

# Pre-Budget Consultations – Budget of 2011-2012

*A summary of meetings*

*Feb. 6, 2011*



## *Introduction:*

For three weeks beginning in January, 2011, the Minister of Finance toured New Brunswick – holding a series of 20 meetings. Meetings were held in Saint John, Moncton, St. Stephen, Miramichi, Bathurst, Tracadie-Sheila, Campbellton, Grand Falls, Woodstock and Fredericton. The Woodstock public meeting, due to a storm, was re-scheduled to Feb. 9<sup>th</sup>.

Ten of the meetings were held with stakeholder groups, which were organizations that represent certain sectors of society, be they business organizations, or groups who work on behalf of the less fortunate of the province, arts and culture groups, municipalities, etc.

The other 10 meetings were public meetings held in the evening.

Prior to each meeting the Minister outlined the fiscal situation in the province, which this year was facing an \$820 million deficit and as much as a \$1 billion deficit next year if left unchecked. The debt is headed towards \$9.6 billion. These numbers are unprecedented.

Meanwhile, despite the record funds being invested in such sectors as education and health care, the province has significant challenges, with declining enrolment in schools, for all intents and purposes, a stagnant population, and a growing seniors population that requires more and more services and attention.

What follows is a brief synopsis of comments and suggestions made at the meetings, and further into this report, a breakdown of suggestions by departments.

## *Special note:*

Three union groups in particular attended all public meetings. They were as follows:

**Home support workers:** They expressed great concern about the contracts with service providers Red Cross Canada and the fact that they are only paid 12 cents per kilometre to travel and about \$9.00 per hour wages. They said there needs to be greater accountability on the contracts signed by government.

**Teachers' Assistants:** Explained they are working under unreasonable demands and that there are more special needs students entering the system daily but the resources for their tasks are not growing exponentially. They said the school districts are top-heavy in administration and the front-line workers are not given the tools they need to do their jobs properly.

**Canadian Union of Public Employees:** CUPE, representing both highway workers, and NB Liquor stores, expressed concerns on public-private projects (P-3) as well as reports of the potential sale of NB Liquor, which is consistently profitable.

What follows is a list of the various suggestions, by department, which were presented during the meetings throughout the province:

## *Point-by-Point summary of Pre-Budget Consultations for 2011-2012 budget*

### **General – Government**

- Avoid duplication and reduce within government by finding greater efficiencies.
- Cut the number of public and civil servants in NB.
- Do more for pay equity in the private sector.
- Get rid of the defined-pension benefits program and move to a defined-contribution program.
- Review pensions including MLA pension plan.
- Review severance for defeated MLAs.
- Increase the time frame for a balanced budget to six years instead of four.
- Stop sending pay stubs to workers in the mail for those who can get it electronically via email.
- Greater co-operation needed between Maritime/Atlantic provinces.
- Eliminate senior bonuses in government, especially for anyone making more than \$200,000 annually in crown corporations.
- Focus more on video conferencing instead of travel for meetings.
- Establish clear performance measurement.

- Increase cuts to each department to 5% per year.
- De-centralize government services to put jobs in the regions.
- Bilingualism costs too much to the province.

### **Health Department**

- Too top heavy (administration, directors).
- Get rid of Facilicorp which is costly and ineffective.
- Doesn't speak to other departments it works with, like Social Development, on housing issues, etc.
- RNs are too often found in offices instead of on the floor.
- Front line workers are continually asked to fill out time-consuming surveys that are never followed up on.
- Ambulances sit idling road-side and spending \$120 daily for fuel – not good for the pocket book or environment.
- Ambulance NB has an \$87 million year contract with government that needs to be examined.
- Increase tobacco taxes.
- Move faster on catastrophic drug program.
- Focus more on mental health to avoid higher costs down the road as individuals require more intervention and help from various government departments and agencies.
- We have too many hospitals for a province of our size and some need to be closed and a new focus placed on centres of excellence and regionalization.
- Get more, and cheaper, generic drugs into the system.
- Involve pharmacy owners in changes to drug programs.
- Allow nurses to perform more of the minor and time-consuming work that Doctors do now.
- Take the two health councils now in operation and meld them into one.

### **Education and Early Childhood Development**

- Bolster physical education programs in school to combat childhood obesity, inactive children, and health problems.
- Often mentioned was the seemingly disproportionate number of administrators in school district offices in some regions.

- Invest more in education to help attract immigrants to NB.
- Lowering temperature in schools by two degrees at night would save \$10,000 to \$12,000 per school said one participant.
- Explore a four-day school week.
- Put greater emphasis on early childhood development.
- Privatize school buses.
- Include outdoor / environmental education as part of student's development.
- Amalgamate the Francophone and Anglophone school bus systems into one system.
- Increase salaries and make work conditions better for early childhood development workers.
- Make childcare spaces in the province more affordable and increase their numbers.

### **Local Government**

- Have LSDs pay higher rates of taxes as they enjoy amenities in their neighbouring larger centres.
- Allow LSDs a greater say in negotiating contracts for RCMP services.
- Stop sending paper copies and forms to municipalities at budget time when most just fill them on line and print them off at their offices that way.
- Base assessment freezes or any other property tax breaks on means.
- Regional development among communities is a must.

### **Social Development**

- Better co-ordination between Social Development, Health Department and other agencies are needed to improve senior care.
- A clear strategy is needed to address our aging population and how to meet future demands.
- Increase social assistance rates.
- When making reductions in spending, don't cut any programs or subsidies to the most vulnerable in the province.
- Establish a cross-jurisdictional committee to set a path on dealing with challenges in home care for seniors.
- Review criteria on how seniors are placed in nursing homes and staffing issues related to those nursing homes.

## **Finance**

- Roll back tax breaks and increase the HST.
- Don't raise the HST.
- Stop the lower tax breaks for the province's richest.
- Put tolls back on the roads, especially at entry points to the province.
- Raise the gasoline tax.
- Explore New Brunswick-backed bonds which could be available instead of RRSPs at a higher rate of return.
- Stop giving such large tax breaks etc. to corporations.
- Tax junk food and soda pop at higher rates, and raise "sin taxes".
- Lower taxes for small and medium-size business.
- New Brunswick Investment Management Corporation needs to invest more of its pension funds in New Brunswick.
- Raise the small business investment tax credit.
- Do not put a two-tier minimum wage in place.
- Do put a two-tier minimum wage in place.
- Introduce a renovation tax credit at the provincial level.

## **Wellness and Culture**

- View arts spending as an investment. For every \$1 invested in arts, there is a spinoff of \$4.
- Increase sports funding.
- Pay greater attention to museums and their contribution to our heritage and culture.

## **Business New Brunswick**

- Increase research & development funding.
- Put greater control on grants to business.
- Streamline processes so that there is a one-stop shop instead of dealing with multiple departments and red tape on any given project.

## **Tourism**

- Allow hotels, etc. to introduce a hotel levy in the price of their rates and that money in turn would be re-invested in tourism programs for that community.
- Change camping fees at provincial parks so that private campground owners are not competing unfairly against government-owned facilities.

## **Natural Resources**

- Review royalty rates to see if they are adequate.
- Shale exploration presents an opportunity that could reap benefits for NB.
- Invest more in silviculture.
- Natural Gas costs are hurting homeowners and business in the St. Stephen area and need government intervention.
- Develop greater opportunities to return Miramichi region to wood-based industries and helping private woodlot owners.
- Assure that anyone who acts as an outfitter guide in the province has a license and liability insurance.

## **Environment**

- Increase environment enforcement officers numbers in NB.
- Invest more in efficiency programs for business.
- There shouldn't be 12 solid waste commissions for six landfills.

## **Supply and Services**

- Examine the possible overuse of Blackberries by senior management.
- Use wood pellet technology to heat our hospitals.

## **Justice and Consumer Affairs**

- Return legal aid programs which have been cut over the years.

## **Other**

- Audit non-profits to assure they really are non profits and that government is not losing funds because of their status.
- Increase inspection fees on pleasure boats and increase the need for inspection to every two years or more.
- Establish specialty wine stores or scotch stores which can be run privately.
- Increase real estate and insurance fees.
- Situate a Liquidation NB Liquor franchise in Bathurst.
- Lobby the federal government to change immigration laws so that truck drivers' wives can move here too and work here (Woodstock region).
- Do not raise tuition fees at Post Secondary education.
- Change programs so that students can access funds while in school as opposed to after they graduate (Tuition program).
- Stop buying bottled water for government offices.
- Do not sell NB Liquor / provincial parks.

## **Agriculture and Aquaculture**

- Provide greater incentives and more attention to agriculture, once a pillar of economic development in New Brunswick, which has decreased steadily over the years.
- Develop a better grown-in-New Brunswick awareness and promote buying locally.

## **Fisheries**

- One participant advocated the creation of a commercial fishing boat operation (maintenance, boat building etc.) in Caraquet.