

BUDGET 2023

Page

STATEMENTS:

I	Consolidated Statement of Operations	ii
II	Consolidated Statement of Cash Flows	iii
III	Consolidated Change in Net Debt	iv

SCHEDULES:

I	Revenue By Source	v
II	Gross Expense By Department	vi
III	Gross Expense By Object	vii
IV	Consolidated Borrowings	viii
V	Where the Revenue Comes From	ix
VI	Where the Expenses Go	x

THIS PAGE INTENTIONALLY LEFT BLANK

**STATEMENT I
PROVINCE OF NEWFOUNDLAND AND LABRADOR
CONSOLIDATED STATEMENT OF OPERATIONS
2023-24 AND 2022-23**

	2023-24	2022-23	
	Budget	Revised	Budget
	(\$000)	(\$000)	(\$000)
REVENUE			
Provincial			
Taxation	4,404,988	5,628,465	4,473,021
Investment	77,631	80,039	73,864
Fees and Fines	383,689	390,715	369,077
Offshore Royalties	1,100,367	1,196,659	865,693
Other	487,029	651,787	431,902
Government of Canada	<u>2,229,166</u>	<u>1,725,860</u>	<u>1,942,527</u>
Total Revenue before Government Business Enterprises and Partnerships	8,682,870	9,673,525	8,156,084
Net Income of Government Business Enterprises and Partnerships	<u>1,006,424</u>	<u>852,059</u>	<u>914,103</u>
Sch. I TOTAL REVENUE	<u>9,689,294</u>	<u>10,525,584</u>	<u>9,070,187</u>
EXPENSE			
General Government Sector and Legislative Branch	2,285,178	2,276,771	2,236,136
Resource Sector	739,413	973,100	768,966
Social Sector	<u>6,824,626</u>	<u>6,491,447</u>	<u>6,416,489</u>
Sch. III TOTAL EXPENSE	<u>9,849,217</u>	<u>9,741,318</u>	<u>9,421,591</u>
ANNUAL SURPLUS (DEFICIT)	<u>(159,923)</u>	<u>784,266</u>	<u>(351,404)</u>

Notes:

- (i) This Statement includes estimated financial activity by departments and organizations in the Government Reporting Entity.
- (ii) This Statement is recorded on an accrual basis. The Estimates are prepared on a modified cash basis in accordance with the Financial Administration Act.

**STATEMENT II
PROVINCE OF NEWFOUNDLAND AND LABRADOR
CONSOLIDATED STATEMENT OF CASH FLOWS
2023-24 AND 2022-23 REVISED**

	2023-24 Budget (\$000)	2022-23 Revised (\$000)
Funds Provided from (Applied to):		
OPERATIONS		
Annual Surplus (Deficit)	(159,923)	784,266
Add / (Deduct) Non-Cash Items:		
Accounts Receivable	150,599	(160,025)
Accounts Payable	89,802	(108,029)
Amortization of Tangible Capital Assets	358,940	346,662
Deferred Revenue	(115,298)	(156,201)
Retirement Costs	207,348	207,264
Sinking Fund Earnings	(67,440)	(67,922)
Other	(324,280)	(15,670)
Net Cash Applied to Operating Transactions	139,748	830,345
CAPITAL		
Net Acquisitions of Tangible Capital Assets	(725,743)	(458,685)
Net Cash Applied to Capital Transactions	(725,743)	(458,685)
FINANCING		
Debt Issued	1,500,000	1,700,000
Debt Retirement	(589,023)	(1,763,280)
Sinking Fund Contributions	(53,938)	(39,422)
Sinking Fund Proceeds	152,026	89,998
Treasury Bills Purchased	4,629,505	8,731,834
Treasury Bills Redeemed	(4,628,077)	(8,743,097)
Retirement of Pension Liabilities	(213,809)	(209,235)
Retirement of Promissory Note	(89,527)	(84,460)
Net Cash Provided from Financing Transactions	707,157	(317,662)
INVESTING		
Net Investment in Resource Projects and Other Activities	(8,100)	(2,300)
Net Cash Applied to Investing Transactions	(8,100)	(2,300)
Net Cash Provided (Applied)	113,062	51,698
Cash and Temporary Investments - Beginning of Period	1,663,744	1,612,046
Cash and Temporary Investments - End of Period	1,776,806	1,663,744

**STATEMENT III
PROVINCE OF NEWFOUNDLAND AND LABRADOR
CONSOLIDATED CHANGE IN NET DEBT
2023-24 AND 2022-23 REVISED**

	2023-24 Budget	2022-23 Revised
	(\$000)	(\$000)
CHANGE IN NET DEBT		
Net Debt - Beginning of Period	15,699,448	16,371,691
(Surplus) Deficit for the Period	159,923	(784,266)
Change in Tangible Capital Assets		
Acquisition of Tangible Capital Assets	725,743	458,685
Amortization of Tangible Capital Assets	(358,940)	(346,662)
Increase in Net Book Value of Tangible Capital Assets	366,803	112,023
Increase (Decrease) in Net Debt	526,726	(672,243)
Net Debt - End of Period	16,226,174	15,699,448
NET DEBT SUMMARY		
Unfunded Pension Liability	156,771	370,580
Unfunded Retirement Benefits Liability	3,568,775	3,458,768
Plus: Promissory Notes	3,875,871	3,965,398
	7,601,417	7,794,746
Sch. IV Borrowings - Net of Sinking Funds	17,514,905	16,719,630
Debt	25,116,322	24,514,376
Other Financial Liabilities less Financial Assets	(8,890,148)	(8,814,928)
Net Debt	16,226,174	15,699,448

**SCHEDULE I
PROVINCE OF NEWFOUNDLAND AND LABRADOR
REVENUE BY SOURCE
2023-24 AND 2022-23 REVISED**

	2023-24 Budget (\$000)	2022-23 Revised (\$000)
Provincial		
Taxation		
Personal Income Tax	1,843,318	1,995,144
Sales Tax	1,431,373	1,453,316
Gasoline Tax	84,589	100,945
Carbon Tax	35,026	116,820
Payroll Tax	139,959	135,224
Tobacco and Vaping Tax	87,668	94,587
Cannabis Tax	10,110	9,192
Corporate Capital Tax	44,403	41,996
Corporate Income Tax	496,407	1,419,603
Mining Tax and Royalties	103,659	144,140
Insurance Companies and Forest Management Tax	116,226	111,373
Sugar Sweetened Beverage Tax	12,250	6,125
	<u>4,404,988</u>	<u>5,628,465</u>
Investment		
Sinking Fund Earnings	67,440	67,922
Interest Revenue	10,191	12,117
	<u>77,631</u>	<u>80,039</u>
Fees and Fines		
Fees	373,686	380,528
Fines	10,003	10,187
	<u>383,689</u>	<u>390,715</u>
Offshore Royalties	<u>1,100,367</u>	<u>1,196,659</u>
Other Provincial Revenues		
Sales and Rentals	96,715	98,315
Cost Recoveries	29,487	31,115
Other	360,827	522,357
	<u>487,029</u>	<u>651,787</u>
Government of Canada		
Health Transfers	690,755	639,006
Social Transfers	220,529	215,688
Statutory Subsidies	9,710	9,710
Cost Shared and Other Federal Revenues	1,308,172	861,456
	<u>2,229,166</u>	<u>1,725,860</u>
Net Income of Government Business Enterprises and Partnerships		
Atlantic Lottery Corporation	152,029	145,000
Nalcor Energy	646,390	508,805
Newfoundland and Labrador Liquor Corporation	208,005	198,254
	<u>1,006,424</u>	<u>852,059</u>
TOTAL REVENUE BY SOURCE	<u><u>9,689,294</u></u>	<u><u>10,525,584</u></u>

**SCHEDULE II
PROVINCE OF NEWFOUNDLAND AND LABRADOR
GROSS EXPENSE BY DEPARTMENT
2023-24 AND 2022-23 REVISED**

	2023-24 Budget	2022-23 Revised
	(\$000)	(\$000)
General Government Sector and Legislative Branch		
General Government Sector		
Consolidated Fund Services	907,296	890,517
Digital Government and Service Newfoundland and Labrador	37,768	34,644
Executive Council	219,022	159,304
Finance	344,446	496,759
Labrador Affairs	19,413	14,149
Public Procurement Agency	2,047	1,525
Public Service Commission	11,819	11,336
Transportation and Infrastructure	710,508	642,531
Legislative Branch		
Legislature	32,859	26,006
	<u>2,285,178</u>	<u>2,276,771</u>
Resource Sector		
Environment and Climate Change	114,635	68,583
Fisheries, Forestry and Agriculture	148,365	138,143
Immigration, Population Growth and Skills	182,557	190,665
Industry, Energy and Technology	217,086	483,638
Tourism, Culture, Arts and Recreation	76,770	92,071
	<u>739,413</u>	<u>973,100</u>
Social Sector		
Children, Seniors and Social Development	417,020	412,552
Education	1,852,676	1,830,659
Health and Community Services	3,877,271	3,679,925
Justice and Public Safety	357,610	353,134
Municipal and Provincial Affairs	169,836	76,954
Newfoundland and Labrador Housing Corporation	150,213	138,223
	<u>6,824,626</u>	<u>6,491,447</u>
TOTAL GROSS EXPENSE BY DEPARTMENT	<u><u>9,849,217</u></u>	<u><u>9,741,318</u></u>

Notes:

- (i) This Schedule includes expenses by departments and organizations in the Government Reporting Entity.

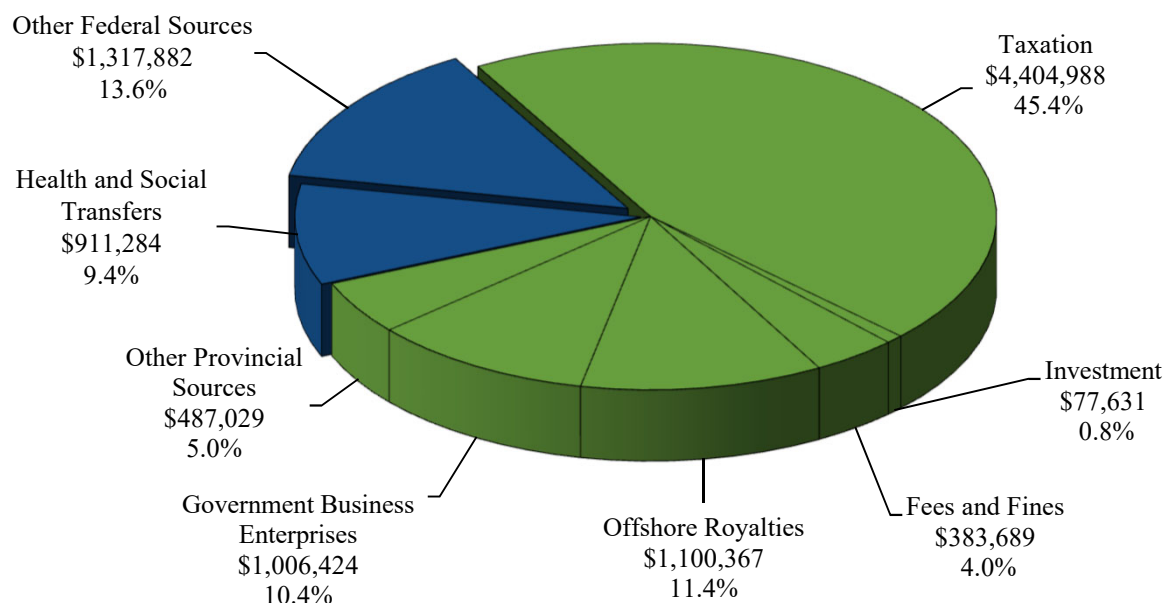
**SCHEDULE III
PROVINCE OF NEWFOUNDLAND AND LABRADOR
GROSS EXPENSE BY OBJECT
2023-24 AND 2022-23 REVISED**

	2023-24 Budget	2022-23 Revised
	(\$000)	(\$000)
Salaries and employee benefits	3,683,432	3,582,210
Grants and subsidies	2,429,575	2,599,124
Operating costs	1,697,367	1,563,516
Debt expenses	1,052,262	1,041,029
Professional services	595,957	578,190
Amortization and (gain)/loss on the sale of tangible capital assets	358,940	346,662
Property, furnishings and equipment	27,074	24,787
Valuation allowances	4,610	5,800
TOTAL GROSS EXPENSE BY OBJECT	9,849,217	9,741,318

**SCHEDULE IV
PROVINCE OF NEWFOUNDLAND AND LABRADOR
CONSOLIDATED BORROWINGS
2023-24 AND 2022-23 REVISED**

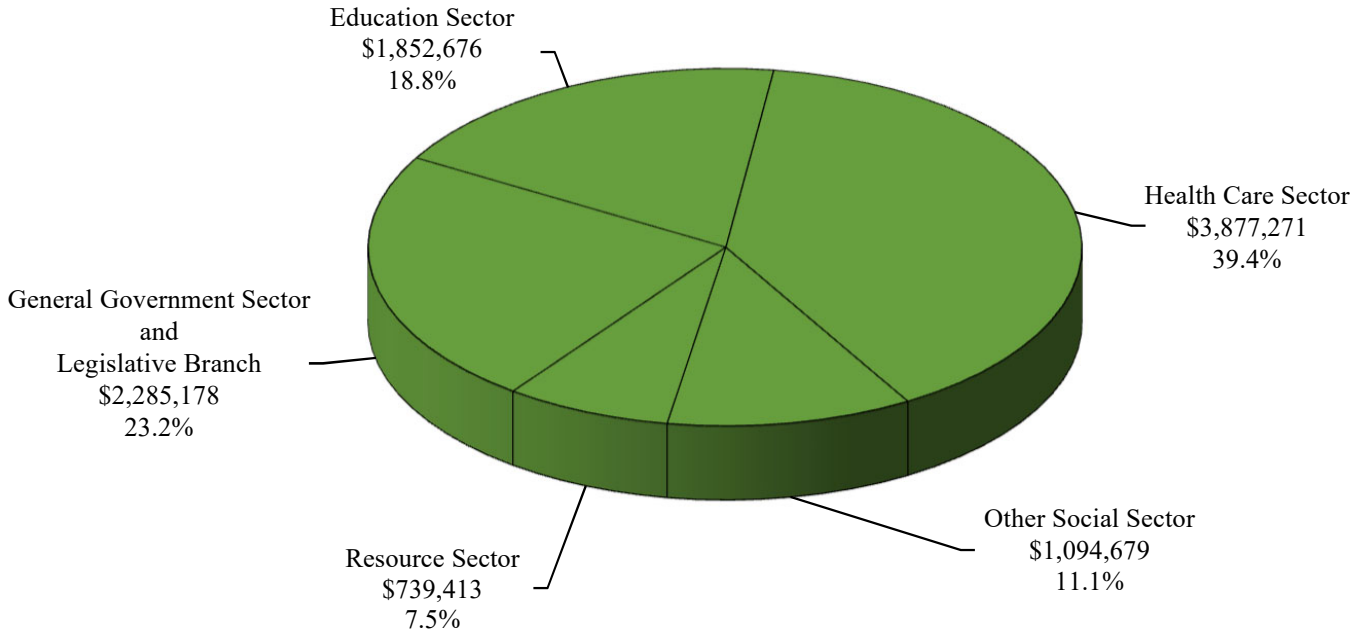
	2023-24 Budget	2022-23 Revised
	(\$000)	(\$000)
Consolidated Revenue Fund		
Treasury Bills	1,158,447	1,157,019
Debentures	17,634,663	16,824,213
Sun Life Assurance Company of Canada	23,311	27,703
Government of Canada	71,132	121,870
	<u>18,887,553</u>	<u>18,130,805</u>
Less: Sinking Funds	1,336,135	1,367,736
Plus: Unamortized Foreign Exchange Gains / (Losses)	<u>(210,982)</u>	<u>(227,962)</u>
	<u>17,340,436</u>	<u>16,535,107</u>
Newfoundland and Labrador Housing Corporation		
Debentures	<u>55,089</u>	<u>60,646</u>
	<u>55,089</u>	<u>60,646</u>
Other Debt		
Health Care Organizations	134,497	136,044
Educational Organizations	15,815	17,065
	<u>150,312</u>	<u>153,109</u>
Less: Sinking Funds	30,932	29,232
	<u>119,380</u>	<u>123,877</u>
TOTAL CONSOLIDATED BORROWINGS	<u><u>17,514,905</u></u>	<u><u>16,719,630</u></u>

SCHEDULE V
SUMMARY OF REVENUES (BY SOURCE)
WHERE THE REVENUE COMES FROM



Percentage of Total (%)		Source	Amount (\$000)	
Revised 2022-23	Budget 2023-24		Budget 2023-24	Revised 2022-23
Provincial:				
53.4	45.4	Taxation	4,404,988	5,628,465
0.8	0.8	Investment	77,631	80,039
3.7	4.0	Fees and Fines	383,689	390,715
11.4	11.4	Offshore Royalties	1,100,367	1,196,659
8.1	10.4	Government Business Enterprises	1,006,424	852,059
6.2	5.0	Other Provincial Sources	487,029	651,787
<u>83.6</u>	<u>77.0</u>	Total: Provincial	<u>7,460,128</u>	<u>8,799,724</u>
Government of Canada:				
8.1	9.4	Health and Social Transfers	911,284	854,694
8.3	13.6	Other Federal Sources	1,317,882	871,166
<u>16.4</u>	<u>23.0</u>	Total: Government of Canada	<u>2,229,166</u>	<u>1,725,860</u>
<u>100.0</u>	<u>100.0</u>	Total Revenue	<u>9,689,294</u>	<u>10,525,584</u>

**SCHEDULE VI
SUMMARY OF EXPENSES (BY SECTOR)
WHERE THE EXPENSES GO**



Percentage of Total (%)		Expense by Sector	Amount (\$000)	
Revised 2022-23	Budget 2023-24		Budget 2023-24	Revised 2022-23
18.8	18.8	Expense:		
37.8	39.4	Education Sector	1,852,676	1,830,659
10.1	11.1	Health Care Sector	3,877,271	3,679,925
9.9	7.5	Other Social Sector	1,094,679	980,863
		Resource Sector	739,413	973,100
23.4	23.2	General Government Sector and Legislative Branch	2,285,178	2,276,771
<u>100.0</u>	<u>100.0</u>	Total Expense	<u>9,849,217</u>	<u>9,741,318</u>