

Your Health. Our Priority.

BUDGET 2023



Budget Highlights

Budget 2023 – Your Health. Our Priority. – highlights our commitment to Newfoundlanders and Labradorians to undertake generational changes that support the pursuit of a stronger, smarter, self-sufficient, and sustainable province.

Financial Landscape

- ▶ Newfoundland and Labrador will have a \$160 million deficit this year. It will be in a surplus position next year, two years ahead of schedule.
- ▶ Revenue forecasts for 2023-24 are \$9.7 billion.
- ▶ Increases in provincial spending total \$108 million. This is lower than the rate of inflation.
- ▶ The Debt to Gross Domestic Product Ratio is approximately 37 per cent. In 2020, it was over 50 per cent.
- ▶ Oil production is 86.3 million barrels in 2023-24. Oil revenues in 2023-24 are expected to represent 12 per cent of overall revenues compared to 33 per cent in 2011-12.
- ▶ Oil price is forecasted at US\$86 per barrel, while the Canada to United States exchange rate is 75.7 cents. This is based on independent forecasters.

- ▶ The projected borrowing required for 2023-24 is \$1.5 billion.

Health Care

- ▶ More than \$21 million for 10 new Family Care Teams across the province. This will provide access to primary care for up to 80,000 people when fully implemented, with more to come.
- ▶ \$15 million for a new health information system.
- ▶ \$9 million to begin to consolidate 60 separate road ambulance services into a single, integrated service with centralized dispatch.
- ▶ \$5 million for a new virtual care program.
- ▶ More than \$23 million for recruitment and retention of health care professionals.
- ▶ Increasing capacity in Memorial University's Medicine Programs, which will have a year-over-year multiplier effect and ensure a steady stream of new recruits into the health system.
- ▶ \$4.4 million for Flexible Assertive Community Treatment teams that will better assist individuals with mental health needs.

✓ Largest ever investment in health care

✓ Historic investment in provincial roads and highways

✓ No tax or fee increases

✓ Increasing the Income Supplement and Seniors' Benefit

Our Largest Ever Investment in Health Care



- ▶ Addition of 12 new drugs to the provincial drug program.
- ▶ \$3 million for a Cardiovascular and Stroke Institute.
- ▶ Approximately \$1.8 million for travelling orthopaedic teams and same day hip and knee replacement surgeries.
- ▶ \$7.7 million this year and increasing to \$9.3 million next year for health care professionals who support self-managed care in the home.
- ▶ \$7.5 million annual increase for community care home professionals.
- ▶ \$6.1 million annual increase for personal care home professionals.

Helping with the High Cost of Living

- ▶ No new taxes or fee increases.
- ▶ Elimination of the retail sales tax on home insurance.
- ▶ 8.05 cent per litre (includes HST) reduction on the price of gasoline and diesel – the second lowest rate among provinces.
- ▶ Doubling of the Physical Activity Tax Credit.
- ▶ \$77.5 million for the Income Supplement, which includes a five per cent increase.
- ▶ \$67.1 million for the Seniors' Benefit, which includes a five per cent increase.
- ▶ More than \$140 million for housing, including construction of more than 850 rental homes.
- ▶ Continuing the 50 per cent off the cost of registering passenger vehicles, light trucks, and taxis for another year.
- ▶ Maintaining the home heating supplement that provides up to \$500 to residents who currently rely on furnace or stove oil to heat their home.
- ▶ \$1.3 million to cover the cost of driver medicals for people 75 years of age and older.

Supporting Industry and Business

- ▶ Encouraging economic development by increasing the exemption threshold of the Health and Post-Secondary Education Tax from \$1.3 million to \$2 million. This will benefit 1,250 businesses.
- ▶ More than \$1.1 billion for infrastructure projects, including an historic investment in provincial roads and highways.
- ▶ Expanding the All-Spend Film and Video production Tax Credit to 40 per cent.
- ▶ Increasing commission discounts to wine, spirit and cider producers in the province.
- ▶ A Manufacturing and Processing Tax Credit.
- ▶ A green technology tax credit.
- ▶ \$140 million for workforce development.
- ▶ \$1.5 million to improve air access.

Supporting Education

- ▶ \$64 million to increase wages for early childhood educators, and improve accessibility to \$10 per day child care.
- ▶ \$12 million increase for the teaching services budget to add more teaching units bringing its total to just over \$568 million.

Communities

- ▶ \$6 million increase in base funding under Municipal Operating Grants over the next two years – \$3 million this year, and another \$3 million in 2024. Collectively, these increases will see the Municipal Operating Grant budget grow to \$28 million.
- ▶ \$19.2 million for settlement supports, including those for Ukrainians.
- ▶ \$2.2 million to accelerate progress to reach immigration targets.