



BUDGET SPEECH 2009

Building on Our Strong Foundation

Delivered by

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Minister of Finance and
President of Treasury Board



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TABLE OF CONTENTS

INTRODUCTION.....	1
THE ECONOMY	2
Economic Performance 2008	3
2009 Economic Outlook	3
Beyond 2009	5
FISCAL FRAMEWORK.....	7
Review of 2008-09	7
Forecast for 2009-10	8
BUILDING ON OUR STRONG FOUNDATION	12
Building Infrastructure	12
Working with Central Newfoundland	13
Investing in Labrador	15
Strengthening Our Health Care System	17
Restructuring Community Care	21
Improving Mental Health and Addiction Care	22
Nurturing Children, Youth and Families.....	22
Reducing Poverty	23
Reforming Our Justice System.....	25
Emphasizing Violence Prevention	26
Educating Our Students	27
Retaining and Attracting Youth.....	29
Ensuring Competitive Taxation.....	30
Promoting Research and Development.....	31
Advancing Business Growth	33
Sustaining Our Environment	38
CONCLUSION	39

INTRODUCTION

Mr. Speaker, it is an honour for me to bring down our government's sixth budget, my first as Finance Minister.

Six years ago, our government was elected to lead Newfoundland and Labrador from the shadows of decline and dependency to a bright future of growth and self-reliance. To some, it seemed an impossible dream, but to this government, failure is not a future we are willing to accept. Our destiny is in our own hands, and we are not too timid to set lofty goals.

With a bright future for our children clearly in view, we chose to walk the more challenging course. We set out to do what needed to be done to get our fiscal house in order, challenging defeatist assumptions about the limitations of our economy.

We saw in our people the boundless capacity to rise above parochial divisions and unite in common purpose to bring Newfoundland and Labrador to a higher plateau of opportunity. We found the resolve to draw the line in the sand against resource giveaways, the resilience to stand together in the fight for fair treatment in this federation. We were prepared to take a tough stance in order to obtain equity stakes in the development of our resources. We lowered barriers to opportunity to lift families from poverty, and we reinvested the dividends of our success in the social programs that keep us strong.

Right now all around the world, there is an economic storm, but in this province, our confidence remains unshaken because our foundation is rock solid. As governments the world over wonder what course to take, we have the confidence that comes from knowing that our approach has been proven to succeed. Having plotted the course that leads from decline to growth, we will stay the course.

Economists are recommending the very measures our government has been taking since 2003: invest in infrastructure, create employment, lower taxes, hold a short leash on debt, and spend every public dollar wisely. Through these measures, we have laid the strongest of foundations.

Mr. Speaker, let me also say that, even though he has been criticized by some at times of tough negotiations and tough decisions, our Premier is the one whose strong leadership and bold vision in tough times has helped Newfoundland and Labrador turn the corner at last and step forward with confidence toward a new era of self-reliance. Under his leadership, our team has only just begun.

Budget 2009 outlines our continued plan to strengthen the economy while protecting important programs and services. We will not make poor decisions today that will sacrifice our continued path to prosperity. We will, Mr. Speaker, make record investments in infrastructure. We will strengthen our health and education systems to levels not seen before. We will continue to work towards reducing poverty. We will continue to develop knowledge-based industries and foster business development. We will continue to ensure Labrador receives its fair share. We will protect our pristine environment.

In Budget 2009, as masters of our own destiny, we are Building on Our Strong Foundation to raise to new heights the pillars of growth, prosperity, sustainability and self-reliance.

THE ECONOMY

Mr. Speaker, from a global economic perspective, the past year has been the most tumultuous of our time. After a long period of sustained growth, most countries around the world are now experiencing an economic contraction. As a trading province, Newfoundland and Labrador has naturally felt the impact, mostly in the latter part of 2008 and continuing into 2009.

Economic Performance 2008

Overall economic performance in 2008 was strong:

- Employment grew by 1.5% to 220,300 and the unemployment rate declined to 13.2%, down 0.4 percentage points from 2007. This was the lowest provincial unemployment rate since the 1970s;
- Personal income grew by 5.2% while disposable income increased by 5.8%, aided by tax cuts implemented by our government;
- Retail sales expanded by 7.7%, driven by income gains and high levels of consumer confidence;
- Residential construction investment increased by 20.8% to \$1.4 billion and housing starts were up 23.1% to 3,261 units;
- Total investment in the province rose 3.3% to \$4.4 billion, largely on the strength of residential, public sector and manufacturing spending increases; and
- GDP increased by 1.8%, driven by consumer and government expenditures.

As of July 1, 2008, Newfoundland and Labrador's population stood at 507,895, an increase of 1,400 compared to a year ago. This marked the first time in 16 years that the province recorded an increase in population.

2009 Economic Outlook

Mr. Speaker, much of our economy is resource-based, and we operate in global markets. As a Provincial Government, we are unable to influence the demand for, or the price of, minerals, forestry products, fish or oil. It is taking the concerted efforts of countries around the world to reverse the economic downturn.

However, there are things that we can do to cushion the impacts of the downturn, and to emerge in a strong position as world economies regain momentum. The things that we can do are the very things that we have done, we are doing, and we will continue to do. We have built a strong foundation.

- Last month, our government announced an unprecedented \$800 million infrastructure program for the coming fiscal year, which will build on government's investment of \$1.5 billion in infrastructure over the past five years. When combined with projected spending in the next several years, this infrastructure program will reach \$4 billion.
- Our tax reductions have already put more money back into the hands of the people, freeing up money for spending and investment in the province.
- We have made investments in job creation.
- We have reduced the province's debt.
- Our prudent fiscal management has positioned us to absorb the shockwaves originating beyond our shores.

A number of key indicators assist in projecting economic performance for the coming year. Despite the economic downturn, we still expect growth in a number of areas.

Mr. Speaker, while many economic indicators are positive or reasonably stable, a 7.7% decline in GDP is anticipated, largely as a result of a decline in exports of minerals, newsprint and oil. GDP for a resource based economy such as Newfoundland and Labrador will be volatile, reflecting not only changes due to economic cycles but also natural changes in oil production which are not a consequence of the worldwide recession. The stability of other economic indicators is more indicative of the performance of the provincial economy as a whole.

- Personal income and disposable income are expected to grow by 3% and 3.7% respectively, aided by wage gains and the annualization of last year's tax cuts.

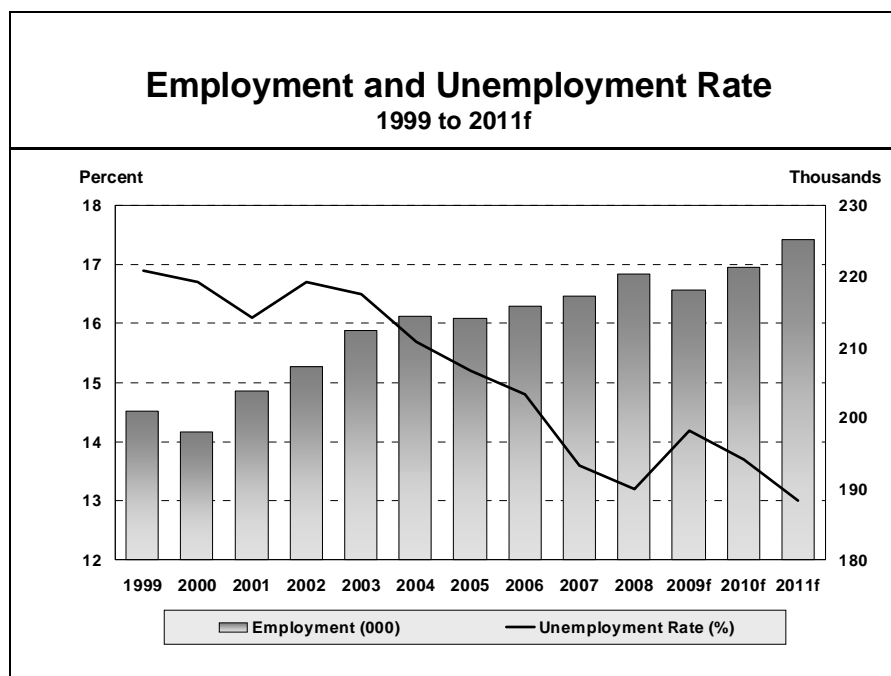
- Retail sales are expected to grow by 1.2%, while capital investment is expected to grow by 9.4%.
- Housing starts, which peaked in 2008, will remain strong at 2,648 units, which is still high by historical standards and on par with the level of 2007.
- Employment is expected to decline from 2008 levels by 1% to 218,100, but is still forecast to exceed 2007 levels.
- Consistent with what is expected throughout Canada and the industrialized world, unemployment is expected to increase. In Newfoundland and Labrador, the unemployment rate is expected to rise by 1 percentage point to 14.2% in 2009, reflecting both losses in employment and an increased labour force. However, by 2010, we expect both employment and unemployment numbers to resume a positive trend.

Beyond 2009

Mr. Speaker, despite the current economic storm clouds, we see clearer skies ahead. In addition to our aggressive infrastructure program, we can look forward to significant investment from the private sector.

- The Vale Inco hydromet project will begin in 2009 and will ramp up in 2010.
- We look forward to the development of the White Rose Expansion, followed by the Hebron Project, in both of which our province is an equity partner.
- And, we intend to develop the Lower Churchill.

All of these projects will create substantial employment and spur economic growth.



We have learned from history that the economy runs in cycles. Economic forecasters predict that the global economic recession will continue in 2009 and recovery should begin late this year and continue in 2010. We expect prices of and demand for our resources to improve. We are optimistic that the major projects currently on hold will then move forward.

Newfoundland and Labrador Main Economic Indicators (Percentage Change)				
	<u>2008e</u>	<u>2009f</u>	<u>2010f</u>	<u>2011f</u>
Real Gross Domestic Product	1.8	-7.7	1.7	1.3
Personal Income	5.2	3.0	4.3	4.2
Retail Sales	7.7	1.2	3.6	3.1
Housing Starts (number)	3,261	2,648	2,570	2,502
Consumer Price Index	2.9	1.0	2.0	1.8
Employment	1.5	-1.0	1.4	1.8
Unemployment Rate (percent)	13.2	14.2	13.7	13.0

FISCAL FRAMEWORK

Review of 2008-09

Mr. Speaker, the 2008-09 fiscal year represents a defining moment in our relentless pursuit of prosperity and self-reliance. In this year, we ceased to be an Equalization recipient province. Being off Equalization is a major advancement toward self-reliance. It has renewed our confidence, enhanced our self-esteem, and increased our resolve.

Less than two months ago I released the Public Accounts for 2007-08 which recorded our third consecutive surplus, a record \$1.4 billion. I am pleased to say that 2008-09 will be the fourth consecutive surplus. Before taking into account the recognition of revenue from the 2005 Atlantic Accord, the surplus will be \$1.3 billion. After Atlantic Accord recognition, the surplus will be a new record of \$2.4 billion.

Mr. Speaker, our government maintains its commitment to fiscal prudence and a focus on debt reduction. Four years ago, our net debt was approaching \$12 billion, about \$23,000 for every man, woman and child, and well over twice the per capita national average. At March 31, 2009, we expect that net debt will be \$7.9 billion, with net debt per capita reduced to about \$15,500. However, we recognize that this is still high by national standards.

Mr. Speaker, in hindsight, we can affirm that our resolve to decrease debt has served us well. We understood that if we didn't reduce debt in the good times, it would be more difficult to meet financial challenges in times of economic uncertainty. Our prudent financial management enables us to navigate the economic storm that is upon us.

Statement of Operations 2008-09 (\$ millions)			
	Budget	Revised	Variance
Revenue	5,995.8	6,986.7	990.9
Net Expenses:			
Program Expenses	5,299.9	5,159.4	140.5
Debt Servicing Expenses	724.5	751.5	(27.0)
Total Net Expenses	6,024.4	5,910.9	113.5
Net Income of Government Business Enterprises	212.5	204.9	(7.6)
Surplus before Atlantic Accord 2005	183.9	1,280.7	1,096.8
Atlantic Accord 2005 Recognition	360.0	1,152.8	792.8
Surplus	543.9	2,433.5	1,889.6

Forecast for 2009-10

Since 2005-06, the province has recorded four successive surpluses totalling in excess of \$4.2 billion. We have reduced our debt. We have reduced taxes. We have invested in infrastructure, economic development and programs. This record of success gives the province the flexibility to be able to deal with the economic issues facing us in 2009-10 without having to cut programs and compromise the progress we have already made. We will stay the course without an increase in our borrowing.

Mr. Speaker, our government will run a deficit of \$750 million in 2009-10 rather than cut spending for important programs and services.

- Our government is not reducing its workforce as a result of the global economic slowdown or cutting wages. Our government recognizes that, during difficult economic times, we must take measures to stimulate the economy, not to weaken it.

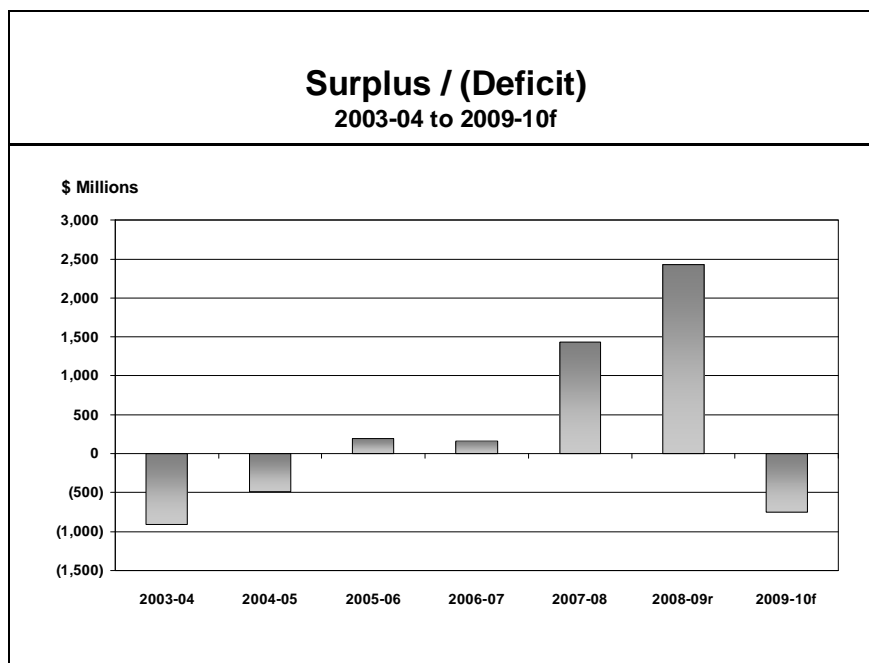
- We have successfully reached collective agreements with most of our public service workers which will see an increase of over 20 per cent over four years resulting in increased spending locally.
- We have implemented two successive years of tax cuts which are already providing stimulus to the economy.
- And, we will increase program spending by \$519 million in 2009-10.

Statement of Operations 2009-10 (\$ millions)		
	2008-09 Revised	2009-10 Estimate
Revenue	6,986.7	5,804.2
Net Expenses:		
Program Expenses	5,159.4	5,819.2
Debt Servicing Expenses	751.5	923.8
Total Net Expenses	5,910.9	6,743.0
Net Income of Government Business Enterprises	204.9	189.3
Surplus/(Deficit) before Atlantic Accord 2005	1,280.7	(749.5)
Atlantic Accord 2005 Recognition	1,152.8	0.0
Surplus/(Deficit)	2,433.5	(749.5)

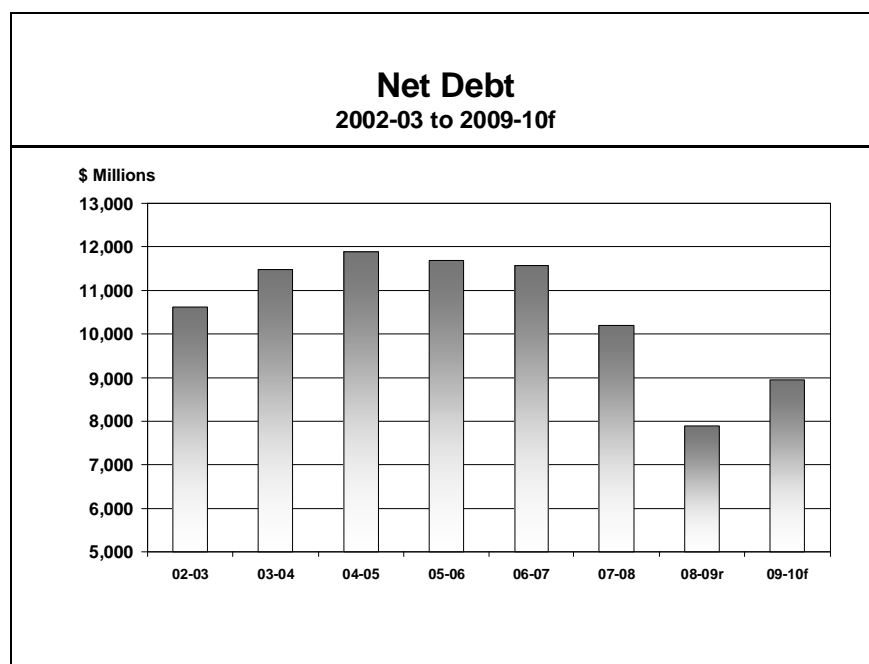
Mr. Speaker, approximately \$383 million of the projected deficit for this fiscal year is related to the impact of stock market declines on the value of our pension funds.

More than half of this deficit, \$414 million, can be attributed to the unilateral action of the Harper government to eliminate benefits under the 1985 Atlantic Accord. The Federal Government, in its recent budget, imposed a massive cut on just one province, and that province is ours, contravening a long-standing agreement they had made with Newfoundland and Labrador. We as Newfoundlanders and Labradorians are outraged that, after working so hard to achieve a greater measure of fairness and self-reliance in this federation, we are now being punished for our initiative.

Were it not for the actions of the Federal Government and pension fund value declines, we would be forecasting a surplus.

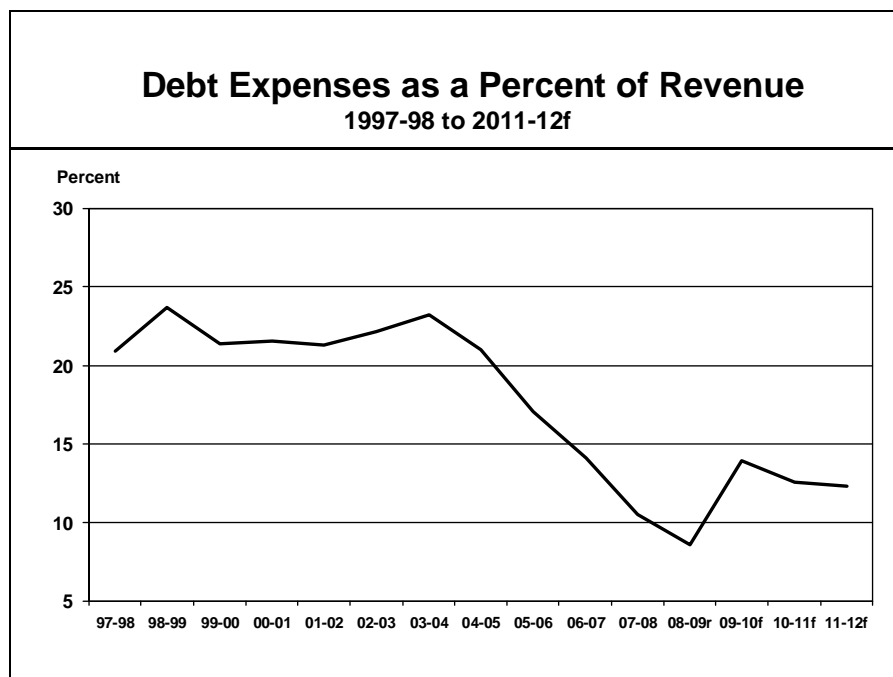


Oil royalties are expected to decline by \$913.5 million this fiscal year due to both lower prices and lower production. Last fiscal year, the price of oil averaged \$US86.44. The current forecast assumes an oil price of \$US50. Given current oil prices, we feel this is a prudent estimate.



While 2009-10 is expected to be challenging, both economically and financially, we expect that growth will resume globally by 2010 and with it an increase in demand for the resources of the province. It is our expectation that the province will return to surpluses no later than 2011-12.

The Budget Outlook (\$ millions)			
	2009-10f	2010-11f	2011-12f
Revenue	5,804.2	6,535.8	6,966.7
Net Expenses:			
Program Expenses	5,819.2	6,050.7	6,325.2
Debt Servicing Expenses	923.8	928.2	958.9
Total Net Expenses	6,743.0	6,978.9	7,284.1
Net Income of Government Business Enterprises	189.3	301.7	348.2
Surplus/(Deficit)	(749.5)	(141.4)	30.8



BUILDING ON OUR STRONG FOUNDATION

Building Infrastructure

Mr. Speaker, solid infrastructure is the foundation on which a self-reliant economy is built. Good highways and broadband are conduits for trade. A good supply of energy is the lifeblood of industry. Good schools and hospitals enable communities to grow. Recognizing how fundamental this principle is, our government made strong investments in infrastructure a priority from the start of our term, and Newfoundland and Labrador is better off today because we did.

This year, with the \$800 million in **infrastructure investments** we have recently announced, we will not only position our province for stronger growth when economic conditions rebound, but also get people working and money flowing now while the economy is slowing. At a time of slowdowns in some sectors in this province and layoffs in other provinces bringing our people back home, we are here to help with infrastructure investments this year that will create or sustain up to 5,400 jobs for Newfoundlanders and Labradorians.

These investments are **spread over many regions and many sectors**. They include:

- approximately \$277 million for transportation infrastructure;
- more than \$155 million for educational facilities;
- more than \$160 million for health care facilities and equipment;
- more than \$103 million for municipal infrastructure;
- more than \$28 million for Newfoundland and Labrador Housing infrastructure; and
- more than \$20 million for Justice infrastructure.

We will invest \$235.5 million in various **roads projects** throughout the province inclusive of federal contributions.

We are taking advantage of every opportunity to leverage federal dollars with investments of our own. Newfoundland and Labrador is anticipating a federal contribution under **federal-provincial infrastructure agreements** of approximately \$118 million toward a number of projects currently under consideration.

In Marystown, we will invest \$44 million this year to start construction on two new vessels for the provincial ferry fleet – a great way to launch our **vessel renewal strategy** – and planning will also be advanced this year to construct an additional two vessels.

This year, we will make a total investment in **municipal infrastructure** spending of \$103 million to benefit families and communities large and small throughout Newfoundland and Labrador. New projects will include water and sewer treatment, roads and recreational facilities.

Working with Central Newfoundland

Mr. Speaker, the Central Region received bad news when AbitibiBowater announced the closure of its operations in Grand Falls-Windsor and the resulting impact on the surrounding communities. Even before AbitibiBowater announced its intentions we mobilized a **Ministerial Task Force** consisting of senior ministers and departmental officials to work collectively with communities, unions, and businesses to provide solutions to mitigate the loss of employment and wealth in the region. We then took immediate action to protect the interests of the province and the people of Central Newfoundland. Solutions take time, but our experience in Stephenville demonstrates that this approach works, and we are confident that the Central Region will continue to be a leader in generating prosperity and be home to a strong economy for generations to come.

In the meantime, we acknowledge the need right now for focused stimulus measures to help the region make a successful transition. It is important to remember that, throughout Grand Falls-Windsor and the entire Central Region, **ongoing Provincial Government operations** – including everything from health care to education to road maintenance – contribute between \$175 million and \$200 million a year to the local economy and provide a strong and stable foundation of jobs and spending in local communities. This year, we are prepared to do even more.

- We will spend in excess of \$35 million this year for **infrastructure projects** in the Central Region, including millions for the Trans-Canada Highway within the region and \$5.4 million for municipal multi-year capital works.
- A further \$5.3 million will be invested for repairs and renovations of health care facilities plus \$4.6 million to improve the Central Newfoundland Regional Health Centre.
- Mr. Speaker, I am pleased to advise that the residential treatment centre for youth with addictions previously announced as part of our \$800 million infrastructure investment will be built in Grand Falls-Windsor.
- Mr. Speaker, \$2.3 million will be spent on forest and agricultural resource road construction, \$1.6 million for maintenance and improvements of Newfoundland and Labrador Housing units and \$3.4 million to support the construction of an aquaculture facility in St. Albans.
- \$500,000 for upgrades to the College of the North Atlantic in Grand Falls-Windsor.
- A further \$445,000 will be invested for repairs and renovations of school facilities; and additional funding for recreation grants, wastewater treatment facilities and Crown Lands.

Mr. Speaker, our government committed to maintaining the **Home Heating Rebate program**, and we have not only maintained, but enhanced the benefits under that program. Last year, approximately 76,000 rebates were provided, assisting individuals with home heating costs. Today, I am pleased to announce that administration of the program will be located in Grand Falls-Windsor. Administration of the Parental Benefits Program will also be located in this office, providing employment opportunities for people in Central Newfoundland. This represents an expenditure of \$720,000 in 2009-10.

We have also allocated \$5 million from the Federal Government's Community Development Trust towards advancing **economic development** priorities in the Central Region. In addition to the \$5 million allocation, in close collaboration with the recently announced Community Development Committee, communities, and businesses, we will utilize the Provincial Government's comprehensive suite of programs and initiatives to identify growth and diversification opportunities.

By utilizing all available economic development programs there is significant opportunity to leverage and advance – in an aggressive manner – sustainable development.

Mr. Speaker, allow me to speak to the people of the Central Region – a collective and collaborative approach is required to strengthen the region. It may take time to see and feel the impact of investments but we are standing shoulder to shoulder with you to work through these challenging times.

Investing in Labrador

Mr. Speaker, Budget 2009 provides an investment of more than \$135 million in Labrador through the **Northern Strategic Plan**, our government's plan for building a future of opportunity and prosperity in Labrador. It is expected that more than \$400 million will be spent over the course of the five-year plan.

In this third year of our five-year plan, we will mark a major milestone by completing Phase III of the **Trans-Labrador Highway**. With an investment of \$32.5 million, we will complete the highway from Cartwright to Happy Valley-Goose Bay, an historic accomplishment that matches in significance the completion of the Trans-Canada Highway on the island in the 1960s. For the first time in our history, there will be an unbroken road-and-marine route from Labrador City to St. John's. Not only will we complete the road connection in 2009, but we will also move forward with work to place a hard driving surface on the Highway from Happy Valley-Goose Bay to Labrador City-Wabush with an additional investment of \$52.3 million. That is a total of \$84.8 million, including a federal contribution of \$26.5 million for the Trans-Labrador Highway this year, and we will also invest another \$4 million on top of that to construct two new depots on the Highway.

Government has allocated \$130 million this year for projects, including the Trans-Labrador Highway, to increase economic activity and improve **infrastructure** in Labrador. Other investments include:

- \$19 million for a new francophone school in Happy Valley-Goose Bay and two new K-12 schools in Port Hope Simpson and L'Anse au Loup;
- \$9.5 million for construction of the new College of the North Atlantic campus in Labrador West;
- \$5.5 million in new and ongoing funding through the Municipal Capital Works programs;
- \$4.7 million for continued funding for the new health care facility in Labrador West; and,
- \$2 million for the construction of a new pre-trial detention centre for women and youth in Happy Valley-Goose Bay.

Strengthening Our Health Care System

Mr. Speaker, our government will continue this year to invest to strengthen our province's health care system. Budget 2009 includes a record \$2.6 billion for health and community services in Newfoundland and Labrador.

Earlier this month, our government received and publicly released the report of the **Commission of Inquiry on Hormone Receptor Testing**. Madame Justice Cameron made 60 recommendations which cover a number of areas, from training of health care professionals to recruitment, from information management protocols to legislative reform. Some reforms have already been initiated.

Our government also received 41 recommendations from the **Task Force on Adverse Health Events**, which we commissioned in May 2007 to examine how the provincial health system identifies and responds to various types of adverse events that may impact patients.

We are moving forward this year with a \$21.4 million investment to further enhance **laboratory services, cancer care and health information management** in the province, bringing our total new investment in these core areas since 2007 to more than \$75 million. Our initiatives this year respond directly to the findings and recommendations of Justice Cameron and the Task Force, and will help us make our health care system stronger and more accountable to the people it serves. These initiatives include:

- The establishment of new positions such as patient navigators and a provincial director of pathology and laboratory services;
- The establishment of a provincial coordinating office to manage adverse event reporting and the hiring of five patient safety officers and five physician champions throughout the province;

- Quality improvement initiatives that will lead to a provincial accreditation program and the hiring of 17 new laboratory and quality management personnel;
- New laboratory equipment, a new radiation treatment machine at the Dr. H. Bliss Murphy Cancer Clinic and planning for a PET scanner;
- Continued funding for the development of the electronic patient record under the direction of the Newfoundland and Labrador Centre for Health Information; and,
- Support for the provincial cancer registry, which is an important component of health care delivery designed to capture the names and link the records of all individuals in the province who receive a cancer diagnosis.

These measures are the next steps in an ongoing and never-ending process to improve the delivery of health care in light of the recommendations we have received and the feedback we will continue to seek.

To address the need for health care professionals, we will allocate an additional \$3.5 million this year to hire 30 **new salaried physicians** to meet the current medical needs of our population. As of September 30 last year, there were more physicians in practice in this province than ever before – a total of 1,029 medical doctors – but we know more are needed, so we are prepared to take additional steps to advance recruitment and retention.

We will invest \$663,300 this year to hire dedicated physician **recruitment staff** and finance marketing and advertising efforts to bring new doctors here. Once improvements are achieved in this area, the recruitment personnel will then be utilized to recruit health care professionals in other disciplines. We will also invest another \$2 million to advance professional development activities in the regional health authorities and enhance their capacity to address workforce recruitment and retention needs on a more timely and efficient basis.

We will provide a further \$5.1 million this year to enable Memorial University's **Faculty of Medicine** to proceed with the second expansion of its undergraduate training program for physicians and address increased operating costs. The number of medical students Memorial trains each year will increase from 64 to 80 by 2011 as a result of this expansion. That represents a 25% increase in the number of doctors we train right here in Newfoundland and Labrador.

We will also provide \$1.6 million to the regional health authorities over two years to supplement tuition and relief-staff costs so **Licensed Practical Nurses** can receive continuing education in medication administration and health assessment, both of which will be required for LPN licensure by 2012.

We are in year two of an initiative to enhance **professional schools** and we will increase Memorial's grant by \$1.6 million.

- Our government will expand the School of Nursing by 10 seats;
- We will expand the School of Pharmacy by 20 seats;
- The School of Social Work's bachelors' program will be expanded by 15 seats; and the Social Work masters' program will be increased by 15 seats;
- We will also provide \$450,000 to create a social worker fast track program.

Our health care professionals require advanced **diagnostic, medical and other equipment** to effectively diagnose diseases and treat the patients who have them. To build on our strong foundation of major investments in health care equipment, we will invest an additional \$50 million to purchase such equipment as:

- Oncology hematology systems for the Dr. H. Bliss Murphy Cancer Centre;
- Ultrasound machines for Carbonear and Burin;
- A replacement CT Scanner for Grand Falls-Windsor;
- An endoscopy unit for Stephenville; and,

- Laboratory equipment for health care facilities at St. John's, Gander, Grand Falls-Windsor, Corner Brook, St. Anthony, Happy Valley-Goose Bay and Labrador City.

With this year's investment, our cumulative investment in new diagnostic, medical and other equipment over these six years has now reached \$178 million.

We are also investing \$3.9 million to provide **new services**, including an eye care centre in Corner Brook, enhanced operating room capacity in urology services, and operation of the new air ambulance for medevac services.

Many Newfoundlanders and Labradorians will benefit from the Newfoundland and Labrador **Prescription Drug Program**, which will add new medications to the provincial formulary in 2009. For example, we will now provide drugs to treat liver cancer, colorectal cancer, macular degeneration and HIV, and to prevent blood clot formation following knee or hip surgery.

Many of our **infrastructure** investments this year will greatly improve the quality of health care throughout our province. These projects include:

- Completion of the new long term care homes in Corner Brook and Happy Valley-Goose Bay;
- Programming and site selection for a new hospital in Corner Brook;
- Planning for the redevelopment of St. John's hospitals;
- Replacement of the Hoyles-Escasoni Complex;
- A new parking garage at the Health Sciences Complex;
- Establishment of an interdisciplinary research centre in human genetics;
- The start of work on redevelopment of the emergency department at St. Clare's Mercy Hospital;
- The start of an expansion of the Dr. H. Bliss Murphy Cancer Centre; and,

- Site selection for a new long term care home in Carbonear.

Mr. Speaker, this is all in addition to ongoing repairs and maintenance throughout the province.

Restructuring Community Care

Mr. Speaker, to build on our strong foundation of solid investments in health care, we will also invest \$7.5 million this year to restructure the **home support financial assessment process**. With this restructuring, we will raise from \$5,000 to \$10,000 the liquid asset exemption limit for couples who receive home support and also for those who receive services within community residential programs, community or personal care homes, or long-term care homes. This restructuring will also raise the personal allowance available to clients in the long-term care and community support systems. The restructuring means some who are currently required to contribute relatively large amounts to receive subsidized care will need to contribute less. In fact, some will no longer have to contribute anything at all.

We will also provide \$8 million to address growth in the home support program, and \$16.5 million to support an increase in rates for **home support workers**. As a result of this investment, the home support hourly subsidy rate will increase by \$1.71 per hour by January 1, 2010.

Recognizing the important role of **personal care homes** in providing residential care to seniors and others, we will increase the subsidy amount available to individuals who qualify for assistance from \$1,607 a month to \$1,644 a month, effective April 1, through an investment of \$1.5 million.

Improving Mental Health and Addiction Care

This year, Mr. Speaker, we are also investing an additional \$2 million to advance **mental health** initiatives across the province, including enhanced child and adolescent psychiatry services at the Janeway Children's Health and Rehabilitation Centre. Assertive case treatment teams will become fully operational in the Central and Western Regions to provide support for those who suffer with chronic and persistent mental illness. We will also proceed with initial steps to establish a mobile mental health crisis team to support Aboriginal communities in Labrador.

We are allocating \$500,000 to plan for the construction of a new **residential treatment centre for children and youth with complex mental health and/or behavioural issues**. This is separate from the allocation I mentioned earlier to plan for the construction of a new residential treatment centre in Grand Falls-Windsor for children and youth with addictions. Once these residential treatment centres are completed, it is our hope that fewer children will have to travel outside the province to receive the treatment they need.

Further to this, we are providing \$775,800 to identify gaps in addictions services and enable communities throughout the province to play a role in **preventing addiction** problems among our young people. By increasing public awareness of addiction issues, we will help people recognize the warning signs and learn where to turn for help.

Nurturing Children, Youth and Families

Mr. Speaker, strengthening and enhancing the profile of services for children, youth and families is a priority for our government. These services are currently within a Division of the Department of Health and Community Services. This year, we will create a new Department with responsibility for **child, youth and family services**.

To facilitate a smooth and effective transition, we are providing an investment of \$2 million to ensure the delivery of programs and services is not disrupted. Through additional investments, we will create 23 new positions with a broad skill mix, enabling us to establish effective multidisciplinary teams to serve the complex needs of the department's clients.

As recently announced we are providing \$1.3 million this year to enhance the **foster care** rate structure so foster parents have the supports that are essential to delivering quality care to children.

Reducing Poverty

Mr. Speaker, our government implemented a comprehensive and long-term **Poverty Reduction Strategy** beginning in 2006 after extensive consultation, with a goal of transforming Newfoundland and Labrador from the province with the highest rate of poverty to one with the least, over a 10 year period. With annual budgeted investments exceeding \$100 million, already we have improved the circumstances of people in this province relative to those in other jurisdictions. Coming out of our consultations this fall, our new initiatives this year focus on four main areas.

The first focus is to continue to enable self reliance and **remove the financial barriers to working**. Major strides have already been made by providing benefits such as prescription drug coverage to individuals and families working for low wages and increasing the minimum wage incrementally from \$6.00 an hour in 2005 to \$8.50 an hour today, with the rate set to rise to \$10.00 an hour by July of 2010. Today, we are ready to build upon these initiatives by reducing taxes for low-income earners. Effective for the 2009 taxation year, the Low-Income Tax Reduction program will be enhanced by increasing the income threshold for individuals and families. Approximately 47,000 individuals will benefit from this change. Individuals with low income will save up to \$544 through this change, while families with low

income will save upwards of \$800 annually. This enhancement will increase our annual investment in the low income tax reduction from \$6 million to \$16 million.

To further address the barriers to working, we will also expand our very successful Employment Transitions program that helps single parents on income support to join the labour force, and we will reduce the rental rate for Newfoundland and Labrador Housing tenants with employment income from 30% of net income to 25%.

A second focus of poverty reduction this year is to promote **early childhood development**. We will increase subsidy rates for children up to 12 years of age in regulated child care spaces; we will strengthen existing family resource programs and support the start-up of new programs in Conception Bay South, Lewisporte and Happy Valley-Goose Bay; and we will fund early intervention services for pre-school children who are at risk of, or already have, a developmental delay or disability.

A third focus of poverty reduction this year is to promote more **integrated supports for those most vulnerable** to poverty. For example, we will establish a Supportive Living Community Partnership Program to help individuals with complex needs overcome homelessness, and a Provincial Homelessness Fund to complement this program's work. We will also take action to help victims of violence, with measures I will describe in a couple of minutes.

A fourth focus of poverty reduction this year is to promote **social infrastructure projects with a track record of success**. For example, we will enable the Community Youth Network to expand to the Baie Verte Peninsula, the Bay of Islands and the Bay of Exploits areas while also increasing core funding for existing sites. We will modernize existing social housing and establish, or partner in the establishment of, new social housing units for low-income families, seniors and smaller households. We will also increase the grants for the eight successful community centres that provide a range of beneficial programs for Newfoundland and Labrador Housing tenants.

Reforming Our Justice System

Mr. Speaker, I was privileged to serve as the province's Justice Minister when our government commissioned the independent review of adult **corrections**. The report, entitled "Decades of Darkness: Moving Towards the Light", has been eye-opening for all of us, and we are prepared to move forward to implement its recommendations. Having already invested more than \$30 million in corrections, including one million since the report was released in December, we will move forward this year with an additional \$6 million investment to continue the process of revitalizing and reforming the system.

Mr. Speaker, this year:

- We will add 15 correctional officer positions, including a minimum of six female designate positions.
- We will hire a psychologist and an addictions coordinator to work with inmates of Her Majesty's Penitentiary and the Newfoundland and Labrador Correctional Centre for Women, and hire a fetal alcohol spectrum disorder project coordinator for the Labrador Correctional Centre.
- We are allocating \$500,000 to facilitate ongoing training of corrections staff and will also hire an Aboriginal training officer.
- And, we will engage community partners to offer programs that can benefit both employees and inmates, implement a new mental health strategy and develop programs that address issues from addictions and life skills to healthy relationships and violence prevention.

Complementing these investments in corrections are solid investments in the **other divisions of our justice system**. We are completing the Corner Brook Courthouse, pre-planning for new court facilities in St. John's, providing support for the Human Rights Commission, purchasing equipment for the Inland Fisheries Enforcement Program, providing additional funding to support the operations of the RCMP, redeveloping the headquarters of the Royal Newfoundland Constabulary in St. John's and purchasing living quarters for the RNC in Western Labrador.

Emphasizing Violence Prevention

In 2007, the Progressive Conservative Blueprint outlined that we are ready to do more for an inclusive society for women, and a society where violence against women is not acceptable. Since that time we have adopted a **progressive approach to equality** by investing in poverty reduction, education, apprenticeships, Aboriginal women, women's centres, the Provincial Advisory Council on the Status of Women and our Violence Prevention Initiative.

In Budget 2009, we will be recognizing that new immigrant women also need more solid supports to integrate and address issues of violence. The **Multicultural Women's Organization** of Newfoundland and Labrador will therefore be receiving \$100,000 in Budget 2009 to advance their work to ensure that communities, businesses and educational institutions support the integration of multicultural women.

In Budget 2009, we are also increasing the funding for the Provincial Advisory Council on the Status of Women by \$20,000 to bring their annual grant to \$441,000 and increasing the annual grant to the eight **women's centres** located throughout the province to \$110,250 each. This means we are providing for a total investment of \$882,000 annually to advance women's equality throughout every region of Newfoundland and Labrador.

In 2006, we introduced a six-year **violence prevention plan of action** to reduce violence against women and other vulnerable populations in our society, to which we have committed just over \$11 million as a government to advance. The commitment includes an annual grant of about \$70,000 each or \$720,000 to support the good work of the 10 regional violence prevention coordinating committees operating throughout the province.

In Budget 2009, we are recognizing that violence perpetrated on women has to stop. Our investments to address this issue include:

- \$304,000 to support a specialized Family Violence Court for the province;
- \$94,000 is provided to enhance employment readiness services;
- \$60,000 is being provided for Rigolet to help in their planning for a Safe House in that community;
- As a society we need to better understand that male violence against women is unacceptable. \$100,000 is therefore being provided to undertake a specific province-wide media campaign to prevent male violence against women; and,
- We are also providing \$1.2 million for Iris Kirby to open and operate a new transition house in Carbonear.

In total, we are therefore increasing our investment by approximately \$2 million to enhance violence prevention services for women and to support our women's community in advancing women's equality throughout the province.

Educating Our Students

Mr. Speaker, Budget 2009 increases our **education funding** by \$130.9 million to an unprecedented total of \$1.29 billion. This level of investment will ensure that our students will be fully prepared to make the most of the new era of self-reliance that is dawning in Newfoundland and Labrador.

Budget 2009 includes action to secure our position as having the best **student aid** package in the country – a suite of initiatives that we developed in collaboration with post-secondary students and graduates.

We are ready to move forward this year with an additional investment of \$5 million to **eliminate the interest on Newfoundland and Labrador Student Loans**. The move will benefit about 49,000 people. In addition, we will raise the up-front, needs-based grants we introduced two years ago from \$70 to \$80 per week, reducing the amount students need to borrow. About 8,400 students are expected to receive these grants. We are also reducing the required amount of spousal contributions to give married students greater access to assistance. With these initiatives, we have made one of the best student aid packages in the country even better.

To build on our strong foundation in our **post-secondary** sector, we will increase operational funding to College of the North Atlantic by \$8.3 million and to Memorial University by over \$21 million. We are also continuing with our commitment to invest over \$1 million to expand the Faculties of Business and Engineering and develop two programs at Memorial's Marine Institute. This funding will also support graduate student fellowships and enable our public post-secondary institutions to maintain the freeze on **tuition fees**, which have remained among the lowest in the country throughout our mandate.

Public post-secondary institutions will also benefit this year from the Provincial Government's \$800 million **infrastructure** package. Budget 2009 allocates \$34 million in the post-secondary sector for such projects as:

- A backflow prevention system to improve water supply and the renovation of facilities at Memorial University's St. John's campus; and,
- A new academic building at Sir Wilfred Grenfell College in Corner Brook.

In addition, the Provincial Government has allocated \$15 million with the expectation of leveraging funding for post-secondary infrastructure from other levels of government.

We are also increasing funds for the operation of our **school boards** by \$8.8 million. We will continue to implement the ISSP/Pathways report, the Healthy Students, Healthy Schools initiative, and extend high school skilled trades programs to additional schools.

Budget 2009 investments in the K-12 system focus on improving school infrastructure. The allocation for repairs and maintenance to existing schools will increase to \$40 million, almost doubling last year's allocation. This is part of our overall investment of \$121.5 million in Budget 2009 for **school infrastructure**.

As recently announced, specific projects to receive funding are:

- Replacement of Davis Elementary and St. Teresa's Elementary;
- Extension of the cafeteria and new classrooms at Beachy Cove Elementary;
- New classrooms at Roncalli Elementary (St. John's), St. Bernard's Primary, St. Peter's Junior High, and Upper Gullies Elementary;
- New classrooms and a challenging needs suite at St. Edward's School (Kelligrews); and,
- An extension to accommodate new classrooms and replacement of the gymnasium at Virginia Park Elementary.

In keeping with the Provincial Government's commitment to greater autonomy for **Sir Wilfred Grenfell College**, \$2.5 million is being allocated this year to assist the college with that transition.

Retaining and Attracting Youth

Mr. Speaker, later this spring, we will be releasing our **Youth Retention and Attraction Strategy** to build on our strong foundation by helping to position Newfoundland and Labrador as the place of choice for young people to live and

work. The strategy will reflect the ideas and aspirations of the young people we engaged, and we are confident it will help us form a strong bond with the young workers, community leaders and families we need to build our future. With a total investment of \$3.9 million this year, we are making youth retention and attraction a priority.

We have already opened six new **Career Work Centres** to broaden access to employment, training and transition supports, and we will open another six this year. This spring, we will launch an online international registry to match workers with employers, and engage small and medium-sized employers to develop an HR toolkit for recruitment and retention.

Ensuring Competitive Taxation

Mr. Speaker, as a result of measures introduced in last year's budget, we maintain the **lowest personal income tax rates in Atlantic Canada**. Our government will continue in Budget 2009 to build on historic tax cuts by supporting low-income earners and continue to make Newfoundland and Labrador's tax regime competitive for small business to prosper.

We will invest \$11.5 million this year to introduce **new tax reductions** which puts more money back in people's pockets and helps support the provincial economy. These measures bring the cumulative tax relief implemented over three years, beginning in 2007, to approximately \$776 million.

Mr. Speaker, small business is the economic engine that leads to job creation. In order to improve the competitiveness and viability of small business, government will **increase the small business threshold** under the Corporate Income Tax from \$400,000 to \$500,000. Approximately 4,400 companies will benefit from this measure.

The **Dividend Tax Credit** rate on eligible dividends will be increased from 6.65% to 9.75 % in order to bring the tax treatment of these dividends more in line with other provinces. This will result in a tax savings of \$1.3 million.

A key challenge to new and emerging innovative businesses is obtaining access to capital. In 2004, our government implemented the **Labour-Sponsored Venture Capital Tax Credit Program**, and subsequently registered GrowthWorks Atlantic as a venture capital corporation. Under this program, the purchasers of new shares in GrowthWorks up to \$5,000 annually were eligible for a 15% provincial tax credit and a matching 15% federal tax credit. These shares are also RRSP eligible. Effective for the 2009 tax year, the provincial tax credit will be increased to 20%. In addition, the eligible investment will be increased to \$10,000.

Consistent with its commitment to take maximum advantage of all opportunities to develop the province's energy sector, including onshore exploration, effective April 1, 2009, our government will provide a tax exemption for **gasoline** consumed by off-road equipment used in onshore oil exploration. This measure complements the current tax exemption for gasoline used on an exploration site in equipment used for the exploration of minerals.

Budget 2009 provides for changes to **commercial electrical permit fees**. Effective April 1, 2009, commercial electrical permit fees will be reduced for projects valued less than \$2,000. For work valued at up to \$500, the fee will be reduced from \$200 to \$50; and, for work valued from \$500 to \$2,000, the fee will be reduced from \$200 to 10 per cent of the value of the work. There is no change to the fee for projects valued over \$2,000.

Promoting Research and Development

Mr. Speaker, governments and firms around the world are investing in research and development to foster innovation, enhance international competitiveness and

contribute to long-term economic growth. This year, to build on our strong foundation, we are allocating more than \$25 million to the **Newfoundland and Labrador Research and Development Council** to operate and support academic and industrial R&D in all regions of the province. More news on this will follow later in the year.

A key growth area identified in the 2006 Innovation Strategy is the **ocean technology** sector. This year, we are investing \$3.5 million to enable this sector to leverage new business and technology development opportunities in international markets.

To complement these initiatives, we are allocating \$1.4 million this year to support the purchase of multi-beam sonar mapping and ancillary equipment for the Marine Institute's flagship research vessel, *Anne Pierce*. With Canada's only post-secondary program for remotely-operated vehicle training and the most complex and advanced Centre for Marine Simulation anywhere in North America, Memorial's **Marine Institute** will now also be able to boast of being the only institute in Canada with this leading-edge technology. An additional \$575,000 will be used to develop a four-year applied ocean mapping program at the Institute's School of Ocean Technology, \$100,000 to enhance fisheries research, and a further \$315,000 will enable the Institute's Holyrood Marine Base to help establish a facility for related research at sea.

Innovation promises opportunity in other sectors as well.

- We will invest \$1.5 million for the expansion of the Core Storage and Research Centre for the offshore oil and gas sector.
- We will also invest \$1 million in R&D initiatives in the agrifoods sector to focus on new or improved crops, livestock and best-management practices.

- We will invest \$300,000 to support the development and implementation of a forest science and innovation program to open up new opportunities for the years ahead.
- Other leading-edge investments include \$3.2 million in funding under the Commercialization Program, nearly \$2 million under the Innovation Enhancement Program and \$2.4 million for research projects involving the province's wildlife.

We are determined to maintain our edge and position this province for unprecedented opportunities for growth through innovation.

Advancing Business Growth

Mr. Speaker, year by year, we are solidifying our reputation as a world-class economy that is responsive to the needs of investors, capable of negotiating from a position of strength, and ready to partner for success. Newfoundland and Labrador's increasingly progressive and energetic business community this year is receiving an infusion of more than \$175 million, bringing **stimulus investment** this year to more than \$900 million.

To build on our strong foundation, we will invest more than \$87 million this year in **business development programs** that encourage long-term private sector growth, employment creation and economic diversification in all regions. These investments include:

- \$59 million in tax credits and incentives;
- \$12.9 million in Small and Medium-sized Enterprise funding;
- \$12.3 million in Regional / Sectoral Diversification Funding;
- \$1 million for Business and Market Development programming;
- \$500,000 each for the Ireland Business Partnerships and the Export Development Strategy; and,

- \$1.5 million through the Oil and Gas Manufacturing and Services Export Development Fund.

To enable the Department of Business to compete for business investment from abroad, we are increasing the grants component of the **Business Attraction Fund** by a third for a total of \$4 million bringing the total investment including the capital component to \$29 million.

We are also allocating \$2 million as a first step in expanding capacity and opportunity in our province's **aerospace and defence** sector, where the successes to date have been impressive.

Energy is a very bright light in the province's economy – not the only bright light, but one that is eclipsed by no other sector. Our new energy powerhouse, **Nalcor Energy**, is positioned to lead on behalf of the province in the development of the Lower Churchill and to stand strong as an equity partner in both the Hebron Project and the White Rose Expansion. To enable Nalcor Energy to discharge its obligations to the province with maximum effectiveness, we are investing \$228 million this year to enable it to take full advantage of the opportunities before us.

We will also invest \$7.76 million this year under the province's comprehensive **Energy Plan** to further initiatives in the areas of petroleum resource marketing, geoscience data acquisition, data management, energy efficiency and conservation, and energy innovation.

Mr. Speaker, our fishing and aquaculture industries continue to thrive, with total production value last year again exceeding a billion dollars. Under the ongoing **Fishing Industry Renewal Strategy**, we are allocating close to \$3.5 million this year for several initiatives including:

- establishment of a Fishing Industry Safety Council;

- funding to continue the Fisheries Technology and New Opportunities Program that works to enhance the viability of all segments of the industry; and
- a range of workforce adjustment initiatives.

We are again increasing this year's cod recovery initiative budget to \$450,000 to fund several projects and ongoing research that should result in a better understanding and management of cod stocks inhabiting the waters around Newfoundland and Labrador.

Our **aquaculture industry** in several of our rural regions is a wonderful demonstration of the power of innovation. We will provide \$3.4 million to support the construction of an aquatic veterinary diagnostic facility in St. Alban's, as I mentioned earlier, plus \$1 million for further infrastructure projects on the south coast, over \$700,000 to construct waste water treatment facilities at those seafood processing facilities that are near aquaculture operations, and \$2.45 million for the Aquaculture Capital Investment Program.

Mr. Speaker, investors in the **mining industry** understand the connections between the industry's status and the state of world markets and manufacturing and construction activity worldwide. Although the sector faces some downtime this year, the prospects for mining in this province are tremendous. We are investing an additional \$620,000 this year for exploration attraction and mineral promotion. We will make a record investment of \$3 million in the provincial Mineral Incentive Program – an increase of \$500,000 over last year – to give junior exploration companies a welcomed boost of capital.

Opportunities in our **forest industry** also remain strong despite major setbacks in Stephenville and Central. We believe it is important to continue to invest in opportunities to diversify the forestry sector, so in addition to an existing \$8.5 million that will be carried forward from 2008, we will make a further \$6 million available through the Forestry Industry Diversification Fund to assist the industry in identifying

new products and markets. This fund will finance improvements in the efficiency of sawmills and an integrated marketing strategy to support diversification and export development so we can take full advantage of opportunities in the solid wood products industry.

Mr. Speaker, in recent years, we have developed a new appreciation of the value of natural and heritage resources that at one time may have been taken for granted – resources such as scenic beauty, historic richness and cultural uniqueness. Today, we realize these resources are pure gold and in high demand around the world. To advance opportunities related to **culture and heritage**, we will commit \$940,000 in new funding to advance the goals of our strategic cultural plan, a plan in which we have invested in excess of \$25 million over four years.

Since 2004, our government has been steadily increasing the provincial **tourism marketing** budget with powerful results, and we will do it again this year by providing an added \$1 million to bring the budget to \$13 million. Tourism is one of our province's most important generators of new, export-based wealth, jobs, investment and business development, contributing some \$790 million a year to our province's economy.

- We recently collaborated with Hospitality Newfoundland and Labrador to unveil our *Tourism Vision 2020*, which will guide our investments in the years to come.
- We are providing \$150,000 this year to extend the tourism season in two of the province's regions, the Discovery Trail and the Viking Trail/West Coast.
- We will also provide an initial investment of \$479,000 to support the introduction of the Tourist-Oriented Directional Signage (TODS) model, a highway signage system that is new to Newfoundland and Labrador but proven in high-tourism jurisdictions elsewhere.

Several **special events** this year and in the years just ahead will provide wonderful opportunities to express our pride and showcase our rich culture and history. This year in Brigus and other communities, we celebrate the centennial of Captain Bob Bartlett's decisive voyage toward the North Pole and the other exploits that made him one of the world's most celebrated mariners. Next year at Cupids, we celebrate the 400th anniversary of the establishment of the colony of Cupers Cove by John Guy in 1610. In 2010, we will once again host the Juno Awards, and next February we will have a strong presence at the 2010 Olympic and Paralympic Winter Games in Vancouver.

An event next year that has great significance in terms of sport, culture and tourism is the **Labrador Winter Games** in Happy Valley-Goose Bay. We are committing \$465,000 this year, for a total of \$500,000, to ensure these Games continue to be a first-class celebration of physical activity, sport participation and the unique Labrador culture.

We like to wear our commitment to **recreation and sport** on our sleeves – and I was proud to wear the red and white on my sleeves last July when Danny Cleary brought the Stanley Cup back home to Harbour Grace. The phenomenal hockey talent this province produces is just the tip of the iceberg. We opened the new state-of-the-art Newfoundland and Labrador Sport Centre during the past year to help some of our most advanced athletes set their sights on the highest of prizes.

Mr. Speaker, this year, we are committing \$7.5 million for recreational infrastructure to leverage federal dollars and advance sports opportunities for many in this province. We will also continue to advance the goals of our **Recreation and Sport Strategy** through an increased investment this year of \$875,000 to finance such initiatives as increased operational support for provincial sport organizations and federations, additional community recreational programming, support to improve coaching capacity, support for the regional recreation directors program and support for event hosting. It will promote KidSport, which helps disadvantaged youth pay for

involvement in sports programming initiatives; it will promote physical activity among under-represented groups; and it will promote community recreation and sport programming opportunities for seniors under the Healthy Aging Strategy.

Sustaining Our Environment

Mr. Speaker, Newfoundland and Labrador is prized by tourists and locals alike for its pristine environment. This year, we are dedicating \$10.4 million for the assessment of former mine sites at Buchans and Whalesback, and the remediation of government-owned **contaminated sites** at Hopedale, Northwest Point, New Harbour Barrens, and Baie Verte and Rambler Mines.

To battle the impacts of **climate change**, we are dedicating \$1.3 million this year to help communities assess and adapt to climate change effects.

We believe the **Lower Churchill** Project would make a significant contribution in reducing national greenhouse gas emissions. The Joint Review Panel is currently conducting an environmental assessment of the project, and we are providing \$750,000 to enable the review to proceed.

We are investing a total of \$9.5 million this year to advance the provincial **waste management strategy**. We aim to extend modern waste management systems province-wide by 2020 and, progressively over time, reduce by 50% the amount of waste going into landfills.

This year, we will also invest \$7 million to advance the **Drinking Water Safety Initiative**, including \$6 million for infrastructure to provide clean, safe drinking water to many more of the province's residents, especially residents of small rural communities.

Also, Mr. Speaker, with a total investment this year of \$5.8 million, we will advance a number of initiatives to make homes and buildings in the province more **energy efficient**. We will continue to provide assistance to homeowners for cost-saving energy audits and retrofits, and we will continue to invest in the Residential Energy Efficiency Program.

As we continue to grow, we are determined to live in harmony with our environment so we leave our grandchildren a province that is not only prosperous and self-reliant but also healthy, sustainable and green.

CONCLUSION

In closing, Mr. Speaker, I note that next month, our government will mark 2,000 days in office. We will do so confident in the knowledge that the result of the work our government has done in its first 2,000 days is a Newfoundland and Labrador that is stronger, more confident, more hopeful and proud, and better positioned for self-reliance than it has ever been before.

On this solid rock on which everything we do is firmly grounded, we stand strong. We will continue to invest in infrastructure, continue to create employment, continue to lower taxes, continue to hold a short leash on debt, and continue to spend every public dollar wisely, because it is wisdom like this that has gotten us this far. We will continue to prepare our people to harness their full potential and make full use of our resources to bring growth and stability to every region. And we will continue to reinvest the dividends of success in our vast safety net of social programs and infrastructure on which all of us will one day depend.

By continuing to work together, united in partnership with the people of this province, as masters of our own destiny, proud Newfoundlanders and Labradorians one and all, we will continue to build upon this solid foundation a future of prosperity and self-reliance that our parents could only dream of, the future of plenty that our children deserve.

Our investments in Budget 2009 reflect our government's rock solid commitment to the vital programs and services on which the people of our province depend. It is more important than ever that we maintain a steady course for prosperity and self-reliance, especially during challenging financial times, for it is when the storms are at their worst that our resilience serves us best. So with unwavering resolve and the confidence of champions, we will build on our strong foundation and our success in recent years as we look forward with optimism to a brighter, more prosperous future of opportunity and self-reliance.