

BUDGET 2006

Page

STATEMENTS:

I	Consolidated Statement of Operations	ii
II	Consolidated Change in Net Debt, Net Debt Summary, and Debt Transactions	iii
III	Summary of Cash Requirement - Consolidated Revenue Fund (CRF)	iv
IV	Consolidated Provincial and Federal Revenues	v
V	Consolidated Current and Capital Account Expenses	vi
VI	Consolidated Current Account Expenses	vii
VII	Consolidated Capital Account Expenses.	viii

EXHIBITS:

I	Selected Economic Statistics 2002 to 2005	ix
II	Current and Related Revenues	x
III	Current and Capital Revenues Provincial and Federal Sources 2002-03 to 2006-07	xi
IV	Expenditure Summary 2006-07 Estimated and 2005-06 Revised	xii
V	Statement of Borrowings.	xiii
VI	Summary and Chart - "Where the Money Comes From"	xiv
VII	Summary and Chart - "Where the Money Goes"	xv
VIII	Summary and Chart - Gross Capital Account Expenditures.	xvi
IX	Summary and Chart - Gross Government Expenditures.	xvii
X	Summary and Chart - Budgetary Financing Source	xviii
XI	Summary of Tax Expenditures.	xix
XII	Summary of Salary Costs by Department	xx
XIII	Estimated Interest and Debt Retirement 2006-07	xxi
XIV	Public Sector Debt 2002 to 2006.	xxiii
XV	Summary of Related Revenues and Expenditures - CRF by Main Object and Sector	xxiv
XVI	Details of Capital Expenditures - CRF.	xxv
XVII	Details of Tangible Capital Asset Acquisitions	xxvii
XVIII	Consolidated Accrual Revenue and Expenses	xxix
XIX	Reconciliation of Cash Contribution - Budgetary to Consolidated Accrual Surplus	xxx

STATEMENT I
NEWFOUNDLAND AND LABRADOR
CONSOLIDATED STATEMENT OF OPERATIONS
2006-07 and 2005-06 Revised

	2006-07 Estimates	2005-06 Revised
	(\$000)	(\$000)
REVENUE (Statement IV)	<u>5,188,830</u>	<u>5,068,219</u>
NET EXPENSES		
Program Expenses	4,581,646	4,234,016
Debt Servicing Expenses	<u>778,041</u>	<u>934,248</u>
TOTAL NET EXPENSES (Statement V)	<u>5,359,687</u>	<u>5,168,264</u>
NET INCOME OF GOVERNMENT BUSINESS ENTERPRISES . . .	<u>177,012</u>	<u>176,570</u>
CONSOLIDATED SURPLUS	<u><u>6,155</u></u>	<u><u>76,525</u></u>

STATEMENT II
NEWFOUNDLAND AND LABRADOR
CONSOLIDATED CHANGE IN NET DEBT, NET DEBT SUMMARY, AND DEBT TRANSACTIONS
2006-07 and 2005-06 Revised

	2006-07 Estimates	2005-06 Revised
	(\$000)	(\$000)
CHANGE IN NET DEBT		
Net Debt - beginning of period	11,861,212	11,887,642
Adjustments:		
Inclusion of MUN in Government Reporting Entity	-	75,414
Revised Net Debt - beginning of period	<u>11,861,212</u>	<u>11,963,056</u>
Surplus for the period	<u>(6,155)</u>	<u>(76,525)</u>
Change in tangible capital assets:		
Acquisition of tangible capital assets	240,376	145,355
Amortization of tangible capital assets	<u>(177,125)</u>	<u>(170,674)</u>
Increase/(Decrease) in Net Book Value of tangible capital assets	<u>63,251</u>	<u>(25,319)</u>
Increase/(Decrease) in Net Debt	<u>57,096</u>	<u>(101,844)</u>
Net Debt - end of period	<u><u>11,918,308</u></u>	<u><u>11,861,212</u></u>
NET DEBT SUMMARY		
Borrowings - net of sinking funds (Exhibit V)	7,223,037	6,650,673
Unfunded Pension and Retirement Benefits Liability	<u>2,876,021</u>	<u>3,419,817</u>
Debt	<u>10,099,058</u>	10,070,490
Other Financial Liabilities less Financial Assets	<u>1,819,250</u>	<u>1,790,722</u>
Net Debt	<u><u>11,918,308</u></u>	<u><u>11,861,212</u></u>
DEBT TRANSACTIONS		
Debt - beginning of year	10,070,490	12,030,799
Debt retirement and increase in sinking funds	(227,636)	(288,168)
New borrowings	800,000	417
Special payments - pension plans	(800,000)	(2,109,000)
Interest on unfunded pension liability and other pension expenses	157,131	341,004
Increase in post retirement benefit liability	<u>99,073</u>	<u>95,438</u>
Debt - end of period	<u><u>10,099,058</u></u>	<u><u>10,070,490</u></u>

STATEMENT III
NEWFOUNDLAND AND LABRADOR
SUMMARY OF CASH REQUIREMENT - CONSOLIDATED REVENUE FUND (CRF)
2006-07 and 2005-06 (Revised)

	2006-07 Estimates (\$000)	2005-06 Revised (\$000)
BUDGETARY REQUIREMENTS		
Provincial and Federal Revenues (Statement IV)	<u>4,712,430</u>	<u>4,628,415</u>
Current Account (Statement VI)		
Gross Expenditure	4,599,079	4,273,107
Related Revenues	<u>(197,198)</u>	<u>(300,227)</u>
Net Expenditure	<u>4,401,881</u>	<u>3,972,880</u>
Financial Contribution	310,549	655,535
Capital Account (Statement VII)		
Gross Expenditure	380,815	249,582
Related Revenues	<u>(70,433)</u>	<u>(50,204)</u>
Net Expenditure	<u>310,382</u>	<u>199,378</u>
TOTAL BUDGETARY CONTRIBUTION	167	456,157
ATLANTIC ACCORD 2005 EARNINGS RECEIVED IN ADVANCE	<u>219,200</u>	<u>322,300</u>
TOTAL CASH (REQUIREMENT) CONTRIBUTION - BUDGETARY	(219,033)	133,857
NON-BUDGETARY TRANSACTIONS		
Repayment of Equalization Loan	37,800	-
Debt Retirement (See Exhibit XIII)	59,659	126,583
Contributions to Sinking Funds (See Exhibit XIII)	44,180	44,180
Retirement of Pension Liabilities	<u>800,000</u>	<u>2,109,000</u>
TOTAL NON-BUDGETARY TRANSACTIONS	<u>941,639</u>	<u>2,279,763</u>
TOTAL CASH REQUIREMENT	<u>(1,160,672)</u>	<u>(2,145,906)</u>

STATEMENT IV
NEWFOUNDLAND AND LABRADOR
CONSOLIDATED PROVINCIAL AND FEDERAL REVENUES
2006-07 and 2005-06 Revised

	2006-07 Estimates	2005-06 Revised
	(\$000)	(\$000)
PROVINCIAL TAX SOURCES		
Personal Income Tax	831,220	809,446
Sales Tax	635,290	608,467
Gasoline Tax	142,700	141,500
Payroll Tax	96,200	93,000
Tobacco Tax	125,200	116,400
Corporate Income Tax	288,285	297,619
Offshore Royalties	663,400	471,800
Mining Taxes and Royalties	55,420	21,100
Insurance Companies Tax	38,600	37,000
Corporate Capital Tax	7,850	7,820
Forest Management Tax	2,100	2,100
TOTAL: Provincial Tax Sources	<u>2,886,265</u>	<u>2,606,252</u>
OTHER PROVINCIAL SOURCES		
Newfoundland and Labrador Liquor Corporation	101,000	99,000
Lottery Revenues	97,000	106,500
Vehicle and Driver Licences	67,918	68,000
Registry of Deeds, Companies and Securities	26,990	23,887
Fines, Fees and Forfeitures	9,698	9,378
Inland Fish and Game Licences	4,055	4,410
Water Power Rentals	5,190	5,160
Registry of Personal Property	3,100	3,000
Crown Lands	1,770	1,770
Forestry Royalties and Fees	2,105	2,179
Mining and Petroleum Permits and Fees	2,872	2,835
Offshore Revenue Fund	-	12,941
Other	7,250	7,812
TOTAL: Other Provincial Sources	<u>328,948</u>	<u>346,872</u>
TOTAL: PROVINCIAL SOURCES	<u>3,215,213</u>	<u>2,953,124</u>
GOVERNMENT OF CANADA		
Equalization	671,500	860,959
Atlantic Accord 1985	109,800	-
Atlantic Accord 2005	219,200	322,300
Health Transfers	351,862	348,640
Social Transfers	143,147	141,684
Statutory Subsidies	1,708	1,708
TOTAL: GOVERNMENT OF CANADA	<u>1,497,217</u>	<u>1,675,291</u>
TOTAL: PROVINCIAL AND FEDERAL REVENUES	<u>4,712,430</u>	<u>4,628,415</u>
CONSOLIDATION AND ACCRUAL ADJUSTMENTS	<u>476,400</u>	<u>439,804</u>
TOTAL: REVENUES	<u>5,188,830</u>	<u>5,068,219</u>

STATEMENT V
NEWFOUNDLAND AND LABRADOR
CONSOLIDATED CURRENT AND CAPITAL ACCOUNT EXPENSES
2006-07 and 2005-06 Revised

	2006-07			2005-06
	Gross Expenditure	Related Revenue	Net Expenditure	Revised (Net)
	\$	\$	\$	\$
General Government Sector				
Consolidated Fund Services	569,069,500	21,908,600	547,160,900	518,110,700
Executive Council	81,816,600	2,584,000	79,232,600	57,062,200
Finance	77,043,800	4,626,800	72,417,000	1,589,600
Government Services	30,470,900	10,405,700	20,065,200	16,591,200
Labrador and Aboriginal Affairs	4,258,500	60,000	4,198,500	1,507,300
Legislature	15,809,900	171,200	15,638,700	15,618,300
Public Service Commission	2,015,700	-	2,015,700	1,832,900
Transportation and Works	379,311,100	49,480,000	329,831,100	223,123,900
Resource Sector				
Business	3,818,700	-	3,818,700	1,301,800
Environment and Conservation	30,813,100	9,134,700	21,678,400	17,422,000
Fisheries and Aquaculture	15,649,000	1,821,400	13,827,600	7,745,000
Innovation, Trade and Rural Development	45,836,900	600,000	45,236,900	36,415,700
Natural Resources	87,614,500	11,505,400	76,109,100	63,462,200
Tourism, Culture and Recreation	45,408,300	2,396,700	43,011,600	34,586,500
Social Sector				
Education	989,368,800	31,404,500	957,964,300	870,743,500
Health and Community Services	1,964,912,400	44,253,000	1,920,659,400	1,759,573,200
Human Resources, Labour and Employment	284,332,600	17,666,700	266,665,900	255,967,000
Justice	159,190,600	11,833,100	147,357,500	138,342,300
Municipal Affairs	178,041,400	47,778,500	130,262,900	141,612,400
Newfoundland and Labrador Housing Corporation	15,111,000	-	15,111,000	9,650,000
TOTAL EXPENSES (CASH BASIS)	4,979,893,300	267,630,300	4,712,263,000	4,172,257,700
CONSOLIDATION AND ACCRUAL ADJUSTMENTS	676,674,600	29,250,700	647,423,900	996,006,000
TOTAL EXPENSES	5,656,567,900	296,881,000	5,359,686,900	5,168,263,700

AMOUNT TO BE VOTED 2006-07

Gross Current and Capital Expenditure	4,979,893,300
Less: Expenditures Approved by Statute:	
Interest	488,776,300
Pensions and Gratuities	61,032,400
Debt Management Expenses	5,546,000
Issues under Guarantee	100,000
Salaries (Auditor General and Comptroller General)	232,200
	555,686,900
Amount to be Voted by Supply Bill	4,424,206,400

STATEMENT VI
NEWFOUNDLAND AND LABRADOR
CONSOLIDATED CURRENT ACCOUNT EXPENSES
2006-07 and 2005-06 Revised

	2006-07		Net Expenditure	2005-06 Revised (Net)
	Gross Expenditure	Related Revenue		
	(\$000)	(\$000)	(\$000)	(\$000)
General Government Sector				
Consolidated Fund Services	568,866	21,486	547,380	518,119
Executive Council	68,482	2,584	65,898	51,636
Finance	76,544	4,627	71,917	1,589
Government Services	30,172	10,301	19,871	15,997
Labrador and Aboriginal Affairs	4,258	60	4,198	1,507
Legislature	15,810	171	15,639	15,618
Public Service Commission	2,016	-	2,016	1,833
Transportation and Works	268,131	26,230	241,901	193,386
Resource Sector				
Business	3,819	-	3,819	1,302
Environment and Conservation	29,702	9,135	20,567	16,832
Fisheries and Aquaculture	12,149	1,821	10,328	7,484
Innovation, Trade and Rural Development	36,817	600	36,217	24,292
Natural Resources	80,393	11,350	69,043	57,161
Tourism, Culture and Recreation	41,990	2,397	39,593	29,954
Social Sector				
Education	931,466	31,405	900,061	844,189
Health and Community Services	1,909,406	44,253	1,865,153	1,719,990
Human Resources, Labour and Employment	284,333	17,667	266,666	255,967
Justice	155,663	11,833	143,830	137,176
Municipal Affairs	63,951	1,278	62,673	69,198
Newfoundland and Labrador Housing Corporation	15,111	-	15,111	9,650
TOTAL CURRENT ACCOUNT EXPENSES (CASH BASIS)	4,599,079	197,198	4,401,881	3,972,880
CONSOLIDATION AND ACCRUAL ADJUSTMENTS	<u>765,427</u>	<u>29,673</u>	<u>735,754</u>	<u>1,004,254</u>
TOTAL CURRENT ACCOUNT EXPENSES	<u>5,364,506</u>	<u>226,871</u>	<u>5,137,635</u>	<u>4,977,134</u>

STATEMENT VII
NEWFOUNDLAND AND LABRADOR
CONSOLIDATED CAPITAL ACCOUNT EXPENSES
2006-07 and 2005-06 Revised

	2006-07		Net Expenditure	2005-06 Revised (Net)
	Gross Expenditure	Related Revenue		
	(\$000)	(\$000)	(\$000)	(\$000)
General Government Sector				
Consolidated Fund Services	204	423	(219)	(8)
Executive Council	13,334	-	13,334	5,427
Finance	500	-	500	-
Government Services	299	105	194	595
Transportation and Works	111,180	23,250	87,930	29,737
Resource Sector				
Environment and Conservation	1,111	-	1,111	590
Fisheries and Aquaculture	3,500	-	3,500	261
Innovation, Trade and Rural Development	9,020	-	9,020	12,124
Natural Resources	7,222	155	7,067	6,301
Tourism, Culture and Recreation	3,418	-	3,418	4,632
Social Sector				
Education	57,903	-	57,903	26,554
Health and Community Services	55,507	-	55,507	39,584
Justice	3,527	-	3,527	1,167
Municipal Affairs	<u>114,090</u>	<u>46,500</u>	<u>67,590</u>	<u>72,414</u>
TOTAL CAPITAL ACCOUNT EXPENSES (CASH BASIS)	380,815	70,433	310,382	199,378
CONSOLIDATION AND ACCRUAL ADJUSTMENTS	<u>(88,753)</u>	<u>(423)</u>	<u>(88,330)</u>	<u>(8,248)</u>
TOTAL CAPITAL ACCOUNT EXPENSES	<u><u>292,062</u></u>	<u><u>70,010</u></u>	<u><u>222,052</u></u>	<u><u>191,130</u></u>

Note: For details refer to Exhibit XVI.

EXHIBIT I
SELECTED ECONOMIC STATISTICS

2002 to 2005

	2005	% Change	2004	% Change	2003	% Change	2002
Population as of July 1 (000's)	516.0	-0.3	517.3	-0.2	518.5	-0.2	519.4
Gross Domestic Product at Market Prices (\$ Millions) . .	22,337*	14.9	19,433	7.2	18,131	10.2	16,452
Personal Income (\$ Millions)	13,285*	3.4	12,851	3.8	12,385	4.1	11,895
Per Capita Personal Income (\$)	25,746*	3.6	24,842	4.0	23,886	4.3	22,901
Labour Force, Annual Average (000's)**	252.5	-0.7	254.3	0.1	254.1	2.3	248.5
Employment, Annual Average (000's)**	214.1	-0.1	214.3	0.9	212.3	2.5	207.2
Unemployment Rate, Annual Average (%)***	15.2	-0.5	15.7	-0.8	16.5	-0.2	16.7
Wages and Salaries (\$ Millions)	6,703	4.6	6,408	3.7	6,181	6.3	5,817
Consumer Price Index (1997=100)	116.5	2.6	113.6	1.8	111.6	2.9	108.4
Oil Production (Millions of Barrels)**	111.3	-3.0	114.8	-6.7	123.0	17.9	104.3
Volume of Fish Landings (000's of Metric Tonnes)	326.3	-2.5	334.8	8.9	307.5	14.7	268.0
Value of Fish Landings (\$ Millions)	461.3	-23.9	606.1	5.3	575.6	13.9	505.4
Newsprint Shipments (Thousands of Metric Tonnes) . .	761.8	4.1	731.7	-6.3	780.9	5.5	740.3
Iron Ore Shipments (Millions of Metric Tonnes)	20.0	29.9	15.4	-22.2	19.8	4.2	19.0
Value of Manufacturing Shipments NAICS (\$ Millions). .	2,983.4	-2.8	3,068.5	8.5	2,827.9	12.4	2,516.7
Private and Public Capital Investment (\$ Millions) . . .	4,318	1.8	4,243	14.3	3,712	10.4	3,361
Dwelling Starts (Number)	2,498	-13.0	2,870	6.6	2,692	11.3	2,419
Retail Trade NAICS (\$ Millions)	5,884	2.2	5,755	0.3	5,736	6.1	5,407
New Motor Vehicle Sales (Number)	24,899	8.7	22,898	-9.9	25,428	-1.4	25,790

Note: Some data are preliminary.
Some percent changes are based on unrounded data.
* Estimate of the Economics and Statistics Branch.
** As of November 2005, includes Hibernia, Terra Nova and White Rose production.
*** Data not strictly comparable to earlier tables due to revisions to the Labour Force Survey.

Source: Statistics Canada; Economics and Statistics Branch,
Department of Finance

EXHIBIT II
CURRENT AND RELATED REVENUES
2006-07 and 2005-06 Revised

	2006-07 Estimates	2005-06 Revised
	(\$000)	(\$000)
PROVINCIAL		
Taxation:		
Personal Income Tax	831,220	809,446
Sales Tax	635,290	608,467
Gasoline Tax	142,700	141,500
Payroll Tax	96,200	93,000
Tobacco Tax	125,200	116,400
Corporate Income Tax	288,285	297,619
Offshore Royalties	663,400	471,800
Mining Taxes and Royalties	55,420	21,100
Other	48,550	46,920
	<u>2,886,265</u>	<u>2,606,252</u>
General Revenues:		
Newfoundland and Labrador Liquor Corporation	101,000	99,000
Lottery Revenues	97,000	106,500
Vehicle and Driver Licences	67,918	68,000
Registry of Deeds, Companies and Securities	26,990	23,887
Fines, Fees and Forfeitures	9,698	9,378
Other	26,342	40,107
	<u>328,948</u>	<u>346,872</u>
Expenditure Programs - Related Revenues:		
Interest Income	7,111	54,825
Other	107,219	169,926
	<u>114,330</u>	<u>224,751</u>
TOTAL: PROVINCIAL REVENUES	<u>3,329,543</u>	<u>3,177,875</u>
GOVERNMENT OF CANADA		
Fiscal Transfer Payments:		
Equalization	671,500	860,959
Atlantic Accord 1985	109,800	-
Atlantic Accord 2005	219,200	322,300
Health Transfers	351,862	348,640
Social Transfers	143,147	141,684
Statutory Subsidies	1,708	1,708
	<u>1,497,217</u>	<u>1,675,291</u>
Cost Shared Programs:		
Resource	5,337	6,125
Offshore Fund	-	657
Human Resources Development	24,000	22,000
Native Peoples	582	6,702
Other	52,949	39,992
	<u>82,868</u>	<u>75,476</u>
TOTAL: GOVERNMENT OF CANADA REVENUES	<u>1,580,085</u>	<u>1,750,767</u>
TOTAL: CURRENT AND RELATED REVENUES	<u>4,909,628</u>	<u>4,928,642</u>

EXHIBIT III

CURRENT AND CAPITAL REVENUES

PROVINCIAL AND FEDERAL SOURCES

2002-03 to 2006-07

	2006-07		2005-06		2004-05		2003-04		2002-03	
	Estimates		Revised		Audited		Audited		Audited	
	(\$000)	%	(\$000)	%	(\$000)	%	(\$000)	%	(\$000)	%
Current Revenues :										
Provincial Sources	3,329,543	67.8	3,177,875	64.5	2,735,776	65.9	2,508,012	62.4	2,363,145	60.5
Federal Sources	1,580,085	32.2	1,750,767	35.5	1,417,580	34.1	1,511,881	37.6	1,543,881	39.5
Total: Current Revenues	<u>4,909,628</u>	<u>100.0</u>	<u>4,928,642</u>	<u>100.0</u>	<u>4,153,356</u>	<u>100.0</u>	<u>4,019,893</u>	<u>100.0</u>	<u>3,907,026</u>	<u>100.0</u>
Capital Revenues :										
Provincial Sources	1,923	2.7	32,348	64.4	10,939	35.5	25,973	33.0	32,304	39.2
Federal Sources	68,510	97.3	17,856	35.6	19,866	64.5	52,799	67.0	50,046	60.8
Total: Capital Revenues	<u>70,433</u>	<u>100.0</u>	<u>50,204</u>	<u>100.0</u>	<u>30,805</u>	<u>100.0</u>	<u>78,772</u>	<u>100.0</u>	<u>82,350</u>	<u>100.0</u>
Current and Capital Revenues :										
Provincial Sources	3,331,466	66.9	3,210,223	64.5	2,746,715	65.6	2,533,985	61.8	2,395,449	60.0
Federal Sources	1,648,595	33.1	1,768,623	35.5	1,437,446	34.4	1,564,680	38.2	1,593,927	40.0
Total: Current and Capital Revenues	<u>4,980,061</u>	<u>100.0</u>	<u>4,978,846</u>	<u>100.0</u>	<u>4,184,161</u>	<u>100.0</u>	<u>4,098,665</u>	<u>100.0</u>	<u>3,989,376</u>	<u>100.0</u>

EXHIBIT IV

EXPENDITURE SUMMARY

2006-07 Estimated

<u>Head</u>	Total		Current		Capital	
	Gross (\$000)	Net (\$000)	Gross (\$000)	Net (\$000)	Gross (\$000)	Net (\$000)
Consolidated Fund Services	569,070	547,161	568,866	547,380	204	(219)
Executive Council.	81,816	79,232	68,482	65,898	13,334	13,334
Finance	77,044	72,417	76,544	71,917	500	500
Government Services	30,471	20,065	30,172	19,871	299	194
Labrador and Aboriginal Affairs	4,258	4,198	4,258	4,198	-	-
Legislature	15,810	15,639	15,810	15,639	-	-
Public Service Commission.	2,016	2,016	2,016	2,016	-	-
Transportation and Works	379,311	329,831	268,131	241,901	111,180	87,930
Business.	3,819	3,819	3,819	3,819	-	-
Environment and Conservation	30,813	21,678	29,702	20,567	1,111	1,111
Fisheries and Aquaculture	15,649	13,828	12,149	10,328	3,500	3,500
Innovation, Trade and Rural Development	45,837	45,237	36,817	36,217	9,020	9,020
Natural Resources.	87,615	76,110	80,393	69,043	7,222	7,067
Tourism, Culture and Recreation	45,408	43,011	41,990	39,593	3,418	3,418
Education	989,369	957,964	931,466	900,061	57,903	57,903
Health and Community Services	1,964,913	1,920,660	1,909,406	1,865,153	55,507	55,507
Human Resources, Labour and Employment.	284,333	266,666	284,333	266,666	-	-
Justice	159,190	147,357	155,663	143,830	3,527	3,527
Municipal Affairs	178,041	130,263	63,951	62,673	114,090	67,590
Newfoundland and Labrador Housing Corporation	15,111	15,111	15,111	15,111	-	-
TOTAL.	4,979,894	4,712,263	4,599,079	4,401,881	380,815	310,382

EXPENDITURE SUMMARY

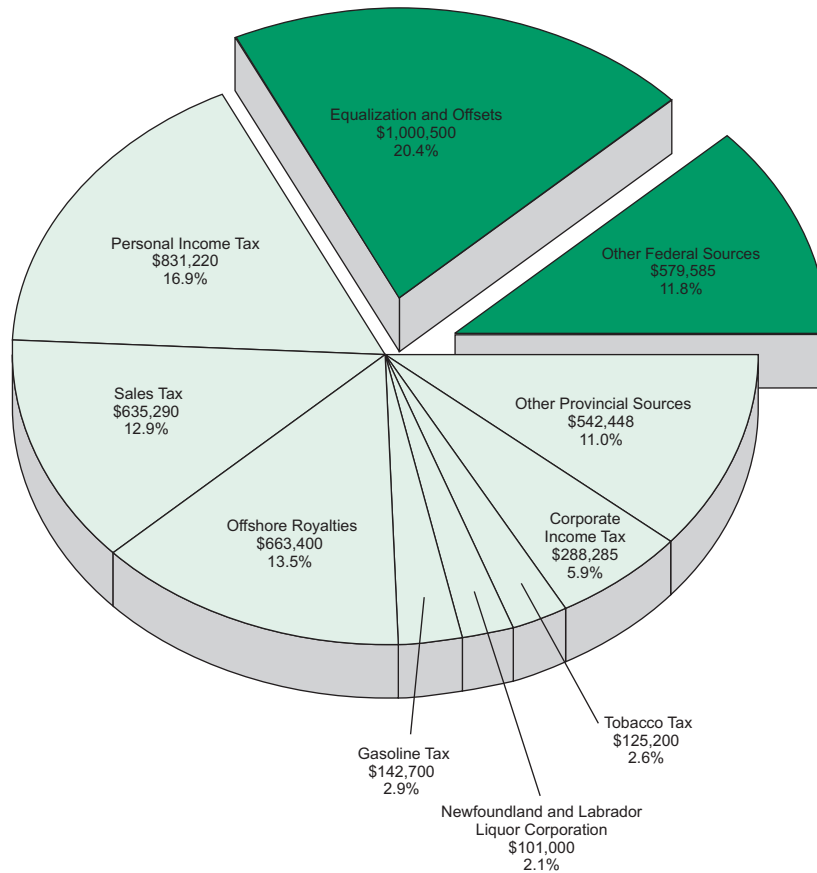
2005-06 Revised

Consolidated Fund Services	588,214	518,111	588,010	518,119	204	(8)
Executive Council.	59,681	57,063	54,254	51,636	5,427	5,427
Finance	59,468	1,589	59,468	1,589	-	-
Government Services	28,454	16,592	27,726	15,997	728	595
Labrador and Aboriginal Affairs	6,943	1,507	6,943	1,507	-	-
Legislature	15,784	15,618	15,784	15,618	-	-
Public Service Commission.	1,833	1,833	1,833	1,833	-	-
Transportation and Works	296,161	223,123	227,827	193,386	68,334	29,737
Business.	1,302	1,302	1,302	1,302	-	-
Environment and Conservation	24,247	17,422	23,657	16,832	590	590
Fisheries and Aquaculture	9,793	7,745	9,532	7,484	261	261
Innovation, Trade and Rural Development	38,064	36,416	25,940	24,292	12,124	12,124
Natural Resources.	76,164	63,462	69,863	57,161	6,301	6,301
Tourism, Culture and Recreation	38,085	34,586	33,453	29,954	4,632	4,632
Education	900,784	870,743	874,230	844,189	26,554	26,554
Health and Community Services	1,791,184	1,759,574	1,751,600	1,719,990	39,584	39,584
Human Resources, Labour and Employment.	270,891	255,967	270,891	255,967	-	-
Justice	150,646	138,343	149,479	137,176	1,167	1,167
Municipal Affairs	155,341	141,612	71,665	69,198	83,676	72,414
Newfoundland and Labrador Housing Corporation	9,650	9,650	9,650	9,650	-	-
TOTAL.	4,522,689	4,172,258	4,273,107	3,972,880	249,582	199,378

EXHIBIT V
NEWFOUNDLAND AND LABRADOR
STATEMENT OF BORROWINGS
2006-07 and 2005-06 Revised

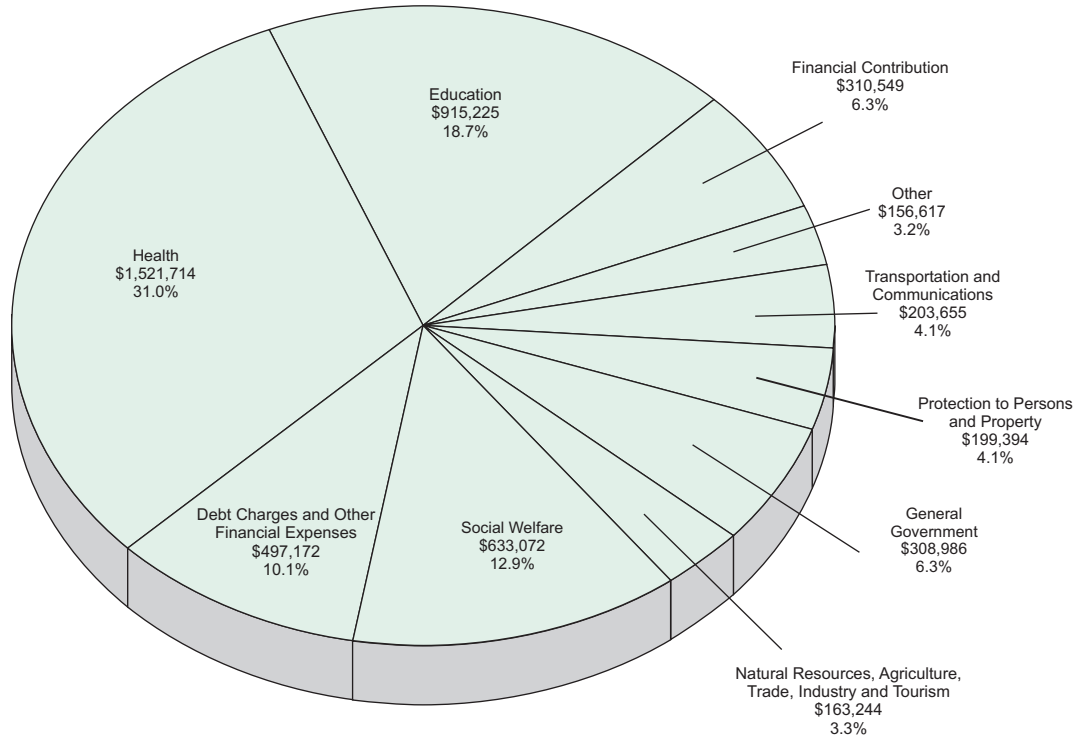
	2006-07 Estimates	2005-06 Revised
	(\$000)	(\$000)
Consolidated Revenue Fund		
Treasury Bill Borrowings	494,000	494,000
General Debentures	6,353,786	5,553,786
Government of Canada	547,373	607,032
	<u>7,395,159</u>	<u>6,654,818</u>
Less: Sinking Funds	(933,954)	(838,274)
Plus: Unamortized Foreign Exchange Gains/Losses	141,126	156,719
	<u>6,602,331</u>	<u>5,973,263</u>
Newfoundland and Labrador Municipal Financing Corporation		
General Debentures	208,784	243,882
Less: Sinking Funds	(11,096)	(10,132)
	<u>197,688</u>	<u>233,750</u>
Newfoundland and Labrador Housing Corporation		
General Debentures	26,400	27,400
Other	5,000	9,000
	<u>31,400</u>	<u>36,400</u>
Other Debt		
Student Loan Corporation of Newfoundland and Labrador	201,000	206,000
Health Care Organizations	180,914	188,427
Miscellaneous	15,244	17,250
	<u>397,158</u>	<u>411,677</u>
Less: Sinking Funds	(5,540)	(4,417)
	<u>391,618</u>	<u>407,260</u>
TOTAL BORROWINGS	<u><u>7,223,037</u></u>	<u><u>6,650,673</u></u>

EXHIBIT VI
SUMMARY OF CURRENT REVENUES (By Source)
WHERE THE MONEY COMES FROM



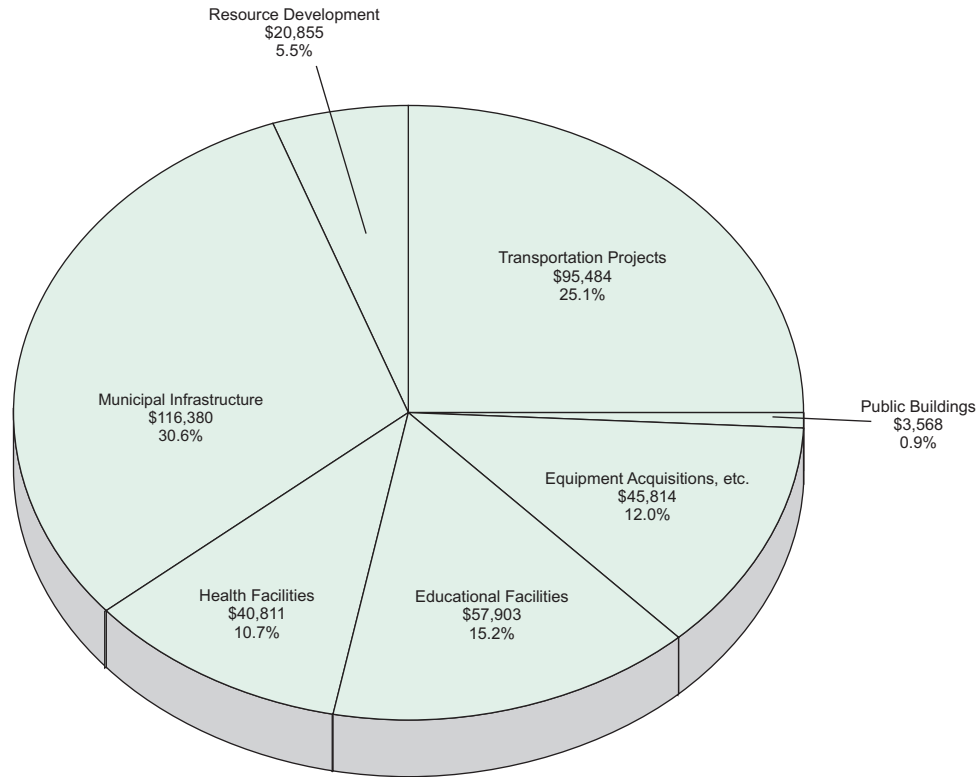
Percentage Of Total		Source	Amount (\$000)	
Revised 2005-06	Estimate 2006-07		Estimate 2006-07	Revised 2005-06
Provincial:				
16.4	16.9	Personal Income Tax	831,220	809,446
12.4	12.9	Sales Tax	635,290	608,467
9.6	13.5	Offshore Royalties	663,400	471,800
2.9	2.9	Gasoline Tax	142,700	141,500
		Newfoundland and Labrador		
2.0	2.1	Liquor Corporation	101,000	99,000
2.4	2.6	Tobacco Tax	125,200	116,400
6.0	5.9	Corporate Income Tax	288,285	297,619
12.8	11.0	Other Provincial Sources	542,448	633,643
<u>64.5</u>	<u>67.8</u>	Total: Provincial	<u>3,329,543</u>	<u>3,177,875</u>
Government of Canada:				
24.0	20.4	Equalization and Offsets	1,000,500	1,183,259
11.5	11.8	Other Federal Sources	579,585	567,508
<u>35.5</u>	<u>32.2</u>	Total: Government of Canada	<u>1,580,085</u>	<u>1,750,767</u>
<u>100.0</u>	<u>100.0</u>	Total	<u>4,909,628</u>	<u>4,928,642</u>

EXHIBIT VII
**SUMMARY OF CURRENT ACCOUNT EXPENDITURES (BY FUNCTION)
 WHERE THE MONEY GOES**



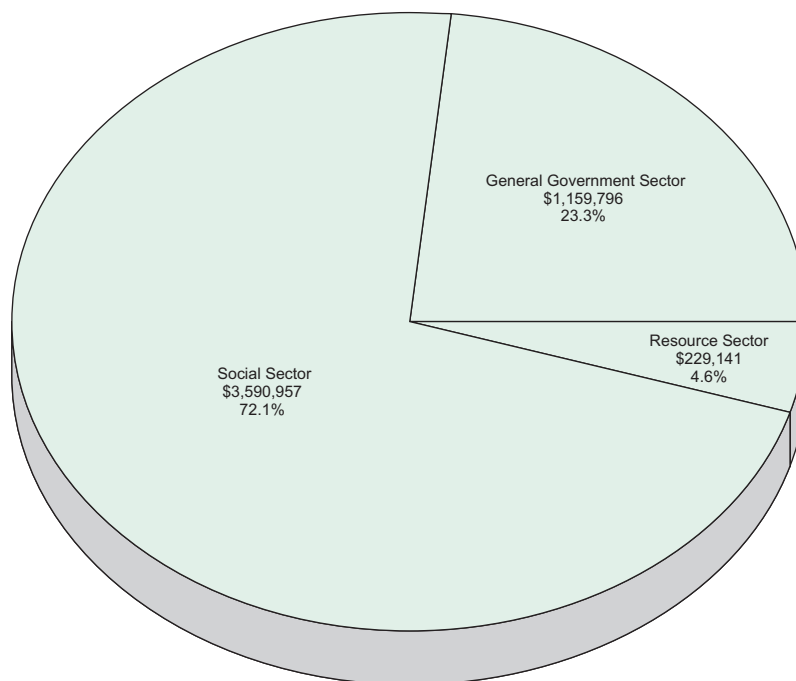
<u>Percentage of Total</u>		<u>Function of Expenditure</u>	<u>Amount (\$000)</u>	
<u>Revised 2005-06</u>	<u>Estimate 2006-07</u>		<u>Estimate 2006-07</u>	<u>Revised 2005-06</u>
		Expenditure:		
17.4	18.7	Education	915,225	858,034
28.3	31.0	Health	1,521,714	1,395,134
10.0	10.1	Debt Charges and Other Financial Expenses	497,172	492,607
12.1	12.9	Social Welfare	633,072	594,387
2.6	3.3	Natural Resources, Agriculture, Trade, Industry and Tourism	163,244	130,097
6.1	6.3	General Government	308,986	299,210
3.8	4.1	Protection to Persons and Property	199,394	188,974
3.5	4.1	Transportation and Communications	203,655	172,739
2.9	3.2	Other	156,617	141,925
<u>86.7</u>	<u>93.7</u>	Total: Expenditures	<u>4,599,079</u>	<u>4,273,107</u>
<u>13.3</u>	<u>6.3</u>	Financial Contribution	<u>310,549</u>	<u>655,535</u>
<u>100.0</u>	<u>100.0</u>	Total	<u>4,909,628</u>	<u>4,928,642</u>

EXHIBIT VIII
SUMMARY OF GROSS CAPITAL ACCOUNT EXPENDITURES
 (By Function)



<u>Percentage of Total</u>		<u>Category of Capital Expenditure</u>	<u>Amount (\$000)</u>	
<u>Revised 2005-06</u>	<u>Estimate 2006-07</u>		<u>Estimate 2006-07</u>	<u>Revised 2005-06</u>
Expenditure:				
23.1	25.1	Transportation Projects	95,484	57,618
7.9	5.5	Resource Development	20,855	19,675
33.9	30.6	Municipal Infrastructure	116,380	84,630
5.7	10.7	Health Facilities	40,811	14,270
10.6	15.2	Educational Facilities	57,903	26,524
17.4	12.0	Equipment Acquisitions, etc.	45,814	43,305
1.4	0.9	Public Buildings	3,568	3,560
<u>100.0</u>	<u>100.0</u>	Total: Expenditure	<u>380,815</u>	<u>249,582</u>
Source of Financing:				
7.2	18.0	Government of Canada Revenues	68,510	17,856
13.0	0.5	Provincial Revenues	1,923	32,348
79.8	81.5	Financial Requirement	310,382	199,378
<u>100.0</u>	<u>100.0</u>	Total: Sources	<u>380,815</u>	<u>249,582</u>

EXHIBIT IX
SUMMARY OF GROSS GOVERNMENT EXPENDITURES
CURRENT AND CAPITAL
 (By Sector)



(TOTAL EXPENDITURE: \$4,979,893,300)

GROSS GOVERNMENT EXPENDITURE

	Estimate 2006-07 (\$000)	Percentage of Total %
Sector Expenditure		
General Government	1,159,796	23.3
Resource	229,141	4.6
Social	<u>3,590,957</u>	<u>72.1</u>
Total: Expenditure	<u>4,979,894</u>	<u>100.0</u>

RESOURCE SECTOR

	Estimate 2006-07 (\$000)	Percentage of Total %
Business	3,819	0.1
Environment and Conservation	30,813	0.6
Fisheries and Aquaculture	15,649	0.3
Innovation, Trade and Rural		
Development	45,837	0.9
Natural Resources	87,615	1.8
Tourism, Culture and Recreation	<u>45,408</u>	<u>0.9</u>
Total: Resource Sector	<u>229,141</u>	<u>4.6</u>

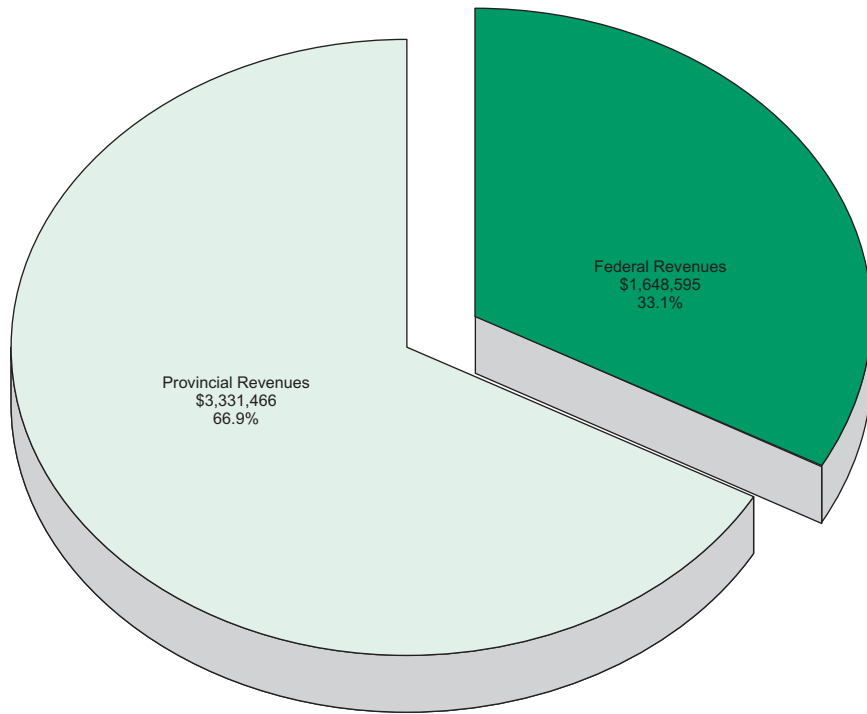
SOCIAL SECTOR

	Estimate 2006-07 (\$000)	Percentage of Total %
Education	989,369	19.9
Health and Community Services	1,964,913	39.4
Human Resources, Labour and		
Employment	284,333	5.7
Justice	159,190	3.2
Municipal Affairs	178,041	3.6
Newfoundland and Labrador		
Housing Corporation	15,111	0.3
Total: Social Sector	<u>3,590,957</u>	<u>72.1</u>

GENERAL GOVERNMENT SECTOR

	Estimate 2006-07 (\$000)	Percentage of Total %
Consolidated Fund Services	569,070	11.4
Executive Council	81,816	1.6
Finance	77,044	1.6
Government Services	30,471	0.6
Labrador and Aboriginal Affairs	4,258	0.1
Legislature	15,810	0.3
Public Service Commission	2,016	0.1
Transportation and Works	<u>379,311</u>	<u>7.6</u>
Total: General Government Sector	<u>1,159,796</u>	<u>23.3</u>

EXHIBIT X
SUMMARY OF BUDGETARY FINANCING SOURCES
 (For Gross Current and Capital Account Expenditures)



<u>Percentage of Total</u>		<u>Category of Financing</u>	<u>Amount (\$000)</u>	
<u>Revised 2005-06</u>	<u>Estimate 2006-07</u>		<u>Estimate 2006-07</u>	<u>Revised 2005-06</u>
Revenue Sources:				
71.0	66.9	Provincial	3,331,466	3,210,223
39.1	33.1	Federal	1,648,595	1,768,623
<u>110.1</u>	<u>100.0</u>		<u>4,980,061</u>	<u>4,978,846</u>
Budgetary Requirements:				
4.4	6.2	Capital Account (Net Expenditure)	310,382	199,378
<u>(14.5)</u>	<u>(6.2)</u>	Current Account (Financial Contribution)	<u>(310,549)</u>	<u>(655,535)</u>
<u>(10.1)</u>	<u>0.0</u>	Total Budgetary Contribution:	<u>(167)</u>	<u>(456,157)</u>
<u>100.0</u>	<u>100.0</u>	Total: Sources	<u>4,979,894</u>	<u>4,522,689</u>

EXHIBIT XI

**NEWFOUNDLAND AND LABRADOR
ESTIMATE OF TAX EXPENDITURES**

The principal function of the tax system is to raise the revenues necessary to fund government expenditures in a manner that is both efficient and equitable. The tax system is also an instrument of policy that serves to advance a wide range of economic, social and other public policy objectives. Tax measures that reflect such objectives include exemptions, deductions, rebates, deferrals and credits, and are typically referred to as “tax expenditures”. Tax expenditures can be viewed as substitutes for direct program spending.

	(\$ Millions)	
	2006-07	2005-06
Personal Income Tax		
Child Benefit	8.5	8.5
Seniors' Benefit	7.9	7.8
HST Credit	5.7	5.6
Low Income Tax Reduction	5.5	5.5
Labour Sponsored Venture Capital Tax Credit	0.7	0.2
Direct Equity Tax Credit	0.4	0.1
Political Contributions Tax Credit	0.1	0.1
Corporate Income Tax		
Small Business Tax Rate Reduction	18.7	17.8
Manufacturing and Processing Profits Tax Rate Reduction	8.7	8.0
Research and Development Tax Credit	6.8	3.8
New Small Business Tax Holiday	-	0.3
EDGE Remissions	0.9	0.3
Film and Video Industry Tax Credit	4.7	0.3
Offshore Area Tax Reduction	1.4	0.2
Harmonized Sales Tax		
Book Rebate	4.4	3.7
Labrador Building Materials Rebate	0.8	0.5
Gasoline Tax		
Exemptions for Fishing, Aquaculture, Farming and Logging	4.2	4.5
Exemptions for Electricity Generation	1.9	2.0
Exemptions for Municipal Governments	0.9	1.0
Exemptions for Mineral Exploration and Pre-production Development	0.6	0.6
Exemptions for Rock Crushing and/or Screening Aggregates	0.3	0.3
Tobacco Tax		
Labrador Border Zones Reduced Rates	2.0	1.6

EXHIBITXII
SUMMARY OF SALARY COSTS BY DEPARTMENT
2006-07 and 2005-06 (Revised)

DEPARTMENT	2006-07 Estimates \$	2005-06 Revised \$
Executive Council	26,526,400	20,271,700
Finance	17,724,700	11,792,600
Government Services.	21,553,700	19,931,500
Labrador and Aboriginal Affairs	1,628,800	1,279,900
Legislature	7,385,500	7,110,800
Public Service Commission	1,503,400	1,432,500
Transportation and Works	75,309,100	70,723,400
Business	1,729,000	315,900
Environment and Conservation	15,135,200	13,514,900
Fisheries and Aquaculture	6,233,200	5,577,000
Innovation, Trade and Rural Development	10,740,500	9,357,700
Natural Resources	34,759,900	31,176,300
Tourism, Culture and Recreation	8,291,100	8,306,300
Education.	12,026,000	11,797,100
Health and Community Services.	12,796,000	11,625,700
Human Resources, Labour and Employment	27,681,800	25,294,700
Justice	74,466,400	70,126,700
Municipal Affairs	<u>7,026,200</u>	<u>6,284,700</u>
TOTAL	<u>362,516,900</u>	<u>325,919,400</u>
Less: Capital Account Salary Expenditure.	<u>4,006,900</u>	<u>3,347,400</u>
Total: Current Account Salary Expenditure	<u><u>358,510,000</u></u>	<u><u>322,572,000</u></u>

EXHIBIT XIII

ESTIMATED INTEREST AND DEBT RETIREMENT 2006-07

Term	Series	Amount Outstanding	Interest Rate	Sinking Fund Rate	Interest	Sinking Fund	Debt Redemption
			%	%	\$	\$	\$
Payable in Canadian Dollars:							
1987/2007	5S	42,300,000	10.79	2	4,564,200	846,000	
1987/2010	5R	100,000,000	9 3/8	2	9,375,000	2,000,000	
1988/2008	5T	100,000,000	11 1/4	2	11,250,000	2,000,000	
1989/2012	5U	125,000,000	11.0	2	13,750,000	2,500,000	
1989/2014	5V	150,000,000	10 1/8	1 1/2	15,187,500	2,250,000	
1991/2021	5X	147,892,000	10.95	-	16,194,200		
1993/2013	EC6	81,734,000	5.65	2	4,618,000	1,634,700	
1995/2025	6B	100,000,000	9.15	3/4	9,150,000	750,000	
1996/2026	6C	150,000,000	8.45	3/4	12,675,000	1,125,000	
1997/2007	6E	150,000,000	5.90	-	8,850,000		
1998/2008	6G	250,000,000	5.70	-	14,250,000		
1998/2028	6F	450,000,000	6.15	1	27,675,000	4,500,000	
1999/2009	6J	200,000,000	6.70	-	13,400,000		
1999/2029	6H	200,000,000	6.50	1 1/8	13,000,000	2,250,000	
2000/2030	6K	450,000,000	6.55	1 1/8	29,475,000	5,062,500	
2001/2011	6L	200,000,000	6.4	-	12,800,000		
2002/2010	EC7	200,000,000	5 1/8	-	10,250,000		
2002/2042	6Q	250,000,000	6.24	1/2	15,600,000	1,250,000	
2003/2033	6R	300,000,000	5.60	1 1/4	16,800,000	3,750,000	
2004/2014	6S	300,000,000	5.25	-	15,750,000		
2004/2035	6T	300,000,000	5.70	1 1/4	17,100,000	3,750,000	
2006/2007	Anticipated				10,200,000		
					301,913,900	33,668,200	
Payable in United States Dollars:							
1987/2007	AF	100,000,000	11 5/8	2	13,210,700	2,272,800	
1989/2019	AG	150,000,000	9	1 1/2	15,341,400	2,556,900	
1990/2020	AH	150,000,000	9 7/8	1/2	16,832,900	852,300	
1990/2020	AJ	150,000,000	10	1/2	17,046,000	852,300	
1991/2021	AK	200,000,000	9	1/2	20,455,200	1,136,400	
1992/2022	AM	200,000,000	8.65	1/2	19,659,700	1,136,400	
1993/2023	AN	200,000,000	7.32	3/4	16,636,900	1,704,600	
					119,182,800	10,511,700	
					421,096,700	44,179,900	

EXHIBIT XIII

ESTIMATED INTEREST AND DEBT RETIREMENT 2006-07 (Cont'd)

Term	Series	Amount Outstanding	Interest Rate	Sinking Fund Rate	Interest	Sinking Fund	Debt Redemption
			%	%	\$	\$	\$
Canada Pension Plan: (20 Year Term)							
1986/87	3A	59,659,000	9.04-10.17	-	3,656,700		59,659,000
1987/88	3A	43,829,000	9.12-11.07	-	4,280,500		
1988/89	3A	41,635,000	9.62-10.39	-	4,196,400		
1989/90	3A	45,188,000	9.15-10.31	-	4,475,100		
1990/91	3A	40,432,000	9.78-11.33	-	4,385,400		
1991/92	3A	40,858,000	9.81-10.04	-	4,052,800		
1992/93	3A	28,770,000	9.17- 9.45	-	2,695,300		
1998/99	3A	1,827,000	5.97	-	109,100		
1999/00	3A	35,282,000	5.89-7.02	-	2,248,100		
2000/01	3A	42,645,000	6.41-6.90	-	2,851,100		
2001/02	3A	52,376,113	6.38-6.85	-	3,452,800		
2002/03	3A	52,104,000	5.88-6.61	-	3,275,400		
2003/04	3A	50,738,000	5.41-6.15	-	2,907,200		
2004/05	3A	47,146,000	5.36-5.92	-	2,675,000		
2005/06	3A	23,987,000	4.91-5.34	-	1,218,700		
					46,479,600		59,659,000
TOTAL					467,576,300	44,179,900	59,659,000

AVERAGE EXCHANGE RATE USED IN CONVERSION

U.S..... 1.1364 Cdn.

EXHIBIT XIV
PUBLIC SECTOR DEBT (i)

2002 to 2006

	Years ending March 31				2002
	2006*	2005	2004	2003	
	(Millions of dollars)				
Provincial Direct Debt:					
Payable in Canadian Dollars	4,246.9	4,346.9	3,945.8	3,714.1	3,464.1
Due Government of Canada	985.4	1,012.1	633.7	633.7	633.7
Payable in U.S. Dollars (ii)	1,339.8	1,391.0	1,508.0	1,688.2	1,833.3
Payable in Swiss Francs	-	-	-	162.7	284.4
Total Debenture and Other Debt.....	6,572.1	6,750.0	6,087.5	6,198.7	6,215.5
Treasury Bills	494.0	494.0	494.0	494.0	494.0
Total Provincial Direct Debt.....	7,066.1	7,244.0	6,581.5	6,692.7	6,709.5
Crown Corporation and Other Debt:					
Utility	1,400.1	1,414.0	1,416.5	1,293.9	1,150.2
Housing	36.4	44.5	57.1	63.4	83.3
Municipal	648.8	640.0	675.3	602.4	594.4
Student Loans	206.0	213.0	213.0	-	-
Other	337.0	345.9	463.9	444.4	424.8
Total Crown Corporation and Other Debt	2,628.3	2,657.4	2,825.8	2,404.1	2,252.7
Deduct Sinking Funds held for Redemption of Debt:					
Direct Debt	1,010.6	908.4	785.2	834.4	1,029.9
Guaranteed Debt	376.1	348.6	276.9	255.3	232.8
Total Sinking Funds.....	1,386.7	1,257.0	1,062.1	1,089.7	1,262.7
Total Public Sector Debt (iii)	8,307.7	8,644.4	8,345.2	8,007.1	7,699.5

* Forecast

Notes: (i) Public sector debt differs from net debt as reported in the Province's Public Accounts. The public sector debt includes the funded debt of Government, debt of its Crown corporations and agencies, guaranteed debt, and debt incurred by municipalities. The only financial asset deducted is the face value of sinking funds held for the retirement of debt. The total public sector debt does not include payables and accruals, or unfunded liabilities related to pensions, severance or post-retirement benefits.

(ii) For 2006, U.S. dollar debt is converted to the Canadian dollar equivalent using the exchange rate of 1.1650.

(iii) Includes guaranteed debt, net of related sinking funds, in the amounts of \$1,534.5 million, \$1,697.4 million, \$1,985.6 million, \$1,758.0 million and \$1,664.5 million at March 31, 2002 to 2006, respectively.

EXHIBIT XV

SUMMARY OF RELATED REVENUES AND EXPENDITURES - CRF
BY MAIN OBJECT AND SECTOR

2006-07 and 2005-06 Revised

	General Government Sector 2006/07 (\$000)	Resource Sector 2006/07 (\$000)	Social Sector 2006/07 (\$000)	Total 2006/07 (\$000)	% of 2006/07 Total %	Total 2005/06 Revised (\$000)
Current:						
Salaries	148,132	76,783	133,595	358,510	7.8	322,572
Employee Benefits	123,211	683	1,441	125,335	2.7	144,318
Transportation and Communications	15,455	15,749	12,497	43,701	1.0	36,677
Supplies	49,643	7,707	21,892	79,242	1.7	72,301
Professional Services	26,728	8,914	281,689	317,331	6.9	283,270
Purchased Services	154,358	33,638	35,722	223,718	4.9	179,011
Property, Furnishings and Equipment	3,395	1,438	1,846	6,679	0.1	8,355
Allowances and Assistance	7,593	20	375,231	382,844	8.3	357,091
Grants and Subsidies	16,953	59,938	2,493,201	2,570,092	55.9	2,377,210
Debt Expenses	488,811	-	2,816	491,627	10.7	492,302
Gross Current Expenditure	<u>1,034,279</u>	<u>204,870</u>	<u>3,359,930</u>	<u>4,599,079</u>	<u>100.0</u>	<u>4,273,107</u>
Federal Revenue Sources	(2,826)	(8,476)	(71,566)	(82,868)	42.0	(75,477)
Provincial Revenue Sources	(62,633)	(16,827)	(34,870)	(114,330)	58.0	(224,750)
Total Current Related Revenues	<u>(65,459)</u>	<u>(25,303)</u>	<u>(106,436)</u>	<u>(197,198)</u>	<u>100.00</u>	<u>(300,227)</u>
Net Current Expenditure	<u>968,820</u>	<u>179,567</u>	<u>3,253,494</u>	<u>4,401,881</u>		<u>3,972,880</u>
Capital:						
Salaries	3,500	106	401	4,007	1.0	3,347
Employee Benefits	-	-	2	2	0.0	4
Transportation and Communications	1,134	5	100	1,239	0.3	1,217
Supplies	2,788	5	3	2,796	0.7	738
Professional Services	11,725	60	24,975	36,760	9.7	10,754
Purchased Services	81,075	4,996	39,899	125,970	33.1	67,313
Property, Furnishings and Equipment	24,221	4,599	20,281	49,101	12.9	54,647
Loans, Advances and Investments	600	14,500	8,000	23,100	6.1	22,175
Grants and Subsidies	-	-	136,925	136,925	36.0	87,311
Debt Expenses	474	-	441	915	0.2	2,076
Gross Capital Expenditure	<u>125,517</u>	<u>24,271</u>	<u>231,027</u>	<u>380,815</u>	<u>100.0</u>	<u>249,582</u>
Federal Revenue Sources	(21,855)	(155)	(46,500)	(68,510)	97.3	(17,856)
Provincial Revenue Sources	(1,923)	-	-	(1,923)	2.7	(32,348)
Total Capital Related Revenues	<u>(23,778)</u>	<u>(155)</u>	<u>(46,500)</u>	<u>(70,433)</u>	<u>100.0</u>	<u>(50,204)</u>
Net Capital Expenditure	<u>101,739</u>	<u>24,116</u>	<u>184,527</u>	<u>310,382</u>		<u>199,378</u>
Total Net Expenditure	<u>1,070,559</u>	<u>203,683</u>	<u>3,438,021</u>	<u>4,712,263</u>		<u>4,172,258</u>

EXHIBIT XVI
DETAILS OF CAPITAL EXPENDITURES - CRF
ESTIMATES 2006-07

ACTIVITY NO.	DETAILS	GROSS EXPENDITURE \$	RELATED REVENUE \$	NET EXPENDITURE \$
CONSOLIDATED FUND SERVICES				
1.2.01	Recoveries on Loans, Advances and Investments	-	421,500	(421,500)
1.3.01	Various Facilities	103,800	-	103,800
1.4.02	Issues Under Guarantee	100,000	1,000	99,000
TOTAL		203,800	422,500	(218,700)
EXECUTIVE COUNCIL				
4.1.04	Application Management	9,740,100	-	9,740,100
4.1.05	Infrastructure Services	3,594,000	-	3,594,000
TOTAL		13,334,100	-	13,334,100
FINANCE				
2.1.06	Financial Assistance	500,000	-	500,000
TOTAL		500,000	-	500,000
GOVERNMENT SERVICES				
1.2.02	Administrative Support	299,000	105,000	194,000
TOTAL		299,000	105,000	194,000
TRANSPORTATION AND WORKS				
1.2.05	Administrative Support	1,650,000	325,000	1,325,000
2.2.05	Salt Storage Sheds	2,400,000	-	2,400,000
2.3.03	Equipment Acquisitions	12,296,000	125,000	12,171,000
3.2.04	Administrative Support - Road Construction.....	112,600	-	112,600
3.2.05	Improvement and Construction - Provincial Roads	4,000,000	-	4,000,000
3.2.06	Canada Strategic Infrastructure Fund	33,700,000	13,900,000	19,800,000
3.2.07	Trans Labrador Highway	41,700,000	7,500,000	34,200,000
3.2.09	Land Acquisition	8,000,000	-	8,000,000
3.3.02	Development of New Facilities	1,000,000	-	1,000,000
4.1.04	Airstrips	1,400,000	1,400,000	-
4.2.05	Ferry Terminals	2,677,000	-	2,677,000
4.2.06	Ferry Vessels	2,244,500	-	2,244,500
TOTAL		111,180,100	23,250,000	87,930,100
ENVIRONMENT AND CONSERVATION				
1.2.04	Administrative Support	1,111,000	-	1,111,000
TOTAL		1,111,000	-	1,111,000
FISHERIES AND AQUACULTURE				
3.1.02	Aquaculture Capital Equity Investment	3,500,000	-	3,500,000
TOTAL		3,500,000	-	3,500,000
INNOVATION, TRADE AND RURAL DEVELOPMENT				
1.2.05	Administrative Support	20,000	-	20,000
3.1.05	Strategic Enterprise Development Fund	9,000,000	-	9,000,000
TOTAL		9,020,000	-	9,020,000

EXHIBIT XVI
DETAILS OF CAPITAL EXPENDITURES - CRF
ESTIMATES 2006-07

ACTIVITY NO.	DETAILS	GROSS EXPENDITURE \$	RELATED REVENUE \$	NET EXPENDITURE \$
NATURAL RESOURCES				
1.2.03	Administrative Support	1,467,000	-	1,467,000
2.1.04	Resource Roads Construction	3,500,000	-	3,500,000
3.1.03	Land Development	2,255,000	155,000	2,100,000
TOTAL		7,222,000	155,000	7,067,000
TOURISM, CULTURE AND RECREATION				
1.2.04	Administrative Support	1,000,000	-	1,000,000
3.1.07	Newfoundland and Labrador Film Development Corporation	2,000,000	-	2,000,000
3.1.08	Rooms Facility	418,000	-	418,000
TOTAL		3,418,000	-	3,418,000
EDUCATION				
3.1.09	School Facilities - New Construction and Alterations to Existing Facilities	20,480,000	-	20,480,000
4.2.02	Physical Plant and Equipment - Memorial University	20,823,000	-	20,823,000
4.3.02	Physical Plant and Equipment - College of the North Atlantic	8,600,000	-	8,600,000
4.4.04	Newfoundland and Labrador Student Loans Program	8,000,000	-	8,000,000
TOTAL		57,903,000	-	57,903,000
HEALTH AND COMMUNITY SERVICES				
3.2.01	Furnishings and Equipment	14,800,000	-	14,800,000
3.2.02	Health Care Facilities	40,706,700	-	40,706,700
TOTAL		55,506,700	-	55,506,700
JUSTICE				
1.2.04	Administrative Support	1,376,900	-	1,376,900
3.3.01	Court Facilities	2,150,000	-	2,150,000
TOTAL		3,526,900	-	3,526,900
MUNICIPAL AFFAIRS				
1.2.03	Administrative Support	110,000	-	110,000
3.2.01	Municipal Infrastructure	46,124,500	-	46,124,500
3.2.02	Federal/Provincial Infrastructure Programs	36,660,000	18,700,000	17,960,000
3.2.03	Canada/Newfoundland and Labrador Gas Tax Program	15,800,000	19,800,000	(4,000,000)
3.2.04	Community Development - Coastal Labrador	4,135,600	-	4,135,600
4.1.04	Disaster Assistance	11,260,000	8,000,000	3,260,000
TOTAL		114,090,100	46,500,000	67,590,100
TOTAL: CAPITAL ACCOUNT EXPENDITURES		380,814,700	70,432,500	310,382,200

EXHIBIT XVII

DETAILS OF TANGIBLE CAPITAL ASSET ACQUISITIONS - CRF

ESTIMATES 2006-07

ACTIVITY NO.	DETAILS	GROSS EXPENDITURE \$	RELATED REVENUE \$	NET EXPENDITURE \$
EXECUTIVE COUNCIL				
4.1.04	Application Management	9,740,100	-	9,740,100
4.1.05	Infrastructure Services	3,594,000	-	3,594,000
TOTAL		13,334,100	-	13,334,100
GOVERNMENT SERVICES				
1.2.02	Administrative Support	299,000	105,000	194,000
TOTAL		299,000	105,000	194,000
TRANSPORTATION AND WORKS				
1.2.05	Administrative Support	1,650,000	325,000	1,325,000
2.2.05	Salt Storage Sheds	2,400,000	-	2,400,000
2.3.03	Equipment Acquisitions	12,296,000	125,000	12,171,000
3.2.04	Administrative Support	112,600	-	112,600
3.2.05	Improvement and Construction - Provincial Roads	4,000,000	-	4,000,000
3.2.06	Canada Strategic Infrastructure Fund	33,700,000	13,900,000	19,800,000
3.2.07	Trans Labrador Highway	41,700,000	7,500,000	34,200,000
3.2.09	Land Acquisition	8,000,000	-	8,000,000
3.3.02	Development of New Facilities	1,000,000	-	1,000,000
4.1.04	Airstrips	1,400,000	1,400,000	-
4.2.05	Ferry Terminals	2,677,000	-	2,677,000
4.2.06	Ferry Vessels	2,244,500	-	2,244,500
TOTAL		111,180,100	23,250,000	87,930,100
ENVIRONMENT AND CONSERVATION				
1.2.04	Administrative Support	1,111,000	-	1,111,000
TOTAL		1,111,000	-	1,111,000
INNOVATION, TRADE AND RURAL DEVELOPMENT				
1.2.05	Administrative Support	20,000	-	20,000
TOTAL		20,000	-	20,000
NATURAL RESOURCES				
1.2.03	Administrative Support	1,467,000	-	1,467,000
2.1.04	Resource Roads Construction	3,500,000	-	3,500,000
3.1.03	Land Development	2,255,000	155,000	2,100,000
TOTAL		7,222,000	155,000	7,067,000

EXHIBIT XVII

DETAILS OF TANGIBLE CAPITAL ASSET ACQUISITIONS - CRF
ESTIMATES 2006-07

ACTIVITY NO.	DETAILS	GROSS EXPENDITURE \$	RELATED REVENUE \$	NET EXPENDITURE \$
TOURISM, CULTURE AND RECREATION				
1.2.04	Administrative Support	1,000,000	-	1,000,000
3.1.08	Rooms Facility	418,000	-	418,000
TOTAL		1,418,000	-	1,418,000
JUSTICE				
1.2.04	Administrative Support	1,376,900	-	1,376,900
3.3.01	Court Facilities	2,150,000	-	2,150,000
TOTAL		3,526,900	-	3,526,900
MUNICIPAL AFFAIRS				
1.2.03	Administrative Support	110,000	-	110,000
TOTAL		110,000	-	110,000
TOTAL: TANGIBLE CAPITAL ASSET ACQUISITIONS		138,221,100	23,510,000	114,711,100

EXHIBIT XVIII
NEWFOUNDLAND AND LABRADOR
CONSOLIDATED ACCRUAL REVENUE AND EXPENSES
2006-07 and 2005-06 Revised

	2006-07 Estimates	2005-06 Revised
	(\$000)	(\$000)
REVENUE		
Provincial		
Taxation	2,207,506	2,104,923
Investment	221,516	279,768
Fees and Fines	214,392	219,155
Offshore Royalties	703,100	519,900
Other	361,770	350,371
	3,708,284	3,474,117
Government of Canada	1,777,427	1,894,338
TOTAL REVENUE	5,485,711	5,368,455
EXPENSES		
General Government Sector	1,373,373	1,522,503
Resource Sector	236,615	193,695
Social Sector	4,046,580	3,752,302
TOTAL EXPENSES	5,656,568	5,468,500
NET INCOME OF GOVERNMENT BUSINESS ENTERPRISES . . .	177,012	176,570
CONSOLIDATED ACCRUAL SURPLUS	6,155	76,525

Notes:

1. This reflects the estimated financial activity of the Consolidated Revenue Fund and those entities, as approved by Treasury Board, which are controlled by Government. It is prepared using the applicable policies described in Note 1 (Summary of Significant Accounting Policies) of Volume I of the 2004-2005 Public Accounts.
2. Refer to Appendix VIII for a reconciliation of the Cash Contribution - Budgetary per Statement III to the Consolidated Accrual Surplus per above.

EXHIBIT XIX
RECONCILIATION OF CASH CONTRIBUTION - BUDGETARY
TO CONSOLIDATED ACCRUAL SURPLUS
2006-07 and 2005-06 Revised

	2006-07 Estimates	2005-06 Revised
	(\$000)	(\$000)
Cash Contribution - Budgetary	167	456,157
Surplus - consolidated accrual	<u>6,155</u>	<u>76,525</u>
Change in surplus	<u>5,988</u>	<u>(379,632)</u>
The change in surplus is comprised of the following:		
Consolidated Revenue Fund:		
Sinking fund earnings	53,053	50,559
Pensions	(157,131)	(341,004)
Group health and life insurance benefits	(99,073)	(95,438)
Amortization of foreign exchange gains / losses	13,121	8,433
Amortization expense re tangible capital assets	(85,534)	(82,968)
Tangible capital asset acquisitions / adjustments - net	138,221	85,623
Offshore royalties	39,700	48,100
Other accrued revenue and expenses	<u>44,929</u>	<u>22,659</u>
	<u>(52,714)</u>	<u>(304,036)</u>
Entities:		
Amortization expense re tangible capital assets	(91,591)	(87,706)
Tangible capital asset acquisitions/adjustments - net	102,155	59,732
Accrued severance and vacation pay	(19,767)	(17,578)
Labrador Transportation Initiative Fund	(10,380)	(50,370)
Net Income of Government Business Enterprises	71,200	17,412
Other accrued revenue and expenses	<u>7,085</u>	<u>2,914</u>
	<u>58,702</u>	<u>(75,596)</u>
Change in surplus	<u>5,988</u>	<u>(379,632)</u>