

Summary Report - 2024 Pre-Budget engageNL Consultation

In advance of Budget 2024, residents were invited to take part in a pre-budget questionnaire, as described in Appendix A. The questionnaire was focused on accessing the priorities of residents, as well as gauging their support for various measures to reduce the deficit and provincial debt. It included an interactive tool to illustrate government's fiscal situation and the challenges of balancing the budget.

The consultation to gather input for Budget 2024 was posted on engageNL on November 27, 2023, and participants had until December 15, 2023 to complete the questionnaire. In total, 350 questionnaires and 216 interactive budget planner submissions were received through engageNL.

The following information is a summary of common themes identified.

Key Observations - Pre-Budget 2024 Online Submissions

Budget 2024 Questionnaire

Section One: Measures to Improve Quality of Life

The questionnaire contained a list of 22 priorities. Respondents were asked to rank each one on a scale (not a priority, low priority, moderate priority and high priority).

The three areas identified by most respondents as high priority were: improve health care services and outcomes (75 per cent), followed by improve access to mental health services (50 per cent), and affordable housing (45 per cent). Table One in Appendix B provides a full ranking.

Participants had the option to provide an alternative priority that was not listed as an option in the online questionnaire. Some of the common suggestions included:

- More supports for persons with disabilities;
- Reduce government spending;
- Tax relief for residents; and,
- Universal basic income.

Section Two: Measures to Reduce Debt/Deficit

Respondents to the online questionnaire were asked if they supported debt/deficit reduction measures, from a list of 13 options. The majority of respondents did not agree with increasing the Harmonized Sales Tax (93 per cent), increasing personal income tax (90 per cent) and increasing gasoline tax (84 per cent). There was a great deal of support (84 per cent) for reduced spending by modernizing provincial programs and services, reducing/selling government assets (83 per cent) and increasing tobacco tax (81 per cent). The full ranking is in Table Two, Appendix B.

Respondents had the opportunity to provide other options for most preferable debt/deficit reduction measures. Some of the responses included:

- Reduce size of public service;
- Reduce government spending;
- Increase taxes for higher income earners;
- Privatize services; and,
- Tax wealthy, luxury items

Section Three: Financial Concerns

Respondents could indicate their financial areas of concern. Responses included:

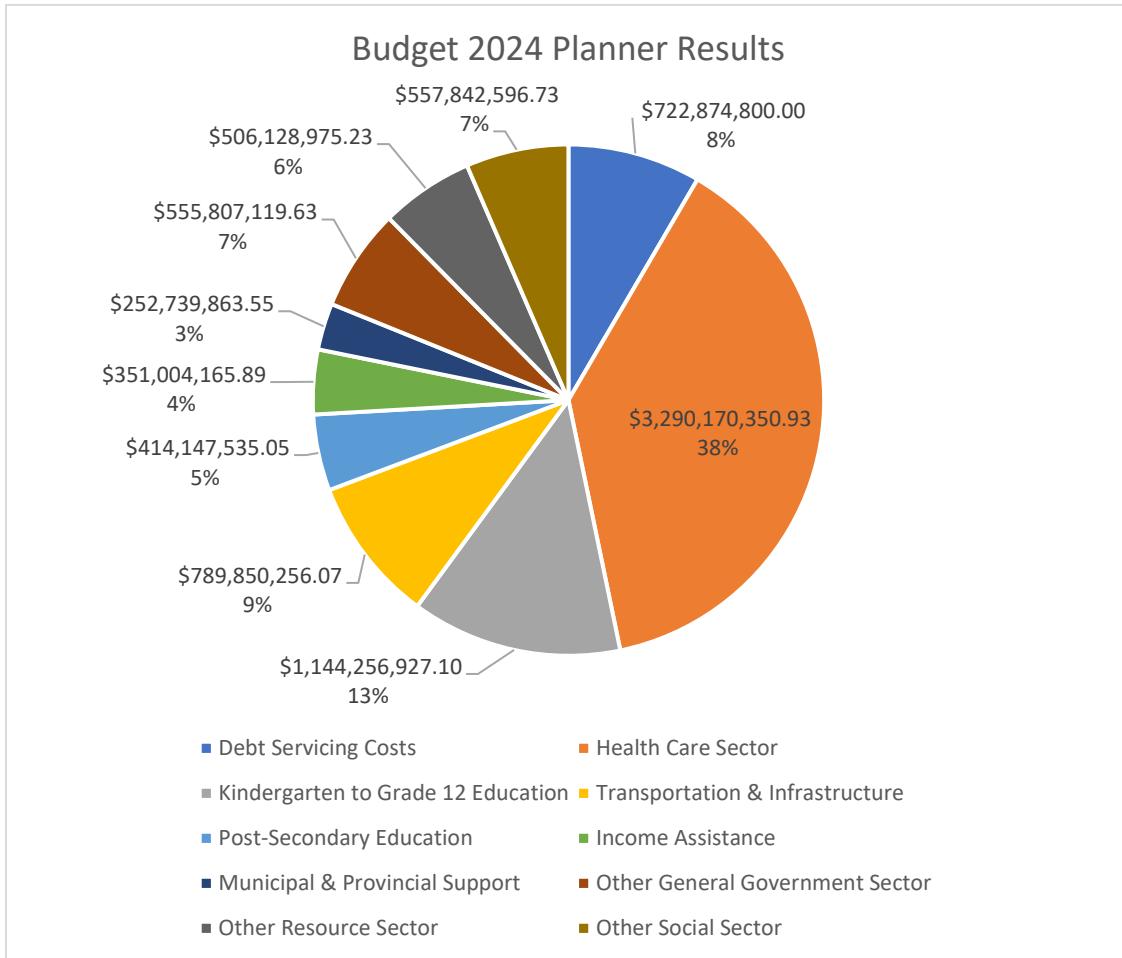
- High tax rates;
- Cost of living;
- Lack of affordable housing;
- Lack of supports for middle income families;
- Cost of public service; and,
- Government spending

Interactive Budget Planner

The interactive budget planner tool asked participants to select how they would increase or decrease government spending in nine expenditure areas based on distributed funds for the 2023-24 fiscal year.

As indicated in Diagram One, health care was identified by participants as the largest preferred expenditure area at 38 per cent, followed by K-12 education at 13 per cent, and transportation and infrastructure at 9 percent.

Diagram One: Respondent's Preferred Expenditure Area for Budget 2024



Summary Analysis

Improved access and delivery of health care, recruitment of medical professionals, and concerns around the rising cost of living were major themes in the responses and comments through the engageNL questionnaire. There was also a great deal of commentary around the need to reduce the size of the public service and government spending in general.

Appendix A – engageNL Questionnaire

OVERVIEW

We invite you to share your views with us as we prepare for Budget 2024.

We are continuing with our plan for financial improvement which ensures prudent fiscal governance and responsible debt management.

We remain committed to our overall vision of a stronger, smarter, self-sufficient, sustainable Newfoundland and Labrador – while investing in cost of living supports, health, housing and well-being.

1. We must find better ways to deliver programs and services if we are to achieve all that we hope for a strong, smart, self-sufficient, and sustainable Newfoundland and Labrador. There are many important things government can do to improve quality of life in the province. How much of a priority are each of the following for you?

MEASURES TO IMPROVE QUALITY OF LIFE	LEVEL OF PRIORITY FOR YOU			
	NOT A PRIORITY	LOW PRIORITY	MODERATE PRIORITY	HIGH PRIORITY
Strong fiscal management – Reducing deficit and debt	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A focus on job creation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Support for innovation and technology industry growth	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Regional economic development initiatives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Continue to improve health care services and outcomes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Improve access to mental health services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Supports for K-12 education system	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
More opportunities in skills training and post secondary education	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Support for the mining industry	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Support for the oil and gas industry	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Support for renewable resource industries such as wind and hydrogen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Support for newer industries such as film and television production	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Support the transition to a cleaner economy and reduce GHG emissions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Affordable housing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Access to child care	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increase programs for Indigenous people, women, 2SLGBTQQIA+, and people facing systemic barriers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Anti-racism measures	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Indigenous resources and reconciliation actions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Policing and courts	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Poverty reduction	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Improved roads and highways	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Improved ferries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

If you have a priority not listed above, please include it here:

2. To balance our budget, we must reduce spending, increase revenue, or a combination of both. Options to achieve this can include increasing taxes, reducing or eliminating funding to programs and services, selling government assets and borrowing. Please indicate whether you would be in support the following measures.

MEASURES TO REDUCE DEBT/DEFICIT	WOULD YOU BE IN SUPPORT?	
	YES	NO
Increase personal income tax	<input type="radio"/>	<input type="radio"/>
Increase corporate income tax	<input type="radio"/>	<input type="radio"/>
Increase gasoline tax	<input type="radio"/>	<input type="radio"/>
Increase tobacco tax	<input type="radio"/>	<input type="radio"/>
Increase harmonized sales tax (HST)	<input type="radio"/>	<input type="radio"/>
Reduce healthcare spending	<input type="radio"/>	<input type="radio"/>
Reduce education spending (K-12)	<input type="radio"/>	<input type="radio"/>
Reduce funding to municipalities	<input type="radio"/>	<input type="radio"/>
Reduce funding to universities and colleges	<input type="radio"/>	<input type="radio"/>
Reduce infrastructure spending (fixing/building roads, bridges, hospitals, schools, etc.)	<input type="radio"/>	<input type="radio"/>
Reduce spending by modernizing provincial programs and services (moving services online, combining boards, etc.)	<input type="radio"/>	<input type="radio"/>
Reduce/sell government assets (land, buildings, etc.)	<input type="radio"/>	<input type="radio"/>

If you have a debt/deficit reduction measure not listed above, please include it here:

3. Are there any particular financial areas that you are concerned about?

4. Please identify your postal code: _____

5. Which of the following age groups do you fall into?

- Under 18
- 18 to 24
- 25 to 34
- 35 to 44
- 45 to 54
- 55 to 64
- 65+

6. Which of the following categories best describes your total household income (the total income of all persons in your household combined, before taxes)?

- Under \$10,000
- \$10,000 to just under \$20,000
- \$20,000 to just under \$40,000
- \$40,000 to just under \$60,000
- \$60,000 to just under \$80,000
- \$80,000 to just under \$100,000
- \$100,000 to just under \$150,000
- \$150,000 to just under \$200,000
- \$200,000 and above
- Prefer not to answer

Appendix B – Questionnaire Results

Table One: Priorities of Respondents (Percentage)

1. How much of a priority are each of the following for you?	Not a Priority	Low Priority	Moderate Priority	High Priority	TOTAL
Strong fiscal management – Reducing deficit and debt	2.97%	13.65%	46.29%	37.09%	100.00%
A focus on job creation	4.69%	20.82%	44.28%	30.21%	100.00%
Support for innovation and technology industry growth	3.24%	24.41%	51.47%	20.88%	100.00%
Regional economic development initiatives	6.21%	33.14%	46.75%	13.91%	100.00%
Improve health care services and outcomes	0.29%	2.63%	22.51%	74.56%	100.00%
Improve access to mental health services	1.45%	10.43%	37.97%	50.14%	100.00%
Supports for K-12 education system	1.74%	14.24%	45.06%	38.95%	100.00%
Opportunities in skills training and post-secondary education	4.68%	28.95%	46.49%	19.88%	100.00%
Support for the mining industry	17.30%	41.64%	29.91%	11.14%	100.00%
Support for the oil and gas industry	24.20%	39.36%	22.45%	13.99%	100.00%
Support for renewable resource industries such as wind and hydrogen	8.41%	23.19%	35.36%	33.04%	100.00%
Support the transition to a cleaner economy and reduce greenhouse gas emissions	14.78%	29.86%	32.46%	22.90%	100.00%
Affordable housing	3.78%	12.79%	38.08%	45.35%	100.00%
Increased support for seniors	3.19%	10.72%	41.16%	44.93%	100.00%
Access to child care	7.87%	18.66%	43.44%	30.03%	100.00%
Increase programs for Indigenous people, women, 2SLGBTQQIA+, and people facing systemic barriers	22.32%	32.46%	31.30%	13.91%	100.00%
Anti-racism measures	17.15%	31.69%	34.59%	16.57%	100.00%
Indigenous resources and reconciliation actions	20.41%	39.65%	25.66%	14.29%	100.00%
Policing and courts	6.67%	26.67%	45.51%	21.16%	100.00%
Poverty reduction	4.66%	16.33%	42.57%	36.44%	100.00%
Improved roads and highways	1.74%	18.60%	50.58%	29.07%	100.00%
Improved ferries	29.71%	38.53%	23.82%	7.94%	100.00%

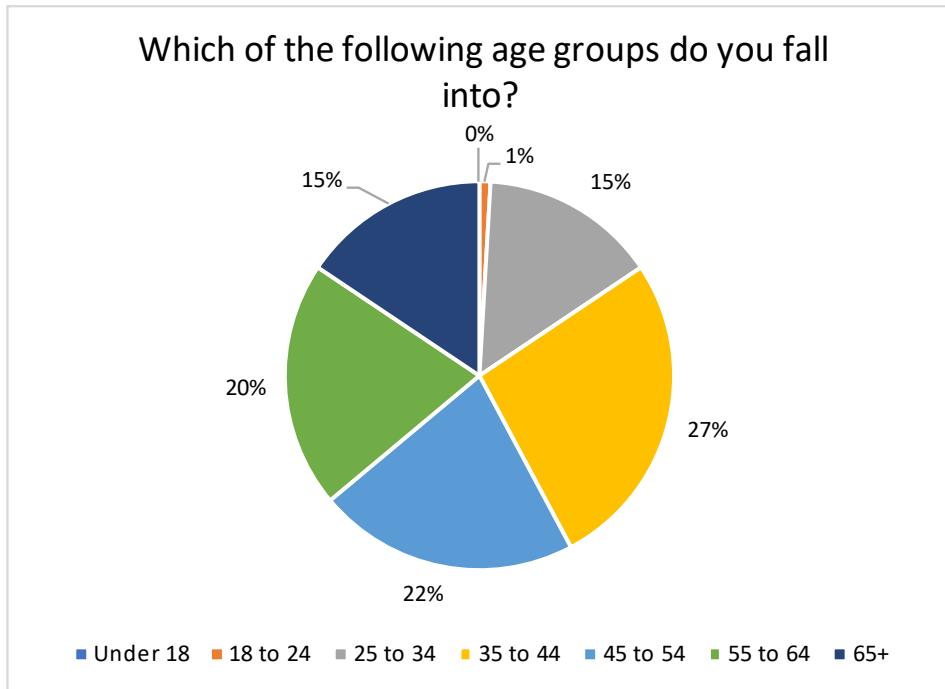
Note: All data is in this report has been rounded to the nearest hundredth decimal place.

Table Two: Support of Measures to Balance the Budget

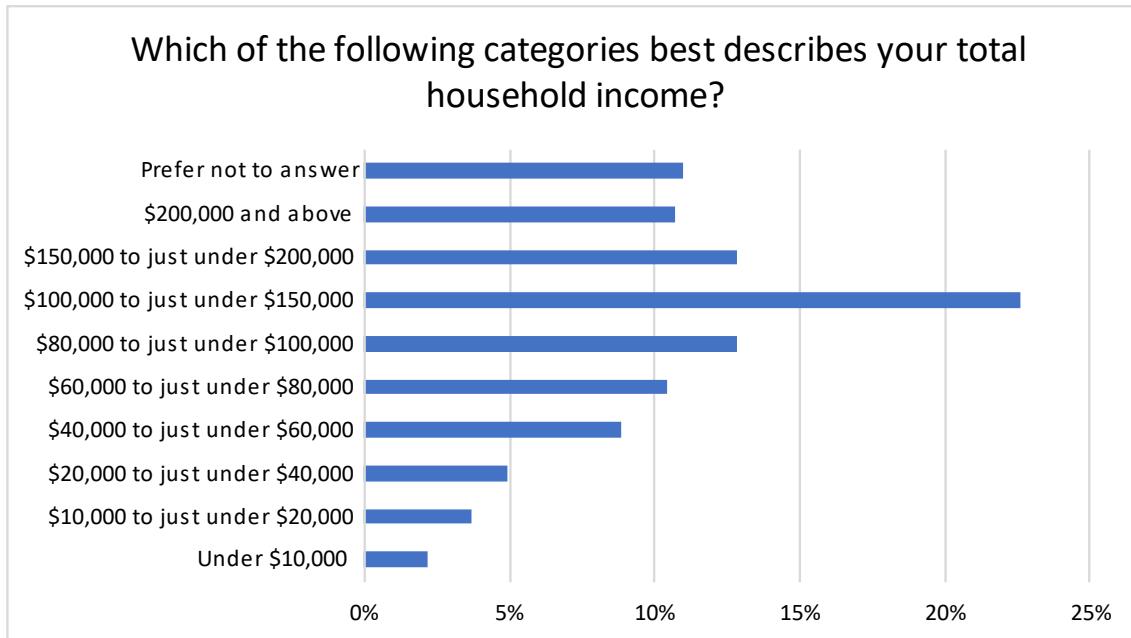
2. To balance the provincial budget, we must reduce spending, increase revenue, or a combination of both. Some options to achieve this may include increasing taxes, reducing or eliminating funding to programs and services, selling government assets and borrowing. Please indicate whether you would be in support the following measures.	Yes	No	Total
Increase personal income tax	10.39%	89.61%	100.00%
Increase corporate income tax	71.01%	28.99%	100.00%
Increase gasoline tax	15.63%	84.37%	100.00%
Increase tobacco tax	81.42%	18.58%	100.00%
Increase Harmonized Sales Tax (HST)	7.37%	92.63%	100.00%
Increase fees	32.84%	67.16%	100.00%
Reduce healthcare spending	22.19%	77.81%	100.00%
Reduce education spending (K-12)	20.24%	79.76%	100.00%
Reduce funding to municipalities	55.22%	44.78%	100.00%
Reduce funding to universities and colleges	67.36%	32.64%	100.00%
Reduce infrastructure spending (fixing/building roads, bridges, hospitals, schools, etc.)	16.12%	83.88%	100.00%
Reduce spending by modernizing provincial programs and services (moving services online, combining boards, etc.)	83.98%	16.02%	100.00%
Reduce/sell government assets (land, buildings, etc.)	83.28%	16.72%	100.00%

Appendix C – Overview of Participants

In the questionnaire, respondents were asked to identify which age group they fell into. Most respondents were between the ages of 35 and 44 (27 per cent) and 45 to 54 (22 per cent). See the graph below for a full demographic breakdown.



Respondents were asked which category best described their total combined household income. For those who responded to the question, 23 per cent indicated their total combined household income was between \$100,000 to just under \$150,000, 13 per cent indicated \$150,000 to just under \$200,000 and 13 per cent indicated \$80,000 to just under \$100,000. See the graph below for a full demographic breakdown.



Of the total 350 questionnaires that were completed, 323 respondents (92 per cent) provided locational information depicted on the map below.

