



Newfoundland and Labrador 2021 Provincial Election Leaders' survey



We sent a survey to all four major provincial parties, asking them to outline their vision for small business in Newfoundland and Labrador. Here are the unedited answers from the parties that responded (the Liberal Party of Newfoundland and Labrador, and the Progressive Conservative Party of Newfoundland and Labrador). We did not receive any response from the Newfoundland and Labrador New Democratic Party, or the Newfoundland and Labrador Alliance Party.

1. If elected, will your government commit to a “Do No Harm” principle; to not introduce new legislation, or policies that will increase employer costs?

	<p><i>The Liberal government recognizes the vital role that small and medium-sized independent businesses have in our communities and in our economy. Through continued consultation with the CFIB, its members and other local businesses and industry organizations, we are always open to exploring how legislation, policy and regulations can be refined to support a fair and competitive business environment. We are committed to working with our business community to grow jobs and help our province emerge from the fiscal challenge before us as a stronger Newfoundland and Labrador.</i></p>
	<p><i>Yes. The PC Party believes the burden on employers – the backbone of our economy – must be reduced, not increased, so you can do what you do best: grow and create and sustain jobs in the process.</i></p> <p><i>In its 2016 budget, the provincial Liberal government attempted to address the province’s fiscal challenges by raising revenue through tax increases. The budget imposed or raised 350 taxes and fees, including a sales tax on insurance, a higher tax on gas (which has since become our carbon tax), and a levy.</i></p> <p><i>A year after imposing the taxes, the government commissioned an independent review of the province’s tax system. The tax review reported in 2018 that the</i></p>

government's tax policy was "regressive". The report also described it as "poor tax policy". Regressive policy means it is doing more harm than good.

In 2020, the government received the Mills report on the COVID-19 economic response initiative. The report found: "Regulatory burden continues to be an issue for many industries and reduction in red tape was raised by various industry groups." The report said the "complexity/uncertainty" of the province's regulatory regime and the "bureaucratic overburden" was "raised in almost every interview" during their consultations. The report recommended "using procurement and tax incentives to stimulate business activity," but noted: "Some of the existing tax credits are too complicated and processes need to be simplified." The report found that many employers are overburdened by debt and are recommending debt and tax relief.

In 2018-19, the government paid \$1 million to McKinsey & Company for an economic growth strategy. The report advised that tax incentives can be very effective in generating growth and pointed to other jurisdictions that have proven this.

In short, government tax policy can stimulate growth or it can hinder growth. As McKinsey also pointed out, opportunity and growth can generate new tax revenue. It is therefore reasonable to expect that the tax incentives and red tape reduction strategy laid out in our Blue Book will generate growth and revenue. The incentives are not a "cost", but an "investment" that will reap revenue dividends for the province.


A PC Government will do a cost/benefit analysis of all taxes and fees charged to residents and business. Any taxes or fees that are ineffective will be eliminated.


I commit to ensuring that businesses and business groups, including the CFIB, are consulted on all legislation and policy changes that impact business. We want to support business growth and ensure business owners can focus on running their business, creating new products, and serving their customers. Business owners should not have to worry about navigating policy changes or adapting to new regulations on a tight timeline.

A PC Government will view every government policy through a Job Creation Lens to ensure a whole-of-government approach to job creation in Newfoundland and Labrador. This includes evaluating how a proposed

	<p><i>policy will impact the business community's ability to grow and create jobs.</i></p> <p><i>I want to meet regularly with business owners and associations so I can hear frank and honest feedback about how my government is performing. I want to hear your suggestions about policy changes and work with you to bring back jobs to Newfoundland and Labrador.</i></p> <p><i>When businesses have more money to invest, they will be able to hire more employees. That is why I have announced a series of tax credits designed to support business. I encourage you to visit www.pcnl.ca to view the appropriate section of my policy book.</i></p>
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2. If elected, what is your government's strategy for economic recovery?

	<p><i>Our government understands the significant economic challenges that we are facing as a province. Our debt load must be better managed, and our economy must be reimagined for the future. Despite the steep challenges that lie ahead, our party has not given up. In less than half a year under the leadership of Premier Furey, our government has secured over one billion dollars in financial support from Ottawa. We have guided our province through the COVID-19 pandemic to the envy of most of the world, while providing hundreds of millions of dollars in economic relief to help our workers and our businesses when they needed it the most. We are invigorating our technology sector, positioning the province for continued future growth as we recover from the pandemic and what is a global economic crisis.</i></p> <p><i>We are confident our Liberal Government is best positioned to guide the province's economic recovery. We will take a measured, sustainable and long-term approach to the economy, establishing a non-partisan Chief Economic Recovery Officer (CERO). The CERO will function like the province's Chief Medical Officer of Health, but with a focus on the economy, identifying opportunities to reduce our spending, reduce our debt and grow the economy. We will also conduct broad consultations with stakeholders and the House of Assembly on the Premier's Economic Recovery Team's recommendations to ensure a</i></p>
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	<p><i>prosperous future for all Newfoundlanders and Labradorians.</i></p>
	<p><i>Our Party's strategy is straightforward and based on the conviction that the only way out of our fiscal and economic crisis is growth that generates jobs - and it is employers who are the job generators. The role of government in this is simply to clear away the obstacles hindering growth.</i></p> <p><i>Our strategy is threefold:</i></p> <ul style="list-style-type: none"> • <i>One, we must demand our fair share of revenue transfers from the Government of Canada. Our province has been deprived of billions of dollars that should have been flowing to us. We're not asking for a handout or a bailout. We're only asking for our fair share.</i> • <i>Two, we must generate more revenue, not by raising taxes, but by getting our economy growing and generating more jobs</i> • <i>Three, we must spend smarter the money we have.</i> <p><i>Fiscal responsibility is our obligation to future generations. Everything in our plan is subject to the principle of fiscal responsibility.</i></p> <p><i>A Progressive Conservative Government I lead will get our economy back on track by doing more with what we've got. This includes:</i></p> <ul style="list-style-type: none"> • <i>Cutting red tape and creating tax credits to help employers hire.</i> • <i>Kickstarting resource projects and value-added production.</i> • <i>Maximizing local benefits and partnering to grow outside markets.</i> • <i>Embracing the green economy and fueling high-tech jobs with venture capital.</i> • <i>Tackling corruption that scares away investors.</i> • <i>Taking our fight for fairness to Ottawa and demanding a targeted jobs and growth strategy for Newfoundland and Labrador.</i>

A PC Government will relentlessly pursue new jobs, so we can get our province working again. We understand that unemployment and underemployment are the root cause of every major problem facing Newfoundland and Labrador. While the Liberals have focused on creating jobs for their friends and party insiders, our top priority will be reducing red tape and fostering a business climate that enables every living, breathing resident who is willing and able to participate in the workforce to have a good paying job.

Embracing innovation and the new economy, a PC Government will establish a Remote Workers pilot project to attract people to Newfoundland and Labrador who are employed elsewhere and can work remotely.

A PC Government will ensure innovation and business supports are available in all regions throughout the province and accessible to all entrepreneurs. A business in Northwest River will be able to access the same government support as a business on Water Street.

A PC Government will create a new Venture Capital Fund. The province will invest \$10 million in addition to private sector contributions obtained through a Venture Capital Tax Credit. This fund will be technology and innovation focused and will help companies expand their footprint in the province and expand exports.

A PC Government will collaborate with communities and industries to identify local prospects for development and growth and work with them to seize opportunities that will enable our communities to prosper.

A PC Government will finish the job started by previous PC administrations and ensure 98% internet connectivity to all residents by 2025. We will strive to ensure all residents have access to high-speed and reliable Internet and cellular data service, providing an essential connection with the world economy to promote urban and especially rural job creation.

We know that local businesses need our help. When we support local, we support the creation of jobs right here in Newfoundland and Labrador.

	<p><i>A PC Government will require a local benefits policy when public funds are spent on infrastructure, to ensure Newfoundlanders and Labradorians receive maximum benefits and jobs, including underrepresented groups such as women, Indigenous persons and apprentices.</i></p> <p><i>Our new “Buy Local” initiative will promote local products and businesses, encouraging residents to buy local while also showcasing these businesses abroad.</i></p> <p><i>The public sector under a PC Government will support local business by purchasing goods, services and construction work from Newfoundland and Labrador suppliers wherever possible. We will help our enterprises become bulk suppliers nationally.</i></p> <p><i>A PC Government will expand supply chains that support all economic development so Newfoundlanders and Labradorians are the principal beneficiaries of all our province’s resources. In the offshore oil sector, for example, supply chain companies provide offshore supply boats and helicopters, health and safety equipment and training, engineering solutions and fabricators, food services and taxi services.</i></p> <p><i>To summarize all these points, we know that Newfoundland and Labrador businesses are essential to our economic recovery. These businesses have our unwavering support.</i></p> <p><i>You will find even more information on our plan in our Blue Book.</i></p>
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3. If elected, how will your government address the regulatory burden on small businesses, and citizens?

	<p><i>Our government understands how important it is to foster an attractive business environment. Through our</i></p>
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Liberal 

“engageNL” online portal, our Liberal Government has launched a red tape reduction consultation to solicit feedback from the business community on ways to help alleviate some of the regulatory burden on the province’s business sector. The deadline to submit feedback is March 31, 2021. We have been working closely with the business sector throughout the COVID-19 pandemic, and look forward to continuing to work together to ensure we are best supporting local businesses to succeed.



Small business owners and operators tell us the greatest impediment to growth in the crushing burden of complicated red tape, coupled with the crushing burden of tax. We must free the hands of small business employers – the job-creating backbone of our economy – to create jobs, and that means progressive tax policies and a significant reduction in red tape.

A PC Government I lead will lower taxes and offer new tax credits to stimulate job growth.

We will slash red tape, freeing businesses from any outdated rules that restrict job growth. We will implement an aggressive Red Tape Reduction Strategy to liberate business owners to spend more time generating new products, attracting customers, and creating jobs.

We will adopt a customer service culture. We will set customer service benchmarks and report on our performance. We will put all forms online, and “pre-populate” forms that require annual filing to speed up the process.

We will launch a business navigator service to help employers easily find the information they need on regulations that apply to them so they can focus their attention on growing jobs.

We will provide secure digital access to common government services on various devices, and introduce digital signature legislation to allow for binding digital transactions and agreements. Find more details in our Blue Book.

4. If elected, will your government expand on, and extend the existing provincial COVID-19 emergency programs?


Liberal 

Our Liberal Government is proud of the resiliency shown by Newfoundlanders and Labradorians throughout the COVID-19 pandemic and we have been working closely with the business sector throughout the COVID-19 pandemic to help mitigate its impacts.

Our Liberal government has taken a number of steps to help local business through the pandemic, including:


- Instituting the Small Business Assistance Program to aid small businesses and community organizations;*
- Establishing a Tourism and Hospitality Support Program for those sectors*
- Continuing payments to support employer training under existing agreements*
- Supporting employers and coordinating workforce adjustment for employees impacted by business downturn and closure*
- Allowing temporary direct sale of alcohol to customers by restaurants, breweries and other licensed establishments for takeout and curbside pick-up and deliveries*
- Reimbursing private sector employers, including the self-employed, for continuation of employee pay associated with required self-isolation time*
- Deferring Business Investment Fund loan payments to the provincial government*
- Deferring employer premium payments to WorkplaceNL*
- Providing essential service worker top ups for retailers (pharmacy, grocery, appliance, automotive, home improvement, health and wellness, electronics)*
- Establishing a general contingency fund of \$200 million to address the impacts of COVID-19*
- Cost-sharing the Canada Emergency Commercial Rent Assistance program for small businesses with the federal government*


These are unprecedented times. We have demonstrated our resolve to support local business in response to the impacts of COVID-19 and in partnership with the federal government.

	<p><i>We have committed to a \$50 million COVID-19 Economic Stimulus Fund to further support industries and jobs in Newfoundland and Labrador that continue to be impacted by the ongoing pandemic. Our Government will remain dedicated to supporting our industries through COVID-19 and the economic recovery.</i></p>
	<p><i>A PC Government will work with the Government of Canada and others to help address the needs of individuals, families, employers and communities impacted by the pandemic and by the measures the federal and provincial governments and others have taken to deal with COVID-19 and its consequences.</i></p> <p><i>We will advocate to Ottawa for the continuation of the programs which are needed to support businesses.</i></p> <p><i>We will work with business organizations and associations to put in place programs of support.</i></p> <p><i>We will work with industry associations to ensure our industries are prepared for the future. Tourism and hospitality is one example of where we will do this.</i></p> <p><i>A PC Government will take action immediately, in collaboration with the tourism industry, to capture a greater share of the post-pandemic global tourism market. We will do it by developing a new tourism strategy and by prioritizing action on Hospitality NL's prime areas of focus:</i></p> <ul style="list-style-type: none"> <i>• Ensuring a critical mass of authentic attractions and experiences with supporting infrastructure and service in the right locations, to respond to market demands and expectations;</i> <i>• Developing multi-season tourism demand to help achieve sustainable, viable tourism products; and</i> <i>• Balancing people's desire to travel with the need to protect our natural environment.</i> <p><i>Newfoundland and Labrador is paying the price for the Liberals' decision not to have an air access strategy. One air route after another was canceled in the pre-pandemic period, and more are being lost. A PC Government will put into action an assertive air access strategy designed to expand routes serving airports throughout Newfoundland and Labrador.</i></p>



	<p><i>A PC Government will complement the air access strategy with sea and land access components that focus on Marine Atlantic access and affordability, provincial ferry access, road quality, “wayfinding” signage quality, tourist information availability and quality, and other matters identified in collaboration with the tourism industry.</i></p> <p><i>A PC Government will take action immediately, in collaboration with the tourism industry, to capture a greater share of the post-pandemic global tourism market in high-value markets such as Europe and East Asia, which (in the pre-pandemic period) generated enormous amounts of tourism spending.</i></p> <p><i>A PC Government will encourage Newfoundlanders and Labradorians to explore our own province by targeting local consumers with “vacation at home” marketing and working with the industry to develop more vacation packages for Newfoundland and Labrador residents.</i></p> <p><i>A PC Government will conduct an in-depth review of existing regulations (such as the Tourist Establishments Act) to identify solutions that will ensure a fair and equitable business environment for tourism service providers.</i></p> <p><i>A PC Government will consult with the tourism industry on taxes, fees and levies to ensure the cost burden does not undermine the growth of our tourism economy or drive operators out of business.</i></p> <p><i>Again, you will find more details in our Blue Book.</i></p>
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5. If elected, will your government continue to align any minimum wage increases with the consumer price index?

	<p><i>Our Government introduced a formula based approach, which increases minimum wage based on changes to the Consumer Price Index (CPI). Tying the province’s minimum wage to the CPI, the most widely used indicator of inflation, helps ensure future adjustments keep pace with consumer price changes and helps enable employers to appropriately plan for future increases.</i></p> <p><i>The Labour Standards Act provides for a review of the minimum wage every two years, which is an independent</i></p>
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	<p><i>process that involves public consultation. The Furey Government would like to begin discussions with the other Atlantic provinces to explore a harmonized minimum wage.</i></p>
	<p><i>We are in the midst of generational economic crisis that has pushed families and businesses to the brink. We need to ensure a stable economy, where sustainable jobs are created and maintained. The immediate goal is ensuring there are jobs to begin with, then we can focus on an increased minimum wage for the workers throughout the province.</i></p> <p><i>Our commitment is to provide regular, reasonable increases to the minimum wage by linking it to the Consumer Price Index. We will review the minimum wage in line with the legislative requirement and a new poverty reduction strategy.</i></p> <p><i>As you know, the Labour Standards Act mandates that a review of the minimum wage must be carried out every two years. The last review panel was appointed on October 16, 2019. If I am elected Premier, I will ensure that my government appoints a review panel on or before October 16, 2021.</i></p> <p><i>Poverty is a complex social and economic issue that negatively affects individuals, families and Newfoundland and Labrador society as a whole. A PC Government will develop a new Poverty Reduction Strategy to help improve the well-being and quality of life of those who are now living in poverty. Our strategy will enable many to escape the grip of poverty, pursue opportunities and achieve personal self-reliance. Our strategy will benefit not just those living in poverty but our entire province, ensuring all Newfoundlanders and Labradorians can reap the rewards of a strong, prosperous and sustainable economy.</i></p> <p><i>As a part of the new Poverty Reduction Strategy, we will look at employment and minimum wage. I hope that the CFIB will welcome an invitation to collaborate on this Poverty Reduction Strategy.</i></p>

6. If elected, what is your government's plan to restore fiscal balance to the province?

	<p><i>As outlined in our platform, Rising to the Challenge, we are committed to responsible debt management, which will be key to achieving long-term fiscal balance in the province. This means we will take meaningful steps to reduce our debt service levels, which cost the province over a billion dollars a year. We will engage with financial experts and best practices, consolidate debt across government entities and modernize the Financial Administration Act to help the province meet its debt requirements today, while allowing us to reduce our overall debt load tomorrow.</i></p> <p><i>In addition to responsible debt management, our platform outlines a strategic, comprehensive and inclusive approach to creating economic opportunities for Newfoundland and Labrador. By leveraging our relationship with Ottawa, including negotiating a new financial arrangement for Muskrat Falls, and continuing to support industries and communities right across the province, our government will achieve economic and fiscal prosperity to the benefit of all Newfoundlanders and Labradorians.</i></p>
	<p><i>As I stated above, our plan to restore fiscal balance to the province has three pillars.</i></p> <p><i>One, we must generate more revenue, not by raising taxes, but by getting our economy growing and generating more jobs. Our primary objective must be to get Newfoundland and Labrador moving again. And that means we need to bring back jobs and get to work.</i></p> <p><i>Two, we must demand our fair share of revenue transfers from the Government of Canada. Our province has been deprived of billions of dollars that should have been flowing to us.</i></p> <p><i>Three, we must spend smarter the money we have. Do we need to go line-by-line and find efficiencies, so we can reduce wasteful spending and make our government run smarter? Yes, of course we do - and we will, by appointing an external auditor to conduct a review in cooperation with frontline workers and public sector unions.</i></p>

A PC Government will take a measured and responsible approach to ensure all policy decisions encourage a strong economy and an effective and efficient public service.

To provide greater accountability and to guide future decision making, a PC Government will develop fiscal reporting benchmarks. These targets will allow the public to track the province's progress. Targets will be set based on debt expenses as a percentage of gross revenue, net debt as a percentage of nominal gross domestic product, annual deficit, and new borrowings.

To ensure that our public service assists the province in achieving improved outcomes that reflect the needs of Newfoundlanders and Labradorians, a PC Government will develop a Human Resource Plan, which will identify, by Department and Agency, the right number of positions, and the right skillsets, not just for today, but for years into the future.

As a part of this Human Resource Plan, a PC Government will allow employees to retire early if they choose. Employees who wish to retire early will be given a retirement incentive and will not have their pension penalized. No one will be forced to retire. There will be a cost associated with this, but the cost will be dependent on the number of people availing of it.

It is anticipated that early retirement will accelerate attrition and help to re-align the public service to deliver the programs most needed by the province. Attrition can reasonably be expected to generate savings and cover the costs of certain new or temporary positions that will deliver priority services.

You will find more information about our commitment to fiscal responsibility and balance in the final section of our Blue Book at www.pcnl.ca

7. If elected, what measures will your government take to reduce the total tax burden on small business?

	<p><i>Our government is committed to ensuring that Newfoundland and Labrador is a desirable place to do business.</i></p> <p><i>Within a thriving business ecosystem, the Liberal government will ensure that our tax environment is competitive in the long-term both compared to Atlantic Canada, as well as to other competing jurisdictions. We have maintained a suite of attractive tax credits, incentives and benefits across government, and are always open to exploring tax policies in consultation with key stakeholders like the CFIB that could further strengthen the attractiveness of our province as a place to do business.</i></p>
	<p><i>Excessive tax burdens on job creators throttles growth. Government tax policy can stimulate growth or it can hinder growth. Opportunity and growth can generate new tax revenue. It is therefore reasonable to expect that the tax incentives and red tape reduction strategy laid out in our Blue Book will generate growth and revenue. The incentives are not a “cost”, but an “investment” that will reap revenue dividends for the province.</i></p> <p><i>A PC Government will do a cost/benefit analysis of all taxes and fees charged to residents and business. Any taxes or fees that are ineffective will be eliminated.</i></p> <p><i>A PC Government will unlock the job growth potential in Newfoundland and Labrador’s tax policy. We will create the conditions to encourage private sector job growth by leveraging the tax system to encourage businesses to hire more Newfoundlanders and Labradorians. Lower taxes on job creators will enable our private sector to get Newfoundlanders and Labradorians back to work. A tax structure that encourages businesses to hire means more jobs for our people. It’s as simple as that. It’s all part of our comprehensive plan to Bring Back Jobs.</i></p> <p><i>A PC Government will enact a Hiring Tax Credit to allow businesses to hire more people. A PC Government will invest a portion of the income tax paid by new hires back into the business that has hired them.</i></p> <p><i>To further encourage job growth, a PC Government will reduce Payroll Tax on full-time employees over time to</i></p>

encourage business owners to hire more and focus on full-time employment over precarious part-time work.

A PC Government will make it easier for people to accept work here by providing a Relocation Tax Credit to those who move here to accept a new job in targeted growth sectors. A Relocation Tax Credit will make it easier for local businesses to attract talent from across the country and around the world.

A PC Government will develop tax credits to support the work of artists, writers and other cultural producers.

A PC Government will consult with the tourism industry on taxes, fees and levies to ensure the cost burden does not undermine the growth of our tourism economy or drive operators out of business.