re-imagining government service delivery.

**Quote**

“Budget 2020 recognizes the challenges we face today, the opportunities available tomorrow and the need to work together to unlock the potential of this province. We have prioritized investments that strengthen our communities and promote economic recovery. We will continue to advance initiatives that support the public interest while maintaining our commitment to strong fiscal management.”

Honourable Siobhan Coady

Deputy Premier and Minister of Finance

- 30 -

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