



*Blue
Book*

YES WITH CHES

Jobs and Hope
Affordable Future
Honest Leadership



CROSBIE *2019*





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Yes With Ches

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YES WITH CHES

**OVERVIEW OF MY
PROMISES TO YOU**

A PLAN FOR PEOPLE

The Liberals have a record

*Four years ago they set a record for political promises.
Four years later, they have set a record for broken promises.*

Ask yourself:

*Is the Province better off today than it was four years ago?
Are you better off today than you were four years ago?*

Hard Times for the Province

Liberals raised the cost of the government from \$7 billion in 2014 to \$8 billion in 2019, and paid for almost all of that increase with borrowed money, which added significantly to the provincial debt over their four-year term.

Newfoundland and Labrador's economy is in decline while economies are booming all around us.

We lost over 10,000 jobs in the past 4 years while labour markets boomed in most of Canada and the United States.

Our unemployment rate is close to a record high while our neighbours have near record low unemployment.

Family incomes are dropping and the bottom has fallen out of family savings.

Our population is going down, as our youth once again leave home for jobs in other provinces and the United States.

Our immigration rate is the lowest in Canada because there are no jobs.

The Liberal economic record may be the worst economic record of any government since Confederation.

It is plain to see in almost every economic statistic published by debt rating agencies, Chartered Banks, and Statistics Canada

It is plain to see in the exodus of investment from our shores, in office vacancies, the decline in retail sales, and empty restaurant tables

This election will be about the Liberal record and how we deal with it.

We cannot ignore the fiscal cliff.

Hard Times for Families

But the election cannot be only about Liberal mismanagement in government and the Liberal debt that we will have to pay.

It must not even be primarily about that.

This election must also be about the economics of families and communities that are struggling to make ends meet in the Liberal economy.

This election must reach out to Moms and Dads who have lost their jobs and who are desperately looking for jobs.

We must give some glimmer of hope to our friends and neighbours who are worried about losing their jobs.

This election must focus on families who are worried about paying the mortgage, paying for child care, paying for insurance, paying the grocery bills, repaying their debts, selling their houses, and wondering if they too will have to move away to find work.

All the worries that good jobs and secure jobs can cure!

These are the home economics conversations we must have with the people of Newfoundland and Labrador in this failing Liberal economy.

Families are hurting. This election must be primarily about them!

We Can Do Much Better

The lack of good jobs, or even make-do jobs, is a lived reality for almost every family in Newfoundland and Labrador, and it is the real unsustainable drag on the provincial economy.

Job creation is the best economic policy for government and families.

Job creation is the best social policy in its own right and also to sustain public expenditure on health, education, and all other public services.

It is the only way to grow the population.

Attention to fairness and equity in employment is the best way to reduce economic and social disparities and build the more just society we all want.

Our priority in Newfoundland and Labrador will be more and better jobs.

Government cannot deliver jobs from the public purse. The public purse has been drained.

Government can no longer be the major job creator it once was or even the employer of last resort.

But a Progressive Conservative government will not be the last employer for the men and women who gave their careers to public service, and whose families depend on them.

We will not harm the livelihoods of working families.

Partnerships for Jobs

Progressive Conservatives firmly believe that the private sector can create the wealth we need for sustainable families, a sustainable provincial economy, and a sustainable democratic government.

Newfoundland and Labrador has the resource wealth we need.

Private enterprise has the investment wealth we need.

The workers of Newfoundland and Labrador have the skills we need.

The government of Newfoundland and Labrador controls a range of policies – taxes, regulations, education and training, research, natural resources, and infrastructure – that reinforce each other in ways that can encourage or obstruct economic growth and job creation.

A Crosbie government will marshal all the job creating and job sustaining powers at its command in a focused and coordinated effort to protect jobs and create more and better jobs for you and your families.

We will bring together partners from industry, government and post-secondary into multiple Partnerships for Jobs (in fisheries, aquaculture, offshore oil and gas, minerals, hydroelectricity, marine services, tourism, creative industries, and other industries with proven success in the province). The Partnerships will identify potential for growth in sectors of the economy where the province has industry leaders, strength in skill development, technology, research, opportunities in supply chain development, and strong links to markets. These Partnerships will advise government on appropriate policies tailored to the needs of each industry that will help build new capacity for jobs and growth. The ultimate goal will be to find ways to increase the size and scope of these industries in Newfoundland and Labrador and increase participation by local companies in supplying goods and services and creating jobs.

Our Ocean Economy

The vast majority of the resource and economic activity that underpin our economy – fisheries, marine aquaculture, offshore oil and gas, shipping, ports, maritime and coastal tourism – occurs in the waters and the seabed of the Continental Shelf. We brought our contiguous waters and seabed with us into Confederation in 1949 and they are now in federal jurisdiction.

The ocean economy has a profound impact on the provincial economy today. It already provides livelihoods for a significant share of our population and is worth billions of dollars, and it is expected to double by 2030.

Defend Economic Benefits and Management Rights under the Atlantic Accord

The significance of Ocean resources to our economy is why the Atlantic Accord, negotiated by the PC Government of Brian Peckford and updated by the PC Government of Danny Williams, is so important. It made us co-manager and the “principal beneficiary” of the Offshore Oil and Gas industry.

The Atlantic Accord is in peril.

New Federal powers under Bill C-69 will result in more costly and time-consuming regulations that threaten our resource economy. Investors may respond by moving their money to friendlier countries. We can't move our resources.

Bill C-69 also diminishes the principles of joint management set out in the Atlantic Accord by transferring key management decisions to federal agencies and the federal cabinet.

A mistaken and grudging federal interpretation of “the principal beneficiary” provision in the Atlantic Accord denies Newfoundland and Labrador its full entitlement to benefits from our Offshore Oil and Gas resource.

Ocean industries are the bedrock of our economy today and our hope for the future.

Unlike the Ball Liberals who submitted to the unilateral federal policies that threaten our ocean economy, we will not surrender to any federal government of any political stripe. We will fight for our rights.

Challenge an Unjust Equalization Formula

We will seek to exclude non-renewable resource revenues from the calculation of transfer payments in the federal Equalization formula as is already done for revenues from hydroelectricity. The federal policy rewards a province like Quebec that earns revenue from the sale of hydroelectricity, and punishes Newfoundland and Labrador for revenues earned from offshore oil.

It is an artificial and unfair redistribution of income from oil producing provinces to hydro producing provinces.

A Fisheries Joint Management Committee

The principles of joint management and economic benefits that operate in the Atlantic Accord should also apply in the fishery, our very first offshore industry, and the mainstay of our economy before the Atlantic Accord. We will seek a Federal-Provincial Agreement to co-manage all fish, shellfish, fish habitat, and marine mammals including harvestable quotas for all marine species on and over the seabed that is a contiguous part of Newfoundland and Labrador.

New Ocean Industries

While our traditional ocean industries continue to grow and innovate, a technology revolution is reshaping and diversifying ocean economies here and around the world. These include gas-to-wire technologies for generating electricity from offshore natural gas, offshore wind energy, tidal and wave energy, seabed mining, and marine biotechnology (the creation of product from marine organisms).

The long-term potential for innovation, investment, jobs and economic growth offered by new industries and the expansion of existing industries in our Ocean economy is impressive. As an example, no agrifoods industry in the world is growing as fast as marine aquaculture.

Now with our undersea electricity transmission link to North American markets, the green energy potential in our Ocean economy can help meet demand for cleaner energy in North America.

It can also entice heavy consumers of electricity to locate their industries here, near to an industrial scale source of clean energy.

We will ask leaders in ocean technology to advise the government on the potential for this province to be a world leader in the emerging ocean economy, and what we must do to ensure that companies, scientists, the university, workers and government are ready to meet the challenge.

Industry leaders and thinkers will also advise government on the actions that must be taken now to make sure the coming new ocean industries do not compromise the marine ecosystems and biodiversity on which they rely.

Mining

Mining is a multi-billion-dollar economic activity in Newfoundland and Labrador. We have a mineral-rich landmass bigger than many countries that remains relatively unexplored.

We are one of the most attractive jurisdictions in the world for investment in mineral exploration and mine development.

Abundant sources of clean energy make Newfoundland an attractive location for processing minerals into value added products.

Our major worry is that regulatory overreach by the federal government in Bill C-69 will discourage investment in mineral exploration and mine development. It is an issue we will take up with the federal government.

A Crosbie government will pursue policies to make Newfoundland and Labrador a globally attractive jurisdiction for exploration and development as the world's need for natural resources increases.

Forestry

Newfoundland and Labrador's forestry sector employs over 5,000 men and women directly and indirectly, and contributes more than \$250 million a year to the provincial economy. Our industry is a leader in sustainable forestry practices and in managing our forest for future generations. A Crosbie government will protect, promote, and partner with our forestry workers and companies to expand economic opportunities in our forest industries.

Agriculture and Agrifoods

The agriculture and agrifoods industry provides direct and indirect employment for 6,500 people and has sales valued at \$500 million annually, led by the expansion of farms and value-added production in the dairy industry. Energy and feed costs are limiting factors on production and must be addressed.

A Crosbie government will immediately launch comprehensive consultations with farmers, and with processing and marketing companies to find the best way to ease the unique economic pressures on farming and food production in Newfoundland and Labrador, and identify the best ways for government to promote the expansion of fresh and processed food production.

Flexible and Fair Employment

Progressive Conservatives will work with thought leaders from business, labour, academia, and the not-for-profit sector to discuss today's workplace challenges and chart a successful path forward (1) to build a highly skilled flexible work force that meets present demand, is able to adapt to coming changes in the work place, and can transfer their skills between sectors of the economy, and (2) to reduce employment barriers that can exclude people, including youth, women, older workers, persons with disabilities and immigrants. Much of this work will focus on improving labour market access and labour force attachment, and on providing appropriate social protections.

Focus on Excellence in Education

A Crosbie government will focus our schools on the foundational skills that are key to successful learning in school and prepare students for life-long learning in an innovative society. That approach will reduce achievement gaps between rich and poor, the learning advantaged and the learning disadvantaged, urban and rural, and students in our province compared to students in the rest of Canada.

The Programme for International Student Assessment (PISA) is the leading global benchmark for assessment of the foundational skills and knowledge of students. A Crosbie government will give the Education Department and our School Boards a year to come up with performance targets that will:

- Close the PISA gap between Newfoundland and Labrador and the average for Canada by 2030;
- Reduce the PISA performance gap between rural and urban schools; and
- Reduce the PISA performance gap between the learning advantaged and learning disadvantaged students.

Health Care

Our health care system must work for patients, seniors and families.

It is unacceptable that, with all the money we spend on health care, some people still don't have a family doctor, languish on waitlists between a GP referral and further treatment, suffer on stretchers in hospital hallways; and seniors incapable of caring for themselves languish in crowded acute care wards because there is nowhere else to go.

It's time for innovative reforms, within the parameters of the Canada Health Act, while maintaining health care funding, to get the person-centred health care system that the people of Newfoundland and Labrador need and deserve.

STANDING UP FOR OUR PROVINCE

- **Joint Recovery Plan** – hold Ottawa to its obligation to address our province’s depopulation
- **Review the Atlantic Accord** – the March 31, 2019 obligation has not yet been fulfilled
- **Make Equalization Fair** – hold a referendum that requires Canada to negotiate a new deal
- **Oppose Bill C-69** – the “Impact Assessment Act” will delay and discourage investment in Newfoundland and Labrador’s offshore oil, mines and other resource infrastructure
- **Defend Our Offshore** – make a reference to the NL Court of Appeal to defend our Accord
- **Let Canada Pay the United Nations** – Ottawa made the commitment, so Ottawa must pay
- **Make Quebec Pay** – use the taxation power of “92A” to tax Quebec on the Upper Churchill
- **Fight the Carbon Tax** – it’s just a Liberal tax grab, not an effective way to reduce emissions
- **Transfers Based on Need** – health, social and other funding must reflect our circumstances
- **Joint Fisheries Management** – a seat at the table, like the Offshore Petroleum Board
- **Gulf Ferry Affordability** – lower the rates to lower the cost of living, make NL competitive



THREE PILLARS – JOBS AND HOPE, AFFORDABLE LIVING, HONEST LEADERSHIP

1. Jobs and Hope

Our plan to restore confidence in the future and assist in keeping young people in the province.

- **Partnerships for Jobs** – collaborate with businesses to put people to work
- **Community Benefits Agreements** – opportunities for apprentices and local suppliers
- **Population Growth Plan** – bring people here and keep people here to work
- **Immigration Action Plan** – remove barriers to international students and others
- **Graduate Retention Program** – tax credit for grads who choose to work in NL
- **New Venture Capital Fund** – give technology enterprises a stronger foothold in NL
- **World-leading performance targets in education** – prepare our youth to compete and win
- **School busing** – a new policy for children living within 1.6km of school
- **Tuition and student aid** – the most competitive in the country
- **Innovation to better serve people** – partner to drive new technology growth sectors
- **Upskilling programs** – give residents a digital edge
- **Chief Technology Officer** – a leader responsible for the province’s digital transformation
- **Energy Plan 2.0** – create new jobs at all stages of exploration and development
- **Cod and seal plan** – a recovery strategy based on science to grow rural NL
- **Aquaculture** – drive rural jobs without compromising wild stocks
- **Plastics** – ban single-use bags
- **Forestry** – bring more employment and value-added spinoffs benefits to local communities
- **Agriculture Action Plan** – collaboration with farmers to grow our potential
- **Farm loan guarantee program** – real help so we can produce much more of our own food
- **Mining** – apply the lessons of oil and gas by driving geoscience and exploration
- **Tourism strategy** – bringing people to rural communities to drive sustainable jobs
- **Air Access Strategy** – more flights, lower costs, more growth, more jobs
- **ArtsNL** – supporting artists as they sustain jobs, promote tourism, educate and inspire
- **New Northern Strategic Plan for Labrador** – seizing the potential for growth

2. Affordable Living

Our plan to make life more affordable and assist in keeping young people in the province.

- **Rate mitigation** – you will pay zero on your power bills for Muskrat Falls
- **Child care** – a plan to cut your costs and improve your access
- **Insurance tax** – not just half, but full removal of sales tax from insurance
- **Better health** – get the right health care when you need it
- **Chief Wellness Officer** – keeping people healthier
- **First aid training in high school** – ensure every student knows how to save a life
- **Medical transportation** – 100% coverage of your medical transportation costs
- **Innovative care** – innovative clinics and virtual care to improve patient access
- **Physician and health provider recruitment** – fee structure, scope of practice, return of service
- **Personal Care Homes** – the newly imposed restrictions on access will be removed
- **Palliative and hospice care** – community residential hospice/end of life care to meet families' needs
- **Cardiac Centre of Excellence** – major response to NL's number one killer
- **Insulin pump coverage** – no age cap, not even for those who lost coverage
- **Electronic records** – give patients and providers easier access to improve care
- **Choosing Wisely** – minimize waste and harm of unnecessary procedures
- **Quality Health Council** – right treatments to the right patients at the right time
- **Long-term care** – base staff level review of all nursing homes
- **Mental health and addictions** – no cuts, equal status, improved access
- **Gambling addiction** – address the addictive features of certain VLTs
- **Seniors' Advocate** – new investigative and reporting powers
- **Poverty reduction strategy** – building on nation-leading success
- **Housing strategy** – a closer look at all the issues
- **Violence prevention** – renewed strategy for safer communities and homes
- **Inclusion of persons with disabilities** – an updated strategy that respects rights
- **Autism strategy** – real action to remove the IQ70 criterion
- **Moose fencing** – more fencing every year to save lives on our highways
- **Municipal fiscal framework** – a foundation for municipal growth

3. Honest Leadership

Our plan to restore trust and accountability in government.

- **Honesty in politics and recall laws** – put power back in the hands of the people
- **Question Period answers** – no more hiding, no more beating around the bush
- **Curbing favour and influence** – your government should not be for sale
- **Proactive disclosure** – publish more information as a matter of course
- **Taxpayer Protection Act** – living within our means so you can pay less
- **Fiscal plan** – a measured response with full disclosure
- **Tax fairness** – make NL competitive with the rest of the country so people pay less
- **Fiscal Stabilization Fund** – use oil windfalls to reduce debt
- **Human Resource Plan** – the right people with the right skillsets in the right positions
- **Residential schools apology** – owning up to old wrongs, and building new partnerships
- **Indigenous partnerships** – respect agreements and work in harmony to benefit people





OUR FIRST 200 DAYS

The new PC government's term will not truly begin until June because there's a transition period between administrations. Then, our new Ministers will have to be sworn in and get up to speed on their departments.

We will begin to prepare a new Budget, which will be tabled by the end of the 2nd quarter of the fiscal year. In the meantime, we will open the House of Assembly in June to pass Interim Supply to get us to the new Budget.

The House – while reconvened in June for Interim Supply – will be asked to consider legislation on certain initiatives, to get them moving right away. Complicated actions will require more time and scrutiny, but we will move swiftly to bring forward flagship legislation on Honesty in Politics.

Our first 200 days will take us to about the end of the fall sitting of the House – to the end of the 2019 calendar year.

So fair warning. We're going to hit the ground running. It will be a working summer.

Within our first 200 days, among other things, we will:

- Move ahead on Partnerships for Jobs
- Bring in an Honesty in Politics Act
- Publish mandate letters for all Ministers
- Start the Premier's Task Force on Health Care
- Bring in a new Budget
- Repeal the sales tax on insurance
- Repeal the levy early
- Change the policy on school busing within 1.6 kilometres in time for September
- Set a team to work on our strategy to tax Quebec on the Upper Churchill under "92A"
- Make a reference to the NL Court of Appeal to defend our Accord against Bill C-69
- Appoint members for the Air Access Strategy and set the mandate
- End the age limit on insulin pump coverage
- Remove the restrictions on access to Personal Care Homes
- Change the rules on coverage of medical transportation costs
- Launch our new child care plan
- Start erecting moose fencing
- Repeal the Liberal auto insurance legislation reducing the limitation period to take action from 2 years to 4 months
- Establish an All Party Select Committee on Democratic Reform with a one year mandate to report
- Start public consultations on a referendum on equalization fiscal unfairness



A FEW THINGS ABOUT OUR LEADER

Ches Crosbie chose to bring his training in political science and law back home to Newfoundland and Labrador in 1983. At that time, he and his wife who he met in law school built a consumer law practice. He is proud of his work helping people with life-altering injuries, especially children, and is widely known for standing up for the rights of vulnerable people in class actions such as the Breast Cancer Testing, Moose Vehicle, Labrador Residential Schools, and Video Lottery Terminals. The theme of Ches' legal career has been taking action to win solutions for people whose rights have been ignored. He is the recipient of numerous educational and professional honours and awards, including a Rhodes Scholarship, A Queen's Counsel (Q.C.), Master of the Supreme Court and the Ontario-based Hillyer prize for courageous advocacy.

In his volunteer life, Ches recently helped to establish the Sealers Memorial and Interpretation Centre in Elliston. He also worked with the Placentia Historical Society and Town of Placentia to organize the successful August 2016 commemoration of the 75th anniversary of the historic 1941 meeting of Churchill and Roosevelt in Placentia Bay, where these leaders agreed on WWII war aims and the foundations for global peace set out in the Atlantic Charter.

On a pro bono (free) basis, Ches helped former Marystown shipbreaking workers with long-term health problems strive to get their compensation claims accepted. Ches has given away thousands of bicycle helmets to young people across the province.

Among other interests, Ches is an avid hunter of the Newfoundland moose and a fly fisherman. He enjoys reading and spending time with his family.

Ches learned much about politics from his parents, Hon. John and Jane Crosbie, and about much else in life from his wife, Lois, and their three children, Charlotte, Catherine and Rachel.

THE FUTURE I SEE

Last year, I took my 8-year-old grandniece Olivia to the exhibit on the Royal Newfoundland Regiment at The Rooms. She can proudly tell you the date of the Battle of Beaumont Hamel – July 1, 1916. She can tell you about the Danger Tree – that it marked the point of farthest advance because “dead men could advance no further.” And she can tell you the motto of the Royal Newfoundland Regiment: “Better than the best.”

This made me think about the future I see for Newfoundland and Labrador; the future we owe to our ancestors. Like former PC Premier Brian Peckford, I see a future where “have not will be no more.” And I see a future where willing men and women can get meaningful, well-paying jobs. A future where families and vulnerable people have access to quality government services. A future where entrepreneurship is celebrated as the source of our wealth, and young people and newcomers create economic and emotional security for themselves and their families. I see a future where one day we will truly own the motto of the Royal Newfoundland Regiment, “Better than the best” – and be better than the rest.

The journey is long, and the obstacles great. But as heirs to the guts, grit, and determination of our ancestors, we will unleash the promise of this our home and native land, and the fullness of her potential.

MY PURPOSE IN POLITICS

I entered politics because I didn't see leadership calling us to be our best, or even to be better. I saw fake leadership, dishonest leadership, calling us to be our worst. I saw the Ball Liberal Way Forward leading us to a cliff edge of poverty, dependency, and insolvency. And as a proud Newfoundlander and Labradorian, I could not sit in the comfort of my home and watch folly unfold. I believe many of you feel the same way. And you need a voice.

MY LIVED EXPERIENCES

My experience as an advocate and community activist helps to make me an effective voice.

My work as class counsel for survivors of residential schools in this province shows my commitment to improve relations with Indigenous communities. Indeed, I helped to secure an apology from the Prime Minister of Canada and initiate reconciliation.

As a personal injury lawyer and class counsel for victims of moose-vehicle collisions, I am qualified to improve upon insurance, road infrastructure, and accident-prevention in Newfoundland and Labrador.

My direct connection to families affected by VLT addictions uniquely positions me to address mental health and addiction issues. For one, I intend to set new consumer protection standards in order to make VLTs safer.

My pro bono advocacy on behalf of former Marystown Shipyard workers gives me important perspective on the responsible development of worker health and safety policy.

My work as lawyer for the Public Utilities Board adds value to mitigating increasing electricity costs caused by the Muskrat Falls Hydroelectric project.

I helped to establish the Sealers Memorial and Interpretation Centre, which gives me insight into the history and experiences of our fisheries, value-added manufacturing, trade, and offshore safety.

I also helped to organize the 75th anniversary event of Winston Churchill and Franklin D. Roosevelt signing the Atlantic Charter in Placentia Bay. This attracted people from all over the world to one of our rural communities and positions me to improve tourism, heritage, and rural development opportunities.

My work as a personal injury advocate gives me insight into how to help children with disabilities, support them in our schools, support persons with disabilities in our workforce, and help them in our broader communities.

As class counsel for victims of bungled breast cancer testing, I have a thorough understanding of our health care system and I am well positioned to make careful, positive change.

MY MISSION

I am a proud Newfoundlander and Labradorian. I'm a husband, a father of three daughters, and someone who has made a career, raised a family and had many community involvements. I know what we all want for this place we love. We all share a vision of a Newfoundland and Labrador which is prosperous, independent and sustainable.

Prosperous: a province with a growing economy, a compassionate society with a reasonable tax burden, and well-paying jobs and hope for getting ahead.

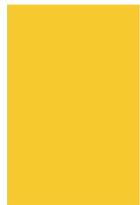
Independent: a province that looks for a hand up from Ottawa, but never for a handout.

Sustainable: a province that has control of its financial destiny and leads in the development of non-renewable energy wealth and its investment in the creation of the renewable energy wealth of the future.

My mission is to deliver jobs and hope, an affordable future, and honest leadership so that Newfoundlanders and Labradorians will enjoy prosperity, independence, and a sustainable future.

THIS I ASK YOU TO SAY

Honest leadership requires courage. The courage to know when to sit down and listen, and the courage to know when to stand up and speak. I've listened to voters in every electoral district since I began this political quest. And now it's time to stand up and speak, and to ask you to say: Yes for jobs and hope. Yes for an affordable future. Yes for honest leadership, and **YES WITH CHES CROSBIE!**



MAKING THE CASE FOR CHANGE

1. ECONOMIC FACTS

They had a choice. But rather than drive growth, spend responsibly or seek our province's fair share in Confederation, the Ball Liberals took the lazy approach by forcing taxpaying consumers and employers to bear more than 300 tax and fee increases in 2016. Most of those increases are still in place today, taking from your pockets and our economy the very money the Liberals are now waving before your eyes at the ballot box. Think about that.

You have a choice. Continue down this reckless path of Liberal tax-gouging and wasting while opportunities are lost and people are driven away? Or change course for a stronger future of jobs, affordable living and honest government in Newfoundland and Labrador?

The Ball Liberals did not come to office with a plan to grow the province's economy. During the 2015 campaign, The Telegram published an editorial on Dwight Ball's red book, headlined "It's magic." The editorial stated: "That's right. Magic. Because nothing else can explain the bizarre expenditure/revenue sheet the Liberals released this weekend." The editorial continued: "what the Liberals project wouldn't be a turnaround. It would be a miracle. It is in the realm of flying reindeer and dancing broomsticks."

Sadly, but not surprisingly, the magic plan did not lead to a miracle. Key economic indicators have worsened since the Liberals took office.

Total employment has fallen under the Liberals: from 239,200 in 2015 to 225,300 in 2018.

Full-time employment has fallen under the Liberals: from 202,100 in 2015 to 191,300 in 2018.

People's disposable income has fallen.

And our population has fallen under the Liberals from over 528,000 in 2015 to 525,000 in 2018.

Other provinces are growing. And even growing provinces are receiving federal transfer payments that are denied to Newfoundland and Labrador under a formula that is grossly unfair. We get less in transfers the more our population declines when we ought to be getting more to turn our economy around. Canada's Constitution obligates Ottawa to decrease economic disparity, not worsen it. Who will fight for us if our own government won't?

Ottawa's independent Parliamentary Budget Officer produced a report in 2018 on Equalization reform scenarios that would have seen our province receive about 1.7% of GDP – amounting to \$500 million a year or more. We would prefer not to need Equalization, but other provinces are using it to reduce debt, cut taxes and pay for services our people cannot afford. Fair's fair.

The Trudeau Liberals promised talks to reform Equalization in 2019. The Ball Liberals promised to be at the table to fight for more for Newfoundland and Labrador. But they did not fight, and Ottawa did not talk. Ottawa quietly renewed the current crooked formula for another five years, locking us into zero rather than the hundreds of millions a year that a more fair formula would have provided. And the Ball Liberals quietly capitulated.

These are the Equalization amounts for 2019-20 (in dollars):

NL, ON, SK, AB, BC – zero	NB – 2 billion	QC – 13.1 billion
NS – 2 billion	PEI – 0.4 billion	MB – 2.3 billion

The Ball Liberals boast about not fighting. But by not standing up for Newfoundland and Labrador, they are not delivering, either. They're not getting anything but "chicken feed," as former Premier Brian Peckford describes it. We have always had to fight for fairness in

Newfoundland and Labrador. Where's the fight for fairness now? Why are the Liberals putting their party ahead of our province instead of standing up for Newfoundland and Labrador, when we are losing ground? It's time for a change!

2. A RECORD OF BROKEN PROMISES

When you hear the Ball Liberal promises of 2019, remember their broken promises of 2015.

Their 2015 Promise: Avoid job cuts.

They highlighted their commitment in a 2015 Liberal Twitter post.

FACT CHECK:

They did cut jobs. And many other jobs disappeared on their watch.



Their 2015 Promise: Simplify the tax system and ease the tax burden.

The red book commitment is: "A New Liberal Government will complete a comprehensive independent review of the tax system, including tax expenditures. The review will identify ways to simplify the tax system and reduce costs for both government and taxpayers. This type of fiscal due diligence is long overdue. The objective is to ensure the tax system is competitive and fair. Liberals understand it is critical for our province to remain competitive if we are to position Newfoundland and Labrador as an attractive place to live and work. A more competitive and less cumbersome tax system will attract investment and provide an incentive for young families and businesses to put down roots in Newfoundland and Labrador. Liberals will ensure the tax system is fair to all residents of the province, including seniors and people living on fixed incomes."

FACT CHECK: *They didn't simplify the tax system or reduce costs for taxpayers. Taxpayers are paying more. They didn't call for the tax review until years after raising more than 300 taxes and fees. The review told them the levy was a mistake. Their own 2016 budget - which raised those taxes - even admitted that it would have a negative economic impact - and so it did.*

Their 2015 Promise: Reverse the HST increase.

Red book wording: "An increase in the HST will be felt by everyone throughout our economy, and will slow economic growth. A New Liberal Government will immediately reverse the HST increase."

FACT CHECK: *Not only is the HST exactly where it was when they took office, but they raised more than 300 taxes and fees in 2016, and most increases are still in place. That includes adding sales tax to insurance, driving up your costs.*



Their 2015 Promise: Build the economy.

Red book wording: "Liberals strongly believe that the answer to building a stronger, smarter economy is through diversification, job creation, and growth."

FACT CHECK: *They said they had an economic plan that people would like, but they didn't. The economy is not in good shape today. Fewer people are working than when they took office.*

Their 2015 Promise: Grow our population.

Red book wording: "A New Liberal Government will focus on building a stronger, more diversified economy that supports business growth and job creation. Liberals will also ensure public policy is targeted at attraction and retention of qualified working-age people and their families, including Newfoundlanders and Labradorians and newcomers to our province. In order to grow our economy, we need to grow and sustain our base of working-age people. The Liberal plan for population growth is to create economic conditions for more jobs through diversification and innovation, combined with policies to attract and retain qualified people and their families. ... We will also create a recruitment strategy to encourage ex-patriot Newfoundlanders and Labradorians to return home. Population growth objectives will be reinforced by policies in a range of areas. These include economic policies such as the young entrepreneur retention program, and policies to improve employment opportunities for youth, women, and persons with disabilities. The Liberal plan for population growth will also be supported by family-friendly policies such as improving the availability and affordability of child care."

FACT CHECK: *The Liberals have failed to grow the population.*

Their 2015 Promise: Implement a strong fisheries policy.

Red book commitments: “A New Liberal Government will advocate strongly on the province’s behalf to the federal government on issues pertaining to fisheries. We will: Pursue joint fisheries management with the federal government; Finalize an agreement with the federal government on the CETA Fisheries Fund; Advocate for a new, fair arrangement for Northern shrimp quotas; Call for full annual scientific assessments of Northern shrimp resources and a plan to study the impact of climate change on the species and its ecosystem....”

FACT CHECK: *They achieved nothing on joint management, sold out the fisheries fund, were ineffective in bringing fairness to quota allocations, and did not bring proper fisheries science to the province.*

Their 2015 Promise: Review busing distances.

Red book wording: “Current regulations deny bus service to children who live closer than 1.6 kilometres from the school they attend. This policy has raised safety concerns among parents, especially for younger children, and also affects the extent to which children are able to participate in extracurricular activities. A New Liberal Government will review the distance criteria for school bus service eligibility, and implement a more flexible policy that meets the needs of students and parents.”

FACT CHECK: *Their busing policy has parents upset. It forces children to walk to school in unsafe conditions.*

Their 2015 Promise: Take politics out of government appointments.

Red book commitment: “A New Liberal Government will establish an Independent Appointments Commission to take politics out of government appointments.”

FACT CHECK: *They gave plum jobs to political friends. The IAC is a smokescreen.*

Their 2015 Promise: Ensure legislation review.

Red book commitment: “Legislative review committees are well-established in Canada at both the provincial and federal level. These committees review proposed legislation, offer amendments, and call expert witnesses to provide information. They are an effective way to strengthen the role of elected members and reduce unnecessary partisanship in legislative debates.”

FACT CHECK: *They did not use these committees. They made a habit of holding legislation until just before the debate, leaving no adequate time for public scrutiny.*

Their 2015 Promise: Launch an All-Party Committee on Democratic Reform.

Red book commitment: “A New Liberal Government will form an all-party committee on democratic reform. This committee will consult extensively with the public to gather perspectives on democracy in Newfoundland and Labrador, and make recommendations for ways to improve. The committee will consider a number of options to improve democracy, such as changing or broadening methods of voting to increase participation in elections, reforming campaign finance laws to cover leadership contests, and requiring provincial parties to report their finances on a bi-annual basis.”

FACT CHECK: *They waited until the closing weeks of their mandate to appoint a committee, leaving it with no time to do any work, hold any consultations or produce any reforms.*

The Veil is Lifted

Check out The Telegram, April 15, 2016 (By James McLeod)
Budget abandons Liberal election promises:

The Liberal party’s election platform is in tatters
<https://www.thetelegram.com/news/local/budget-abandons-liberal-election-promises-126820/>

For months, it was clear the government led by Premier Dwight Ball would break at least a few election promises. The Liberals laid off civil servants — cutting about 650 jobs — despite categorically promising during the election campaign that they wouldn’t do so. [Dwight Ball] also raised the HST two percentage points, despite vocally opposing exactly that tax hike for months in the lead-up to the election.

A year ago, then-Liberal Leader Dwight Ball posted on Twitter, “I am committed to reversing the HST increase. It is a job killer, a growth killer. RT if you agree.” On Friday, a day after Ball’s Liberal

government raised the HST two percentage points, the denizens of twitter were gleefully sharing Ball's tweet, to highlight the broken Liberal promise.

But it wasn't just those two big, signature promises; it was little stuff, too. In the Liberals' election platform, the party promised to spend an extra \$1 million each year on tourism marketing. Sure enough, the press materials released with the budget Thursday tout \$13 million in spending on tourism marketing. But that's the same amount the Tories budgeted last year, which means the extra \$1 million fell by the wayside.

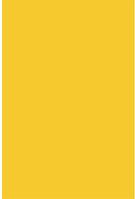
The Liberals also promised to review and simplify the tax system, and their platform promised that work would get underway immediately. "The objective is to ensure the tax system is competitive and fair," the platform said. "Liberals understand it is critical for our province to remain competitive if we are to position Newfoundland and Labrador as an attractive place to live and work. A more competitive and less cumbersome tax system will attract investment and provide an incentive for young families and businesses to put down roots in Newfoundland and Labrador." The budget this week sure did a lot of things with the tax system, but it didn't do anything to simplify it. Taxes were hiked across the board — and, in fact, new taxes were invented — but it now sounds like the review will be put off until sometime after the 2017 budget.

There's no money immediately evident for an all-party committee to study democratic reform, either. According to the Liberal platform, there was supposed to be \$50,000. ...

Memorial University political science professor Kelly Blidook had a different interpretation. Blidook said that beyond debating whether or not they made the right decisions with the budget, the discussion is about whether or not voters can fundamentally trust the government. "We want governments to make good policy at the end of the day, not just make [and] keep promises," he said. "But we should also ask, what were they thinking? And what were they doing? And what was their respect for the electorate when they made these promises? What goes through their head to think that this is acceptable behaviour? And I think that's a big problem." Blidook said the way all this has occurred feeds into voter cynicism, and a blanket distrust of politicians.



James McLeod, Apr 15, 2016 - The Telegram



STANDING UP FOR OUR PROVINCE

I entered politics because we have a choice. We can follow the Way Forward toward the cliff, or we can ‘take arms against a sea of troubles, and by opposing end them.’ It’s time for a Newfoundland and Labrador government that will stand up for Newfoundland and Labrador.

0.1. DEPOPULATION

Newfoundland and Labrador is suffering from the significant and continuing decline in our province’s population since 1993, combined with the older age-profile of our existing population of 525,000 people. Depopulation affects every aspect of our social, fiscal, and economic well-being. Because federal health and social transfer programs are now based on an “equal per capita cash basis”, the annual financial loss from this decrease in population is in the order of \$80 million. This financial loss of \$80 million annually does not include the impact on federal equalization payments, created by the failure to honour the Principal Beneficiary legal obligation enshrined in the Atlantic Accord. The threat to Newfoundland and Labrador’s future posed by profound depopulation should be of concern to every Canadian.

A Crosbie government will fight for a joint federal/provincial recovery plan to address our profound loss of population and the threat it represents to the very survival of Newfoundland and Labrador as a province in Canada. This recovery plan will be part of a nation building commitment by Canada.

Section 36(1) of the Constitution commits the Government of Canada to “furthering economic development to reduce disparity in opportunities”. Ottawa is neglecting this obligation. Disparity is widening as our population declines. Federal policies are making the problem worse. Federal transfers are being awarded on a “per-capita” basis rather than a “needs” basis. Paradoxically, Newfoundland and Labrador’s declining population makes its “per-capita” situation look healthier than it is. Under a “per capita” formula, the more people we lose, the wealthier we seem to be. The weaker we get, the stronger we appear. This is ridiculous.

Policies to encourage population growth should include innovations like personal income tax incentives for new post-secondary graduates who commit to stay and work in our province for a minimum period. The development of targeted retention immigration rules, special economic incentives for new immigrants based on a minimum duration of residency, and an affordable daycare program would help to address the affordability of life in this province to attract newcomers and retain our young people.

We can yet address our population, debt and fiscal unfairness challenges through committed government action; however, committed government action will require champions both at home and elsewhere in the country. The development of champions requires leaders to share their vision with opinion leaders elsewhere in Canada and with the public at home, and explain why the cause is not only just, but in the national interest.

0.2. ATLANTIC ACCORD

The real Atlantic Accord of 1985 is the most important piece of legislation affecting Newfoundland and Labrador since the Terms of Union with Canada. It enshrines hard won rights over the offshore resources we brought into Confederation.

In the 1980s, the federal Liberal government of Pierre Trudeau took the position that offshore oil and gas resources that Newfoundland and Labrador brought into Confederation were under the jurisdiction of Canada, not Newfoundland and Labrador. In 1982, Trudeau sent the issue to the Supreme Court. In 1984, the Supreme Court ruled in Ottawa's favour.

In 1984, federal Opposition leader Brian Mulroney promised Premier Brian Peckford his government would deliver joint offshore management and ensure the province would be the principal beneficiary of offshore development.

In 1985, Prime Minister Brian Mulroney and our federal Cabinet representative, John Crosbie, delivered the Atlantic Accord, establishing the Canada-Newfoundland and Labrador Offshore Petroleum Board and allowing the province to collect taxes and royalties from offshore projects as if the resources were land-based properties of the province. The Atlantic Accord recognizes Newfoundland and Labrador's right to be the principal beneficiary of offshore oil and gas resources, and control the pace and mode of development.

In 2004, Premier Danny Williams battled Liberal Prime Minister Paul Martin for a renegotiated Atlantic Accord fiscal arrangement that would make the province the principal beneficiary of offshore development. But the Liberals promised a deal with a cap that the Williams government said would be grossly unfair.

In 2005, after months of struggle, Williams reached a renewed Atlantic Accord fiscal arrangement with the Martin government. Williams negotiated upfront and offset payments of \$3.2 billion based on application of the principal beneficiary principle.

The 2005 Accord agreement stated: "No later than March 31, 2019, the parties agree to review the current arrangement." Section 8 of the 2005 agreement stated: "The review will address a) the extent to which the Atlantic Accord objectives have been achieved, including the key objectives of the Atlantic Accord that Newfoundland and Labrador be the principal beneficiary of its offshore; b) whether Newfoundland and Labrador has realized lasting fiscal and economic gains from its offshore petroleum resources revenues; c) the Equalization arrangements then

in effect; d) the fiscal disparities that then exist between Newfoundland and Labrador and other provinces; e) Newfoundland and Labrador's undeveloped offshore petroleum discoveries; and will have regard to the 1987 Canada-Newfoundland and Labrador Atlantic Accord Implementation Act, any legislation that implements the terms of this arrangement, and any other relevant considerations."

This agreement gave Newfoundland and Labrador a rare opportunity to sit at a table with the federal government, one-to-one, to discuss matters of great importance to our province: our principal beneficiary status, equalization, fiscal disparities, factors affecting development of undeveloped resources, and any other relevant considerations. These talks were to be far-reaching and potentially of immense importance to our province.

The question that was supposed to be central in the Atlantic Accord review is whether Newfoundland and Labrador is the principal beneficiary of the offshore, as the Accord promised. The Ball government never published its calculations about the province's status as a beneficiary. A Nova Scotia study in the early 2000's suggested Newfoundland and Labrador was receiving just 8% of revenues while Ottawa was getting 92%. A decade ago, it took upfront and offset payments of \$3.2 billion under the renewed Accord to address that inequity.

Fifty per cent of the province's revenue from nonrenewable resources, including oil, is included in a province's fiscal capacity when determining eligibility for Equalization. The province's offshore royalties are subject to a clawback under Equalization. But while oil is included, Quebec's hydro is not fully included in calculating their fiscal capacity. In 2016-17, Equalization was calculated at \$463.7 million dollars before it was fully clawed back. This is not in the spirit of the federation and specifically the Atlantic Accord.

There is no evidence the Ball and Trudeau Liberal governments took full advantage of the opportunity to determine where Newfoundland and Labrador stands and what can be done to improve our situation. The hidden Atlantic Accord review documents and all details of negotiations were never brought out from behind closed doors so people could see the facts and judge what was brought to the table.

I was right to be concerned that the provincial Liberals under Premier Ball would give up important rights vested in our province by the Atlantic Accord. We calculate the loss of revenue to the province, based on the failure to honour the principal beneficiary legal right, is in the range of \$500 million this fiscal year alone. That is additional to the yearly \$80 million loss resulting annually from the change to a per capita formula. Amounts in the hundreds of millions are owing back as far as 2012-13. We heard correctly that Ottawa was refusing to make these back payments. The Ball and Trudeau Liberals failed to deliver Newfoundland and Labrador what we are owed. We are right to demand the returns from the development of our own resources so we can use them to drive growth.

The 1985 Peckford/Mulroney Atlantic Accord produced \$22 billion through courageous honest leadership: money sealed and delivered to the province. The 2005 Premier Williams Atlantic Accord Fiscal Arrangement achieved \$3 billion through courageous honest leadership: money

sealed and delivered to the province. The Ball Liberals did not deliver a 2019 Atlantic Accord agreement that satisfies the terms of the 2005 agreement. What they produced has been appropriately described as “chicken feed” and “sleight of hand”.

A Crosbie government will proceed on the understanding that the 2005 federal-provincial agreement to undertake a joint review of all of these matters by March 31, 2019 has not yet been fulfilled. We will insist that all of these matters must be reviewed and discussed jointly by our governments, and any shortcomings must be resolved.

0.3. REFERENDUM ON EQUALIZATION FAIRNESS

Equalization is a national program defined under the Constitution. Subsection 36(2) of the Constitution states: “Parliament and the government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.”

Although the principle is enshrined in the Constitution, the enacting legislation is not. It can be convincingly argued that Ottawa’s legislation and policies do not fairly reflect the terms or intent of the Constitution.

It is particularly aggravating that Ottawa imposes a lag time when determining whether a province’s revenues have fallen, and Ottawa counts different kinds of revenues differently, in a way that benefits Quebec more than any other province.

While Newfoundland and Labrador is considered to be a “have” province under the current rules, getting zero Equalization or offset payments, Quebec is considered to be a “have-not” province, getting approximately \$13 billion in Equalization this year (while running a surplus, cutting taxes and subsidizing child care).

The imbalance is on track to widen. The Parliamentary Budget Officer’s Fiscal Sustainability Report 2017 stated: “In our projections, Quebec’s share of the total federal Equalization envelope increases from 60 per cent in 2017 to 75 per cent in 2091.” That report also stated: “Equalization payments help explain part of these long-term trends in transfer revenue, because Equalization is determined according to each province’s fiscal capacity relative to the Canadian average. Widening fiscal disparities across provinces necessitate larger transfers to provinces with lower-than-average per capita incomes, such as Quebec, New Brunswick and British Columbia. Consequently, these provinces will see increases in Equalization payments relative to their GDP over the long term.... In contrast, provinces with relatively higher per capita income growth will see decreases in Equalization payments relative to their GDP.”

The Parliamentary Budget Officer published another report on March 20, 2018 examining some scenarios for reforming Equalization. Under two of those scenarios, Newfoundland and Labrador would have benefited significantly to the tune of 1.7% of GDP – some \$500 million or more a year.

The Trudeau Liberals promised to hold talks on reforming Equalization in 2019. The Ball Liberals promised to be at the table to fight for Newfoundland and Labrador. Neither promise was kept. The Trudeau Liberals quietly renewed the old formula for another five years, and the Ball Liberals said nothing in protest.

Unlike the 2005 Atlantic Accord arrangement achieved by Danny Williams, the arrangement signed by Dwight Ball contains no offset. An offset would protect our offshore oil money. Mr. Williams got it, but Mr. Ball did not. He got it wrong! That means 50% of our offshore revenues are now included by Ottawa when they calculate whether we can receive Equalization payments. If Mr. Ball had achieved an offset, we would be receiving Equalization – just like Quebec – to help with our fiscal challenges. That is how Equalization is supposed to work, but that's not how it's happening under the deal Mr. Ball signed. That means we are not benefiting fully from our offshore, despite the promise of the Atlantic Accord, because Mr. Ball has allowed the federal government to claw our oil money back on the Equalization side.

The Equalization allocations for 2019-20 give Newfoundland and Labrador zero (again) while Nova Scotia and New Brunswick receive about \$2 billion each and Quebec receives \$13.1 billion.

The Atlantic Accord 2005 agreement negotiated by Danny Williams gave our province a rare commitment to talk with Ottawa about Equalization one-on-one in 2019. If those talks happened while Mr. Morneau and Mr. Ball shared tea at Confederation Building, nothing came of them. When the Accord announcement was made, Equalization was not even mentioned.

A Crosbie government will fight for Equalization reform so the program reflects the terms of the Constitution. We will fight for the scenarios the Parliamentary Budget Officer brought forward to make the program more fair and responsive to Newfoundland and Labrador.

One action that has not been tried is to take this matter to the people in a referendum. A province can obligate the Government of Canada to negotiate with the province on an issue of importance if that province brings a clear and concise referendum question to the people and receives a decisive majority.

The wording of any question put to the people of NL for a vote would need to be carefully considered. It would balance the complexities of equalization with the need to make the question understandable to voters and fair to all points of view. The purpose is not to impress ourselves, but to impress Ottawa and the rest of the country with our seriousness of purpose. A successful referendum will require a public educational campaign at home and a campaign to recruit champions and opinion leaders elsewhere, if it is to command the respect of the federation.

It's time to make equalization fair. The cost of a referendum or vote of the people is tiny compared to what is at stake.

A referendum on equalization is a constitutional lever with which to open negotiations with the federal government on a joint recovery plan for NL, one that addresses not just fiscal unfairness, but our population crisis, and the repeal of federal infringements on our right under the Atlantic Accord to determine the pace and mode of development of our offshore resource wealth.

The Telegram carried a story on April 26 with the headline “No Need for Equalization Referendum: professor”. The professor states that if we were to exclude offshore resource revenues and recalculate equalization based on non-resource revenues, then NL would be receiving about \$316 million in 2019. This would be the added revenue to our treasury, in his view, of applying an offset as Prime Minister Martin and Premier Williams agreed in 2005.

Although the so-called Atlantic Accord negotiations between Dwight Ball and Justin Trudeau were carried out behind a curtain of secrecy, we can make an educated guess that Ball requested an offset to offshore natural resource revenues, relying on the principal beneficiary right in the Atlantic Accord, and Trudeau refused. Because there is No Fight in Dwight, he accepted a set of payments spread over 38 years that former Premier Peckford described as “chickenfeed”.

The professor is wrong about there being no need for a referendum and the headline in the Telegram story is misspoken, because the story ends by saying that the equalization formula “will remain the same until 2024.” And who is to say that the federal government will not, with no consultation, renew an unfair formula in 2024, as it did this year? Consequently, if we want to assert our rights and enter negotiations before 2024 over the core issues that bear on jobs, hope and an affordable future in this province, a referendum is a constitutional lever a small province must be willing to use if it wants to be mighty.

0.4. DEFENDING OUR OFFSHORE RIGHTS

No sector offers greater opportunities for prosperity than our energy sector. Unfortunately, the Liberals have been blocking this path to prosperity. The Trudeau Liberals are using environmental legislation to seize regulatory powers and shift decision-making from Newfoundland and Labrador to Ottawa. The Ball Liberals have been letting them, despite the Atlantic Accord, which PC governments delivered to give Newfoundland and Labrador the power to stop them.

CEAA

Under CEAA (the Canadian Environmental Assessment Act), the federal government removed the power of the CNLOPB to serve as the Responsible Authority for environmental assessments. The lead in environmental assessments for offshore exploration wells has been taken by Ottawa. There are 30 to 50 wells now subject to federal environmental review under CEAA and held up by the

Trudeau Liberals. Previously, these wells would have been subject to a two-part process: first, a regional Strategic Environmental Assessment (SEA) before any exploration or development activity can take place; second, an individual well screening review. Strategic Environmental Assessments led by the CNLOPB covered a large area and identified specific ecological considerations and potential mitigation before any exploration or development activity could take place. This robust SEA was updated before any land sales occurred for areas covered by the land sales, and before exploration licences were granted. But Ottawa chose to ignore this work and start over, based on pressure from their environmental supporters, subjecting wells to a new, undefined review process. Previously, individual wells were subject to a screening review that considered site-specific issues and mitigation requirements with an opportunity for public input, typically taking 3 to 6 months. Now, the 'create-as-you-go' process led by CEAA has resulted in a 26-months-and-counting review that has yet to be completed, despite a legislated timeline of 12 months. The Bay du Nord field will be subject to a 'create-as-you-go' process under CEAA. There is now \$4 billion worth of exploration commitments made that cannot be drilled until this review is complete and a decision granted. Some of these exploration commitments were made in 2013. Every drill rig operating would create hundreds of high-paying jobs, offshore and on. The Government of Canada must remove our exploration wells from the CEAA Project List immediately, and assign the CNLOPB as the Responsible Authority for environmental assessments. Accept the CNLOPB lead on Strategic Environmental Assessments, as updated in 2016. Get out of the way and let our province get on with assessing our resources.

Bill C-55

Bill C-55 – An Act to amend the Oceans Act and the Canada Petroleum Resources Act – was referred to the Senate Standing Committee on Fisheries and Oceans on December 11, 2018 after Second Reading in the Senate. The Bill amends the Canada Petroleum Resources Act to allow the Minister to restrict certain activities or cancel an interest in a Marine Protected Area. The Bill provides that the Governor in Council and Minister cannot use lack of scientific certainty regarding risks posed by any activity as a reason to postpone or refrain from exercising their powers. The Bill would violate the spirit and intent of the Atlantic Accord by giving the federal government the ability to unilaterally declare offshore areas as protected areas, eliminating fishing and potentially oil and gas development in the future. The Government of Canada must exclude any significant resource potential from its international commitment to protect 10% of marine areas. The Cape Freels Prospect was initially included in the marine refuge. But 96% of this refuge is in waters deeper than 800 metres, even though 98% of all trawling fisheries occur in waters less than 800 metres deep. If this was to be a fisheries closure area, what fishery was being protected? Under the so-called Atlantic Accord Review Agreement, the Government of Canada agreed to allow oil and gas development in the Eastern Orphan Basin but excluded oil and gas activity from the Laurentian Channel. While this is positive for work in the Cape Freels Prospect, the way the decision was made demonstrates the worrisome transfer of power to the Government of Canada. They established a marine refuge over one of the best oil and gas prospects in our offshore. Newfoundland and Labrador must assert its rights under the terms and spirit of the Atlantic Accord, and protect our industry from federal encroachment.

Bill C-69

Bill C-69 – the new federal environment bill (An Act to enact the Impact Assessment Act and the Canadian Energy Regulator Act, to amend the Navigation Protection Act and to make consequential amendments to other Acts) – has now passed in the House of Commons, driven by the Trudeau Liberals. It passed second reading in the Senate on December 12, 2018, and is under committee review at the Senate. Bill C-69 will give the right for decisions on whether any project proceeds to the Minister of Environment Canada based on what is in Canada's interest. This neuters Newfoundland and Labrador's right to control the pace and mode of development granted to Newfoundland and Labrador's Minister of Natural Resources under the Atlantic Accord. A project can be killed before going to the new Impact Assessment process. Newfoundland and Labrador will have no say in the matter, no matter what the Atlantic Accord says. Projects that get past Ottawa's initial veto will face new hurdles. Interest groups with no direct stake in the offshore but a determination to shut it down will be given a process to kill or stonewall local development, turning what is now a robust but predictable process into a very complex, never-ending process. The next offshore development after Bay du Nord will be subject, not to an internationally robust and competitive process, but to an excessively delayed 6- to 10-year process that's out of Newfoundland and Labrador's hands and far in excess of the most environmentally sensitive and robust assessment regimes in the world.

Newfoundland and Labrador has potentially 100 billion barrels of oil equivalents unexploited offshore – equal to Norway's remaining resources. Under CEAA and Bill C-69, the value of that oil and gas may be left in the ground. That volume of oil and gas would sustain hundreds of billions in royalties and taxes, and thousands of jobs. The CNLOPB is the most experienced offshore regulator in Canada and well respected by its peers in the international regulators forum. Diluting its mandate will endanger personnel, the environment and the province's economy. The Government of Canada must make the Newfoundland and Labrador offshore oil and gas sector exempt from Bill C-69. C-69 would take away the Atlantic Accord right for Newfoundland and Labrador to decide on the pace and mode of the development of our offshore resources. The Government of Canada must get out of the way and let us develop our resources. We must not be silent in the face of efforts to usurp our rights and damn the future of an offshore industry that promises hundreds of billions in royalties and thousands of jobs. The Atlantic Accord recognizes our right to be the principal beneficiary of our own resources, and control the pace and mode of development, just like every other province. We will not let any Liberal steal that away.

Newfoundland and Labrador has a vital interest in opposing federal measures, such as Bill C-69, that slow down offshore development by reducing the powers of the CNLOPB. Our right to joint management of the pace of development of our offshore natural resources is enshrined in the Atlantic Accord federal and provincial mirror legislation. To defend our rights, we must be aggressive. The Atlantic Accord legislation has a section which declares that it takes precedence over other federal legislation. It is time to enforce our legal rights.

A Crosbie government will make a reference to the Newfoundland and Labrador Court of Appeal to seek an opinion on the legality of Bill C-69 in view of the Atlantic Accord, its enacting legislation and its history of application over the past three and a half decades. We will not be afraid to Defend Our Offshore.

0.5. HIBERNIA BENEFITS

The case was made in 2007 that other benefits Ottawa derived from our offshore should be included in calculating whether or not we are the principal beneficiary of development.

In 1993, after Gulf Canada withdrew from the Hibernia project, the federal government acquired that 8.5% share through the Canada Hibernia Holding Corporation (CHHC), which is currently a subsidiary of Ottawa's Canada Development Investment Corporation (CDEV). That investment enabled Hibernia to proceed. CHHC repaid its \$431 million investment to the federal government by 2002. Not only has Ottawa recovered its investment in Hibernia, but CHHC has returned to the federal treasury more than \$2 billion in dividends. This is in addition to the hundreds of millions Ottawa has received in federal corporate taxes. CHHC also has a 5.6% stake in the Hibernia South Extension.

The province also pointed out in 2007 that "the federal government has the option to take even greater returns from the Hibernia Project through its Net Profits Investment Agreements. While Newfoundland and Labrador is not a party to these agreements, we understand that the federal government has the option to receive 10 to 12.5% of the net profits of each Hibernia Project Owner, beginning in 2009, if not earlier for some owners.... In the province's view, the NPI is tantamount to a royalty on a provincial resource, and should be provincial revenue."

Attempts have been made to acquire all or some of these assets, either for free or at a reasonable price, to advance the province's capacity to benefit from the offshore. We will strive to benefit more fully from Hibernia.

0.6. UNCLOS

The Government of Canada signed the United Nations Convention on the Law of the Sea (UNCLOS) in 2003 even though it included a commitment to pay other countries for oil produced on the continental shelf outside the 200-mile limit. The promised payment would start at 1% of production value or volume after five years of production, and rise to 7% after 12 years of production. Canada may be the first country in the world to apply this levy, and Bay du Nord could be the first project hit.

The federal government created this obligation by negotiating it and signing it. The province's position in 2004, articulated by Premier Danny Williams, was: "They created a problem for us, and they have also created a problem for industry in the province... so if anything has to be paid to any participating countries, then in fact that has to be borne by the federal government, certainly not us."

A 2015 published paper stated: "Another option available to Canada is to enter into negotiations with the province of Newfoundland and Labrador to amend the currently royalty arrangements.

This option does, of course, run afoul of the basic idea of the Accord, inasmuch as the Accord is founded on the basis that the oil produced from the offshore should be treated in the same manner as if it had been produced from the ground in Newfoundland and Labrador.”

<https://www.policyschool.ca/wp-content/uploads/2016/03/final-law-sea-spicer.pdf>

The Government of Canada must cover any UNCLoS payments from its own sources, without impacting Newfoundland and Labrador or our offshore industry.

0.7. CONSTITUTION SECTION 92A AND CHURCHILL POWER TAXATION

If necessary, a Crosbie government would use the August 31, 2016 expiry of tax exemptions for the export of power from the Upper Churchill, to achieve “a fair and equitable return to Newfoundland [and Labrador] as the owner of the Churchill Falls resource”, (as per the “Statement of Intent Regarding Churchill Falls Negotiations” between Hydro and Hydro-Québec dated February 1, 1984, page 1), and apply revenues to Lower Churchill rate mitigation.

It has been recognized by various authorities over the years that tax exemptions for the export of power from the Upper Churchill expired in 2016, and that this province has the opportunity to take advantage of that.

Section 92A was added to the Constitution Act in 1982 when the federal government patriated the Constitution. Sometimes called the resource amendment, it empowers the legislature of a province to “make laws in relation to the export from the province to another part of Canada of the primary production from non-renewable natural resources ... and the production from facilities in the province for the generation of electrical energy...”

A Crosbie government would explore what this means for our province and how best to use or leverage this authority in order to benefit Newfoundlanders and Labradorians.

If that revenue is available, and if it is needed to mitigate rates, then a Crosbie government would use it to spare ratepayers in this province any increase caused by the Muskrat Falls Project.

If this effort spurs Quebec to work more cooperatively with our province, then so much the better. We must operate and negotiate from a position of strength. It is the Government of Newfoundland and Labrador that shoulders the obligation to fight for and safeguard the best interests of Newfoundland and Labrador.

A Crosbie government supports the principle of fair energy transmission terms under a Canada Free Trade Agreement. Canada remains a country of energy barriers. We need to motivate the partners of Confederation to find a solution.

This strategy highlights a stark difference between the Ball approach and the Crosbie approach. Mr. Ball was apparently not even aware that the province had the right to tax Upper Churchill power starting in 2016 under the contract's renewal phase. Taking the assertive approach advocated by Crosbie is the last thing Mr. Ball would contemplate doing, because "there's no fight in Dwight." By contrast, Crosbie is prepared to stand up and fight for Newfoundland and Labrador's best interests and to consider strategies that shake up what's not working.

Let's not be afraid to Make Quebec Pay.

0.8. FEDERAL EQUITY STAKE IN THE LOWER CHURCHILL

"In 1978, the Lower Churchill Development Corporation (LCDC) was established with 51% ownership by Newfoundland and Labrador Hydro (NLH) and 49% by the Federal Government. That effort ended with the curtailment of LCDC operations in the early 1980s amid complaints from the Peckford administration that the Federal government was offering no assistance to help secure transmission access through Quebec."

<https://muskratfalls.nalcoreenergy.com/wp-content/uploads/2013/03/Report-Why-not-develop-Gull-Island-first.pdf>

Obtaining a federal government 49% equity investment in the Lower Churchill Development Corporation (with an investment of about \$2 billion) might be useful to Newfoundland and Labrador, because it would not only help us with the project's debt burden, but also give the federal government a vested interest in advancing Churchill River hydro. No doubt there are arguments for and against such an option. We need to explore the pros and cons and take the course that is in our province's best interests. As our province grows and prospers, so does Canada. It is in Canada's best interest to see Newfoundland and Labrador reach our full potential by fully engaging our strengths.

0.9. CARBON TAX

The Trudeau-mandated carbon tax raises the cost of living for people and makes the local economy uncompetitive. What it does not do is protect our environment. The initiative is wrongheaded, which is why some other provinces have taken strong stands against it. Newfoundland and Labrador has invested billions to shift from reliance on oil for electricity to reliance on clean hydro for electricity – an investment that will actually reduce our carbon emissions.

Ottawa must fully and fairly credit to our province the clean energy we produce on the Lower and Upper Churchill Rivers, and recognize that our contributions to greenhouse gas reduction are enormous – both in absolute terms and on a per-capita basis.

A Crosbie government will oppose the Liberal-mandated carbon tax. The deadline has passed for Newfoundland and Labrador to join the court challenge of the constitutionality of the carbon tax, but a Crosbie government will provide moral support for those who have championed this case. If further legal action is required, we will partner with those provinces that want to see the Liberal carbon tax eliminated.

0.10. TRANSFER PAYMENTS AND NATIONAL PROGRAMS

Newfoundland and Labrador's needs are greater, on a per-capita basis, than those of other provinces because our population is more thinly dispersed and its age profile is older (meaning costlier, from a care perspective) than those of other jurisdictions.

A Crosbie government will fight to secure greater funding on a "needs" basis rather than on a "per-capita" basis under the Canada Health Transfer and the Canada Social Transfer. We will press the Government of Canada and other governments to cooperate on national programs – such as Pharmacare – that will reduce health care costs for provinces. We will fight to ensure any such program recognizes the particular needs of our province, with its relatively high proportion of seniors, who generally require more health care and medications. Through the Council of the Federation and First Ministers' Meetings, we will press for other initiatives that would benefit our province and the country, including long-term care and child care strategies, labour market agreements, immigration strategies, innovation and infrastructure strategies, and so forth.

0.11. FISHERIES MANAGEMENT

Our fisheries resources must never again be traded away or taken away to serve other purposes. We must be a partner in their development, just as we are a partner in the development of our offshore oil and gas resources. Newfoundland and Labrador needs a formal role at the decision-making table for our fishery resources.

The federal government should look to the Atlantic Accord to define a model for joint management by Ottawa and Newfoundland and Labrador over the fish stocks our people and economy rely on. The federal government should commit to joint regulatory management of the fishery, similar to the joint management of offshore petroleum resources performed by the Canada-Newfoundland and Labrador Offshore Petroleum Board. Joint management of our fishery would ensure that we have a voice at the table and no longer need to live with fear of abuses of ministerial discretion, such as those which led to Clam Scam, the arctic surf clam quota debacle.

0.12. HIGHWAYS AND FERRIES

A Crosbie government will work to lower Marine Atlantic ferry rates that raise the cost of living in Newfoundland and Labrador, make businesses less competitive and hurt tourism.

A Crosbie government will explore opportunities that partner with the Governments of Canada and Quebec to develop a fixed link connecting Labrador and Newfoundland, upgrade the Labrador and Island highways that lead to and from the link, and complete the Quebec Lower North Shore highway that would connect Southern Labrador to central Canada along the St. Lawrence.

A Crosbie government will partner with the Government of Canada to maintain and improve highways throughout Newfoundland and Labrador to drive growth.

0.13. STATUS IN THE ATLANTIC REGION

A way of thinking seems to have taken hold among Liberals that Newfoundland and Labrador's proper place is as one of four members of the Atlantic region, whose capital is Halifax.

Under the Ball Liberals, Newfoundland and Labrador lost its coveted edge in ocean technology as Halifax became the headquarters of the new Ocean Frontier Institute. A decade earlier, Newfoundland and Labrador was being celebrated by the United States-based Marine Technology Reporter as "standing tall as an international epicenter of marine technology." Now, we are a partner in an Atlantic regional network headquartered in Halifax.

The same Ball government failed to follow the lead of the previous administration in driving a proactive Air Access Strategy. The PC strategy delivered three new WestJet routes to our province. The Liberals in 2015 had no air access strategy. As a consequence, our province has three fewer WestJet routes today. Two of them were lost to Nova Scotia, which apparently lobbied while the Ball government was not paying attention or did not understand the importance of air connections.

While the PC government was in office, WestJet announced:

- its first St. John's to Dublin route in November 2013;
- expanded service linking Deer Lake, Gander, St. John's, Halifax and Toronto in January 2015; and
- a new St. John's to Gatwick route in September 2015.

Since the Ball Liberal government Way Forward plan, WestJet has announced:

- the end of the St. John's to Gatwick route and the start of the Halifax to Gatwick route in January 2018;
- the end of the twice-daily run from Deer Lake to Halifax in August 2018; and
- the end of the St. John's to Dublin route and the expansion of the Halifax to Dublin route in November 2018.

A Crosbie government will stand up and fight for Newfoundland and Labrador.

Depopulation. The Atlantic Accord. Equalization and Fiscal Unfairness. Defending our Offshore Rights. Taxing Quebec Power as negotiation leverage. Joint Management of the Fishery. The purpose of defining and tackling these issues is not to diminish Canada or any province of Canada, but to build Canada up by working together, federally and provincially, to address the core obstacles to success for Newfoundland and Labrador. This is a nation building project. As former Prime Minister Brian Mulroney said in a speech in December 2018, "eventually on big, nation building, transformational projects, a real leader will have to spend political capital." If you choose to give me the political capital, it is on these challenges and the hope, jobs and affordable future that comes with meeting these challenges that I will spend it.





1. JOBS AND HOPE

1.1 FOCUS ON JOBS

1.1.1. Focus on Jobs

Under the leadership of Ches Crosbie, a Progressive Conservative government will focus on ensuring the Newfoundland and Labrador Economy is transformed into one that is diversified, dynamic, sustainable, and internationally focused, solidifying the province's competitive edge in a rapidly evolving global market place.

The goal of a Ches Crosbie government is to have more people paying less tax, not less people paying more tax.

1.1.2. Crosbie Partnerships for Jobs

A Crosbie government will recognize that government does not directly create jobs in the private sector, but can rather focus on helping business do their work of creating jobs. It is the role of a Crosbie government to help provide the conditions to stimulate private sector investment and job creation.

A Crosbie government will bring together partners from industry, government and post-secondary education into multiple Partnerships for Jobs. These partnerships will identify potential for growth in sectors of the economy where the province has industry leaders, strength in skill development, technology, research, supply chains, and strong links to markets.

The partnerships will advise government on appropriate policies and how to use the tools of government to help build new capacity in these sectors. The ultimate goal of each partnership will be to find ways to increase the size and scope of these industries and increase participation by local companies in supplying goods and services.

The government of Newfoundland and Labrador manages a range of policies – taxes, education and training, research, natural resources development, regulations, and infrastructure – that reinforce each other in ways that can obstruct or encourage economic growth and job creation. A Crosbie government will marshal all the economic development policy tools available to it into a focused and coordinated effort to create more and better quality jobs in support of these partnerships for jobs.

This will include ensuring that young Newfoundlanders and Labradorians have access to quality education and training programs that are adapted to the labour market requirements.

Partnerships for jobs will be created in the fishery, aquaculture, offshore oil and gas, mineral development, electricity and utilities, marine services, tourism, the digital economy, the ICT sector, the knowledge-based economy, forestry, manufacturing, construction and other industries that have potential for growth.

The province of Newfoundland and Labrador has the highest unemployment rate in Canada, almost three times the national average. Within our province, small businesses provide 75% of all private sector jobs and medium sized businesses provide 17% of all private sector jobs. This is why a Partnership for Jobs strategy is the best opportunity to achieve maximum employment for the future of this province.

1.1.3. Newfoundlanders and Labradorians as the Principal Beneficiaries – Renewable, Non-Renewable Resources, and Public Funds

A Crosbie government believes that Newfoundlanders and Labradorians should be the beneficiaries of all of our province's renewable and non-renewable resources. It is the goal of a Crosbie government to develop and expand a supply chain that supports all natural resource development so Newfoundlanders and Labradorians are the principal beneficiaries of all of our province's resources.

To ensure that Newfoundlanders and Labradorians receive the maximum benefit of public funds, when new public facilities are constructed a Crosbie government will require community benefits agreements to be included with the contractors' bid packages.

This will give consideration to the employment of apprentices, underrepresented groups and a local labour force; ensure the use of the local supply and service industry and local materials; and ensure that our communities are the true beneficiaries of the economic activity created by public funds.

1.1.4. A Strategy for Population Growth: Increasing Newfoundland and Labrador's Population, 2019-2024

Why is it important to grow our population? By 2025 (with current trends), 27% of Newfoundland and Labrador's population will be over age 65. And while the Baby Boomers will be living longer, they will retire. Retirements will increase, and the workforce will shrink. The unemployment rate will continue to fall, but the tax base will also shrink. The province's economic health will be influenced by the fact that fewer of our citizens will be paying taxes, but they will be drawing more and more on our health care system. Less tax dollars, less services, greater debt, and increasing difficulty funding services all mean that there will not be enough new workers to replace those about to leave the workforce in greater numbers.

How serious is this challenge? There will be 58,900 (+61%) more 65-year olds living in the province in 2030 than there were in 2015. And by 2036, if we do nothing, the Population Project at Memorial University forecasts that our population could fall to under 470,000 people, which will not be enough of a workforce to sustain services at current levels. Simply put, our province must replace and expand our taxpaying workforce. Our province needs more people if we want our economy to grow and not stagnate. This can only happen in two ways: either more people can be born here – which, given our aging population, is increasingly unlikely – or, as a province, we can take aggressive steps to encourage the return migration of provincial expatriates and we can work to stimulate and facilitate the arrival of new people to the province.

How many do we need? Recently, one Liberal MHA boasted that in 2017, the province welcomed 1170 newcomers and that in 2018, the province welcomed 1525 newcomers. But these efforts fall short of the Liberals' target of 1700 newcomers annually, and they fall well short of the 3800 newcomers needed annually to stop the decline and ensure growth. Unless our province's population growth targets are doubled, the province's population and economic decline will accelerate. In order to take advantage of the benefits to our economy and communities of an increased population, Newfoundland and Labrador needs to increase its population to the average of one per cent each year, or more than 5,000 persons per year. At present, our province has the lowest percentage of population foreign-born, only 2.4 percent, compared to the Canadian average of 24 percent. This needs to change.

How do we attract people here? Any new people must have jobs to attract and retain them in our economy. As Janice Byrne, Chair of the St. John's Board of Trade recently observed, "Newfoundland and Labrador's immigration programs are employer driven. Employers must go through exhaustive means to demonstrate that they have tried to recruit locally before they

can recruit an immigrant to fill a position. 80 percent of NL's immigration is via the Provincial Nominee Program stream," which is tied to job availability. So a focus on job creation and the creation of long-term, high salary jobs must be a part of the strategy.

A Crosbie government will address these demographic challenges with decisive action in four areas. First, our Families Plan will work to create conditions to increase the birth rate, including removing financial barriers to people who have or want to have children, and supporting individuals who care for adult family members. Second, we will launch a Workforce Development Action Plan to support job growth, help people find jobs, and help employers find employees. Third, a Communities Action Plan will promote diversity, expand settlement assistance for increased immigrant retention, and for rural regions of our province, particularly target specific regional immigration strategies tailored to the labour market needs of larger communities outside St. John's. We will work at bringing expatriate Newfoundlanders and Labradorians home to work. And we will aggressively implement an Immigration Action Plan, focusing on attracting more immigrants to the province and welcoming them, and seeking to provide the optimal conditions to ensure that they have good work opportunities and are welcomed as contributing members of our communities.

Our Families Plan will work to create economic and social conditions in our province to increase the birth rate, and will work to remove financial barriers to people who have or want to have children. We will provide expanded childcare. We will also carefully study the elements of quality of life for families, with a commitment to optimize government programs and services to ensure the highest possible quality of life for families in our province.

Our Workforce Development Action Plan will support job growth, help people find jobs, and help employers find employees. Our province is rich in natural resources and we have some of the most resilient and creative people on the planet. We will focus on optimizing employment opportunities for unemployed and underemployed people of our province, and take measures to help match particular skills with opportunities in the employment market. We will drive research and development, and promote business incubators like the Genesis Centre at Memorial University. We believe that high paying jobs, innovation, and the use of our greatest natural resource – the ingenuity of our province's peoples – is the best way forward. We will take measures to attract innovative international businesses and technological sector employers to the province. We will implement programs across government, particularly in business and tourism, that build on our enviable international reputation as a world-class tourism destination, and a world-class destination for gastronomy, music, culture, and the natural environment. We will also market the province as a highly desirable lifestyle, cultural, economic, and employment destination in which to work, live, and raise a family.

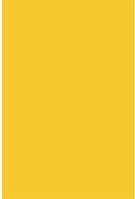
Our Communities Action Plan will promote diversity, focus on immigrant retention, and for rural regions of our province it will particularly target specific regional immigration strategies tailored to the labour market needs of larger communities outside St. John's. Our vision is of communities with activities, amenities, and services for residents of all ages, serving people with differing needs from many different backgrounds. We will aim to make diversity and opportunity the hallmarks of our province's communities in the future.

Our goal is to bring expatriate Newfoundlanders and Labradorians home to work in communities where families can set down roots and build a high quality of life. Partnering with municipalities, we will develop quality of life plans that support a high quality of life in our communities.

Aggressive action will be taken on our Immigration Action Plan, focusing on attracting more immigrants to the province, welcoming them. Over the next five years, we will work to increase by 15% annually the target percentage of immigrants over the current target of 1700 immigrants. We will market and promote the province within Canada and especially internationally, and work with employers to ensure that we do everything in our power to recruit and retain immigrants. We will bring the federal government to the table to create a new Canada-Newfoundland and Labrador streamlined and accelerated immigration agreement. We will also systematically and aggressively seek to remove the barriers to permanent settlement for the thousands of international students who are studying in our university and college systems. We need to ensure the highest quality of their experience here; we need them to find good work here, choose to settle permanently in the province, and because of their potential as some of our best international ambassadors, we need to use their skills, ingenuity, and linguistic abilities to promote the province internationally.

We cannot accept a future where doom and gloom about our future prevail. The PC Party has a positive vision of a prosperous future for our province. Unlike the Liberals, we will not spend four years destroying consumer confidence in our economy. Unlike the Liberals, we will not neglect opportunities to promote the province internationally. Unlike the Liberals, we will not stand by unconcerned and allow flights connecting our province internationally to be cancelled. We will not promote negativity, or allow our youth to lose their identity and hope in their own future. Newfoundland and Labrador can have a strong economy, and vibrant cultures, with the right strategies and the right plans. We believe that we have the strongest vision and the best plan.

As a part of the Population Growth Plan, a Crosbie government will establish a Graduate Retention Program. This program will provide a tax credit, to a maximum of \$20,000, when post-secondary graduates choose to work in this province. The rebate will be based on the amount paid by the graduate and the level of education they have obtained. The rebate will be paid to the graduate for seven years after they have graduated while they work in this province.



1.2 KNOWLEDGE ECONOMY AND EDUCATION

The Knowledge Economy is emerging within our province. The aerospace and defence, ocean technology, and information and communication technology industries are great examples of how this economy is providing jobs to our workforce. Actions need to be taken to ensure that our educational programs are designed to meet the needs of the future. Actions also need to be taken to ensure that the private sector is ready to take advantage of emerging technologies.

A Crosbie government will aim to grow the applied research capacity within the province and explore opportunities for local industry to benefit from ongoing research.

A Crosbie government will work with investors to determine the role the government can play in bringing innovation to the commercialization stage.

A Crosbie government will create a new venture capital fund. The province will invest \$10 million, in addition to private sector contributions obtained through the Venture Capital Tax Credit. This fund will be technology focused and will help companies expand their base within the province.

1.2.1. Education

A common indicator of cognitive achievement, used around the world, is the OECD's Programme for International Student Assessment. PISA tests 15 year olds every three years in three key subject areas: math, reading and science. In the latest round of tests, Canada was in the top tier of international rankings. Within Canada, Newfoundland and Labrador ranked near the bottom when compared to other provinces. More alarming, since 2003 Newfoundland and Labrador's ranking has declined nationally and internationally.

A Crosbie government will focus our schools on developing cognitive learning to the limit of each child's capacity to learn cognitive skills. That approach will reduce achievement gaps between rich and poor, the learning advantaged and the learning disadvantaged, urban and rural, and Newfoundlanders and Labradorians compared to students in the rest of Canada.

A Crosbie government will acknowledge the performance problem we have and give the Education Department and our School Boards a year to come up with performance targets that will:

- close the PISA gap between NL and the average for Canada by 2030;
- reduce the PISA performance gap between rural and urban schools; and
- reduce the PISA performance gap between the learning advantaged and learning disadvantaged students.

A Crosbie government, in partnership with the English and Francophone School Districts, will:

- Develop the necessary remedial programs, teaching techniques, policies and funding model to ensure that significantly more students have mastered reading before entry into the Intermediate education program;
- Develop the necessary remedial programs, teaching techniques, policies and funding model to ensure that significantly more students have mastered basic mathematics functions before entry into the Intermediate education program;
- Articulate and promote mathematics and reading cultures among students and the general public that instill the importance of these disciplines in future academic and career success;
- Conduct a comprehensive review of the senior high school curriculum and make changes necessary to ensure that courses are relevant and promote creative thinking, problem solving, financial literacy, civic participation, and decision-making skills essential to personal and professional success in the 21st century;
- As part of the above review, develop a strategy that ensures all students understand the need and opt for the more academically demanding high school courses needed for success at the post-secondary level;
- Conduct school-by-school surveys to identify students who are at risk of dropping out and develop outreach programs and services to ensure their continued education;
- Develop more robust mechanisms for obtaining high school certification, for students who have already dropped out;
- Ensure that all school guidance counsellors are better equipped and are given sufficient time to provide high school students with the knowledge, skills and information they need to make informed career and post-secondary decisions;
- Examine high school graduation requirements and refine them where appropriate to match current and future labour markets;
- Examine intermediate and high school course offerings and modify them where appropriate to align them with national and international best practices in ways that will more effectively prepare students for post-secondary education options and career choices after high school;
- As a necessary consequence of the closure of the School for the Deaf in 2010, provide training in American Sign Language (ASL) to teachers and fellow students of the several hundred deaf and hard of hearing students in our school system, to ensure that inclusive learning is truly inclusive of the developmental and educational needs of this unique population.

Deaf and hard of hearing students should receive the same level of services as was provided to them at the date of closure of the School for the Deaf. We will conduct a review to identify gaps and work with parents to develop a plan to close the gaps.

It is generally agreed that artificial intelligence and its associative machine learning and robotics will change almost every line of work, from producing textiles to teaching how to play golf. Artificial intelligence (AI), with its algorithmic backbone, is exponentially more powerful than computers as they have been used in the past. AI has now established a firm foothold, having advanced at a very rapid pace over the past few years. Although AI will result in the creation of new types of jobs, many more blue collar and white collar jobs stand to be lost around the world in the transition.

No job will be immune from the threat of automation brought about by AI. New jobs created as a result of AI will probably demand high levels of niche expertise, and therefore not solve the problems of displaced workers. Yuval Noah Harari in his book *21 Lessons for the 21st Century* gives the following example: "In 1980 an unemployed factory worker could start working as a cashier in a supermarket. Such occupational changes were feasible, because the move from farm to factory and factory to supermarket required limited retraining. But by 2050, a cashier or textile worker losing her job to a robot will not be able to start working as a cancer researcher worker, as a drone operator, or as part of a human AI banking system. She won't have the necessary (niche) skills." (p.39) Harari goes on to assert that "if we are not careful we may end up with the worst of both worlds, suffering simultaneously from high unemployment and a shortage of highly skilled labour." (p.39) Newfoundland and Labrador must prepare.

A Crosbie government will:

- Examine the intended post-secondary choices of graduating high school students to determine if the numbers of students opting for technically oriented careers are commensurate with projected needs for technology oriented jobs;
- In high schools and among the general public, promote technology related careers as viable and desirable in the emerging age of AI automation;
- Develop and enhance technology oriented programs at post-secondary institutions, where needed.

A Crosbie government will also:

- Bring together thought leaders from business, labour, academia, the not-for-profit sector and government to discuss today's workplace challenges along with strategies to chart a successful path forward. Key questions for discussion will include: (a) How do we build a highly skilled flexible work force that meets present demand, is able to adapt to changes in the work place, and is able to transfer between sectors?, and (b) What initiatives should we take to reduce barriers that can exclude people, including youth, women, older workers, persons with disabilities and immigrants? Much of this work will focus on improving labour market access and attachment and providing appropriate social protections.

The Centre for Distance Learning and Innovation (CDLI) was introduced by the Peckford government to expand educational opportunities through the use of technology. CDLI can continue to help our province break barriers by expanding educational opportunities.

A Crosbie government will work with educators to:

- develop plans to expand CDLI services to a wider variety of students and curricular areas in our province;
- develop plans to use the CDLI infrastructure to enhance existing course offerings and to create new course offerings currently unavailable to NL students;
- develop plans to extend CDLI course offerings into the intermediate grade levels;
- develop plans to empower parents to become more involved in the education of their children, such as CDLI-based homework/study strategies specific to a wide variety of courses, access to online tutors, and online discussion forums.

We will develop a new policy on school busing within 1.6 kilometres of school.

The Collins Task Force on Improving Educational Outcomes did fine work in reviewing the issues and bringing forward recommendations. We will ensure the sound recommendations are implemented.

1.2.2. Post-secondary education

Post-secondary education, sometimes known as tertiary education, refers to education gained at colleges, universities, technical schools, and other institutions following completion of high school or a similar education.

The importance of post-secondary education has increased significantly in the last decade. A high school education alone is no longer enough to be successful in today's global economy. The economic health of a province has a positive correlation with the employment and productivity of its residents.

Studies of investments in post-secondary education show that rates for labour force participation rise significantly with higher levels of schooling, and the income of residents with more education is generally greater than the income of those with less education.

One of the most important aspects of a post-secondary education is that it is often required for employment in a number of different fields.

Education benefits not only individuals, but also business and governments. First, higher productivity translates into higher income and, hence, improved standards of living. Second, a more educated workforce is less subject to unemployment and, as a result, society is less vulnerable to economic downturns and poverty problems. Third, such a workforce can produce a wide range of high-quality products and services from which society can choose. Revenues collected by governments are higher when the income base is higher, and these revenues help maintain and/or improve various social programs, such as health care. Finally, a more educated population tends to generate more R&D activity, which, in turn, leads to social benefits.

The public post-secondary education system in Newfoundland and Labrador consists of:

- Memorial University of Newfoundland (18,500)
- College of the North Atlantic (9000), and
- Private Training Institutions (2500)

Recognizing the importance of an educated workforce and with a focus on student outcomes and employability:

A Crosbie government will work with stakeholders involved in employment provincially, nationally and globally to create a framework of current and projected high demand employment opportunities coupled with education and training requirements to ensure successful employment.

We will work in collaboration with all post-secondary training institutions to ensure residents have affordable access to the training programs offering the highest potential to full-time meaningful employment utilizing institution location, program offerings and ability to mobilize.

We will review both Public and Private training legislation and regulations to create consistent guidelines that maintain a high level of commitment and standards with a focus on creating labour market driven programming resulting in greater employment opportunity for graduates.

We will work with stakeholders to develop a template for allotting and approving federal and provincial employment and training program funding that targets high priority labour market shortage areas with the goal of more-effective use of funding and improving employment outcomes.

We will explore options, both technical and practical, to ensure post-secondary programming is available to those in remote regions and in a manner that is cost effective and allows participation to fit personal schedules.

Memorial University and College of the North Atlantic will play an enormous role in securing a strong and sustainable future for Newfoundland and Labrador. Both institutions ought to be recognized nationally and internationally more and more as centres of excellence in academic programming, research and innovation.

Competitiveness in a changing world requires investment. We will work with Memorial University and College of the North Atlantic to attract investment and partners from around the world.

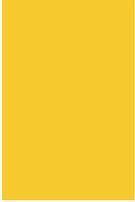
We will work with our public and private college system in collaboration with the private sector to deliver programs responsive to the needs of industry. We will ensure our graduates are prepared to enter the labour market with quality programming in subject matters that consider emerging industries, disciplines, and technology.

We will continue to support the most competitive post-secondary tuition fees and student aid programs in the country.

We will continue to work collaboratively with Memorial University to maximize the potential of Grenfell Campus at Corner Brook for the benefit of its students, and promote research and development to further diversify economic growth in the western region of the province.

We will work with Memorial and the College to promote opportunities for women, for Indigenous Newfoundlanders and Labradorians, and for persons with disabilities.

We will promote partnerships that will enable the provincial government to draw more effectively on the expertise of Memorial University and College of the North Atlantic.



1.3 DIGITAL ECONOMY AND BETTER SERVICES

1.3.1. Digital Government and Open Government

Innovations enable us to improve services for people. Digital technologies enable people to access services at home or closer to where they live.

We are in an age when digital technologies are a fact of life. Digital technology is no longer just about tech-savvy entrepreneurs with a new product or a new solution; it is now about all of us using digital technologies to do what we already do, only better.

Digital technologies are helping almost every industry in the private sector to do things better. Offshore oil rig workers and inshore fish harvesters analyze data every day from an ever widening array of satellites, sonars and sensors that makes them more productive and safe. In the private sector, we can purchase almost everything online, learn online, work from home or from another time zone, and access information and services easily and securely. Newfoundlanders and Labradorians expect as much from our government.

Certain jurisdictions in the world are leading in the delivery of services using new technologies. These include the United Kingdom, Ireland, Estonia and South Korea. We will examine what they have done and measure our performance against the performance standards they have set. We will be especially vigilant in bringing these technologies to our health care system, to ensure we can benefit more fully from the advantages these technologies offer to patients needing care. In all of these reforms, the objective is to improve the way services are delivered to you, so we meet your needs more effectively and more quickly.

By providing better services to communities, these technologies can actually make our rural communities better places to live, more attractive for those who wish to live there and more viable.

Our province has been a leader in technology innovation for a long time. Local industry leaders have raised the bar globally. This is a niche that people here are good at filling and dominating. It's one of our province's strengths. We are ready to drive this growth by partnering with innovators, start-ups and leading companies to grow opportunities and jobs throughout our province. We can drive this growth in the private sector by doing things right with technology in the public sphere – cooperating to serve people better.

A Crosbie government will make it easier than ever before for Newfoundlanders and Labradorians to access government services and information. We have eight objectives:

- Secure access to government information on any device at any time and anywhere.
- Secure access to commonly used government services on any device at any time anywhere.
- Prioritize services that citizens consider most critical.
- Websites and applications that compare with digital experiences created in the private sector.
- Digital Health Networks that securely share health information so Newfoundlanders and Labradorians are better informed and can better manage their personal and family health.
- Immediate disclosure to you any time your personal data is accessed by the government.
- User feedback to continually improve digital services and ensure accountability for meeting citizens' expectations.
- Opportunities for the public to review and comment digitally on government data and information so more insight can be included in government decisions.

1.3.2. Preparing for the Opportunities

The digital economy has the potential to transform economic activities within Newfoundland and Labrador. A Crosbie government will prepare the province and businesses within the province to work in the digital world and to take advantage of the opportunities that exist.

This includes working with businesses to help them access the necessary human talent and capital to take advantage of opportunities globally.

It includes opening doors for residents to participate in upskilling programs to ensure that Newfoundlanders and Labradorians are able to participate in the digital economy.

5th Generation ("5G"), AI, and machine learning will open doors to new opportunities around the world and here at home, revolutionizing the way we live and work. In collaboration with the province's technology sector, a Crosbie government will work to position Newfoundland and Labrador to prepare for and capitalize on these opportunities, and to lead.

A Crosbie government will ensure that the province's post-secondary system is educating students to work within the digital economy. It will also ensure that students are prepared,

through the K-12 system, to move into more advanced digital training in the post-secondary system.

We will provide the people of Newfoundland and Labrador with digital government that:

- is secure, open, and transparent;
- respects freedom to live, work, and raise a family where citizens so choose;
- operates quality government services, accessible 24/7 anywhere in the world; and
- offers a global medium for connection to our growth and development.

We will establish a Chief Technical Officer (CTO) for the province with resources and a mandate for aggressive digital change.

We will introduce digital signature legislation to allow for binding digital transactions and agreements.

We will explore the option of establishing a single provincial Government ID program that allows the people of the province to access e-government services securely. This would:

- ensure immediate disclosure to the citizen anytime their personal data has been accessed by government;
- ensure access to practically all government services in the province: 24 hours a day – 7 days a week – 365 days a year; and
- make available open data from e-services as a matter of course, for NL citizen engagement, process improvement, public scrutiny, and both academic/research use and modeling.

We will lead a partnership between Newfoundland and Labrador Public Libraries and CLDI (the Centre for Distance Learning and Innovation) to act as lifelong learning centres. We will:

- reimagine our libraries and community centres as a vital link for our citizens to live and age well, while being globally connected; and
- offer an innovative and socially modern view for our libraries to be Communications and Community Centres connecting our people.

Remote work is on the rise. We will establish a pilot project to attract to Newfoundland and Labrador those who can work remotely. People may be able to work from home in rural Newfoundland and Labrador as effectively as in Toronto. Participants in the pilot program could receive incentives such as tax credits for bringing working technology jobs to rural Newfoundland and Labrador.

1.3.3. Newfoundland and Labrador as a Data Hub

A Progressive Conservative government will assemble a digital technology consortium with academic institutions and companies of all sizes to position Newfoundland and Labrador as a global hub for digital technology innovation. The consortium will consider solutions to enhance

the potential of Newfoundland and Labrador’s digital industry, advance the competitiveness of our resource sector, and secure new global markets for our digital products. By teaming up with industry and academic institutions, a Crosbie government will be a partner in a crucial hub for the digital industry in Newfoundland and Labrador, and help develop a culture of collaboration and openness that will lead to more innovation and growth in our economy.

Competitiveness for data hubs is based on three distinct factors:

- moderate climate (reduces server cooling costs);
- predictable electricity rates; and
- connectivity to diverse global fibre optic networks.

Newfoundland and Labrador is positioned to capitalize on the first and second factors, with a need to enhance connectivity to global fibre optic networks to fully realize its potential.

Our goal is to leverage the provincial government’s dark fibre optic strands on the Atlantic Cable Facility (Figure A) to enhance this access to these global networks.

We will examine the feasibility of the “Great Circle Route” between New York and London through the island of Newfoundland (Figure B). If feasible, we will open the “Great Circle Route” for a global RFP process.

- The shortest possible fibre cable route between these locations is likely to pass through the island of Newfoundland.
- This would position the province at the crossroads between major data exchange points.

We will establish a working group to approach current trans-Atlantic fibre cable operators to land fibre in Newfoundland and Labrador. This will allow the province to offer diverse fibre optic network access to a local data centre industry.

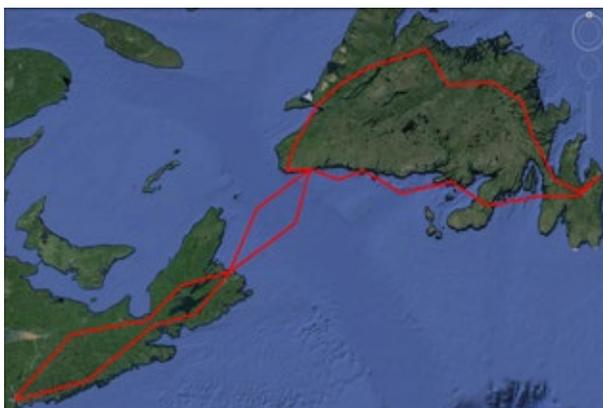


Figure A



Figure B



1.4 ENERGY WEALTH

1.4.1. Energy

The Province of Newfoundland and Labrador has vast opportunities to develop its renewable and non-renewable energy resources. A Ches Crosbie government will work towards the sustainable and responsible development of the province's "energy warehouse".

A Crosbie government, in its first year, will build on the foundation of the 2007 Energy Plan by publishing volume 2 of the Energy Plan to guide renewable and non-renewable energy development for the next ten years. Volume 2 of the Energy Plan will explore wind power, tidal energy, and natural gas as viable options for future development.

1.4.2. Oil and Gas – Newfoundland and Labrador as the Principal Beneficiary

In keeping with the spirit of the Atlantic Accord that Newfoundland and Labrador is to be the principal beneficiary of our resource development, a Crosbie government will use the Atlantic Accord as the guiding principle for negotiations with the oil industry surrounding benefits agreements. This means Newfoundlanders and Labradorians should be the beneficiaries of jobs, especially but not only in construction, and Newfoundland and Labrador companies should be the beneficiaries of construction, supply, service, and maintenance contracts.

As outlined in the section on Standing Up for our Province, a Crosbie government will stand up for the Atlantic Accord by opposing federal Bill C-69, federal Bill C-55 and Canadian Environmental Assessment Act, 2012 provisions that threaten to impede development of the Newfoundland and Labrador offshore.

A Crosbie Government will take a "life of field" perspective with respect to all oil and gas development. This perspective will ensure local economic benefits and local jobs accrue all along the way, from land tenure to exploration to production to decommissioning. Maintenance, operations, supply and service will provide Newfoundlanders and Labradorians with jobs and Newfoundland and Labrador companies with economic benefit.

A "life of field" approach will ensure the great prospectively identified through seismic and geoscience will result in job growth in our provincial economy. A Crosbie government will work with the service sector to ensure they are ready to take full advantage of future growth.

A Crosbie government will work with the oil and gas industry to pave the way for the next stage in the oil and gas frontier. Newfoundland and Labrador has potentially 100 billion barrels of oil equivalents unexploited offshore – equal to Norway’s remaining resources. A Crosbie government will work to advance development of our vast natural gas reserves.

Offshore Newfoundland and Labrador contains immense reserves of natural gas, a clean, green and potentially valuable resource. A Crosbie government will, in consultation with industry and labour, initiate a review of the development options, economic benefits, execution risks and economic rewards with a view to monetizing this stranded asset. Natural gas brought to shore holds the prospect for job creation and the increased availability of affordable and abundant electricity, a potential export and a key enabler for the knowledge economy. Natural gas can be a significant contributor to the next phase of offshore development; we intend to have a full understanding of the possibilities.

Keeping in line with ensuring our province is the principal beneficiary of our offshore resources, a Crosbie government will modify the land tenure award system to consider not only the highest bidder but also the provincial benefits. This will become an integral part of all future bids, starting in the fall of 2019.

A Crosbie government will negotiate benefits agreements that target maximum sustainable supply, service, and maintenance industries with employment opportunities where we have the potential to capitalize on our competitive advantages, and indeed **to “create” competitive advantages**. The agreements will include commitments related to employment, contracting and procurement, gender equity and diversity, and prescribe work to be done in the province related to engineering, construction and fabrication.

The Bull Arm Fabrication Site is a world class facility, which a Crosbie government will retain as a Crown asset and ensure it is maintained in a state of readiness for usage by the private sector. A Crosbie government will promote Bull Arm as a facility for construction, fabrication, topside development, and maintenance of offshore platforms and drill rigs. We will engage Trades NL in future projects on the Bull Arm site, through a Special Project Order (SPO).

1.4.3. Electricity

Volume 2 of the Energy Plan will prepare the province to regain control of the Upper Churchill hydroelectric power. A Crosbie government will ensure, through detailed analysis and preparation, that our province is prepared to use the energy for the long-term economic benefit of the province. This will include grid preparation, energy marketing, legal and technical analysis.

A Crosbie government will promote electrification and, where possible, support the electrification of public buildings not currently on the grid.

Currently there are several communities in this province that are isolated and rely on diesel generation for their electricity needs. A Crosbie government will study the options to replace diesel generation, with the objective to reduce the number of communities that rely on diesel generation.

To ensure the resources of the province are used in the best interest of the province, a Crosbie government will explore opportunities for conservation management. This includes incentives for consumer conservation and the consideration of energy efficiency in the construction of new public buildings. Energy not wasted is energy available to generate new wealth for Newfoundland and Labrador.

1.5 FISHERIES

1.5.1. Marine Protection Areas

The federal Liberal government, highly influenced by extremist environmentalists, has increased marine exclusion areas from 2 to 8.27% of our oceans and intends to further increase this exclusion area to 10%. While marine protection areas afford environmental protection, there has not been sufficient study or consultation with the fishing, or oil and gas, industries. We demand that our important industries be provided the careful analysis required before further decisions are taken.

1.5.2. Indigenous Access/Grand Bank Clam Issue

Our government will promote the enhancement of Indigenous access to our fishery resource. It should be attained through an open and transparent process by the federal government in collaboration with appropriate stakeholders. The resource would be available through voluntary transfer/sale from existing quota holders or with a total allowable catch (TAC) increase.

There should be no mandatory, unilateral action by the federal government to remove quota from existing enterprises as demonstrated in the failed Grand Bank Clam issue in 2018.

1.5.3. Re-Building the Cod Fishery/Seal Hunt

A Crosbie government will take an honest approach to the cod fishery and seal hunt. Studies have shown that a grown seal can consume 1.5 to 2 tonnes of fish per year. A successful seal

harvest is vital to addressing the increasing seal population, which will limit the pressure on our rebounding cod stocks. Our humane seal harvest, with full utilization of seal products from oil to leather to protein, can sustain jobs and communities while helping stocks recover. We will ensure the resources exist to support and market our industry properly.

1.5.4. Joint Management

A Crosbie government will call for joint management of our fishing industry alongside our federal counterparts through a board similar to the Canada-Newfoundland and Labrador Offshore Petroleum Board. Practical regulation and administration in areas such as vessel size, gear type, and search and rescue are vital to a successful industry, and can only be realized with regional authority. We need a seat at the table.

1.5.5. Aquaculture

The aquaculture industry is key to the economic revival of rural Newfoundland and Labrador. Our government will champion an environmentally sustainable industry that provides long-term opportunities for our rural areas that are not to the detriment of our existing wild stocks. A Crosbie government will work to streamline the existing regulatory framework while increasing transparency in reporting and monitoring of the industry. Our rural economic security depends on a balanced approach to industry. Aquaculture projects must not be added to the Bill C-69 Project List.

1.6 GREEN ECONOMY

1.6.1. A Sustainable and Green Economy

The United Nations labour agency says jobs in the green economy will 'more than offset' losses in traditional industry by 2030. A Crosbie government will take a sustainable development approach, and promote the development of enterprises throughout Newfoundland and Labrador that capitalize on green employment, and business start-up opportunities.

Building a sustainable economy includes looking at the traditional economic sectors in a different way. Ensuring sustainability means using our resources to create jobs and revenue resources that will endure into the future.

The green economy will ensure our renewable resources are truly renewable. A Crosbie government will manage our renewable resources with the long-term future in mind. As a province, we must ensure the renewable industries we inherit are passed to future generations in a better, stronger and more resilient condition.

Climate change is one of our world's most pressing public policy issues. It presents us with a truly global challenge: reduce greenhouse gas emissions or be prepared to live in a world very different from our own. The effects of climate change present Newfoundland and Labrador with challenges. Over the next several decades our province's average temperature is expected to increase dramatically, especially in northern Labrador. This increase could have severe impacts on our province. Some examples include: melting of permafrost in the North impacting the structural integrity of buildings and infrastructure, an increase in sea ice making marine transportation of people and goods more difficult, and an increase in unpredictable weather events such as Hurricane Igor in 2010 which cost the province many millions of dollars in damages. Other effects of climate change can impact upon our fishing, aquaculture and agriculture industries that we rely upon greatly in this province. Our province needs a two-pronged approach to climate change: to reduce greenhouse gas emissions, and to mitigate the impacts of climate change.

The Trudeau-mandated carbon tax, eagerly embraced by the Ball Liberals, is the wrong approach. It turns the 'temporary' gas tax into a permanent drain on our economy without reducing carbon emissions, because it punishes people for not switching to low-carbon alternatives that are unavailable to them. The Liberal approach undermines our economic competitiveness without making a dent in global emissions. Canada contributes about 2% of the world's greenhouse gases per year, and Newfoundland and Labrador accounted for 1.53% or approximately 1/65th of Canada's total greenhouse gas emissions in 2016. We have already made an enormous contribution as a province. Investing to switch from carbon-fueled electricity to hydroelectricity is our primary contribution to the reduction of harmful emissions. Hydro projects on the Churchill River must be fully and fairly credited to Newfoundland and Labrador. Those who reduce emissions should be rewarded. We will do more.

1.6.1.1. Plastic Reduction

As announced in June 2018, a Crosbie government will follow through on the recommendation of Municipalities NL and others to ban single-use plastic bags. This will not be a stand-alone policy but a sign of a new way of thinking about plastic use and pollution. We will explore other ways to reduce plastic pollution in our environment, on land and in our ocean. We will commission the Multi-Materials Stewardship Board to work with Municipalities NL and other stakeholders to explore opportunities to expand recycling in our province, which is lagging behind other jurisdictions. We will also promote an attitude of collective stewardship of our environment to nurture a culture of waste prevention.

1.6.1.2. Transportation

We will encourage and promote the use of electric vehicles (EVs). We will explore opportunities to increase access to charging stations for electric vehicles, so people have a choice. We will make these options more feasible as we promote the use of electric vehicles for public transport and expand the proportion of vehicles in the government fleet that are electric vehicles.

1.6.1.3. Infrastructure (Homes and Buildings)

We will work with Newfoundland and Labrador Housing Corporation to make low-income housing across the province more energy-efficient. We will apply higher standards for energy efficiency in new public infrastructure projects.

1.6.1.4. Renewable Energy

We will work to advance renewable energy projects using our province's green energy resources. We will seek alternate green sources of energy for isolated northern communities reliant on diesel fuel.

1.6.1.5. Change of Culture

We will make addressing climate change a government and public policy priority. We will raise public awareness about climate change. We will ensure students are educated about climate change and its effects. We will promote awareness of the fact that many choices that are good for the environment – such as walking and biking – can also have positive health benefits for people.

1.6.1.6. NL Green Fund

We will make use of the NL Green Fund to reduce emissions. We will enable the Fund to invest in research and development of green technologies, initiatives and private sector projects that would help reduce emissions. We will enable the Fund to provide grants and other incentives for low-emitting projects from a variety of industries and sectors. We will use the Fund as a lever to help us build a stronger and greener economy for the future.

1.6.1.7. Mitigating the Impacts of Climate Change

We will consult with municipalities throughout the province about the potential impacts of climate change on our towns and cities. We will support infrastructure improvements to buildings and roads that are most susceptible to the effects of climate change. We will work with stakeholders and industry to make sectors such as agriculture, the fishery and aquaculture aware of the effects of climate change and make their industries more resilient and resistant to current and future impacts. We will educate homeowners in how to adopt measures to protect their homes against the effects of climate change. We will work with governments in Atlantic Canada and the federal government in adopting regional strategies and supports to combat the effects of climate change. We will consider commissioning a Newfoundland and Labrador Climate Change Impact Assessment on a specific term basis (every 5 or 10 years, for example). This Assessment would help to identify the potential impacts of climate change on our province in a changing world environment and help us prepare an effective plan to mitigate against those impacts. We will collaborate with communities, researchers and the federal government to monitor and address coastal erosion.

1.6.2. Forestry

Our Party supported a vigorous, evidence-based campaign to counter the tariffs temporarily imposed on our forestry products. Fortunately, this campaign was driven by political leaders of all stripes in the United States and by the American business community. Their work helped to spare us the consequences of tariffs. We will continue to be vigilant, collaborative and well-informed in standing against any unfair trade barriers to the products we export.

We will continue to stand by Corner Brook Pulp and Paper, one of the province's most important enterprises – the cornerstone of the Island's West Coast.

The province is not making optimal use of its forest resources. Whether trees are used to produce lumber or other products, production should be done in ways that bring more employment and value-added spin-offs benefits to local communities.

The government, as the steward of our Crown lands, must make better choices when determining how forested land will be used, focusing on maximizing its value to our people.

We believe in sustainable development, which means we must continue to replenish our forests, and continue to be vigilant in protecting our forests from infestations and fires.

We will work corroboratively with people throughout our forest industry to achieve greater benefits from this important renewable resource.

1.6.3. Agriculture

A Crosbie government's agricultural priorities will include:

- food security;
- land access for new entrants;
- a farm loan guarantee program; and
- development and marketing of new products.

We must produce more of the foods our people actually consume, and encourage people to buy locally grown food products. The government's food security targets are too modest. We should do better.

In collaboration with farmers, we will develop a new Agriculture and Agrifoods Action Plan.

We will support a farm loan guarantee program to provide farming enterprises with access to capital they need to grow and advance diversification and value-added production.

We will develop a suite of initiatives to attract and support new entrants in various sectors of the agricultural industry. We will facilitate mentoring, mutual support networks, and training

opportunities for farmers, farm workers and farm families to improve farming skills and knowledge through workshops, seminars and farm exchange programs.

We will work with farmers and farm associations to understand and mitigate barriers to growth in food production and sale for local consumption. We will create economic conditions that encourage private sector venture capital investment in value-added agrifoods businesses. We will encourage cooperative producer networks to share facilities and equipment that require large capital investments. We will help farmers identify financing products that provide assistance to farmers for improvement and expansion of farms, and to agrifoods enterprises for processing, distribution and marketing of farm products. We will work with farmers to promote professionalization and succession planning.

We will continue to support farmers through off-farm access roads and electrical services for agricultural operations.

We will help farmers acquire technical and scientific support to encourage higher levels of technology and innovation to improve farm efficiency and product quality.

We will work to increase the value and marketability, locally and globally, of local agricultural products. We will work with producers to meet the ever-increasing consumer expectations for food safety and high quality in food products.

We will work with farmers and others to protect and promote agricultural uses and normal farm practices in prime agricultural areas.

We will work with industry in Labrador to identify opportunities for growth.

We will explore opportunities to gain a greater share of the growing market for organic foods, and work with organic farmers to identify incentives and other assistance that may facilitate growth.

We will promote the purchase and use of Newfoundland and Labrador-produced foods by Newfoundland and Labrador schools, hospitals and other public institutions. We will continue to champion the work of community food sharing organizations.

1.7 MINING

The province has significant remaining mineral potential and remains underexplored. Ensuring a high level of mineral exploration is essential for ensuring new discoveries. This requires continued investment in government programs and initiatives that advance exploration.

Prospectors, exploration companies, mining development companies, and active mines all require different actions from the government to ensure they can flourish in the global economy. A Crosbie government will work with proponents at each stage of development to drive growth in the mining industry.

We will apply the lessons learned in oil and gas exploration to drive mining geoscience and promotion.

We will incentivize exploration in the mining industry through a tax credit.

We will publish maps and geoscience data to help prospectors and exploration companies pursue eventual development.

We will promote the province's wealth of undeveloped mineral resources, include rare earth elements that are of great importance in newly advanced technologies.

The agreement to conduct underground mining at Voisey's Bay was made in 2013 under a PC government. We will work with the company to advance this project so workers and the local economy benefit fully and fairly.

Mining operations must balance development goals and sustainable environmental policies. Mining projects must undergo proper environmental assessments that require assurances of impact mitigation and remediation plans.

1.8 TOURISM

Newfoundland and Labrador has a rich history, a vibrant culture, and a natural environment that makes our province a unique tourist destination for many. A Crosbie government will act, in partnership with the industry associations, with the goal of expanding the industry.

In partnership with Hospitality NL, we will develop a renewed "Uncommon Potential" strategy.

A Crosbie government will implement a renewed Air Access Strategy to ensure that visitors can access our province from major transportation hubs. A Crosbie government will also work to ensure access to our province by water is more affordable as the regular increases by Marine Atlantic are a barrier to access for many.

We will explore the option of making specific investments that grow the numbers of seats on planes using Newfoundland and Labrador airports. Tourists bring money into the province. Their economic impact justifies the investment in air access to get them here. Other jurisdictions have driven air access by investing in capacity growth, having calculated the

economic return on that investment and realized that the benefits are greater than the amount invested. We make similar calculations when we invest in airport upgrades. We will bring this same proactive way of thinking to decisions about investing in flight capacity, service quality, frequency and convenience.

By placing a tourism lens on the provincial roads plan, we will ensure that tourists are able to move throughout our province with little disruption and with quality roads.

We will work with the local tourism industry and the private sector to further the feasibility of a fixed link between the island and Labrador.

We will take actions to enhance the brand and marketing of the province. We will continue to invest in the award-winning marketing campaigns that have set Newfoundland and Labrador apart.

We will work with the tourism industry to promote excellence in service delivery.

Our province offers a variety of unique tourist experiences. We will ensure our ecotourism, adventure tourism, and cultural tourism brands are all developed and marketed to prospective visitors.

By extending the shoulder seasons and developing our winter tourism, we will make our province a year-round tourist destination.

We will collaborate with the outfitting sector to promote this tourism niche.

We will invest in heritage interpretation, site development and other product development to enrich the experiences of tourists.

Prominent artists recently urged the provincial government to consider increasing the budget of ArtsNL to \$5 million over the next three years. A Crosbie government will do this.

We will work with ArtsNL on ways to ensure funding is available for new and emerging artists, for up-and-coming members of the arts community, and for artists in rural communities.

We will consider ways to simplify the funding application and approval process.

When tourists and local residents travel throughout our province, they enjoy not only our spectacular land- and seascapes, but the experiences they can have with people.

Art celebrates who we are and amplifies the value of the tourist's experience. Whether it's a mural on a building or the woodwork along a trail, a perfectly cooked meal or a handmade textile, a local festival or the sounds of local musicians playing their songs, these are the things that make a tourism experience unique and unforgettable, and get the word passed along to others who are looking for a wonderful place to go. It's not just a line in an ad. It's who we are.

We will drive growth in our tourism sector by investing in our arts community, both in urban and rural regions, in recognition of the power of artists to magnify the impact of those investments, promote tourism, educate and inspire.



1.9 LABRADOR

Virtually all of our policies include Labradorians, but there are specific approaches we need to take to respect the unique circumstances and opportunities in Labrador.

A Crosbie government will collaborate with Labradorians to develop a new Northern Strategy Plan for Labrador to build on the far-reaching successes of the original Northern Strategic Plan for Labrador. Our Northern Strategic Plan will be as bold as Quebec's Plan Nord.

Labrador is home to many Indigenous communities. For our policies regarding Indigenous communities, please also see the Section on Indigenous partnerships.

Currently there are several communities in this province that are isolated and rely on diesel generation for their electricity needs. A Crosbie government will explore the options to replace diesel generation, with the objective to reduce the number of communities that rely of diesel generation.

We will work with the mining industry in both Labrador and neighbouring Quebec, and with the Government of Quebec, to increase mining activity in the Labrador trough. See more in the section on Mining.

We will pursue every opportunity to see Labrador recognized nationally and internationally as a Gateway to the North, with proper road and sea routes extending beyond Labrador, so it is positioned to take a lead role in providing goods, services and a base of expertise for all other regions of Canada's North.

We will press the Government of Canada to acknowledge the importance of raising the quality of the Trans-Labrador Highway to Canadian national highway standards.

We will explore opportunities to partner with the Governments of Canada and Quebec on a long-term joint interconnection project comprising a fixed link connecting Labrador and Newfoundland, upgraded Labrador and Island highways leading to and from the link, and a completed Quebec Lower North Shore highway that would connect Southern Labrador to central Canada along the St. Lawrence.

A new Northern Strategic Plan must involve a partnership between governments, communities, organizations and people to address the high costs of food, travel and health-related transportation costs for Labradorians.

All of these initiatives and more will be explored as we move forward to develop the new Northern Strategic Plan for Labrador.



2. AFFORDABLE FUTURE

2.1 AFFORDABLE POWER

2.1.1. Energy

“The public fear over the affordability of Muskrat Falls, and the public hunger for leadership and hope, is the reason I brought out my Crosbie Hydro Energy Action Plan.”

– Ches Crosbie

The Muskrat Falls hydro-electric project’s huge cost overruns and multi-year delay, are the greatest immediate threat to our financial and social stability. The project has a current completion cost of \$12.7 billion. We must take action to address this massive debt and to ensure that power rates are affordable for the people and businesses of our province.

A comprehensive “Muskrat Falls Plan” to protect the viability and sustainability of this important national and regional hydro-electric project must be put in place over the next two years.

That is why I showed leadership and called for a reference to the PUB well before the current government got around to making the reference I called for.

That is why I showed leadership and announced the Crosbie Hydro Energy Action Plan, well before the Liberals were willing to announce theirs. Under my plan, electrical power rates will not increase when Muskrat comes into service in 2021. My Energy Action Plan identifies savings and mitigation funding sources in five areas, chief of which is hundreds of millions in revenue from Nalcor's oil and gas side. Based on the best information currently available through the PUB, those sources – together with any additional options that the PUB uncovers this year – will be sufficient to negate any rate increase caused by Muskrat Falls. Neither the government nor independent experts have made any noteworthy criticism of my plan.

As to the broader future, the 2007 Energy Plan developed by the Danny Williams government had two objectives: developing our resources and protecting the environment. The unifying goal was to lead in the global movement toward green energy by investing revenues from non-renewable oil and gas development, into renewable hydro and wind energy. The 2007 Plan set out a vision for this province as an “energy warehouse” and despite our disappointments with the execution of Muskrat Falls, that vision remains the basis for a prosperous and sustainable future.

2.1.2. Crosbie Hydro Energy Action Plan

Announced on March 11, 2019, the Crosbie Hydro Energy Action Plan will protect electrical power consumers in Newfoundland and Labrador from an increase in rates caused by the Lower Churchill Project, and achieve a fair and equitable return from the Upper Churchill.

“Ours was the only party to lay out a rate mitigation plan when people were calling for solutions,” said Crosbie. “It is honest. It is affordable. It provides a foundation for hope, because it demonstrates that we can do this. If I am elected Premier, I will ensure Newfoundlanders’ and Labradorians’ electricity rates do not rise because of Muskrat Falls.”

The Crosbie Hydro Energy Action Plan has three components:

1. Lower Churchill component. Fully prevent power rate increases due to Muskrat Falls by using:

- Hydro returns and dividends
- Export sales
- Nalcor restructuring
- Holyrood savings
- Nalcor oil revenue

2. Atlantic Accord component. As a temporary measure, if necessary, use a modest amount of the Atlantic Accord Fiscal Arrangement revenues owed by the federal government to Newfoundland and Labrador, to achieve full rate mitigation.

3. Upper Churchill component. As a longer term measure, if necessary, use the August 31, 2016 expiry of tax exemptions for the export of power from the Upper Churchill, to achieve “a fair and equitable return to the province as the owner of the Churchill Falls resource”, (as per the “Statement of Intent Regarding Churchill Falls Negotiations” between Hydro and Hydro-Québec dated February 1, 1984), and apply revenues to Lower Churchill rate mitigation.

In Detail

- As noted by the Minister of Natural Resources in her February 19, 2019 letter to the PUB: “the interim report contains preliminary findings and significant work remains to more fully assess and quantify cost impacts and the options to offset them”. LINK: <http://www.pub.nf.ca/2018ratemitigation/correspondance/Letter%20to%20D%20Whalen.pdf>
- Unlike the governing Liberals, Ches Crosbie and the PC Party believe the public deserves reassurance in the form of an Action Plan that goes beyond mere talk.

1. Lower Churchill Component

- On the basis of the best information available through the Interim Reports on the Public Utilities Board’s preliminary work, the Lower Churchill component is likely sufficient, in and of itself, to protect electrical power consumers in Newfoundland and Labrador from an increase in rates caused by the Lower Churchill Project.
- The Lower Churchill component of the Crosbie Hydro Energy Action Plan has five sub-components.

a) Hydro Returns and Dividends

- | | |
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| <ul style="list-style-type: none"> • Funds are available from the Muskrat Falls dividend. • The PUB’s Interim Report (page 7) states: “Liberty noted that substantial returns of over \$6 billion to Nalcor are forecast in the first 20 years of operation.” • These funds can be used to pay for rate mitigation. • Liberty also references other “net dividends” of \$27 to \$33 million a year from Nalcor’s other lines of hydro business. • “Liberty concluded that applying the returns and dividends to reduce the revenue requirement ... would avoid a very | <p>substantial portion of the increase in rates expected in the coming years.”</p> <ul style="list-style-type: none"> • In 2021, Nalcor estimates the value of Hydro returns and dividends will be \$90.4 million. • Add to that the \$33 million from other “net dividends” identified by Liberty. • That equals \$123.4 million in returns and dividends in 2021. • A Crosbie government would use those returns and dividends for rate mitigation. • A Crosbie government would make a reference to the Public Utilities Board, asking them for recommendations on how the contract ought to be amended. |
|--|--|

b) Export Sales

- Funds are available by maximizing export sales revenue.
- Electrification within the province can increase the revenue generated here at home.
- There are also lucrative export markets that can be tapped effectively.
- The Lower Churchill Project includes the new power corridor to the Maritimes through our partnership with Emera. This is a game-changer for export opportunities, and a Crosbie government will be prepared to take full advantage of that.
- The PUB noted that conservation and demand management can “allow for increased export sales during higher-valued winter periods.” (page 14)
- The PUB’s Interim Report (page 16) states: “Based on its analysis Synapse concluded there was significant potential to increase export revenues from the sales of surplus energy, depending on the level of energy efficiency and electrification achieved.”
- In 2021, Nalcor estimates the value of export sales will be \$41.0 million.
- That export revenue would be available to mitigate rates.
- A Crosbie government would be aggressive and positive in marketing surplus energy, and use the revenue to mitigate rates.

c) Nalcor Restructuring

- Funds are available from achieving savings by restructuring Nalcor.
- The PUB’s Interim Report (page 10) states: “Liberty suggested that a five percent cut in resources is not an unreasonable assumption based on preliminary work. Liberty estimated that a five percent cut in resources would reduce the revenue requirement by \$10 million to \$15 million per year.”
- The PUB said that five percent cut could be used for rate mitigation.
- A Crosbie government would double that to ten percent; and challenge Nalcor to be more aggressive in driving efficiencies without compromising the role of the province’s energy corporation in fueling development.
- In 2021, the value of those savings would be up to \$30 million.

d) Holyrood Savings

- Funds are available by applying savings achieved at Holyrood.
- The point of the Muskrat Falls Project was to retire the Holyrood Generating Station in order to avoid costly upgrades, to curb our reliance on petroleum for electricity, and to end the smoky emissions that have been blowing across the Avalon from one of our worst polluters.
- There are savings from the fuel that Holyrood would otherwise buy, and won’t be buying when Muskrat comes on stream, to burn and make electricity.
- The cost of oil to operate the Holyrood Generating Station varies with the price of oil and other factors. A savings estimate may be based on the amount of fuel Holyrood has burned in past years.

A projection of \$150 to \$200 million is reasonable, and \$150 million is selected as the more conservative of these figures.

- A Crosbie government would apply any such fuel savings to mitigate rates.

- A Crosbie government would also use any one-time greenhouse gas credits assigned to the province for retiring the Holyrood Generating Station in a way that would mitigate rates.

e) Nalcor Oil Revenue

- Funds are available from Nalcor cash flow from its petroleum arm.
- The 2007 Energy Plan stated (page 4): “Oil and gas, once produced and consumed, are depleted forever. We will maximize and effectively invest the value received from these resources to ensure current and future generations benefit from their development, while still providing a fair return to oil and gas companies that participate in the development of our resources.”
- The Energy Plan further stated (page 30): “A major decision in this Energy Plan is the strategic investment of a significant portion of our non-renewable resource revenues in renewable energy infrastructure, such as transmission, hydro developments and wind generation. Sharing the benefits of today’s activities with future generations is sustainable development in action.”
- The Energy Plan further stated (page 13): “The Government of Newfoundland and Labrador will: ...Leverage our non-renewable oil and gas wealth into a renewable future by investing a significant portion of our non-renewable resource revenues in renewable energy infrastructure and development.”
- The Energy Plan was based on the concept of tapping into non-renewable oil and gas wealth to help make the growth of renewable hydro infrastructure and operations affordable to Newfoundlanders and Labradorians.
- Nalcor is already profiting from petroleum development. Those revenues will grow in the years to come, and can be used to fuel new oil and gas sector development, but also to fuel the shift to renewable hydro, which will bring wealth to our province long after the oil and gas is gone.
- A Crosbie government would use the profitable petroleum arm of Nalcor so Newfoundlanders and Labradorians do not have to bear rate increases for Muskrat Falls.
- In 2021, an estimated \$231 million of the available funds from operations could be used for rate mitigation.
- This falls within the range of the \$210 to \$245 million per year that the government has directed Nalcor to source beginning in 2020-21 (according to the government’s 2017 Budget speech).
- If that amount of funds is not available, the plan is to use Atlantic Accord funding on a temporary basis to help mitigate rates.

2. Atlantic Accord Component

- As a temporary measure, if necessary, a Crosbie government would use a modest amount of the Atlantic Accord Fiscal Arrangement revenues owed by the federal government to Newfoundland and Labrador, to achieve full rate mitigation.
- This, too, is a way of using non-renewable resource wealth to fuel the growth of our renewable hydro energy sector.
- A Nova Scotia study in the early 2000's suggested Newfoundland and Labrador was receiving just 8% of offshore revenues while Ottawa was getting 92%.
- A decade ago, it took upfront and offset payments of \$3.2 billion under the renewed Accord to address that inequity.
- We believe the province is owed hundreds of millions of dollars a year under the "principal beneficiary" guarantee of the 1985 Atlantic Accord.
- A Crosbie government would fight for what we are owed, and, if necessary, use some of that additional revenue to mitigate electricity rates.

3. Upper Churchill Component

- As a longer term measure, if necessary, a Crosbie government would use the August 31, 2016 expiry of tax exemptions for the export of power from the Upper Churchill, to achieve "a fair and equitable return to Newfoundland [and Labrador] as the owner of the Churchill Falls resource", (as per the "Statement of Intent Regarding Churchill Falls Negotiations" between Hydro and Hydro-Québec dated February 1, 1984, page 1), and apply revenues to Lower Churchill rate mitigation.
- It has been recognized by various authorities over the years that tax exemptions for the export of power from the Upper Churchill expired in 2016, and that this province has the opportunity to take advantage of that.
- Section 92A was added to the Constitution Act in 1982 when the federal government patriated the Constitution. Sometimes called the resource amendment, it empowers the legislature of a province to "make laws in relation to the export from the province to another part of Canada of the primary production from non-renewable natural resources ... and the production from facilities in the province for the generation of electrical energy..."
- A Crosbie government would explore what this means for our province and how best to use or leverage this authority in order to benefit Newfoundlanders and Labradorians.
- If that revenue is available, and if it is needed to mitigate rates, then a Crosbie government would use it to spare ratepayers in this province any increase caused by the Muskrat Falls Project.

Baseline For Mitigation

- The PUB asked Nalcor: "Please provide Nalcor's current forecast of domestic electricity rates for the period 2019 to 2039, including recovery of all costs associated with the Muskrat Falls Project assuming no rate mitigation policies are implemented."
- Nalcor provided the "Forecast Average Domestic Rates" in the document posted on the PUB website numbered PUB-Nalcor-029, linked at: <http://www.pub.nf.ca/2018ratemitigation/responses/PUB-Nalcor-029.pdf>

- The 2019 current Average Domestic Rate is 12.26 Cents/kWh
- Nalcor projects the 2020 Average Domestic Rate to be 14.67 Cents/kWh
- So, 14.67 Cents/kWh would be the baseline forecast domestic electricity rate immediately prior to the production of Muskrat Falls power in 2021.
- A Crosbie government would mitigate rate increases at this baseline so the impact on ratepayers of Muskrat Falls is zero.
- This is not a promise to subsidize normal inflationary increases in the cost of service as per generally accepted public utility regulatory principles.

Spreadsheet

The following spreadsheet shows the numbers for one year, 2021, as an example. The numbers change in the subsequent years, as is clear in the sources referenced.

#	ITEM	VALUE IN 2021 (\$M)
	MONEY REQUIRED	
1	Average amount per year to mitigate rates to 14.67 ¢/kWh	575.4 (\$M)
	MONEY AVAILABLE	
2	a) Hydro returns and dividends	123.4 (\$M)
3	b) Export sales	41.0 (\$M)
4	c) Nalcor restructuring	30.0 (\$M)
5	d) Holyrood savings	150.0 (\$M)
6	e) Nalcor oil revenue	231.0 (\$M)
	TOTAL OF MONEY AVAILABLE	575.4 (\$M)

FOOTNOTE [1] - Average amount per year to mitigate rates to 14.67 ¢/kWh

“Based on the most current estimate of the Muskrat Falls Project costs it is expected that the average retail rate paid by customers of Newfoundland Power after commissioning of the project will increase to 22.89 cents per kWh.”

Source: PUB Interim Report, page 21, LINK: https://www.nr.gov.nl.ca/nr/publications/energy/PUB_rate_mitigation_options_and_paying_for_muskrat_falls.pdf

Nalcor projected Average Domestic Rate for 2020 (the baseline year before Muskrat Falls is producing power in 2021) = 14.67 ¢/kWh

Source: PUB-Nalcor-029, page 1, LINK: <http://www.pub.nf.ca/2018ratemitigation/responses/PUB-Nalcor-029.pdf>

Mitigation means reducing 22.89 ¢/kWh to 14.67 ¢/kWh = 8.22 ¢/kWh difference

“Hydro has estimated that each 1 cent per kWh in rate mitigation would require approximately \$70 million per year in funding.”

Source: PUB Interim Report, page 21, LINK: https://www.nr.gov.nl.ca/nr/publications/energy/PUB_rate_mitigation_options_and_paying_for_muskrat_falls.pdf

$(8.22 \text{ ¢/kWh}) \times (\$70\text{M/year}) = \$575.4\text{M/year}$ to mitigate rates to the baseline

FOOTNOTE [2] - a) Hydro returns and dividends

Muskrat Falls Dividends (\$ millions) 2021 = 90.4

Source: PUB-Nalcor-030, Table 1, page 3, LINK: <http://www.pub.nf.ca/2018ratemitigation/responses/PUB-Nalcor-030.pdf>

“Liberty noted that substantial returns of over \$6 billion to Nalcor are forecast in the first 20 years of operation.”

Source: PUB Interim Report, page 7, LINK: https://www.nr.gov.nl.ca/nr/publications/energy/PUB_rate_mitigation_options_and_paying_for_muskrat_falls.pdf

“Other “net dividends” from Muskrat Falls Project exports, Churchill Falls, and Hydro regulated, which now includes a return based on Newfoundland Power’s equity return as set by the Board, are estimated to be \$27 million to \$33 million per year from 2021 to 2025 which could also be available for rate mitigation.”

Source, PUB Interim Report, page 7, LINK: https://www.nr.gov.nl.ca/nr/publications/energy/PUB_rate_mitigation_options_and_paying_for_muskrat_falls.pdf

Add \$90.4M to \$33M = \$123.4 million

FOOTNOTE [3] - b) Export sales

MF Export Dividends (\$ millions) 2021 = 41.0

Source: PUB-Nalcor-035, Table 1, page 3, LINK: <http://www.pub.nf.ca/2018ratemitigation/responses/PUB-Nalcor-035.pdf>

FOOTNOTE [4] - c) Nalcor restructuring

“In relation to the potential savings associated with Nalcor restructuring Liberty suggested that a five percent cut in resources is not an unreasonable assumption based on preliminary work. Liberty estimated that a five percent cut in resources would reduce the revenue requirement by \$10 million to \$15 million per year.”

Source: *PUB Interim Report, page 10*, LINK: https://www.nr.gov.nl.ca/nr/publications/energy/PUB_rate_mitigation_options_and_paying_for_musktrat_falls.pdf

Double to 10 percent = \$20 to \$30 million per year

FOOTNOTE [5] - d) Holyrood savings

The cost of oil to operate the Holyrood Generating Station varies with the price of oil and other factors. A savings estimate may be based on the amount of fuel Holyrood has burned in past years. A projection of \$150 to \$200 million is reasonable, and \$150 million is selected as the more conservative of these figures.

Source: *2018 Q3 Report, pages 11 and 17*, LINK: <https://nalcorenergy.com/wp-content/uploads/2018/11/MDA-Q3-2018-FINAL-11.15-web.pdf>

Source: *2017 Annual Report, Appendix 1, page 11*, LINK: https://nalcorenergy.com/wp-content/uploads/2018/04/annual-report-2018-LOW_FINAL.pdf

Source: *Environmental Benefits of Closing the Holyrood Thermal Generating Station (2012), page 1*, LINK: <https://musktratfalls.nalcorenergy.com/wp-content/uploads/2013/03/Report-Environmental-Benefits-of-Closing-Holyrood-Generating-Station.pdf>

FOOTNOTE [6] - e) Nalcor oil revenue

For the period ended September 30:

Funds from Operations (\$ millions) YTD 2018 = \$269

Source: *Q3 2018 Financial Update, November 16, 2018 (slide deck), slide 7*, LINK: <https://nalcorenergy.com/wp-content/uploads/2018/11/Investor-Call-Deck-Q3-2018-Post-AC-Final-for-Call.pdf>

Assuming consistent funds, \$269M in 9 months = \$359M in 12 months (2018)

Compare:

- \$370M in 2017 (12 months)
- \$279M in 2016 (12 months)
- \$149M in 2015 (12 months)

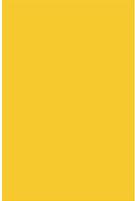
Source: *2017 Annual Report, Appendix 1, page 5*, LINK: https://nalcorenergy.com/wp-content/uploads/2018/04/annual-report-2018-LOW_FINAL.pdf

With an estimated \$359M available in 2018 and Nalcor continuing to grow revenues, this forecast directs \$231.0 million of the Funds from Operations toward rate mitigation

This falls within the range of the \$210 to \$245 million per year that the government has directed Nalcor to source beginning in 2020-21 (according to the government's 2017 Budget speech).

Source: 2017 NL Budget, page 4, LINK: <https://www.budget.gov.nl.ca/budget2017/speech/speech.pdf>

If that amount of Funds from Operations is not available, the plan is to use Atlantic Accord funds on a temporary basis to make up the difference in order to help mitigate electricity rates using returns from oil and gas development.



2.2 AFFORDABLE CHILD CARE

Ches Crosbie considers affordable child care to be a priority to drive family and population growth, promote youth retention, and increase parental participation in the workforce.

We recognize that Early Childhood Educators are essential for child development, in addition to providing nurturing and care to our youngest citizens.

We recognize that today's system is not working for families and operators. Parents and guardians find early childhood education to be unaffordable while operators struggle with operational costs and a high level of turnover in staff. Children and young families are falling through the cracks of a disjointed system.

A Crosbie government will increase access to child care spaces for children under 2 by:

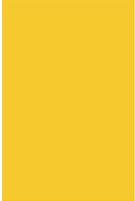
- Introducing a grant program to provide non-repayable grants to individuals who undertake renovations in their home in order to meet the requirements to become a licensed child care provider;
- Creating a working group, with parent and industry representatives, to review the regulations to ensure that in-home care remains safe and reasonably regulated.

A Crosbie government will review the operational policy to ensure parents who receive child care benefits through the Department of Advanced Education and Skills will not have these benefits interrupted between academic semesters.

A Crosbie government will explore opportunities to enable early childhood educators to more easily attain their Level II certification.

To ensure that child care is affordable for a larger number of families and to ensure that our youngest citizens can obtain the benefits offered by early childhood education, a Crosbie government will change the funding model to ensure that child care is affordable for more families. Under the Crosbie plan, the maximum a family with a combined gross family income of \$150,000 or less will pay is \$25 dollars a day per child, for children who attend participating early childhood education centres.

A Crosbie government will recognize that paying \$25 a day per child may be a challenge for low-income families. Families that earn less than \$32,500 will be able to avail of a full child care subsidy. Families that earn less than \$65,000 will be able to avail of a partial subsidy, based on a sliding scale.



2.3 AFFORDABLE INSURANCE

“A cap on compensation would not lower the cost of insurance premiums that people pay, according to the insurance industry. Seniors, accident victims and many others have told us caps and thresholds in automobile insurance would leave many people without adequate compensation when they are injured. They have made a compelling case against the imposition of caps or thresholds, and our Party has listened.”

– Ches Crosbie, October 17, 2018

“Despite having overtaxed Newfoundlanders and Labradorians for three years, the Ball Liberals have just said they would continue to tax [non-auto] insurance for the four years to come. By contrast, a Crosbie PC government will [completely] eliminate the insurance tax and reduce the burden people have to pay to be insured.”

– Ches Crosbie, October 17, 2018

“People want lower taxes, not fake solutions like caps that shortchange the disabled, students and seniors who suffer injury. According to the Public Utilities Board, the saving to consumers from repealing the Ball Liberal tax is greater than the saving which might occur under caps to auto injury compensation proposed by insurance companies. My premium relief plan is a tax relief plan.”

– Ches Crosbie, February 14, 2019

2.3.1. Tax Relief

Ches Crosbie announced, long before the election, that a government he leads will:

- Eliminate the sales tax on insurance premiums.
- Repeal any government interference with the right to compensation for auto accident injuries (i.e., remove any cap).

Upon hearing the news of our sales tax cut on insurance, the Liberals liked it so much that they decided to steal it.

But they stole only half of it. They announced they would cut the tax on automobile insurance, but not on home and property insurance.

A Crosbie government will eliminate the sales tax on all of them.

To provide tax relief, the first tax cut a Crosbie government implements will be the removal of the tax on automobile, property and casualty insurance – an immediate action that will put over \$110 million back into the pockets of consumers in this province.



2.4 AFFORDABLE HEALTH CARE

“I will put patients first and identify the waste in the system. They deserve better. I do not intend to cut health care expenditures. But what I do intend to do is ensure every dollar we spend improves patients’ access to quality health services for better results.”

– Ches Crosbie, April 18, 2019

“We spend almost \$3 billion on health care – almost 40 percent of our total expenditures – but we continue to have some of the highest rates of chronic disease and poorest health outcomes in the country. We have the lowest life expectancy in Canada, the highest rate of heart disease, the highest rate of lifestyle associated cancers, the highest rate of diabetes. We’re spending more per person than any other province – yet patients have the worst outcomes. For patients in this province, that’s not good enough. It’s got to change.”

– Ches Crosbie, April 18, 2019

“I will not cut health care spending. What I will do is identify the waste so the money can be spent better – so patients get care sooner and get healthier instead of sicker. I will value the input of patients and those involved in the delivery of health care services. Our approach is all about improving care for the people of our province.”

– Ches Crosbie, April 18, 2019

Here is our plan for timely access to quality health services for better results for patients.

2.4.1. Premier’s Task Force on Health Care

There is no greater priority in our province than health care. The province spends just over \$3 billion on health care, which is 38 percent of the total provincial budget. Health care costs are escalating across the country, but Newfoundland and Labrador has the highest per-capita spending of any province. While health care costs are increasing, unfortunately, the province continues to have some of the highest rates of chronic disease and poorest health outcomes. Newfoundland and Labrador spends more on intervention than on prevention. This is not good practice.

This province deserves a health care system whose focus is a healthy population; a health care system that is centred on quality, accessibility, sustainability and reliability. A Crosbie government will focus on a health care system that is designed to keep people healthy, not simply react when they become sick. A Crosbie government will not cut health care expenditures. That means we must promote and invest in healthy living initiatives that will ultimately achieve better outcomes. We must ensure that we are using the \$3 billion of resources assigned to health care in the most efficient and results-oriented manner possible.

To those ends, we must engage in productive, meaningful conversations with care providers as well as health care consumers to learn from the experience of those front-line health workers and those who depend on the care provided.

The Ball Liberals have not attempted to improve the health care system in any way. We know that, because our health outcomes have not improved.

A Crosbie government will establish the Premier's Task Force on Health Care to work with all health care stakeholders including residents, frontline workers, health care providers and health care administrators, with a mandate to improve the way health care is delivered in this province. The Task Force will be, not top-down, but consultative. It will bring a level of independence and a broad perspective on the best practices in the country.

2.4.2. Healthier People For Better Outcomes

2.4.2.1. Social Determinants of Health

One of the reasons for the poor outcomes of so many Newfoundlanders and Labradorians is the conditions in which they live. Social enterprises such as the Gathering Place serve many people who have few options in life. Many find it difficult to make choices that are in the best long-term interests of their health. In terms of housing, nutrition and medical care, they are not living as healthy as they want to be or ought to be living. Many who end up in the health care system are in poorer shape and have poorer outcomes because their circumstances have not been conducive to healthy living. They pay in terms of the quality of their lives; however, we all pay, fiscally and morally, when we allow these circumstances to continue. We need a poverty reduction strategy that lifts people out of dire circumstances and promotes wellness. We also need a lens on our health care system to identify problems like this and find solutions.

2.4.2.2. Chief Wellness Officer

We will appoint a Chief Wellness Officer for Newfoundland and Labrador. A Chief Wellness Officer is an official who provides strategic vision, planning and direction to the development, implementation and evaluation of initiatives to improve health and well-being outcomes for people; regularly monitors and reports outcomes; raises awareness and provides education; creates a culture of wellness; and so forth. This official will find ways to make Newfoundlanders and Labradorians healthier so they are more resilient and need less care from the health system in the long run. This work will improve people's lives while reducing costs.

2.4.2.3. High school first aid training

We will implement basic first aid training, including instruction in the use of automated external defibrillators (AEDs), for every high school student. These courses have been shown to save lives.

2.4.2.4. Healthier lifestyle promotion

We will improve preventative medicine efforts through effective marketing that teaches people to adopt healthy lifestyles, engage in physical activity, eat healthier and reduce stress.

Our goal is for people to have better access to nutritious food at a reasonable cost.

We will enable health care providers to spend more time with their patients by providing a more flexible fee structure. Patients benefit when their health care providers can take the time to provide education about healthy lifestyle choices.

2.4.3. Better Access For Better Outcomes

2.4.3.1. Better access through better coordination

We will improve coordination throughout the health care system to promote better overall access for patients. The result will be a more efficient, organized, outcome-centred health care system.

We will change the Medical Transportation system to allow 100 per cent reimbursement of travel for people who have to travel for medical reasons outside their region. One of the barriers to accessing health care services for many rural residents of the province is the cost of travel. As a result, patients may be unable to avail of medical care when they need it. We must ensure every patient, no matter where they live, receives timely and affordable care.

2.4.3.2. Better access through innovative care delivery

We will introduce an “accountable care model” to give people better access to physicians and other care providers. This delivery model will see the development of primary healthcare teams of physicians, nurses, physiotherapists, occupational therapists and dieticians, etc. An accountable care model will encourage care providers to be innovative in the way they deliver care as a team. For example, team members may offer after-hours and weekend clinics, thereby reducing Emergency Room visits. Health care teams that show systemic cost savings will be able to reinvest a portion of those savings into their practices. In addition, innovative care plans provided through the health team may realize savings for the health care system (e.g., fewer hospital admissions, fewer ER visits), which can then be reinvested into the primary health care team, or to develop more programs.

We will make better use of innovation by utilizing virtual care technologies allowing patients to access appropriate care in any region of the province. Virtual care will enable patients to access a health care provider via technology. This eliminates the stress of travel and lowers the costs to patients. Procedures and regulations will be developed with physicians and other care providers who have the expertise to ensure prudent development and implementation of this care model.

We have seen in ophthalmology how partnering with the private sector can improve services for patients. We will be open to pursuing more opportunities of this nature.

2.4.3.3. Better access through better recruitment, retention and remuneration

We will work with the NL Medical Association, the NL Nurses' Union and other professional organizations to recruit and retain the physicians, nurses and other health care providers required in all regions of the province. We will modernize the fee structure so it is flexible enough to cover innovative arrangements for service delivery by multidisciplinary health care teams. Changes will enable professionals to work to their scope of practice to improve patient access and outcomes.

We will develop a more robust return-of-service agreement structure for graduating physicians of the Memorial University Medical School and provide attractive reimbursement packages for those who choose to practise in the province, particularly in rural Newfoundland and Labrador.

To ensure patients have access to a robust and appropriate team of health care providers, we will work with Memorial University's School of Medicine to ensure that specialty training offerings match the province's needs.

We will collaborate with the NL Medical Association, the NL Nurses' Union and other health care providers in their efforts to support the health and wellness of physicians and nurses.

2.4.3.4. Better access to care for seniors

We will reverse the decision of the Liberals that restricts seniors' access to personal care homes. Currently, assessors are obligated to strictly enforce a policy that requires applicants to have a physical care need – and sometimes more than one care need – to qualify for admission to a personal care home. Mental wellness issues such as depression, loneliness, fear and anxiety do not qualify as acceptable care needs on their own. This is a very regressive and regrettable step in the provision of mental health care in this province. It is well documented that mental health affects physical health. Today, many seniors, who would have previously qualified for admission are being turned away. Personal care home beds are lying empty while needy seniors are awaiting assessments. There is much evidence to support that the intervention of personal care homes can defer or even eliminate the need for the more expensive long-term care option.

We will restore the dignity and independence of seniors and allow them to have a voice in choosing the best care for their needs. We will engage the Seniors' Advisory Council differently and more effectively by involving them in the "health in all policies" approach.

We will establish a provincial palliative care team to guide health care providers in making decisions about the most appropriate care options for end-of-life patients. All changes will be monitored and evaluated as they are being implemented.

We will develop a community residential hospice/end of life care model. We will learn from the experiences of other provinces that have led on end-of-life hospice care. As a start, we will work with the proponents of the Lionel Kelland Hospice in Grand Falls-Windsor in their efforts to establish a hospice, and based on learnings from this initiative, look to support others like it throughout the province.

2.4.3.5. Better access to cardiac care

We will develop a Cardiac Centre of Excellence to make our province a leader in cardiac care. Newfoundland and Labrador has the country's highest rate of heart disease, the number one killer in Newfoundland and Labrador. Physicians have described cardiac illness as an epidemic in our province. In 2009, cardiovascular disease was reported as the underlying cause of death for 32% of residents of the province.

We will establish a Registry for Automated External Defibrillators (AEDs). This will expedite care to cardiac patients until such time as paramedics can get to the patient. When AEDs are available and 911 operators know exactly where the nearest one can be found, lives can be saved. The longer the wait after a heart attack, the worse the damage and the more tragic the outcomes. A robust maintenance program must be implemented to ensure devices are routinely checked and kept in good working condition.

2.4.3.6. Better access to specific treatments

We will remove the age cap and ensure Medicare covers the cost of insulin pumps for all persons with Type 1 Diabetes Mellitus. The uniqueness of our plan is that it will apply to all, not just to current users of insulin pumps.

We will adjust the provincial drug coverage program to be in line with established clinical guidelines and standards.

We will undertake an analysis of the adequacy of access to dialysis and home dialysis throughout the province.

The commitment to provide a free, comprehensive eye exam to children starting Kindergarten this fall is one we support.

We will work with Sexual Assault Nurse Examiners to explore opportunities to improve access.

We will explore cost-effective options for access to in vitro fertilization.

We will consult with Newfoundlanders and Labradorians about bringing forward legislation that presumes consent for organ donations.

2.4.4. Better Information For Better Outcomes

2.4.4.1. Better use of e-technology to enable better information

We will maximize the use of e-technology to better integrate and modernize the health care system. We will advance the use of the Electronic Medical Record to improve the flow of information among health care providers. In this regard, we will employ technologies such as eConsult, which improves the management of patient referrals. We will maximize the implementation of electronic tools to remind patients of appointments, thereby reducing the large volume of missed appointments.

We will improve communication among all health care providers so that allied health care providers are efficiently using Electronic Medical Records to track patient care. This will minimize errors and avoid needless duplication.

We will improve telehealth so patients can have better access to health care providers. By adapting the rules regarding provider payment for telemedicine consultations, we will reduce the travel costs for patients and the cost burden to the system.

We will provide patients with better access to their own medical record by working with the Newfoundland and Labrador Centre for Health Information (NLCHI). This technology will enable patients to access their blood work results, scans, clinical notes, etc.

2.4.4.2. Better information through Choosing Wisely

We will educate health care providers and patients about the appropriateness of various tests, procedures and treatments to minimize waste and harm in the health care system. Our efforts will complement the work of Choosing Wisely Newfoundland and Labrador (CWNL), which launched in October 2016. CWNL is coordinated by the Translational and Personalized Medicine Initiative at Memorial University, and works in partnership with all provincial Regional Health Authorities, the Newfoundland Labrador Centre for Health Information, the NL Medical Association and the Patient Advisory Council. CWNL is working to reduce unnecessary testing across the province. We will support the efforts of CWNL to reduce waste and improve our health care system.

2.4.4.3. Better information through a NL Quality Health Council

We will establish a NL Quality Health Council. When decisions about treatment are made on a foundation of solid evidence, patients benefit and health care funding is used more effectively. This Council will be responsible for interpreting evidence and proposing follow-up actions to ensure the province's health care investment decisions are made in the best interests of patients. The Council will be an independent body that consistently reports on outcomes, similar to the financial Auditor General but focused on clinical outcomes.

Patients are better served when we minimize waste and harm in the health care system. Supporting the objectives of the collaborative effort between Quality of Care NL and Choosing Wisely NL, the Council will focus on ensuring the right treatments get to the right patients at the right time.

2.4.4.4. Review of long-term care facility staffing and capacity

We will conduct a base staff level review of all nursing homes in the province. As our population ages, the Quality Health Council will work with communities to ensure the long-term care capacity of the province is better able to meet the need.

2.4.4.5. Review of mental health and addictions needs and care

A Crosbie government will be fully supportive of a new mental health hospital and will consult with appropriate health providers and mental health advocates to ensure the design and location will meet both current and future needs. These buildings are expensive, so we must get it right.

A Crosbie government will not cut health funding. Mental health and addictions will be given equal status to other areas of health care.

We will explore opportunities to improve access to psychiatrists and psychotherapy.

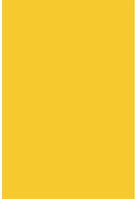
We will examine ways to complement the Doorways walk-in mental health service program by using telehealth more effectively to offer online services. This will improve access to non-emergency mental health services and counseling.

We will ensure the challenges of mental health and addictions treatment are subject to intense critical review and evolve in line with best practices. We will improve access to mental health care and addictions treatment as per the recommendations of the report of the all-party committee on mental health and addictions. We will consult on the most effective measures we can take to improve access to mental health and addictions services, including Suboxone treatment, and specialty appointments dealing with issues of mental health and addictions.

We will ensure the mental health and addictions care of inmates of our correctional centres reflects the recommendations of the Jesso report on inmate deaths.

We will open up a broader public discussion about community drug issues, and work collaboratively with policing agencies, the health care sector, community groups, frontline professionals and others to find solutions that will protect our people and make our communities safer.

Video Lottery Terminal line games are associated with high risk of problematic gambling behaviours. We will require the Atlantic Lottery Corporation to conform VLT line games to consumer protection standards. These games will remain available to players in existing venues.



2.5 A MORE PROGRESSIVE SOCIETY

A Crosbie government will ensure the Seniors' Advocate has powers similar to those of the Child and Youth Advocate to investigate and report on specific cases. We will work with the Seniors' Advocate on strategies to address elder abuse, exploitation and consumer protection, particularly in relation to marketing fraud.

Poverty stymies the development of children and youth, denies people opportunities to fulfill their potential and undermines people's health. The Poverty Reduction Strategy of previous PC administrations was lauded nationally for bringing poverty levels in Newfoundland and Labrador from the highest in the country to the lowest within a decade. We will begin the process of developing a new Poverty Reduction Strategy to build on what we started.

We will bring forward a renewed housing and homelessness plan, building on initiatives that were undertaken under prior PC administrations. The strategy will cover affordable housing, social housing, accessible housing and home retrofits, landlord-tenant relations and slum landlords, safe housing and violence prevention, student housing, seniors' housing, fire protection, home insurance, and other issues.

We will provide regular, reasonable increases to the minimum wage by linking it to the Consumer Price Index. The new Poverty Reduction Strategy will consider whether this approach strikes the optimal balance.

We will create a safe and healthy environment in every school. By carrying out targeted and schoolwide mental health interventions, we can simultaneously improve students' well-being and academic achievement.

We will bring forward a renewed Violence Prevention Strategy to build on the advances of the most recent Violence Prevention Strategy. Initiatives will relate to child protection, victim safety, shelters and support networks, transition houses, cyber-violence, workplace harassment, gang violence, human trafficking, protective police presence, restorative justice, victim impact, legal aid and support, Missing and Murdered Indigenous Women and Girls, elder abuse, persons with disabilities, racism and hate crime, gender-based violence, bullying, safe and caring schools, violence in care facilities, and other matters.

We will establish a much-needed new correctional facility in the appropriate location. We will review the recent deaths of inmates at correctional facilities in greater depth, and take measures to ensure the operations at our current and replacement facilities accord with our mental health and addictions strategies and the findings of reports on our corrections and justice systems.

We will partner with the community sector and volunteers to amplify the work they do.

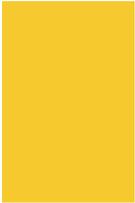
We will update the strategy on the inclusion of persons with disabilities in collaboration with a variety of provincial organizations. We will focus on improving opportunities for full participation in our province, lowering barriers to employment, improving housing and home support options, improving transportation, improving access to sports and recreation, and making education inclusive, personalized and meaningful. We affirm that persons with disabilities have the right to make their own decisions and to use support if they choose. In partnership with organizations representing persons with disabilities, we will strive to apply the general principles of the United Nations Convention on the Rights of Persons with Disabilities, which are: Respect for inherent dignity, individual autonomy including the freedom to make one's own choices, and independence of persons; Non-discrimination; Full and effective participation and inclusion in society; Respect for difference and acceptance of persons with disabilities as part of human diversity and humanity; Equality of opportunity; Accessibility; Equality between men and women; Respect for the evolving capacities of children with disabilities and respect for the right of children with disabilities to preserve their identities.

The IQ70 criterion remains in place, denying services to people with autism four years after the Ball Liberals were told to remove it. After four years in office, the Liberals took no action on an Autism Action Plan until eight hours before calling the election – and even this was just to announce more promises of future action. Not good enough! Lip-service does not change lives. We will develop an Autism Strategy that emphasizes early assessment and diagnosis; early and effective intervention with programs that are proven to work; and lifelong support.

We will apply a gender lens to public policy, and work with women to remove barriers to gender equality.

We will promote adoption and foster parenting to give children the benefits of a stable, supportive home life in a caring family.





2.6 LOCAL GOVERNANCE AND INFRASTRUCTURE

Modern, reliable infrastructure is the foundation for a strong and competitive economy.

In providing infrastructure and services, municipalities and the provincial government draw on the same taxpayer. Provincial and local taxes must be affordable. Governments must collaborate to ensure the burden is reasonable so consumers and employers have money in their pockets to spend, invest and circulate in our economy.

A Crosbie government will pursue a multiyear planning approach for infrastructure – roads, water and sewer, recreational facilities, and so forth. Decisions will be based on evidence. Roadwork rankings will be published to show where approved and unapproved projects rank based on the criteria the government is applying. Transparency improves accountability.

Our multiyear infrastructure strategy will include an assessment of existing infrastructure throughout the province and a plan to maintain it and replace it as necessary.

A Crosbie government will build a minimum amount of moose fencing on a yearly basis to protect motorists from collisions.

A Crosbie government will invigorate municipal governance through a stronger and more productive partnership with Municipalities NL.

We will work with Municipalities NL to develop a new progressive tax regime for our communities. We build on the groundbreaking Municipal Fiscal Framework introduced in 2015 to ensure that communities throughout the province can thrive as the province's economy grows in the years ahead.

We will develop a broader accountability framework to ensure that new funding for municipalities supports investments in priority service areas. We will develop a provincial municipal asset management framework.

We will advance regional governance and service sharing. We will follow through on the community sustainability partnership that we have negotiated with municipalities to enhance supports to communities and strengthen the social and economic fabric of our regions.

Our goal is to improve the delivery of safe, potable drinking water.

We will use the Lands Act to create reserves that will assist municipalities in acquiring Crown lands at market value in a phased approach for development.



3. HONEST LEADERSHIP

3.1 HONEST GOVERNMENT

“The House and the government belong to the people. They deserve honesty and accountability from those they elect. Tough laws are required to make those mechanisms work and change the way things are done. Newfoundlanders and Labradorians are sick and tired of dishonest, unaccountable governance and Liberal weasel words. They know nothing will change without bold new laws that have real teeth. That’s what I’m proposing. We need to shake up the way governing is done in this province.”

– Ches Crosbie

A Ches Crosbie PC Government will restore trust and accountability in government.

3.1.1. Effective, Inclusive and Responsive Government

As a foundational principle, a Crosbie government will not only respond to the changing needs of people, but also allow for the broad participation of people in decision-making. Accordingly, the policies, programs and methods of a Crosbie government will shift toward partnerships with businesses, unions, academic institutions, other governments and voluntary organizations to reshape processes of decision-making into forms that are more suitable for a modern, inclusive society.

3.1.2. Democracy Watch

The Canadian activist group Democracy Watch has put forward a list of issues they believe any jurisdiction that's serious about democratic reform should address – issues such as honesty in politics, oversight, government hiring, public consultation legislation, political donations, conflict of interest, lobbying, electoral reform, access to information and fiscal management. Democracy Watch co-founder Duff Conacher has said publicly, "If these changes were made by any government in any jurisdiction, it would become the world's leading democratic jurisdiction." We will examine reforms in all these areas.

3.1.3. Honesty in Politics and Recall Laws

We will:

- Enact Canada's first Honesty in Politics Law to hold politicians accountable for promises made which voters reasonably take as solemn and intended to be relied on.
- Enact 'recall' legislation to enable constituents to remove a Member.

3.1.4. Question Period and House Reform

We will:

- Require Ministers to answer questions posed to them, and drive the process to reform the Standing Orders of the House of Assembly to make Question Period more accountable as an Answer Period.
- Forbid political parties from 'whipping' the vote for Speaker.
- Press for the acceptance of digital signatures on petitions to the House of Assembly.

3.1.5 Election Reform

We will:

- Reform fixed-date election legislation to respect the principle of providing adequate advance notice for elections while ensuring prospective candidates have adequate time to prepare. The provision in the existing House of Assembly Act that, in effect, permits the Premier to call an election at any time will be repealed.
- Explore options to ensure women, Indigenous communities and minorities are better represented in the House of Assembly.

3.1.6. Code of Conduct Reform

We will:

- Commission a review of the Members of the House of Assembly Code of Conduct to ensure it better reflects the people's expectations of their elected Members.
- Remove the Premier's power to commission secret investigations of Members that are reported to the Premier directly but not to the House.
- Prohibit political interference in harassment investigations.

3.1.7. Curbing Favour and Influence

We will:

- Establish a cooling off period before lobbyists can work in key roles in the public service.
- Replace the 'smokescreen' Independent Appointments Commission with a truly independent, transparent and accountable process for appointing people to senior roles in the public service, fully engaging the nonpartisan Public Service Commission.
- Require the disclosure of key shareholders in numbered companies doing business with the government or benefiting from public funding.

3.1.8. Tough Accountability Mechanisms

We will:

- Give the Seniors' Advocate the authority to investigate and report, which the other officers of the House of Assembly have by law.
- Lower ATIPPA costs by publishing more information proactively as a matter of course.
- Publish a mandate letter for each Cabinet Minister and hold each Minister to account for fulfilling that mandate.

3.1.9. Privacy Protection

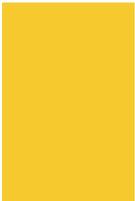
We will:

- Toughen privacy protections to safeguard the private information of individuals and penalize those who disclose such information maliciously or through gross negligence.
- Legislate to oversee and regulate the protection and use of voter data and personal information by provincial parties.

3.1.10. True Consultation

We will:

- Create a Public Consultation Act to define the duty to consult and describe the mechanisms.
- Provide forums for citizens and groups to be consulted on their concerns and perspectives.
- Make better use of digital communications technology to improve democratic engagement and information exchange.
- Establish a process to tap into the particular expertise of academic leaders.
- Establish a process by which public employees can provide regular advice about ways to reform government operations and enhance accountability.
- Consult with municipalities on ways to strengthen local decision-making and engagement.
- Establish the mechanisms to inform the public of democratic governance issues.
- Reform the law to allow citizen-initiated referendums and plebiscites, and the adding of ballot questions during a general election.



3.2 INDIGENOUS PARTNERSHIP

Indigenous communities in Newfoundland and Labrador include the Inuit of Nunatsiavut, the Innu Nation in Natuashish and Sheshatshiu, the Southern Inuit Métis of NunatuKavut, the Miawpukek Mi'kamaway Mawi'omi First Nation of Conne River, and the Qalipu First Nation.

Indigenous peoples have a special status in Canada and in Newfoundland and Labrador. A Crosbie government will respect this special status, and deal with all Indigenous communities and their representatives with honour, building true partnerships.

A Crosbie government will honour those whose stories have been told through the Truth and Reconciliation process, and honour the recommendations that this process has brought forward.

A Crosbie government will apologize to Indigenous communities, families and individuals whose lives were severely impacted during the years of the residential school system.

A Crosbie government will respect agreements that have been made and work cooperatively with Indigenous communities as they pursue their goals. In pursuing resource development agreements, a Crosbie government will ensure the people of Indigenous communities are beneficiaries.

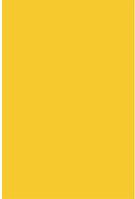
The Progressive Conservative Party of Newfoundland and Labrador supports the policies expressed by the Government of Canada in Bill C-91, the Indigenous Languages Act, to reclaim, revitalize, strengthen and maintain Indigenous languages in Canada. A Crosbie government will work with the federal government, Indigenous organizations and Indigenous governments to create effective support for Indigenous languages in Newfoundland and Labrador.

A Crosbie government will explore opportunities to engage Indigenous communities, educators, the Centre for Distance Learning and Innovation and others in offering a variety of courses on Indigenous cultures, languages and history to students in schools throughout Newfoundland and Labrador.

A Crosbie government will work cooperatively with Indigenous communities on the wide range of issues that concern Indigenous people and that may overlap various areas of jurisdiction: transportation infrastructure and services; health care; safety; education; post-secondary education and training; children and youth; access to healthy and affordable food; access to housing; search and rescue; justice and policing; environmental protection; development and employment; the preservation and promotion of heritage and culture; and other matters.

In cooperation with Indigenous communities, a Crosbie government will follow through on the respectful repatriation of the remains of Beothuk people, whose home is Newfoundland and Labrador.





3.3 FISCAL SUSTAINABILITY

3.3.1. Balanced Budget Commitment

The Liberals do not have a viable fiscal plan. One of the province's bond-rating agencies, DBRS, published a post-budget analysis saying the Liberals did not actually achieve the \$1.9 billion surplus they announced in their 2019 Budget. DBRS stated: "After excluding the impact of the one-time revenue and incorporating capital spending as incurred rather than as amortized, this translates into a DBRS-adjusted deficit of \$855 million, or 2.4% of GDP."

In other words, instead of being almost \$2 billion in the black, the Liberals have put the province almost a billion in the red. The facts differ from what the Liberals stated by almost \$3 billion.

The Liberals have talked of eventually getting to balance, but the Auditor General expressed skepticism about that in her 2018 report, saying: "the Province's fiscal outlook for 2019 to 2023 is subject to considerable risks". [p.33]

The Liberals refused to allow officials to be questioned on the public record in the normal budgetary estimates committee process following the Budget. They could have debated and voted on the Budget and still had time for an election campaign before school ended, but they canceled the first scheduled estimates committee meeting and shut down the House without any debate. Their Budget would not have withstood the scrutiny.

The greatest threat to our province's fiscal situation is the growing size of the provincial debt. Currently, the yearly cost of our debt is the second biggest expenditure within the provincial budget. This means that almost \$1.5 billion each year must be spent on interest and related charges before a government is able to make spending decisions related to programs and services which support our people.

3.3.2. Taxpayer Protection Act

In its first term in office, a Crosbie government will introduce a Taxpayer Protection Act to provide the necessary discipline to control excessive borrowing and place terms and conditions on government's borrowing and spending habits that could bankrupt the province if left uncontrolled.

3.3.3. Provincial Fiscal Plan

The policy decisions of any government will impact economic activity, effective and efficient public services, and the fiscal position of the province. As we move towards a balanced budget, a Crosbie government will take a measured and responsible approach to ensure that all three are factored into and will influence our decisions and will influence how quickly the budget can be balanced. But we will never hide the truth from you as the Ball Liberals have.

In view of Liberal fiscal mismanagement, we will commission an independent review by an external auditor in the first 200 days to review all expenditures and revenues. This review will establish the true state of the province's finances.

This department-by-department, agency-by-agency indented review will focus on finding greater efficiencies and ensure that effective programs are being delivered to the people of the province. All departments, agencies, boards and commissions that are publicly funded will be involved in this review.

We will implement a more robust budgetary process. The inputs into government's budget decisions need to be more varied and meaningful.

After a budget is presented to the House of Assembly, the budget will undergo more scrutiny and examination through the House of Assembly Standing Committees.

The annual "Estimates" book will be modified to include a three-year expenditure forecast at the Department level. The public reporting of each department's three-year spending estimates will motivate departments to think ahead in their planning and to think about their biggest cost pressures. These estimates will demonstrate inflationary pressures, cost savings, etc. This is one of the many measures that will increase the transparency of government.

To provide greater accountability and to guide future decision making, a Crosbie government will develop fiscal reporting benchmarks. These targets will allow the public to track the government'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.

Future budgetary decisions made by a Crosbie government will be guided by three core values:

- Ensure that critical services offered by the government achieve improved outcomes.
- Ensure they reflect the prioritized needs of Newfoundlanders and Labradorians.
- Public expenditures should not only improve programs and services but result in improved economic value to all Newfoundlanders and Labradorians.

3.3.4. Tax Fairness

“the Province currently has one of the highest tax burdens on a per capita basis in the country” - Auditor General Report 2018.

A Crosbie Government will work towards ensuring that our province’s taxation system is competitive with the rest of the country and will work towards reducing the tax burden on Newfoundlanders and Labradorians. Taxpayers should get to keep more of their income than gets paid out in income tax.

The goal of a Crosbie government is to have more people paying less tax, not less people paying more tax.

As noted in the section on Affordable Insurance, to provide tax relief, the first tax cut a Crosbie government will implement is the removal of the tax on automobile, property and casualty insurance – an immediate action that will put over \$110 million back into the pockets of consumers in this province.

3.3.5. Ending the Levy Early

The Liberal government in 2016 introduced what they called the Temporary Deficit Reduction Levy (TDRL, “the Levy”). In late 2018, the Liberals received the report of their own Independent Tax Review Committee. It was scathing with respect to the levy, as the following quotes indicate. <https://www.gov.nl.ca/taxreview/files/Summary-Report-Final.pdf>

- “The TDRL was introduced in Budget 2016 as a measure to generate additional revenue to address the very large deficit. The measure was modelled after the Ontario Health Premium and can be described better as a “head tax” than a pure income tax or surtax. Further, on a proportionate basis the TDRL impacts middle income earners greater than higher or lower earners—it is generally a regressive tax measure.” (page 13)
- “While the unprecedented fiscal position of the province in 2016 dictated a number of significant taxation measures, from an income tax perspective the TDRL was poor tax policy. It is regressive and closer to a head tax than a progressive income tax. Government has indicated that the TDRL will remain in place until the end of 2019.” (page 25)
- “Should Government find itself in a position to reduce taxes in the future, any initial reductions should be focused on PIT, which would include the TDRL.” (page 25)
- “Consideration should be given to ending the Temporary Deficit Reduction Levy prior to the legislated date.” (page ii)
- “If practical, government should consider ending the TDRL before the end of 2019.” (page 25)

A Crosbie government will repeal the levy at the earliest opportunity, immediately when the House reconvenes in June 2019.

3.3.6. Protecting Future Generations

The Liberal government has saddled future generations with debt. Since 2015, they have borrowed money without a repayment plan (sinking funds). This means that future generations will have to pay the full cost of the borrowing that the Liberal government has done.

If a Crosbie government borrows, it will put some money aside to pay the loans when they come due. This can be done through sinking funds or other mechanisms.

3.3.7. Fiscal Stabilization Fund (on current debt)

After achieving a balanced budget, a Crosbie government would direct funds towards debt reduction. When the province experiences a rapid escalation in oil prices, a Crosbie government would direct some of this revenue in the Fiscal Stabilization Fund. This will allow the province to lower its interest and debt servicing costs, which will ultimately allow for more available taxpayer funds.

3.3.8. Human Resource Plan

A highly skilled and competent public service is critical to providing services to the residents of Newfoundland and Labrador. This province relies on the talent of the public service to provide quality programs and services to its residents. Doctors, nurses, teachers, clerical support, lawyers, policy analysts, and social workers are just some of the public service workers who work diligently each and every day to help our residents.

The Ball Liberals have done damage to the public service. A Crosbie government will make it a better place to work – an environment that is welcoming to talented people who want to build a career of public service and have pride in their employer. We will strive to be an employer of choice.

To ensure that our public service assists the province in achieving improved outcomes that reflect the needs of Newfoundlanders and Labradorians, a Crosbie government will implement 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.

This Human Resource Plan will take into account the number of retirements expected in the next five years and will outline a plan to ensure that these retirements do not impact service delivery. The Human Resource Plan will include a recruitment plan to ensure future employees have the optimal skill mix to line up with future service delivery models.

This Human Resource Plan will ensure that a career in the public service continues to be an opportunity for employment for young Newfoundlanders and Labradorians. As the government is an employer, we must take a measured approach to attract and retain talent in the public service to better serve the people of Newfoundland and Labrador.

3.4 BALANCED BUDGET PLAN

In the first 120 days of a Crosbie government, the Premier will convene a Summit of Business Leaders, Labour Leaders, Financial Advisors, Academics, and National Leaders on Public Policy to be facilitated by outside expertise. The objective will be to seek advice on a responsible and balanced plan to achieve long-term fiscal stability with sustainable levels of public expenditures and to return to a balanced budget within four years. This will be in addition to the earlier mentioned review of all departments and ABCs. In budgeting for 2019, we intend to use the same numbers indicated already to forecast the price of oil and the exchange rate for 2019-20.

Here are some of the numbers we are using to estimate the value of our investments. Note that we are finding efficiencies in government and returning money to the people in significant tax cuts and in other initiatives that will drive job growth and economic sustainability. Items not accounted for may be funded from within the existing budget envelopes if funding is required. Our budgetary decisions are subject to affordability and fiscal responsibility.

SOURCE	SOURCE \$
Federal funding in lieu of an Accord agreement	134.9 M
Revenue growth by about 1%, even with tax decreases	80.0 M
Examples of Budget 2019 revenue growth projections from federal sources (2018 to 2019 year over year): (excluding the “booked value” of the funding in lieu of the Accord)	
Health transfers: 0.551 to 0.565 B	
Social transfers: 0.202 to 0.204 B	
Cost-shared and other federal revenues: 0.461 to 0.591 B	
Examples of Budget 2019 revenue growth projections from provincial sources (2018 to 2019 year over year):	
Offshore royalties growth: 1.054 to 1.129 B	
Government efficiencies in all areas but health care by about 0.8%	39.0 M
TOTAL	253.9 M

COST ITEMS	INVESTMENT \$
Graduate Retention Program	0.5 M
New venture capital fund for technology companies	10.0 M
New school busing policy within 1.6km	3.5 M
Improving educational outcomes	13.0 M
Most competitive tuition fees and student aid program	5.1 M
Establish a Chief Technical Officer (CTO)	0.2 M
Initiatives to attract and support new entrants in agriculture	1.5 M
Increase ArtsNL budget to \$5 million within 3 years	1.0 M
Affordable child care plan	23.0 M
Immediate end to sales tax on all insurance premiums	110.0 M
Levy early removal	60.0 M
Premier's Task Force on Health	1.0 M
Chief Wellness Officer	0.2 M
Cardiac Centre of Excellence	2.0 M
Insulin pump age cap removal	2.0 M
Free, comprehensive eye exam to children starting Kindergarten	0.3 M
NL Quality Health Council	1.5 M
Medical Transportation 100% travel reimbursement	4.0 M
New correctional facility	0.6 M
Strategy on the inclusion of persons with disabilities	5.0 M
Autism Strategy, including removing IQ70 criterion	2.5 M
A minimum amount of moose fencing yearly	1.0 M
Independent review by external auditor in first 200 days	1.0 M
Protecting Future Generations (sinking funds)	5.0 M
SUBTOTAL #1	253.9 M

CROSBIE **2019**

CROSBIE2019.CA