

Pre-Budget Consultations

2020



Summary Report

Presented to the Department of Finance

Summary Report

Background

Each year, the Government of Newfoundland and Labrador, through the Department of Finance, conducts pre-budget consultations in order to obtain ideas and insights from the public and stakeholders on how government should prioritize spending for the upcoming fiscal year. From January 8 to February 13, 2020, government gathered input from individuals and stakeholders on areas where savings can be found across all sectors, areas where government can increase revenues, areas where government should focus spending, and industries where government should focus resources and attention to create jobs and stimulate growth.

Methodology and Approach

To gather input on these issues, the Department of Finance worked with the Public Engagement and Planning Division (PEP) to develop an online questionnaire for the public (hosted on engageNL), along with in-person consultation sessions. PEP provided guidance to the Department of Finance in the development of the engagement questions and approach, administered and monitored the online questionnaire, provided logistical and facilitation support for the five in-person sessions, compiled summary documents, and provided data analysis of the input received from various channels.

In-person consultation sessions were scheduled in St. John's, Happy Valley-Goose Bay, Corner Brook, St. Anthony and Gander between January 29 and February 13, 2020. The online public questionnaire was launched on engageNL on January 8 and closed on February 10, 2020.

Privacy

The information requested in the questionnaires was collected for the purpose of informing the Department of Finance's development of the 2020-2021 Budget. The authority for this collection comes from section 61(c) of the *Access to Information and Protection of Privacy Act, 2015*. A privacy notice concerning the collection and protection of personal information was posted on the engageNL platform and included in the session discussion guides.

The qualitative data stemming from the in-person sessions and online questionnaires were reviewed for personal information and edited for spelling and grammar.

Overview of Participants

The online public questionnaire received 229 responses. In addition, a total of 54 participants attended the in-person sessions across the province.

Participant breakdown by community:

Date	Community	Number of Participants
January 29, 2020	St. John's	24
January 30, 2020	Happy Valley-Goose Bay	7
January 30, 2020	Corner Brook	3
February 7, 2020	St. Anthony	10
February 13, 2020	Gander	10

Overview of Results

The in-person consultation sessions had a combination of one polling question and four discussion questions, and the online questionnaire had a combination of closed and open ended questions. Due to the smaller number of participants, particularly at the in-person sessions, clear themes were not extracted for most questions. Therefore, samples responses have been highlighted instead. Below is a summary of the results from in-person sessions and online feedback.

The questions focused on:

- Areas where government can find savings;
- Areas where government can increase its revenues;
- Areas where government should focus spending on new programs or services, or improvements to existing ones; and
- Other areas where government should focus resources and attention to create jobs and stimulate economic growth.

Question 1:

As part of government's continued balanced approach to fiscal management, we have focused on reducing the deficit while also maintaining services. Keeping in mind significant reductions in spending beyond where we are today will have an unavoidable impact on service delivery, tell us in which areas you believe we could find savings?

Health Care

In-Person Sessions

- Consolidate health facilities.
- Amalgamate health authorities (one health authority).
- Rural telehealth medicine to address doctor shortages.
- Introduce app to pre-register for appointments, allow patients to access reports.
- Mobile health care (bus to offer x-ray, lab and other services from community to community);
- Privately owned clinics operated by doctors, not government.
- More nurse practitioners to provide quicker, more efficient health care.

Online Questionnaire

- Expand the role and add more nurse practitioners.
- More online/video appointments – prescription renewals, sick notes, virtual doctors for rural areas:
 - Increase funding for the 3D printing lab at Memorial University Medical School – technology allows remote medical education.
- Appointment reminders to reduce number of people who do not show up for appointments.
- Allow pharmacists/nurses to do more community-based health services (flu shots, pap tests).
- Amalgamate health authorities (one health authority):
 - Review hospitals and health care centres to determine opportunities for regionalization.
- Reduce management positions to allow for more front-line health care providers.
- More investment in preventative health care (kinesiologists/therapeutic recreation specialists, anti-smoking/healthy eating campaigns, funding for social services such as Planned Parenthood NL).
- Decrease overtime (hire more staff, share the workload).
- Charge people who do not show up for appointments.
- Pay students studying in a health-related field to work during breaks at clinics (wage or debt relief).
- More clinics operating evenings/weekends – reduce stress on Emergency Rooms.
- Expand the referral window for specialist appointments from one to two years (less visits to family doctor).

Education

In-Person Sessions

- Amalgamate school districts within the Department of Education.
- Reduce the number of schools in the province – consolidate schools in communities with small enrolment.
- Dispose of empty buildings for minimal price.
- Bussing should be provided by private sector only.
- Distinct programming needed for students with disabilities.

Online Questionnaire

- Close/amalgamate schools with low enrolment.
- Privatize custodial services.
- Lease out unused facilities.
- Do not introduce Junior Kindergarten as it adds more cost to the system.
- Reduce number of management staff at board level.
- Offer incentives to staff who do not use sick days.

Post-secondary Education

In-Person Sessions

- Funding model needs to be examined – tuition fee increases need to be considered.
- Recruit more international students (will also help address population growth issues).
- More supports for international students to encourage them to stay in this province.
- Find a way to entice medical students to stay and work in this province.

Establish Memorial University campus in Labrador (employment, economic spinoffs, reduce cost for students/families).

Online Questionnaire

- Increase tuition cost (50 per cent of those who responded supported increases).
- Reduce subsidy provided to post-secondary institutions.
- Reduce number of College of the North Atlantic campuses.
- Reduce salaries for executives/reduce management staff.
- Focus on market-driven programs, remove programs not aligned with priority sectors/growth areas.
- Emphasize distance learning options.

Other social sectors

(Department of Children, Seniors and Social Development; Department of Justice and Public Safety; and NL Housing) – Suggestions for savings potential:

In-Person Sessions

- Taxis for drug addiction appointments are costly – free bus pass suggested.
- Metrobus – decrease cost of bus pass.
- Number of people receiving social services needs to be reviewed.
- School Lunch Program requires more financial support from government.
- People who commit non-violent crimes should be required to serve some of their time as community service; help out the non-profits.

Online Questionnaire

- Review of social assistance system needed:
 - Plan to reintegrate people into the workforce, provide programs focused on job skills;
 - More strict rules required.
- Focused plan needed for affordable housing.
- Need to recoup outstanding fines/fees.
- Contract work to private sector.
- Identify opportunities where departments can work together to offer services with existing resources/share information.
- Examine whether some programs have become redundant.

Other general sector

(Departments of: Finance; Service NL and Executive Council; Pensions) – Suggestions for savings potential:

In-Person Sessions

- Privatize agencies – e.g., Newfoundland and Labrador Liquor Corporation (NLC), Hydro, Nalcor.
- Introduce more digital services, reduce printing with fillable PDF forms.
- Common licence plate that stays with drivers (instead of new plate each time a vehicle is purchased).

Online Questionnaire

- Reduce MHA, top executive salaries.
- Lower MHA pensions/base pensions on years of service.
- Reduce number of executive/management positions within government.
- Eliminate severance packages.
- Reduce number of public inquiries/studies.
- Reduce public employees' benefits, reduce number of sick days.
- Contract work to private sector.
- Reduce number of fax/phone lines not being used within government.
- Regionalization of municipalities.
- Better use of technology to enhance services, access to services.
- Place more emphasis on relocation of remote communities.

Transportation and Works

Suggestions for savings potential:

In-Person Sessions

- Privatize provincial snow clearing services.
- Reduce ferry schedules, privatize ferry services.
- It would be more efficient for municipalities to carry out some services that Transportation and Works currently performs.
- More regionalization/centralization of services to find efficiencies.

Online Questionnaire

- Reduce number of ferries/reduce number of ferry runs for communities with small population.
- Privatize ferry services.
- Privatize snow clearing and road maintenance.
- Resettle small communities/make residents pay for services.
- Use higher quality of asphalt on provincial roads.
- Focus on essential work (roads, bridges), no new projects.
- Reduce salaries at executive level.
- Reduce manager/supervisor positions.
- Road tolls.

Other resource sector

(Departments of: Fisheries and Land Resources; Natural Resources; and Tourism, Culture, Industry and Innovation) – Suggestions for savings potential:

In-Person Sessions

- Investment needed in film industry, not reaching its full potential.
- More control of the underground economy – offer incentives to homeowners for repairs with reputable companies.
- Crown lands, eliminate paperwork and increase ability to do more work online.

Online Questionnaire

- Reduce oil exploration.
- Stop investing in unsustainable projects.
- Stop paying high severance packages to Nalcor executives.
- Stop spending money on public inquiries.
- Reduce tourism marketing spending.
- Eliminate barriers small business operators face in getting products to market (e.g., make it easier for craft beers to be sold at NLC outlets, restaurants/bars).
- Contract more work to private sector.
- Stop subsidizing ocean-based aquaculture.
- Stop printing/mailling documents (e.g., big game hunting guide – post online for people to download).

Question 2:

Considering the sources of government revenue, where do you think government can increase its revenues and how do you think we can achieve this?

In-Person Sessions

- Collect outstanding fines, fees and taxes.
- Grow the population – expedite immigration to create revenue (tax base).
- More NLC profits should be given to the province – money from sales can be used to treat addictions.
- Invest in training programs for persons with disabilities who can help contribute to the economy.
- Make Muskrat Falls a revenue generator.
- Design progressive income tax structures for high income earners and large corporations.
- Introduce tourism levy/tax for visitors to province.

Online Questionnaire

- Collect unpaid fines/increase fines for traffic violations.
- Increase corporate tax.
- Implement higher taxes for those with higher incomes.
- Increase tax on cigarettes and alcohol.
- Renewable resources – wind, biomass, solar.
- Reduce pensions/salaries of elected officials.
- Increase licensing fees/royalties for oil exploration.
- Introduce royalties on fish and other natural resources.
- Tax plastics, non-recycling packaging and fossil fuels.
- Privatize NLC.
- Allow casinos.
- Sell government owned buildings under lease-back agreements.
- Tax/sell more Crown lands.
- Help those on income support transition into the workforce.
- Highway/road tolls.
- Implement soda/candy tax.
- Luxury tax (cars, jewelry).
- Provide tax incentives for businesses that set up in all areas of the province.
- Re-introduce vehicle inspections.
- Invest in sectors that will bring people to province.

Question 3A

Polling Question: If government can afford to do so which of the following would you support (Please select your top 3).

1. Further tax reductions for individuals and families.
2. Further tax reductions for businesses.
3. Exploring further initiatives to enhance affordable child care.
4. Investments in high priority industries or startups (i.e. advanced technology, aquaculture, agriculture, mining and oil and gas, etc.).
5. Investments in healthcare service delivery (i.e. medical transportation system, telehealth, etc.).
6. Increased funding for NLHC/housing programs.
7. Increased municipal funding.

The top 3 responses for in-person sessions are outlined below by region and full polling results are available in the PowerPoint presentation attached to this report.

In-Person Sessions

St. John's

Further tax reductions for individuals and families	25 per cent
Investments in high priority industries or startups (advanced technology, aquaculture, agriculture, mining and oil and gas, etc.)	22 per cent
Exploring further initiatives to enhance affordable child care	19 per cent
Investments in healthcare service delivery (medical transportation system, telehealth, etc.)	19 per cent

Happy Valley-Goose Bay

Investments in healthcare service delivery (medical transportation system, telehealth, etc.)	32 per cent
Investments in high priority industries or startups (advanced technology, aquaculture, agriculture, mining and oil and gas, etc.)	26 per cent
Exploring further initiatives to enhance affordable child care	24 per cent

Corner Brook

Increased municipal funding	32 per cent
Investments in high priority industries or startups (advanced technology, aquaculture, agriculture, mining and oil and gas, etc.)	22 per cent
Investments in healthcare service delivery (medical transportation system, telehealth, etc.)	22 per cent

St. Anthony

Investments in high priority industries or startups (advanced technology, aquaculture, agriculture, mining and oil and gas, etc.)	29 per cent
Further tax reductions for individuals and families	24 per cent
Exploring further initiatives to enhance affordable child care	13 per cent

Gander

Investments in high priority industries or startups (advanced technology, aquaculture, agriculture, mining and oil and gas, etc.)	21 per cent
Increased municipal funding	18 per cent
Investments in healthcare service delivery (medical transportation system, telehealth, etc.)	18 per cent

Online Questionnaire

Top 3 responses are outlined below. Please refer to the “Summary of Close Ended Questions Tab” in the excel spreadsheet for total percentages.

Further tax reductions for individuals and families	29 per cent
Investments in healthcare service delivery (medical transportation system, telehealth, etc.)	21 per cent
Exploring further initiatives to enhance affordable child care	18 per cent

3B:

Please list any other areas you believe government should focus spending on new programs or services or improvements to existing ones, if government can afford to do so.

In-Person Sessions

- Increase mental health support (housing, move Humberwood facility to East Coast).
- Reinstate dental services for seniors.
- More affordable child care (help attract new working families, allows more parents to enter the workforce).
- Increase minimum/living wage.
- Increase investment in social programs – have non-profits provide some services currently provided by government.
- Place more emphasis on local businesses.
- Improve Internet – upgrade to fibre op.
- Invest in post-secondary education grants to encourage enrolment, increase education levels of residents and expand capacity of citizens.
- More shared services/programs among municipalities, e.g., Local Service Districts.

Online Questionnaire

Note: There was high level of criticism and commentary regarding the omission of education as an option to rank in Question 3A. A closer review of the data revealed 108 citations or 47 per cent of responses referred to education in some manner. The most salient theme called for class size reductions. Other suggestions called for additional resources such as Itinerant Resource Teachers, student assistants and guidance counsellors; improve mental health services for students and address violence in schools.

Other comments included:

- Merge four health authorities into one authority.
- More funding for telehealth.
- Entice more doctors to set up practices in Newfoundland and Labrador.
- Mental health – need more clinics, school-aged children need more access to services.
- More support for individuals who have to travel for medical services within the province (increase Labrador travel subsidy).
- Fund insulin pumps/supplies for all Type 1 diabetics.
- Incentives for people to start families (child fitness benefit, more affordable child care).
- Tax cuts for businesses who increase workforce.
- Review of social assistance is required – need programs/services to assist people on social assistance to join workforce.
- Rate mitigation/assistance with rising electricity costs.
- Assistance for immigrants (provide housing at reduced rate).
- Tourism – invest in access to province and attract direct flights to Europe and New York.
- More electric vehicle charging stations.
- Support for new business start-ups.
- Resettle isolated communities.

Question 4:

Government has committed to support the private sector by fostering the growth of high-potential industries and promoting economic diversification. In recent years, we have released action plans through The Way Forward in the areas of oil and gas, mining, aquaculture, agriculture, technology, tourism and entertainment, forestry and health care. Are there any other industries where government should focus resources and attention to create jobs and stimulate economic growth?

In-Person Sessions

- Manufacturing sector (pet food, wine, craft beer, bottled water).
- Secondary processing – cannabis.
- Agriculture sector – bee farming.
- Expand tourism sector investment – make it easier for people to get to province (recruit more airlines).
- Tech sector – need greater diversity in the workforce, not all jobs are coding.
- Film industry.
- Cruise ship industry – Customs offices needed in locations with ports.
- Aerospace industry.
- Oceans sector.

Online Questionnaire

- Attract investment in the secondary industries (manufacturing and plants).
- Exporting – take advantage of Eastern location, ports.
- Clean, sustainable energy: wind, solar, tidal power.
- Place more emphasis on small business.
- More focus on trade-based education in K-12 system.
- Continued investment in technology sector.
- Organic farming.
- Arts, music, film industry.
- Tax credits for immigrants who want to start a business.
- Adventure tourism (sea-doo, snowshoeing, cabin rentals), winter tourism, trail development.
- Artificial Intelligence.
- Aerospace research and development.