


# Noteworthy

## **BUDGET 2002** *Striking the Right Balance*

Finance Minister and President of Treasury Board Joan Marie Aylward delivered Budget 2002 on Thursday, March 21, which outlined expenditures of approximately \$4 billion. Budget 2002 projects a deficit of \$93.3 million, which will pay for capital spending, with no borrowing for current account spending.

"This year's budget reflects the views of Newfoundlanders and Labradorians which I heard during pre-budget consultations," said Aylward. "Government will continue its commitment to our programs, workforce, and the salary increases negotiated with public sector unions. We will also continue to make strategic investments in Health, Education and Youth Programs and other priority areas consistent with our financial capabilities.

Aylward said government is committed to maintaining a stable fiscal position. In November, in response to a rising deficit, government implemented cost control measures, included a hiring freeze and a restriction on discretionary travel. "These measures have worked and will continue into the 2002-2003 fiscal year," said Aylward. "We are forecasting a modest deficit for 2001-2002 of \$63.5 million."

Aylward added that the province continues to experience economic growth and record employment levels. "Government will continue to work in partnership with the business sector, social groups and community partners to better link economic and social development in the province. This budget strikes the right balance between supporting economic growth and meeting the appropriate level of public services which is within our ability to fund. This budget represents good government policy." 

### **BUDGET Highlights**

- ⇒ \$8.4 million in savings for school reorganization and declining enrolment
- ⇒ \$10 million to address priority construction and renovations in the province's school system
- ⇒ \$3.5 million for Memorial University to make university education more affordable
- ⇒ \$2.7 million annual commitment for an increase in salaries for home support workers
- ⇒ \$1.3 million to increase the rates for personal care homes and the number of subsidies for individuals
- ⇒ \$300,000 to increase enrolment for nursing program
- ⇒ \$51 million capital spending on health care facilities
- ⇒ Increase in the threshold for the Newfoundland and Labrador Child Benefit
- ⇒ \$2 million to assist low income homeowners offset cost of the Fuel Tank Replacement Program
- ⇒ Several multi-year Municipal Capital Works Programs totalling \$261 million over three years
- ⇒ \$12 million municipal Debt Relief Program
- ⇒ \$2.8 million in support of the *Renewal Strategy for Jobs and Growth*
- ⇒ \$1.5 million for the safe drinking water initiative
- ⇒ \$82.2 million roads and highways construction
- ⇒ \$3 million for forest access and agriculture roads, an increase of \$600,000 over last year
- ⇒ Additional \$1 million for tourism marketing
- ⇒ \$1.8 million for newly established natural heritage initiative
- ⇒ \$405,000 is provided for the Citizens' Representative
- ⇒ \$462,700 provided for the Child and Youth Advocate

## **Royal Commission on Renewing and Strengthening our Place in Canada**

Government announced this week a Royal Commission on Renewing and Strengthening our Place in Canada. Premier Roger Grimes stated that the significance of the Royal Commission is immense, as it will help shape the province's future. The premier stated that its work would examine the province's history and its present to develop an extensive report which will serve as the basis of plans for Newfoundland and Labrador's future.

"This Royal Commission will open debate on issues of paramount importance to all Newfoundlanders and Labradorians - our role within the Canadian federation and in an international context," said Premier Grimes. "Government

will soon announce a panel chair and other commission members, who will lead the Royal Commission in its work."

The Royal Commission will be mandated to lead extensive research on the past history and its impact on the present status of the province. Further to examining the current state of the province, the Royal Commission will consult with experts in various social, political and economic backgrounds and the general public to plan for the future.

A comprehensive update on the process and findings to date is expected by the end of 2002, with the Royal Commission's final report due sometime in 2003. 