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**Proceedings of the Standing Committee on  
Government Services**

April 17, 2025 - Issue 18

Department of Finance  
Public Service Commission  
Consolidated Fund Services

(Continued from April 15, 2025)

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Honourable Derek Bennett, MHA

## **GOVERNMENT SERVICES COMMITTEE**

Department of Finance, Public Service Commission and Consolidated Fund Services

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Chair: Lucy Stoyles, MHA

Vice-Chair: Lin Paddock, MHA

Members: Joedy Wall, MHA  
Perry Trimper, MHA  
Sherry Gambin-Walsh, MHA  
Jamie Korab, MHA  
James Dinn, MHA

Clerk of the Committee: Bobbi Russell

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Appearing:

### **Department of Finance/Consolidated Fund Services**

Hon. Siobhan Coady, Minister

Michelle Jewer, Deputy Minister

Elizabeth Lane, Secretary to Treasury Board

Bren Hanlon, Comptroller General

Lisa Curran, Assistant Deputy Minister, Human Resources

David Drover, Assistant Deputy Minister, Treasury Management and Budgeting

Doug Trask, Assistant Deputy Minister, Economics and Statistics and Tax and Fiscal Policy

Nicole Abbott, Departmental Controller

Jim Doody, Director, HR Service Centre and Corporate Service Delivery

Tom Nemec, Director of Treasury Management

Diana Quinton, Director of Communications

Bruce Keating, President and Chief Executive Officer, Newfoundland and Labrador Liquor Corporation

Cheryl Whitten, Chief Financial and Information Officer, Newfoundland and Labrador Liquor Corporation

### **Also Present**

Hon. Elvis Loveless, MHA, Minister of Digital Government and Service NL

Hon. Sarah Stoodley, MHA, Minister of Housing (A)

Hon. Bernard Davis, MHA, Minister of Justice

Craig Pardy, MHA

Eileen Anderson, Government Members' Caucus

Megan Winter, Official Opposition Caucus

Scott Fleming, Third Party Caucus

Pursuant to Standing Order 68, Craig Pardy, MHA for Bonavista, substitutes for Joedy Wall, MHA for Cape St. Francis.

Pursuant to Standing Order 68, Elvis Loveless, MHA for Fortune Bay - Cape La Hune, substitutes for Perry Trimper, MHA for Lake Melville.

Pursuant to Standing Order 68, Sarah Stoodley, MHA for Mount Scio, substitutes for Sherry Gambin-Walsh, MHA for Placentia - St. Mary's.

Pursuant to Standing Order 68, Bernard Davis, MHA for Virginia Waters - Pleasantville, substitutes for Jamie Korab, MHA for Waterford Valley.

The Committee met at 1 p.m. in the House of Assembly Chamber.

**CHAIR (Stoyles):** All right. Welcome everybody.

We're starting back in the Department of Finance, a continuation of our meeting from a couple of days ago.

First of all, I'm going to read the substitutions: For Cape St. Francis, MHA Wall, MHA Pardy is here; for MHA Trimper, we have Minister Loveless; for MHA Gambin-Walsh, we have Minister Stoodley; for MHA Korab, we have Minister Davis for part of the meeting and MHA Korab will be here for the other part of the meeting.

Next on the agenda, we will move the minutes of the meeting on April 15.

**E. LOVELESS:** So moved.

**CHAIR:** Moved by Minister Loveless; seconded by MHA Pardy.

On motion, minutes adopted as circulated.

**CHAIR:** All right.

A bit of housekeeping before we get going. Of course, most people were here to know that you need to wave because we have a new system in place. Sometimes it's a bit delayed, so just to wait for the light and always repeat your name. For recording purposes, we need to know who is speaking and the people behind the microphones may not know everybody in the room. Also, the water coolers are in the back and we ask you not to adjust your chairs.

We're going to go around and identify everybody. I know we've done it before but there are a few different people here so we're going to do the identification.

MHA Paddock.

**L. PADDOCK:** MHA Paddock, MHA for Baie Verte - Green Bay.

**M. WINTER:** Hi. Megan Winter, Research and Policy Analyst with the Office of the Official Opposition.

**C. PARDY:** MHA Craig Pardy, District of Bonavista.

**J. DINN:** Jim Dinn, MHA for St. John's Centre.

**S. FLEMING:** Scott Fleming, research and policy analyst, NDP.

**S. STOODLEY:** Sarah Stoodley, MHA for Mount Scio.

**B. DAVIS:** Bernie Davis for the beautiful District of Virginia Waters - Pleasantville.

**E. LOVELESS:** Elvis Loveless, District of Fortune Bay - Cape La Hune.

**E. ANDERSON:** Eileen Anderson, GMO, Researcher.

**S. COADY:** Siobhan Coady, MHA, St. John's West.

**M. JEWER:** Michelle Jewer, Deputy Minister of Finance.

**D. DROVER:** David Drover, Assistant Deputy Minister, Finance.

**D. TRASK:** Doug Trask, ADM, Economics, Fiscal and Statistics.

**E. LANE:** Elizabeth Lane, Secretary to Treasury Board.

**L. CURRAN:** Lisa Curran, ADM, Human Resources, Treasury Board Secretariat.

**J. DOODY:** James Doody, Director of Benefits Administration.

**B. HANLON:** Brendan Hanlon, Comptroller General.

**N. ABBOTT:** Nicole Abbott, Departmental Controller.

**D. QUINTON:** Diana Quinton, Communications.

**T. NEMEC:** Tom Nemeč, Director of Treasury Management.

**B. KEATING:** Bruce Keating, President and CEO with the Newfoundland and Labrador Liquor Corporation.

**C. WHITTEN:** Cheryl Whitten, Chief Financial and Information Officer with Newfoundland and Labrador Liquor Corporation.

**CHAIR:** Thank you very much.

I'm going to ask the Clerk to call the first headings.

**CLERK (Russell):** Consolidated Fund Services, 1.1.01 to 1.4.01 inclusive, Servicing of the Public Debt.

**CHAIR:** 1.1.01 to 1.4.01.

I'm going to ask Minister Coady if she would like to continue on with a few opening remarks.

**S. COADY:** Thank you very much, Chair.

Wonderful to be back here this afternoon on such a lovely day. I will say that we have invited Newfoundland and Labrador Liquor Corporation to join us today. I'm very happy and pleased to have the CEO Bruce Keating as well as CFO Cheryl Whitten here this afternoon. I spoke and I think we're all in agreement, to be expeditious with our time, we'll go to NLC in case there are any questions for the Newfoundland and Labrador Liquor Corporation.

Allow me to say that it's very well run, and I congratulate Mr. Keating on such a well-run organization. As you've noted over the last few years, we actually now have increasing and, basically, I think historic dividends coming from Newfoundland and Labrador Liquor Corporation. Last year we budgeted I think it was \$201 million in the '24-'25 budget. I think we're going to realize \$210 million this year because of improved sales and improved management. I thank them for that. This year in budget we have \$206 million that we're anticipating. A \$5 million increase over last year in terms of budgeting purposes. That's mostly because of the improving and improved economy, as well as the proceeds from cannabis sales.

I will say, just to give you an example, when you look at sales to dividends of Newfoundland and Labrador Liquor Corporation to other organizations of the same ilk, for example in New Brunswick or Nova Scotia, our sales to dividend is 54 per cent here in Newfoundland and Labrador. In New Brunswick, it's 38 per cent, and in Nova Scotia, it's 33 per cent. I think that is illustrative of how well-run Newfoundland and Labrador Liquor Corporation is. Of course, 630 well-paid employees across a full network and we're continuously improving and updating. We have a very strong and dedicated board of directors and,

of course, Mr. Keating is well regarded and well known within the industry, but also in the convenience and commodity industry.

So I'll leave it at that and welcome Mr. Keating and Ms. Whitten to Estimates. This is the first time Newfoundland and Labrador Liquor Corporation has ever been before Estimates. There's only one line in the Estimates book pertaining to the Liquor Corporation, of course, but I have distributed their annual report for your edification. That's been published.

Thank you.

**CHAIR:** Thank you, Minister Coady.

We're going to start with the first round of questions. We're going to start with 15 minutes for the first round and 10 minutes for every round after that. We are going to be dealing, for the first while, with the Newfoundland and Labrador Liquor Corporation.

MHA Paddock.

**L. PADDOCK:** After quickly digesting the annual report over the past five minutes in your preamble, I guess I'm now in a position to ask three or four questions on NLC.

Looking at Schedule I, and I'm not sure – the CEO – if you have that in front of you but there's a slight decrease forecasted for NLC and it's budgeted for fiscal year '25-'26 of \$206,624,000. I'd just like to hear from you with regard to that slight decrease.

**S. COADY:** Allow me to just say a few words on that.

As I indicated in my opening remarks, last year we budgeted \$201 million and we came in at \$210 million. That was our dividend because they had increased sales, which was excellent. So we've budgeted for a \$5-million increase this year to \$206 million from the \$201 million last year with

hopes we might have a very good year again, but I will turn that over to the CEO.

**B. KEATING:** First of all, thank you for the question and the opportunity to be here. I've been with the NLC now for five years or a little bit beyond that and this is the first opportunity to come and do this, so thank you very much for that.

In terms of the Schedule I, the revised number for 2024-25, in fact, there is a revision of that. That should be \$210,674,000. It's a smaller drop from \$210 million down to \$206 million. That kind of reflects, like I say, this past year has been an extremely good year in terms of weather, in terms of special events that took place over the course of the year and cannabis sales continue to be very strong as well. I know in the 2024-25 year, we're actually expecting retail cannabis sales in the province to be about \$102 million. That's actually stronger than what we anticipated and will be the first time that has exceeded \$100 million in a fiscal year.

There are some variations year to year and there may be timing differences at times, but generally, like I say, the earnings of the NLC will be approximate to the dividend that gets paid over time. If I look over the past four years, our earnings would have exceeded what we had budgeted by about \$15 million, and our dividend over that time exceeded our budgeted dividend by about the same amount, about \$14 million. So give or take some small differences, like I said, we've had a good year this year and, as a result, we've kind of paid a larger dividend to government.

We've budgeted for \$206 million next year given the uncertainty around tariffs and so on that are happening in the marketplace and the overall slight decline in consumption that's happening in the province. We're looking forward to delivering on that which would be our sixth consecutive year being north of \$200 million in our dividend.

**CHAIR:** MHA Paddock.

**L. PADDOCK:** The next couple of questions will be focused on the cannabis side.

Going into '25-'26, as a percentage, what's your forecast with regard to the cannabis contribution to the overall dividend?

**B. KEATING:** I'll refer to Cheryl now in a second.

I'll speak to cannabis in general terms in that the market has matured significantly over the course of six years. As I said now, this past year, we will look at being at about \$102 million in retail sales. Our margins on that are significantly less than what they are beverage alcohol so the bottom line impact is less just given the nature of that.

Also what we've seen, since legalization, it probably came as something that wasn't expected but over the last four or five years as well, there has been a fairly significant decline in the retail price of cannabis. If I go back to 2018-2019, most the modeling at that time expected cannabis to be at about \$10 per gram. Right now, you're probably at about \$3 to \$3.50 per gram. So there's been a significant drop in the price of cannabis at the retail level in the industry. Even for the coming fiscal year that we're now in, 2025-2026, we're expecting cannabis prices to drop on average about another 1 percentage point.

Cheryl may be able to answer a little more detail on the financial impact of cannabis on this year's numbers.

**L. PADDOCK:** Okay. Thank you.

I guess this is just an observation, because I've seen where a number of my veteran friends are using medical cannabis to address some of their PTSD, I'm wondering then, on that side, are we picking up all the medical cannabis sales or is there stuff coming in directly to them via mail from other provinces?

**B. KEATING:** Our responsibility for cannabis is for the recreational use of cannabis, not for the medical use of cannabis. That would work through medical channels, through prescriptions and so on. That wouldn't be covered by the sales that we would be reporting to the NLC.

**L. PADDOCK:** So a potential market opportunity there. Okay, I'll switch now to the alcohol side.

This comes back to the budget and the million dollars planned to increase wholesale discounts for restaurants, bars and lounges. I'm just wondering then, in regard to that wholesale discount, what's the amount or percentage being planned per entity?

**CHAIR:** Minister Coady.

**S. COADY:** Thank you.

Just on that point, we've increased that discount rate from 5 per cent to 10 per cent.

I don't know if we'd have the breakdown by the restaurant, bar or lounges. Most of them are all interspersed so what we've done, and that is going from 5 per cent to 10 per cent, is basically matching now what Nova Scotia is doing.

**CHAIR:** MHA Paddock.

**L. PADDOCK:** Then: "\$800,000 to increase compensation on products purchased by brewers' agents and liquor express retailers."

Again, I was just looking on an entity base with regard to that allocation.

**CHAIR:** Minister Coady.

**S. COADY:** For the brewers' agents, that will be a total estimated impact benefit for brewers' agents, the total is \$527,000; roughly about \$1,000 per brewers' agents. I'm saying roughly.

Then under Liquor Express, the total estimated impact benefit to Liquor Express operations is \$317,000 or an average of about \$2,200 per Liquor Express operator.

**L. PADDOCK:** Okay.

That's all the questions I have of NLC. I need to further digest this over Easter weekend.

**CHAIR:** I'm sure Minister Coady will be only too happy to answer any questions.

**L. PADDOCK:** No, but we can continue now on CFS if—

**S. COADY:** If you'd be so kind to go to NDP if they have any questions.

**L. PADDOCK:** Okay, yes. Sorry.

**S. COADY:** This is the '23-'24 annual report. It's been out for some time.

**CHAIR:** MHA Dinn.

**J. DINN:** Thank you.

Just a question, I guess not so much on the annual report, but as going forward with regard to the effect of the impact of tariff. I know, I walk into liquor stores and the American products are not there and that's fair enough. I'm just looking at the diversifying and how is the NLC managing with that?

**B. KEATING:** I think, with the trade dispute and the tariffs, it's obviously a challenge because there is so much uncertainty for everybody trying to deal with that from a policy perspective and from an operational perspective. We took the step immediately in consultation with government to remove the product from the shelves from both our corporate stores and liquor expresses and we've discontinued purchases from any of those suppliers. We've worked with our agents and the liquor expresses in that, too, to kind of work that through the process.

At this point, like I say, we're in the process of bringing that product back into our distribution centre. That will be a process we will do over the next, probably, two to three months based on where the pressure points are, because liquor expresses need the space and our corporate stores need the space as well, but also, in a lot of cases, that product is out of boxes and needed to be put in boxes so just the practical issues that we've got to do to get that back into a shape and into our distribution centre that we can do something with.

Over time, like I said, we're going to have to determine how we deal with that inventory, which is approximately about \$3 million at cost. In terms of how we deal with that, I think we'll be guided by our consultations with government on that, but also in terms of how things unfold on the tariff side and do we get to a point whereby we either make a decision to liquidate that product or we get to a point whereby we resolve the trade dispute issues and we restore that product and put it back on the shelf.

In the meantime, our category teams have been working hard to reset the product categories so that they don't have US product in it. We've been doing that with a greater focus on locally produced product here in the province, including Rock Spirits which is operated by the NLC, but also, like I say, we've been supportive of the campaign to buy local and buy Canadian, as we've done that as well. If you go into our stores, you'll see promotional programs. You'll see things on the digital screens which are supporting local and supporting buying Canadian.

As we kind of move forward, I guess, in the weeks and maybe months ahead, then we'll have to make some decisions about the US inventory and how we adjust maybe medium to longer term in that respect.

**J. DINN:** Just to follow-up on that, a couple of things with regard to the diversification, bringing in other products and you've sort of

addressed it with regard to bringing in local products so there's an opportunity here for local producers and so on and so forth.

In terms of other countries' wine and alcohol, I'm assuming you're reaching out looking for maybe things that would replace the American brands?

The other part in relation to that, in terms of sales, I'm assuming then that you haven't seen a decrease in the sales overall. I would assume people are – okay, you know what, I would have bought an American wine but I'm more wine now from another country? That's the other part of it.

Two parts: the diversification piece, looking at bringing in products from other countries, and overall have the sales at stores been impacted? Maybe you're noticing that, since you've taken the US products out, there has been a decrease or have the sales been just as consistent and people are just going to the other products?

**B. KEATING:** First of all, our category teams, they do what we call product calls. They probably do that eight to 10 times a year for different categories and subcategories.

They've been working through that process to go through the product calls for new products that we can bring into the market, recognizing we're not putting US products on the shelves. Our category teams are working through that and they will do that. There are obviously different issues if you're going to bring a product in from Ontario as opposed to a wine from South Africa. That has different implications but they will work through that process to get the product there.

Overall sales performance, it's only early. We're only a couple of weeks into the new fiscal year. What we saw from February through March and into early April, we're kind of cautiously optimistic in terms of how the sales performance has been. I think

when we look at the categories that have been effected – the most loyal category for customers is the spirits category. Whether that's your Old Sam or whether that's your Jim Beam or whatever it might be, customers tend to be very, very brand loyal in the spirits category. That's much less true in the wine category. A customer switching from a California wine to an Ontario wine to a French wine, that won't be I don't think as great of a challenge from a customer-behaviour perspective. The spirits will be a little bit more of a challenge.

Again, we're working very, very closely with the category teams, but also in consultation with other provinces in terms of looking at the products that are the best options given that the US products are not on the shelf and even looking at data in terms of where customers have been going here and in other jurisdictions with their buying patterns. So if somebody was originally buying a lot of Jim Beam, where is that customer going today and making sure we have those kinds of products, because at the end of the day, we still want to provide a range of products that our customers want and give our customers the very best experience we can give them.

**J. DINN:** Perfect. Thank you.

That's it, Chair. Thank you very much.

**CHAIR:** That's it for that?

Okay, we're going to continue on with the headings, 1.1.01 to 1.4.01.

I want to thank the staff from the Liquor Corporation for coming. We will continue on with MHA Paddock's questions.

**L. PADDOCK:** My questions now switch to Loan Guarantees - Statutory and Non-Statutory, 1.2.01.

Under Revenue - Provincial, can the minister provide a list of which organizations

were charged for their guarantees last fiscal year and how much was charged to each?

**S. COADY:** Certainly, it's mostly Hydro. It's a fee paid by Hydro. There's a small, small amount by Fogo Island Co-op. I think it's less than even \$15,000. It's a very small amount when you compare it. The rest is Newfoundland Hydro.

Yeah, it is \$15,000. I just wanted to make sure memory served. That's just the cost of doing business. It's kind of just the line of credit guarantee.

**L. PADDOCK:** Okay.

Are there any new loan guarantees being considered by Cabinet at this time?

**S. COADY:** Just the one that was announced in budget, the restaurant loan guarantee program. I'm not aware of any others.

**L. PADDOCK:** Highlighting that one on page 25 of your Budget Speech, will businesses be charged for that loan guarantee?

**S. COADY:** The nuances of the offer have not yet been detailed but, in a general sense, no. We don't do that for, for example, the fisheries loan guarantee either. I know they had meetings already this week but they're still working through the details of how that program will be unfolded because you have to consult with industry, obviously.

I can tell you, the fisheries loan guarantee, there's no cost for that.

**L. PADDOCK:** Okay. I'd now like to switch over to Debt Management Expenses, 1.3.02.

Last year, \$1 million was budgeted but only \$100,000 spent. Can you please explain how savings were achieved?

**S. COADY:** Thank you very much.

We do investment relations, clearly. That's very important. We've been to – I think last year was Quebec – and Toronto. We've been to London. We went to British Columbia, Western Canada. There are a number of places that we visit investors. It's very important because we find that we can then borrow from them. The investors are keen to meet with the minister and meet with the team to hear more details. It's not unusual for that to come in lower than anticipated in terms of Transportation and Communications costs.

I don't know, Tom, is there anything you need to add to that? Generally, a substantive amount is budgeted, but we're pretty frugal when it comes to the spending of it.

**L. PADDOCK:** That frugality is appreciated, especially with travel.

On that note, given what was spent last fiscal year, I just wonder with regard to why a million is being budgeted again?

**S. COADY:** Sorry, I wanted to confirm with my team. Only because we're looking at broader programs. For example, I think we mentioned here on Tuesday we're looking at the Asian market and the Australian market. That will then require us to travel those long distances. When you look at this, it's a pretty standard amount that they budget in this particular category but we don't spend it unless we must.

Anything else you want to add teamwise? No, okay.

**L. PADDOCK:** Again, it's the are significant budget variances, of course, looking at it from a managerial accounting perspective.

So the next one is Professional Services. Last year, \$2 million was budgeted but only \$1 million spent. Again, looking for an explanation on variance.

**S. COADY:** Less than anticipated fees. It's good.

**M. JEWER:** Yes.

We had less than anticipated professional fees in the borrowing program last year, and I think the minister did mention we were looking at a US program so that obviously has been on hold. We didn't spend that money to establish that US program last year. That's the reason why there was less spent.

**S. COADY:** I would say that we are anticipating setting up other borrowing programs so you want to keep the same amount there. If you don't spend it, great.

Last year, as the deputy minister indicated, we were setting up a borrowing program. We've halted that. When you're setting up new borrowing programs, of course you have to use all the lawyers and professional services that are required.

You'll also find money under here for professional services like S&P and Moody's and DBRS. They are found in these categories as well.

**CHAIR:** MHA Paddock.

**L. PADDOCK:** Okay.

We'll switch down to 1.4.01, Loans and Advances to Government Entities. Can you please explain what the on-lending program to Newfoundland and Labrador Hydro is and its purpose?

**S. COADY:** It's basically cheaper for ratepayers for the Government of Newfoundland and Labrador to do the borrowing, and that is basically the bottom line of it.

We're trying to save as much money as we possibly can. The Government of Newfoundland and Labrador can borrow cheaper than the entity and, therefore, that's

why we do it on their behalf. We work very closely with Hydro and, as you know, Hydro has spending requirements, like their upgrading in Bay d'Esprit and others, that go through the Public Utilities Board, but we do the borrowing for them on lend.

**L. PADDOCK:** When did this program begin?

**S. COADY:** Around the time that we entered into government, so around 2015 or 2016.

It was 2016 my team are saying. I wasn't in this role at that point.

**L. PADDOCK:** Okay. We'll come over now to Pensions and Gratuities – Statutory. So 2.1.01 –

**CHAIR:** MHA Paddock, they're not gone to that subheading yet.

**L. PADDOCK:** Okay. Sorry.

**CHAIR:** We're doing subheading 1.1.01 to 1.4.01. We have to clue up that heading before we move on to the next one.

Do you have any questions remaining on that set of headings?

**L. PADDOCK:** Sure, I'll ask a final one. If you've got time there, might as well use it.

With regard to Newfoundland Hydro – \$300 million this year – will this replace old debt that Hydro has coming due?

**S. COADY:** Some of it is.

Do you know how much it is, Deputy Minister?

**M. JEWER:** The full \$300 million would be for rollover and debt maturities.

**S. COADY:** We have attached now sinking funds to Hydro debt, so hopefully in the future we won't have these rollovers. The

whole idea of attaching, and this is all part of our financial responsibility plan that we put in place within the last couple of years, is we want to be able to pay off debt rather than rollover debt. Everybody would like that.

**L. PADDOCK:** Okay. That's it.

**CHAIR:** Are you done?

**L. PADDOCK:** On that section.

**CHAIR:** MHA Dinn, do you have any further questions?

**J. DINN:** No.

**CHAIR:** I will ask the Clerk to recall the subheadings.

**CLERK:** 1.1.01 to 1.4.01 inclusive, Servicing of the Public Debt.

**CHAIR:** Shall 1.1.01 to 1.4.01 carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** Against?

Carried.

On motion, subheads 1.1.01 through 1.4.01 carried.

**CHAIR:** I ask the Clerk to call the next subheads.

**S. COADY:** Before we move on to the next section, I just want to thank Tom Nemec. He and his team do an outstanding job for the Province of Newfoundland and Labrador. His and his teams' expertise are very valued as part of the public service but also on behalf of Newfoundlanders and Labradorians. I didn't want him to leave without giving to him and his team the thanks that they so rightly deserve.

Thank you.

**L. PADDOCK:** If I could just echo, Mr. Nemec, I truly appreciate your detail with regard to explaining some of the bonds and your lending program. Well done.

**CHAIR:** All right, we're going to carry on.

**CLERK:** 2.1.01 to 2.3.01, inclusive Employee Benefits and Other Payments.

**CHAIR:** 2.1.01 to 2.3.01, MHA Paddock.

**L. PADDOCK:** So 2.1.01, Contributions to Pensions – Statutory: Is there a plan to make changes to the Uniformed Services Pension Plan to allow it to be fully funded?

**S. COADY:** Thank you very much for the question.

I will say yes, it is something that we are discussing. We're concerned that it's only about 25 per cent funded. It is something that we need to discuss with our colleagues and with unions to see how we can improve that, as we have done with Public service Pension Plan, as we've done with the Teachers' Pension Plan. I'd be happy to kind of give you how funded they are.

The percentage of funds surplus for the PSPP – and I know that Mr. Dinn would be interested in this as well – is 102 per cent. The TPP – and I know Mr. Dinn is going to be interested in this – is 116 per cent. Then you have MHAs is 132 per cent, PCJPP is 148 per cent and MUN is at 90 per cent, for a total overall of about 98 per cent.

So overall, we're doing well. It is the Uniformed Services Pension Plan that we will have to work with our unions and our colleagues to see how we can improve that.

**L. PADDOCK:** How much is going into that pension plan this year, for Uniformed Services?

**S. COADY:** I'm just turning to my team. I can tell you overall what the net assets are. Do you know how much is going in this year?

**J. DOODY:** I can tell that I don't have the specific contributions. I can tell you what the net assets and surplus is. We generate our annual financial statements and they do go online, so they're published, but I don't have the exact number right here with me.

**L. PADDOCK:** Okay.

**J. DOODY:** I certainly can get it.

**L. PADDOCK:** Yes, that would be lovely.

**S. COADY:** Thank you.

Just let me tell you how many active members there so that might help you. Under the Uniformed Services Pension Plan, there are 684 active members and 966 pensioners. I think that gives you a good view, doesn't it –

**L. PADDOCK:** Yes, it does.

**S. COADY:** – into the challenges, I think, with that particular fund.

We'll be working with our colleagues to get that one straightened out. You may be interested, Mr. Paddock, there was a promissory note provided to the Public Service Pension Plan. I'll tell you it's over \$2,189,000,000 now. For the Teachers' Pension Plan it's at \$1.6 billion.

You will see in the finances of the province, of course, we have to pay that every year. Roughly about \$323 million.

**L. PADDOCK:** I appreciate the detail on the other pension plans and overall status. Like I said, the reason I asked about the Uniformed Services is with regard to overall risk management and the potential risks for us and to them as well.

I'll move along to 2.2.01, Ex-Gratia and Other Payments – Non-Statutory. Last fiscal year, '24-'25, \$124.9 million was budgeted. I'm aware that some of this could have been transferred to other departments as needed. Of the \$124.9 million, how much total was spent and could I get a list of departments that it was transferred to?

**S. COADY:** Certainly, I'll be happy to give that to you.

About \$100,268,800 was transferred to departments. As you know, this is to help for any type of severance or retirement benefits, any collective agreements, anything of that nature, so I'll run through them. Do you want them in detail?

**L. PADDOCK:** We could get it separately.

**S. COADY:** Well, I could give them to you: the Health, HCS, was \$67,488,300. Justice – and this would include the RCMP, the provincial court, corrections – \$16,986,500. Education for teachers' payroll, \$8,783,800. How about if I just copy this and send it over to you?

**L. PADDOCK:** Yes, that's fine.

**S. COADY:** You're okay with just – I can read them, but I can just give them to you. I will get my team to do that for you.

Just by way of explanation, for the record, ex-gratia is basically a block funding budget for things like severance payout, unforeseen retirement costs, negotiated salary increased funding and it's transferred throughout the year to the various departments as required. Usually, the actuals are lower than what we budgeted but you will see a slight increase – well, it's not slight. You will see an increase in '25-'26 and that's because the next round of bargaining for doctors, RCMP, so some big categories.

**L. PADDOCK:** Okay, that takes care of my next question or what was my next question.

**S. COADY:** Anticipating.

**L. PADDOCK:** I'm just looking for a quick explanation on line Revenue – Provincial and the variance there. It was budgeted \$602,000. It was actually \$37,500 and, for the new fiscal year, back to \$552,000.

**S. COADY:** Do you want to take that Ms. Lane?

**E. LANE:** This particular line, again, as you stated, it was \$602,500 budgeted. It was \$37,500. That \$37,500 actually is with respect to revenue or recoveries collected from a legacy pension plan. It's called the Hartt pension plan. It was out of a collective agreement that existed, that no longer exists, that paid additional benefits, had different special provisions for employees. When it ended, I believe, was in 1991, employees under that program were grandparented.

This is a recovery that comes back, that is collected by P10, which is the planned administrator and then it's recovered by Consolidated Fund Services from P10 as the Hartt plan is not a part – they don't administer that plan.

So \$37,500 that you see as the projected revised would be mostly from that recovery. Originally, we had \$602,500 budgeted because there was also expected recovery from specialized work with respect to the various pension plans from actuarial work to market studies and other consulting work that had been planned. When that work is completed, the monies or funding associated with that would be recovered from the appropriate pension plans. In this particular case, the work is still ongoing.

**L. PADDOCK:** Okay.

Final question here on this is the Debt Expenses, I see there's no variance there across those lines so I take it that is a principle base. That's the Deferred Pension Contributions, 2.3.01.11, Debt Expenses. There's no variance, I take it, is that principle –

**S. COADY:** That's the prom note that I mentioned to you.

**L. PADDOCK:** Okay.

**S. COADY:** P10 was \$188 million over 30 years; TPP, the Teachers' Pension Plan, was \$135 million. A total of \$323 million. That's part of what we borrow, the \$4.1 million.

**CHAIR:** That's it for questions on this section?

MHA Dinn.

**J. DINN:** Thank you.

With regard to the promissory notes, just to make sure we understand what they were for. Part of that deal to go to joint sponsorship, that money was used to pay for the unfunded liability for retired teachers who no longer had the ability to contribute to the pension. That was part of the deal that government would take responsibility for that as part of the joint sponsorship.

Although it's good to see, as I was trying to point out last year, that the plan was indeed in sort of an excess, that's a good thing and it's maintaining that good management, good joint sponsorship agreement.

**S. COADY:** Well done, Sir. Your legacy

**J. DINN:** Yeah. I guess it was one of my legacies when I was president. That's one of the things we were determined to make sure was fixed.

I'm just curious, though, it's interesting the PSPP is 102 per cent funded. I know it was

up around where the TPP was at one time. I'm not sure what the reasons are, but I'll ask this question in light of the trade war. I know once plans are fully funded, the assets make changes. I'm just wondering what are the concerns right now?

It would be one of my concerns as, I guess, investments become more volatile and things which we could count on for investments may become a little bit riskier. I'm just wondering any concerns around this?

**S. COADY:** I will say that I think we have global volatility, but we have some incredibly good experts who understand the markets, and they have very diversified portfolios, of course.

While I'm concerned about the global context, even with diversified portfolios, I'm not hearing any concerns from board members at this point or that there's overall volatility. I mean, as our own portfolios are being impacted, I would imagine other portfolios are being impacted. We do have some good experts that are working through this but we do have multiple investor managers and service providers that are monitoring this, and we have good board members, as you're aware, on the joint management board.

Yes, I would think they'll be impacted. To what extent, we'll have to monitor and see.

**J. DINN:** I guess I come at that from the concern because, right now, we're at 116 per cent; it seems pretty secure. I guess at some point, once it reaches a trigger here, it's either an increase in benefits, such as indexing, or a reduction in premium; but it can go the other way too, an increase in premiums on both sides to a cut in benefits. I'm assuming at this time – I can't see it tanking and I don't want this to be out there, that somehow the pension plans are in dire trouble, but I'm assuming there's going to be contingency plans?

I do need to say one thing that we made sure of – I can only say it was about the teachers' plan – is that we had the best people on it and that it was strictly free from any political influence on either side, whether it's the NLTA or government.

Out of curiosity, the MHAs' plan is 132 per cent funded. I have to ask the question, how did that happen because for many years – I don't know, was there was a sudden infusion of cash? More people died off than we expected? I know that was one of the plans that was severely underfunded at one time.

**S. COADY:** I'll probably ask James to speak to this.

We did make some changes back in 2016-2017 I think. I can remember. I was here at the time. They were pretty impactful. It is not a golden big parachute in that pension plan, we get about 2.5 per cent and there's been a wage freeze, of course. As we all know as MHAs, there's been a huge wage freeze, but it is well managed.

James, is there anything you want to add to that?

**J. DOODY:** Yeah. I guess, when it comes to the registered portion of the plan, that's where we get the funded liability. The registered plan, as you know, when people make over a certain level of income that doesn't go into the registered plan and that has to be accounted for separately. That becomes the supplementary plan and that's funded directly out of consolidated revenue.

When it comes to the registered plan, the registered plan is doing well.

**S. COADY:** By context, there are 40 active Members, the MHAs, but there are 69 pensioners. It's not a very big plan. There are only 113 if I do my math quickly. It's a pretty small plan, but it is well funded at this point in time.

**J. DINN:** If I may then, the supplementary plan, would that be under funded? I would assume that's a bit smaller than the registered plan.

The other question related to that: I'm assuming then that the contributions on both the employer and the MHAs there now sustainable amounts.

**S. COADY:** Remember I think it was back, and I'm going by memory now, either '16 or '17, they rolled it back? It was 3 per cent, rolled back to 2.5 per cent.

I'll let James answer.

**J. DOODY:** Yeah, I guess, when you look at the total of the registered and the supplementary plan, there is obviously a shortfall, but again, the registered plan, when you look at what is contributed to the plan, there are sufficient current contributions made to match the obligations of the plan.

**J. DINN:** So there is no unfunded liability or anything like that, correct?

**J. DOODY:** Not in the registered plan.

**J. DINN:** That's what I thought.

Okay, 2.5 per cent? I'm just curious, because I know that teachers at one time accrued a 2.22.

**S. COADY:** Yeah.

**J. DINN:** That was many years ago. We lost that. I'm trying to remember the rationale at the time. They were offside with CRA, but anyway it went down to 2 per cent accrual.

**S. COADY:** I don't know what it is today.

**J. DINN:** The plan, could it accrue more than 2.2 per cent or it's depending on what they want to pay into it?

**J. DOODY:** Each year CRA sets a limit as to what is acceptable from a contribution rate, and that's what decides what the appropriate contribution rates are. So 2 per cent is pretty well the appropriate level. When you look at anything that goes over that 2 per cent, generally, then that's considered over and above what the registered plan would allow to pay. That would go then into the supplementary side.

So, to your question, yes, the 2 per cent is in line.

**J. DINN:** Okay, but the point five then is from the supplementary plan?

**J. DOODY:** Yes, correct.

**J. DINN:** Okay. That answers the two questions on that.

I'm just wondering, here, under the Pre-1949 Special Acts – Statutory, about how many people are currently collecting from pensions under this category? I'm assuming here in this case, one of them I know personally, would be my mother –

**S. COADY:** Oh, is she? Wow, that's nice to be able to put a face to this.

**J. DINN:** If it's to do with the railway and that because she would have the survivor's benefit from that.

**S. COADY:** Well, we're very happy to hear that because there are 12 recipients. So I'm very happy to know your mom is one of them. That's good, but there are 12 recipients. I ask every year so that I can put a face to the –

**J. DINN:** Well, this would go to survivors, so she has survivor's pension. Interesting, just 12.

**S. COADY:** Just 12, right?

**OFFICIAL:** That's correct.

**S. COADY:** Yes.

**J. DINN:** That's it.

Thank you.

**CHAIR:** That's it.

I'm going to ask the Clerk to call –

**L. PADDOCK:** No –

**CHAIR:** You have more questions for this section?

**L. PADDOCK:** On Contingency, 3 –

**CHAIR:** We're not down there.

I'm asking the Clerk to please recall the subheadings.

**CLERK:** 2.1.01 to 2.3.01 inclusive, Employee Benefits and Other Payments.

**CHAIR:** Shall 2.1.01 to 2.3.01 carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, subheads 2.1.01 through 2.3.01 carried.

**CHAIR:** I ask the Clerk to call the next set of headings, please.

**CLERK:** 3.1.01, Contingency.

**CHAIR:** 3.1.01.

We will start the questions, MHA Paddock.

**L. PADDOCK:** So, several questions here on Contingency.

I guess to start, looking back at '24-'25, last fiscal year, I was wondering if it's possible to get a list of the transfers and the amounts.

**S. COADY:** Sure. It's only one transfer, so I'll give it to you. It's children in care.

**L. PADDOCK:** For that entire \$22 million?

**S. COADY:** Well, \$21 million of the \$22 million. We dropped the other million.

**L. PADDOCK:** Okay.

**S. COADY:** The costs of children in care are skyrocketing, and you know, it's under review as to how we improve from a management perspective, but that's why we had to put some more money in that category this year as well.

**L. PADDOCK:** Okay.

So this fiscal year, you've indicated a contingency of \$200 million, I guess essentially associated with tariffs. Have any departments made any application for any of this money yet?

**S. COADY:** No, we have not determined how that money will be spent. It's best for us to understand and from the community really, from the business community, from the unions, if workers are impacted; but at this point, we haven't heard of major impacts.

We are monitoring it constantly. We don't want to allocate that money unless it's necessary based on tariffs. So we're being very responsible and prudent on this and, of course, watching to see how or if tariffs will impact.

You can recall at the original sign that this was going to happen – I'll use the fishery, for example – we were very concerned about the fishery. That hasn't seemed to play out, so we haven't allocated – I think it would be responsible for us to find out what impacts there are and then make the

determinations, rather than make a determination and have to change it after the fact. If we don't need to spend that money, because we're not seeing any direct impacts, then we won't spend it.

**L. PADDOCK:** Minister, so on that note, will you commit to public notification as any amounts are drawn from that contingency amount?

**S. COADY:** We normally table, don't we, the contingency amount, after the fact. If there are expenditures, you would hear them because we would announce an expenditure. That would be normal process.

**L. PADDOCK:** Earlier this week, Minister, you indicated that the \$200 million that's booked as a contingency was not included in the deficit.

**S. COADY:** No, it is included in the debt but not the deficit, because we don't know if we're going to spend it.

**L. PADDOCK:** I'm just looking at things then overall. Given where we've been with Children, Youth and Family Services, I know an additional allocation was there, but given the track record over the last few years, then there's a strong possibility that our end-year deficit could actually be a certain amount higher. There's a reasonable probability of that.

**S. COADY:** If tariffs and the impacts to workers and to businesses occur and we feel, as a province, that we need to support businesses and workers because of tariffs, then, yes, we would spend the money that we have in contingency.

Generally, what we do when departments have impacts, like we've seen with children in care, we have gone to the department first to see what savings are in other categories. As you appreciate, and I know you appreciate it, there are appropriations and then sometimes they have to go to Treasury Board to move funds from different

appropriations. They might be low in one category of a budget. You're very familiar with how that occurs.

That will be the first role is we would check internally to see. For example, I can tell you that Treasury Board is working very closely with children in care. We're trying to rightsize that budget, so we have given them additional money this year. We're trying to work on some improvements to the management of the system so that we're not spending as much money in certain areas. We're hopeful that they will be able to manage their way through this.

All things being equal, if we don't spend it, it will have no impact. If we do have to dip into it because of tariffs, at least we are prepared to do that. I think that's just prudent at this point in time to have that money available, should something occur, and we hope it doesn't.

**L. PADDOCK:** My final question here, I guess, is overall with regard to end-year controllership and on-ramping and off-ramping. This is all with regard to risk management, so bear with me for a second.

We're roughly two weeks into the year. Brent is lower than what we forecasted. The dollar is a little bit higher – and I know there's going to be variations and it's a volatile time. That said, my quick mental math, we're already astern of station by about \$7 million.

You indicated that we would wait to the mid-year review to do that analysis. So that would bring us out to September and by the time that gets out, we're looking at probably October and then really to make any fundamental change, you're looking at the last quarter.

I guess my question – and we could also have a significant situation where you could see a spike in oil. After the first quarter of the year when I was in previous life, I always kept two things nearby and that was

an opportunity to on-ramp and the opportunity needed to off-ramp. I guess that's my question here, in your controllership, with regard to where things are tracking.

**S. COADY:** Thank you for that. You are absolutely correct in that is the responsible way to monitor, and we do.

As you can appreciate, I'm surrounded by very competent and incredibly talented individuals and we monitor this constantly. I can tell you that we are seized with it actually, if I can use that term, both in Finance as well as in Treasury Board, because one is allocating the money and the other is spending the money. In both areas, we monitor it and if, for example, we're seeing terrible trends then there may be things that we do early. It could be as early as June where we say, okay, travel needs to – you've done this before – slow down. You can't make this expenditure. You have to watch your hirings. There could be things that happen. It really depends as we monitor what changes that we're seeing.

I refer to the fall fiscal update, that's the public face, but internal to government, we're always watching the bottom line and making sure that we can afford. Otherwise, if we're overspending, we have to come back to the House for Supplementary Supply or more borrowings, which is never easy to do. We have come back for Supplementary Supply for other reasons in times past, but what we really try and do is manage within the budget itself.

So you'll see, if all of a sudden we're seeing not good trends, then we will ask departments to slow down spending, slow down travel, to slow down what they're doing so that we can manage the budget appropriately. I like to use the term "cut the cloth to suit the garment," because we have to be careful how we're spending the money.

**L. PADDOCK:** That was, I guess, the reason behind my question, because there is a great deal of uncertainty risk right now with end-year fiscal management.

Okay.

**CHAIR:** Are you done for this round?

MHA Dinn, no questions?

**J. DINN:** No.

**CHAIR:** I ask the Clerk to recall the subheadings.

**CLERK:** 3.1.01, Contingency.

**CHAIR:** Shall 3.1.01 carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, subhead 3.1.01 carried.

**CLERK:** Total.

**CHAIR:** Shall the total carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, Consolidated Fund Services, total heads, carried.

**CHAIR:** Shall I report the Estimates of Consolidated Fund Services carried?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, Estimates of the Consolidated Fund Services carried without amendment.

**S. COADY:** Before we move into the next, I would like to thank the incredible hard work of the Treasury Board team, the Comptroller, as well Mr. Doody for the efforts and work that they do every single day that guide us.

Thank you very much.

**CHAIR:** Yes, thank you all for coming.

We will continue on with the Department of Finance.

**L. PADDOCK:** Can we take five minutes?

**CHAIR:** Okay. Why don't we take a five-minute break.

### Recess

**CHAIR:** All right, folks, we're ready to go.

Thanks everybody for bearing with us during the little break. We're going to continue with the Department of Finance, and I ask the Clerk to call the next set of headings, please.

**CLERK:** 1.1.01 to 1.3.01 inclusive under the Department of Finance, Executive and Support Services.

**CHAIR:** 1.1.01 to 1.3.01.

MHA Paddock.

**L. PADDOCK:** We'll start with a broad question here first. How many employees are in the Department of Finance? I guess, while you're looking for that, just give me a breakdown, if you could as well, permanent and temporary, full time and part time.

**M. JEWER:** We have a total of 221 positions: 106 permanent, 91 temporary and 24 contractual.

**S. COADY:** Do you want to tell him why so many are temporary?

**L. PADDOCK:** And contractual?

**M. JEWER:** From a temporary perspective, we do have a couple of temporary programs, in particular the Home Heating Supplement Program, so they would be temporary employees. Contractual, we would have some positions that are in the midst of a department reorg, so we don't have them fully in place yet. Once that reorg is in place, we'll post them permanent but, in the interim, we're doing contractual until we get that finalized.

**L. PADDOCK:** In some of the other Estimates, there was budget allocations for this fiscal year, where the ministers and officials said they couldn't give the detail on why there was an increase in spending. For example, in Justice, for supplies for the RNC, the MHA for Harbour Main was told that discussion was still ongoing with the RNC Commissioner on how the increase in budget would be spent.

In the Department of IET, the MHA for Terra Nova was told, when talking about a business investment program, that two projects were close to being announced, close enough to tell Finance to book the money but not close enough to talk about the details in Estimates.

Could you provide some insight on the budget process and how money could be put into the budget, but the details not worked out?

**S. COADY:** I can't refer to other people's Estimates or what may or may not have been said, but in the budgetary process, as you can appreciate, a department may come forward – and I'll use a specific

example. I'll use the loan guarantee program for restaurants.

It comes through a budgetary process. We've had a lot of demand from the Restaurant Association for support. How can we support them? Why don't we do similar to what we've done to help them in two ways, we put more money in their pockets by increasing their commissions, but we could also do a loan guarantee program? So we develop the broad strokes saying that these are the types of supports that have been requested and, through a budgetary process, we're going to allocate monies. Once you make the announcement that the monies are available, then you start your consultations.

I can tell you, for example, Tourism has now met with the industry to say okay, let's get into how are we doing to do this? What are the parameters around doing this? So the allocation is there but the program will be announced, I would say, in the coming weeks as we go through the consultation process.

That's not an unusual circumstance in that you have allocated the monies. You've allocated from it in board strokes, but you need to get more granular in before you can do the major announcement.

**L. PADDOCK:** Okay.

How many people claimed a Physical Activity Tax Credit for 2023? Just looking back, they're still filing for 2024.

**S. COADY:** They're still filing for this year, but I can tell you – you don't have that number?

**OFFICIAL:** No, I don't.

**S. COADY:** We wouldn't have it at granular detail, but we can try – will we be able to get that number? No? No way of getting it?

**L. PADDOCK:** Would you have the total amount then that was spent on the –?

**S. COADY:** Yes.

We're frantically because it's not in the order – we've just got to find it in Schedule A.

**OFFICIAL:** Page 27, Statements and Schedule.

**S. COADY:** There are multiple things here. There it is, look, Physical Activities – page 27 of the Statements and Schedules. You'll see Physical Activity Tax Credits, \$7.3 million. It was \$5 million in '24-'25. It's now at \$7.3 million.

**L. PADDOCK:** Okay, thank you.

Last year in Estimates, there was a discussion about core funding for community groups. It is my understanding that that discussion was about the Department of Finance building a portal that all funding throughout government would be able to be accessible. Is there an update on this initiative?

**S. COADY:** I'm going to separate one from whether or not an organization gets core funding from the portal, just for a second, for expediency purposes.

What the attempt here is that instead of various organizations having to go through multitudes of departments, which is the current system, what we think would be valuable is if we have one portal and then have deputy ministers come in and assess if there's project funding for them. We've had multiple discussions with organizations as to what that portal will look like. We've talked to departments and we've kind of built – I'm going to say built, but we've kind of envisioned what that portal could be and how it could effectively work.

There's a mechanism within government then that would have to occur that various

departments, depending on project funding, because it depends on the approach and no matter whoever is sitting in government, they're going to want to put their priorities, right? Maybe your priority is mental health, so your funding is going to go towards mental health programming. You have program funding available in various departments for that entity.

There is an ask by some to become core funded. What does that mean? Core funding would mean that they would get a stipend guaranteed every year and you would have to do multi-year funding for that stipend. Now, multi-year funding is a little bit challenging under the *Financial Administration Act*. I'll say that, and I do think we should probably have a look at that, but multi-year funding is challenging under the *Financial Administration Act*, the mechanism of how to do it.

There's also a challenge of who do you fund under core funding, right? I will say, I understand in the City of St. John's, for example, there are probably dozens, maybe up to a hundred, different organizations that supply and service homelessness. You can't fund all of them out of the people's pocket; that would be impossible, so you'd have to pick winners and losers and then some organizations are going to be challenged by that. Whereas with program funding you can allocate your monies to organizations that are delivering on those services.

While we're having ongoing discussions – and we are having ongoing discussions. We've done presentations to the Community Sector Council; they brought in a whole bunch of people. We've looked across government to see what's the best way of doing this. How do we get core funding for those that are delivering programs on behalf of the Government of Newfoundland and Labrador. It's a little complex. We are still working our way through this because we don't want to also have an unintended consequence that you

stop funding something that is valuable, and you know all of these programs are valuable.

Right now, we're still in what I call the project phase of offering various organizations project funding. Sometimes they go up, sometimes they get more, sometimes they get less, but what the community has said to us is, look, for their improvement and their longevity, they would like to have an understanding of what funding may be into the future. I understand that because I volunteered a lot and was on a lot of voluntary boards and directors, but it is challenging.

So let's just say there's a change in government, a change in direction or something emerges like what we've seen emerge with homelessness, you may need to put more supports there. It is a complex circumstance but something that we're still continuously working on. I know each department is kind of seized with this, but the Department of Finance is seized with it because I think there has got to be a better way of doing it.

We're still working our way through it is the short answer but it is complex. We want to get to a place where we're satisfying the needs of the organizations but also ensuring that we're doing the right things with the people's money.

**CHAIR:** All right.

MHA Paddock, your time is up for this round.

MHA Dinn.

**J. DINN:** Thank you.

Just to clarify with regard to the number of contractual vacancies, I didn't get that number. I think you had 106 permanent and 91 temporary but I didn't get the number for that.

**M. JEWER:** Twenty-four contractual.

**J. DINN:** Thank you very much.

Will we be seeing balanced budget legislation some time this year?

**S. COADY:** That would be up to the House Leader. It is on the books. It is prepared and ready to go.

I've often said, and I think you'll appreciate this, Mr. Dinn, there were skeptics to balanced budget legislation. Mostly concerned that we would balance the budget regardless of the needs and concerns of the community. I want to get to a place where we balance the budget without having impacted the people of the province in terms of what their needs might be.

We have balanced the budget in one particular year, but we've been close. I always say that as long as you're within a band or a range, and I'm going to say I like 2 per cent, right now we're at 3 per cent, but as long as you're within 2 per cent of your revenues, and my deputy might want to add her voice to this, that's pretty balanced. You're not going to be at zero, that's for darn sure. You're either \$100 million to \$150 million in deficit or \$100 million to \$150 million in surplus; you have to be careful of this. I wanted to get to a place where we were proving to the people of the province, proving to – you know, we had some union leaders that were concerned about it. We had business community who really wanted it.

So we want to get to a place where we're proving out that, while we can make the investments, and we have made tremendous investments, we can also be fiscally responsible. This year in particular, I'll say we are about 3 per cent of revenues in deficit. I would like to see that a little bit lower, but I also know that it is not the year for us to make either changes to what we're doing to help with the cost of living, because

people are still having that cost of living, and we needed to make some strategic investments. I'll use education, because I'm looking at an educator, we needed to make some investments in education. I think they're both very important and smart things to do.

I'd like to get to zero. I'd like to get to that place because I don't like adding to the debt, but I think it's a reasonable place to be. So whether or not the House Leader brings it forward this year, I think we're getting very close to that point. As you can see in the fiscal forecast, we can get to a place of balance. I've been speaking to the bond-rating agencies about this and we can get to a place. We just have to make sure that when we get there, we understand how to manage our way forward from that.

Short answer is we're prepared to bring it forward, it's up to the House Leader, but the reason why we haven't brought it forward to this point is to prove out that we can get to a balanced budget and I know we can get to a balanced budget and being very responsible, because adding to that debt – we have a big debt and we've got to start making sure we pay it down.

**J. DINN:** Thank you.

In light of that explanation, and also I think you acknowledged in the Budget Speech the fact of the times in which we live, would you agree then that it would be reasonable to work towards a balanced budget but unreasonable to bring in legislation because legislation would lock you in? At least this way you now have this flexibility to address the issues?

The other thing I would argue too is that in trying to solve a fiscal deficit, you can also create a deficit in terms of infrastructure, supports and so on and so forth.

**S. COADY:** We have one.

**J. DINN:** So someone pays for it, and I look at the people. That's where I'm going with this. I come from an organization, the NLTA, we balanced our budget and made sure that we're in the black, but we also determine what were the priorities as well and making sure that we were looking after our members as well.

Not that I'm adverse to the whole notion of balance, but it comes down to government is not a business in many ways.

**S. COADY:** I completely agree with you, government is not a business, but I will say to you that there is a discipline if you have legislation that is not there if you do not.

I'll use the Future Fund as an example, having the discipline to put away a portion of non-renewable revenue and making sure – I think this is very responsible. The bond rating agencies, the banks, you know, investors are all looking at that and saying you're being very responsible by taking a portion of that non-renewable revenue. Notwithstanding we're borrowing from it, we still make a spread, but I would think that we should get to a place where our intention is, and it is a known intention, to get to a balanced budget. Notwithstanding that there are times and occasions where you have to ensure that you are making investments in people and making investments because of a particular circumstance.

In the legislation, that could be outlined. In the legislation, you could say that you could have I'll call it a bandwidth where there may be a number of years where you do not balance your budgets, because of a particular circumstance like COVID or cost of living or something, but that you would come back to being balanced. Again, it's signalling the discipline.

You just told me that the organization that you were involved with, NLTA, balanced their budgets and they did it with purpose. I think that government needs to have that purpose. I can tell you, it's easier to spend

money than it is to not. You have heard in this House of Assembly over the last week the demands that are out there. Everybody would like more money, not less. The demands that are out there, if you have that fiscal discipline and making sure that you're satisfying and ensuring the strategic investments are there but at the same time making sure you're also very fiscally disciplined, I think is a good balance.

**J. DINN:** Thank you.

How much in dividends did we get last year from Newfoundland and Labrador Hydro for our offshore equity?

**M. JEWER:** For the current year, '24-'25, there was no dividend from Hydro. They would have used those internal sources for rate mitigation, in particular.

**J. DINN:** Okay. Thank you.

What initiatives have taken place in the past year as a result of the review of the *Independent Appointments Commission Act*?

**S. COADY:** I didn't hear the question, sorry.

**J. DINN:** I'm sorry.

What initiatives have taken place in the past year as a result of the review of the *Independent Appointments Commission Act*?

**S. COADY:** Oh, okay.

We talked at length about this on Tuesday, sorry.

**J. DINN:** I was off. If you've got the answer, that's fine, we can go on.

**S. COADY:** Oh, no, I can tell you. I can just go off the top of my head.

We've been implementing the report on the Independent Appointments Commission.

David – I'm trying to remember his last name. Sorry, it's out of kilter for me. Let me go back and – oh, David Conway.

David Conway, as you know, did a review and we've been implementing his strategic report. I can tell you some of the things that we've done. He wanted more advertising, for example, he wanted to expand the scope of making sure that we were going out and looking at gaining new members from around the province, so he made a number of recommendations and we've been implementing his report.

**J. DINN:** Thank you.

**S. COADY:** There was a robust answer on Tuesday.

**J. DINN:** No, no, that's fine. Those notes are taken care of. That was before I showed up here.

**S. COADY:** I know. Thank you.

**J. DINN:** What will be the impacts of tariffs on our financial obligations from P3s?

**S. COADY:** At this point we have heard of no impacts with regard to any of the P3s that we have. I'm not aware of any risk in that area. I'm looking at my finance team. Nor have we heard from Transportation and Infrastructure of any.

**J. DINN:** Thank you.

How much did the HST holiday cost the province in the end? Have you approached your counterparts in Ottawa to see whether they will cover some of that cost?

**S. COADY:** Absolutely.

It cost approximately \$70 million. It's between \$60 million and \$70 million; I just don't have the number here.

I have, absolutely, and so has the Premier, been in discussions and negotiations with

the federal government to help us offset that amount.

**J. DINN:** Thank you.

**CHAIR:** Thank you, MHA Dinn.

We're going to go back to MHA Paddock.

**L. PADDOCK:** I just want to come back quickly with regard to these community groups, just a couple of quick questions here.

I take it they all have to submit a report at the end, right?

**S. COADY:** Yes.

**L. PADDOCK:** So is their funding held back if their reports are not (inaudible) in? So coming back again to your comment on discipline.

**S. COADY:** I can say that departments work with these community groups. Some of them are more sophisticated – if I can use that term – than others, and you don't want to create a circumstance where a very important community organization are held back from delivering the services that are required because they haven't submitted a report.

I will say that under the new accountability framework that we've put in place, community groups now have to sign up and sign that they will provide those reports, but I will be honest enough to say we try and work with these community organizations. Some of them, as I said, are more sophisticated than the others and, you know, a report can be manufactured and provided. Some others don't have that so we need a little bit of leeway.

Overall, yes, community organizations fall within our accountability framework, and they have to sign off on that. Yes, they have to submit their reports and provide analysis and details as to how they fill their

contractual obligations for the money they've received.

**L. PADDOCK:** Okay.

I understand the challenge there with some of these. Even though some of them want multi-year funding, it's an ongoing challenge and you almost need, like I said, to keep that look with regard to zero-based budgeting so that everything is fluid. They need to be able to justify it and justify why, as things change pan-province.

All right, 1.1.01, Minister's Office – again, now with some questions with regard to budgetary variance. Salaries went over budget last year by \$72,600; again, just looking for an explanation.

**S. COADY:** My secretary retired and she had a significant amount of leave built up, I think 35 years of service to the provincial government. That's her payout for a retiring employee.

**L. PADDOCK:** 1.2.01, Salaries were under budget last year by \$95,700. Again, I'm just looking for that budgetary variance.

**S. COADY:** Certainly.

That is an ADM role for Tax Administration that is not yet filled. We are, as the deputy minister has indicated, looking at a review of organization within the Department of Finance and that is a position not yet filled. We have an incredibly strong executive team, and it's budgeted for, but we may or may not fill that role.

**L. PADDOCK:** Thank you, Minister.

Moving over to 1.2.02, Departmental Operations. Again, I'm going to look at some varied budgetary variances, managerial accounting perspective. So starting with Salaries, I kind of look for some information with regard to the variance in the Salaries line item?

**S. COADY:** You see this from time to time when you're back here again next year at 1.2.02, there is usually quite a variance here. These are entry-level tax administration positions. They're hard to recruit and hard to retain. So people move. They come within the civil service, they come for a number of months or maybe a year and then they move on.

You'll often see a dropped balance there because of the timing of getting recruits. It's entry-level positions and they move around quite a bit.

**L. PADDOCK:** Okay, the next one down, I'm just looking for some explanation why the plan increased in Transportation and Communications, given that it was under spent under revised.

**S. COADY:** It's communications, so it's postage increase. Higher operational for postage.

**L. PADDOCK:** Yeah.

Professional Services, again, why the planned increased?

**S. COADY:** Professional Services, you said?

**L. PADDOCK:** Yeah.

**S. COADY:** It's actually a decrease from last year. So it was budgeted \$21,000 and it went down to \$11,000. That was savings, just lower operational requirements. So they rightsized to \$18,600. It's just lower operational requirements.

**L. PADDOCK:** That's what I'm saying, you only used \$11,000 last year, so why?

**S. COADY:** Why go back up to \$18,000?

**L. PADDOCK:** Yeah.

**S. COADY:** Only because it's such a big variance between \$21,000, going down to

\$11,000 and then coming back up to \$18,000. So they rightsized it and they'll probably rightsize it again next year, if they're seeing that variance again.

**L. PADDOCK:** Purchased Services, I'm just looking –

**S. COADY:** Huge.

**L. PADDOCK:** Huge, yeah. What's being planned?

**S. COADY:** That one made me gulp, too.

This is about the administration cost for the new Disability Benefit program. You will recall we've announced a huge, big investment for the disability community. If memory serves, it's like \$27 million and \$400 a month increase as well as stipend then for their registered programs. That's the administrative cost and that's, basically, the federal finance charges to the Province of Newfoundland and Labrador to administer that program and get those cheques in the mail. It's significant.

We also utilize the federal department for the Coastal Labrador Seniors' Food and Heating Supplement program. You recall that's under the seniors' wellness program. It's a stipend that we send out and I think it's \$500 a month that we send to those in Coastal Labrador.

We know federal finance or CRA has the information. It's much better for them to send the cheques in the administration of that program.

**L. PADDOCK:** Okay.

Just, on that same line item, from last year's budget to last year spent, the \$34,400,000 variance –

**S. COADY:** I'm sorry –

**L. PADDOCK:** So \$796,500 to \$839,000 – Purchased Services.

**S. COADY:** Purchased Services – sorry, my apologies. I didn't see where you were talking about.

**L. PADDOCK:** The \$34,400,000 variance.

**S. COADY:** It's resulting from a media advertising campaign for the cost of living. So some of the changes that we need to make in the cost of living, we had to get that information out there.

**L. PADDOCK:** Okay.

Grants and Subsidies, last year \$13,000 planned, not utilized. I'm just looking for some context.

**S. COADY:** Sure. You will recall we repealed the legislation around the Atlantic Provinces Harness Racing Commission. I think we repealed it last year. There's no harness racing in the province, so we don't think that that expenditure is wise. We repealed the legislation now so we're not paying for the Association of the Atlantic Provinces Harness Racing. We could always join back if there is harness racing in the future in the province.

**L. PADDOCK:** Or dog racing. Right?

**S. COADY:** Oh no, my dogs don't race. They only look good.

**L. PADDOCK:** Coming down a couple of line items, Revenue – Provincial is an increase of \$41,700, a 21 per cent increase. Again, just looking for some detail.

**S. COADY:** I'm going to turn to the ADM for statistical services just to get his voice. I can tell you what it is. It is statistical data services. Doug, I don't want to take you off the topic but it'd be nice to hear your voice.

**D. TRASK:** We provide some services to different organizations and entities. So that would be contract services, cost recovery.

**L. PADDOCK:** Can you give me some flavour as to that?

**D. TRASK:** I guess one example, there is community accounts. We developed and service northern Ontario's community accounts. Very similar to our community accounts. They liked the model, so we maintain and service their data requirements.

**L. PADDOCK:** Okay.

**CHAIR:** MHA Dinn.

**J. DINN:** Under 1.2.02, is the department currently examining any new ways of providing the municipalities with funding and are there any initiatives on the horizon to allow municipalities to raise new sources of funding on their own?

**S. COADY:** Certainly, the Municipal and Provincial Affairs would be dealing with municipalities around the province. As you know, we've increased the municipal operating grants. That was announced in last year's budget and the budget the year before. We've increased them significantly, but there have been discussions, I know, because municipalities have advised me that they would like to consider other ways of raising money. That would be a conversation that they would be having with Municipal and Provincial Affairs.

**J. DINN:** Thank you.

1.3.01, Government Rebate Programs: I'm just wondering how many people received the Home Heating Supplement last year.

**S. COADY:** Approximately 20,000 – I just want to make sure I'm giving you the right details.

In 2024, there were 20,000 applications received and 18,700 were paid. Sometimes people put in an application and it might be not appropriate. Some people put in for home heat that is not covered by the Home

Heating Supplement, like electricity for example, and so we might have received an application and not been able to pay it, but 18,700 people received it.

**J. DINN:** Thank you.

So if we had rebate on the electric heat, too, we could have paid it as well, hey?

**S. COADY:** It's not a rebate. We subsidize through rate mitigation the cost of electricity, right?

**J. DINN:** Okay.

Of those the 18,700 that you paid out, I'm just wondering was there any feedback as to whether it was enough or people still ran out of oil? Any feedback on the program about the amount that you would give?

**S. COADY:** No, I think it's overall well received. I mean, it is a stipend. It is an assistance of up to \$500. It is an assistance for people to help with their home heat, but I think as MHAs we all know of individuals who still struggle.

**J. DINN:** I would assume that many of the people who received it last year are probably people who've received it in years past. Is there any discussion with them or saying, look, maybe there's an opportunity here to look at ways to convert too, like whether that's heat pumps or whatever else. I fully realize, of course, that comes with it the ability to pay the upfront cost.

**S. COADY:** There are a tremendous number of programs available to assist with that. I can tell you over time what we're seeing is a decrease in the number of people who are requiring this service. So I can only assume that some of them are converting from oil to electric.

**J. DINN:** Okay. No, I appreciate it.

That's it for me. Thank you.

**CHAIR:** MHA Paddock, do you have more questions?

**L. PADDOCK:** Oh yes.

1.3.01, Government Rebate Programs: What I'm looking for here is an overview of what programs are contained in that budgeted amount.

**S. COADY:** Certainly.

The Home Heating Supplement Program that we've been discussing, that is one of them, as well as the Coastal Labrador Seniors' Food and Heating Supplement Program. I think that's the only two.

**L. PADDOCK:** The Oil to Electric, that's covered through the –

**S. COADY:** Through Environment.

**L. PADDOCK:** Okay.

You said 91 temporary staff are assigned to these two programs and these two programs have been ongoing for a while. I guess, fairness to the public service is to keep people in a recurring temporary, so is there any analysis there with regard to converting some of those people to full-time?

**S. COADY:** I'm going to turn to the deputy minister.

**M. JEWER:** The total temporary, 91, is not all for those rebate programs. A portion of it would be but not the full 91. I'd have to get you a breakdown of how much are for – unless they have it.

Yeah, we'll have to get it for you because I don't know how much of that is temporary, but it's not the full 91.

**L. PADDOCK:** Again, to come back to, I guess, my general comment here, we've had a number of these programs that have been recurring for a number of years so, to

keep people in a temporary position, it's just a matter, like I said, of looking at being fair to some of these staff. If they're full-time then there's a greater flexibility for them to move within the public service internally.

**S. COADY:** Even those who are temporary can still do that. That's why you have such a turnover in those positions.

Sometimes we need them temporarily because the program runs for a six-month basis. For example, with the home heat, we'll put out a call for home heat sometime in the summer leading into the fall and then by this time of year, it's almost finished. Sometimes it's temporary from that perspective, but I think I will turn to the deputy minister and say that I think there's always that kind of view of how we ensure those temporary positions. If they're required full-time, how do we make them full-time.

I turn to you.

They can apply internally, though, just for clarity.

**M. JEWER:** We'd always have some component of temporary in the department based on, as the minister said, short-term work. There would be project-based work as well that would have temporary employees.

I did mention earlier too that we are in the middle of a departmental reorganization so that has not been finalized yet. We will have competitions to place some temporary people into permanent jobs. That's a process that's ongoing. It's just not, at this point in time, finished yet.

**L. PADDOCK:** Okay.

Home heating, let's say the fuel supplement, how a number of residents view it, there is a variation across the province so has there been any in the actual price, and in particular in Labrador? Has there been any consideration of then

looking at, I guess, a regional variance with regard to that supplement?

**S. COADY:** I can say that we've looked at Labrador a little separately from Newfoundland and Labrador.

As you know, I just told you about the Coastal Labrador Seniors' Food and Heating Supplement that gives them an additional stipend, but the variance across the province, no we have not gotten into that kind of segmented view. We've put the stipend the same across the entire province.

If it's something that you think would be valuable, I don't know how – you know, just from an administration perspective, it might be only small numbers that would get \$50 more or whatever, but if it's worth looking at we can certainly do that.

**L. PADDOCK:** Yeah. The reason I ask that is based on what the PUB does with regard to the max for fuel prices at the retail across the entire province. That's broken out regionally so it shouldn't, I guess, be that difficult to have some slight variance with regard to potentially giving a rebate.

**S. COADY:** It's just the point in time.

What we would have to do is say put a section – if you look at regions across the province, what I think you're suggesting is, I'll say on the Northeast Avalon be \$500, in Central it would be \$550. Yeah, something that we could certainly consider over time.

**L. PADDOCK:** That's just because of the actual cost based on what the PUB is defining as max pricing.

All right. I'm going to pass to my colleague from Bonavista for a question or two.

**CHAIR:** MHA Pardy.

**C. PARDY:** Just one quarry.

One, you know, I certainly appreciate the in-depth answers and the knowledge. I think you're probably even competing sometimes to answer because you know your stuff, and that's great to view from here on the sidelines.

This is one question that I brought up before in the House of Assembly; I just wanted to bring it up now. I mentioned before, the C.D. Howe Institute rates budgets across the country, as well the federal budget. Accessibility, reliability and timeliness are the three, probably, themes that they look at.

The genius, I guess, of them doing their analysis is the interpretation of the budget for the average resident, for someone to look and be able to glean the information that we want to be able to present to them and, I guess, with a degree of clarity. I know sometimes we sit in our caucus and we struggle sometimes with interpretation. You listen to the questions that we ask and you will say then it's an understanding of it.

The question would be – and I only have that one, just for curiosity – is that we weren't rated very high. I think the latest one, C minus, we were with the federal government and PEI might have joined us this year where, as last year, I think it was just us and the federal government. I think Doug is probably acknowledging.

Can you speak to that as to what it is to drill down that we're not doing in their minds?

**S. COADY:** We're making more and more effort to try and raise our score, if you would. That's why in the last number of years – I'll just use this as an example – we tried to get our budget in by the end of March, because that gives us two points. Trust me, I'm seized with those two points.

We were April 9 this year. There were a few unusual circumstances why we were, but my goal is to get those two points, isn't it? Two points by the end of March, so it's

pretty subjective. We were only a week out from that, just to get those two points.

But here's what we've been doing. The budget speech is quite long for a purpose. It's not because I like to hear myself speak; it's to give as much detail. Even though sometimes it's a lot of detail in a budget speech but people can walk away with the budget speech and it's pretty plain language. We do all the different breakouts, for example – I'm trying to remember what they're called.

**OFFICIAL:** Fact sheets.

**S. COADY:** Fact sheets – we do all the different fact sheets. The reason is you can pick up a fact sheet that talks about health, a fact sheet that talks about education and it's just very simplistic bullet language for that purpose.

We've also done things like the statement and schedules. We've broken them down and made them as comprehensive with more details upfront, and I want to congratulate both David and Michelle for doing that. This is relatively new and from breaking it down and having it separated out from the Estimates book. Honestly, we're making best efforts to ensure that we are trying to be as clear and as plain and as comprehensive as possible.

We also do brochures to send out to people just with the details, trying to make it a little bit more simplistic and, of course, everything is on websites. We do shareables, we do television ads, all to make it a little bit more user friendly. We're going to keep working at it.

David would like to say something.

**D. DROVER:** Thanks for the question.

Actually, the C.D. Howe report has been a bit of an ire for quite some time in my experience. There's a lot of history to C.D. Howe and how they do their evaluation.

There's also much to learn in comparison between the various jurisdictions and the true differences that exist that are not evident from the C.D. Howe report.

We continue to provide feedback to the organization as to how our budget and our Public Accounts documents met those criteria, but they failed to listen to that feedback.

**C. PARDY:** That's fair enough.

**CHAIR:** Your time is up.

MHA Dinn, did you have any further questions on this topic?

MHA Pardy, would you like some more time?

**C. PARDY:** No, that's good.

**CHAIR:** You're good?

**C. PARDY:** Thank you.

**CHAIR:** MHA Paddock, do you have any more questions on this topic?

**L. PADDOCK:** No, that's good.

**CHAIR:** All right.

I ask the Clerk to recall the subheadings, please.

**CLERK:** 1.1.01 to 1.3.01 inclusive, Executive and Support Services.

**CHAIR:** Shall 1.1.01 to 1.3.01 carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

On motion, subheads 1.1.01 through 1.3.01 carried.

**CHAIR:** I ask the Clerk to call the next set of subheadings, please.

**CLERK:** 2.1.01, Financial Administration.

**CHAIR:** 2.1.01.

MHA Paddock.

I can go to MHA Dinn and come back to you if you like.

**L. PADDOCK:** Yes.

**CHAIR:** MHA Dinn, no questions?

**J. DINN:** No questions.

**CHAIR:** MHA Paddock, whenever you're ready.

**L. PADDOCK:** No. I'm good.

**CHAIR:** MHA Pardy.

**C. PARDY:** I totally missed it. I got so focused on the C.D. Howe commentary that I lost my focus here.

**S. COADY:** Look, I'll just give you the Coles Notes version. This is where the federal government program money comes into our budget. We reallocate it out to departments. The little bit of variance between '24-'25 and '25-'26 is the gender-based violence program. So it's pretty straightforward.

**CHAIR:** MHA Paddock.

**L. PADDOCK:** With that, and with the possibility of a federal recession, if you look at where things are tracking, do you forecast any risk to any of the transfers this fiscal year?

**S. COADY:** It's a very good question.

I'm going to say it this way: our risk in Newfoundland and Labrador is probably less than other provinces. We're exposed by about 20 per cent to the federal

government. I can compare that to New Brunswick at 38 per cent. I think it's in December, we receive a letter each year that outlines what we can anticipate from the federal government, notwithstanding any new program or something of that nature, but in a general sense what we can expect, for example, in social transfers and health transfers.

We know with some certainty, in December of each year, what we're going to receive. That's what we utilized in the forecast. That's kind of a commitment on behalf of the federal government but we don't know if there's going to be programming changes or things of that nature.

**L. PADDOCK:** They're using Stats Canada for a lot of their numbers, right? Yeah.

**S. COADY:** So we're not as exposed. We have some surety into what we are expecting to receive, but we don't know what we don't know at this point.

**L. PADDOCK:** Yeah. That's good.

**CHAIR:** MHA Paddock.

You're good?

**L. PADDOCK:** Yeah.

**CHAIR:** All right.

I ask the Clerk to recall the heading please.

**CLERK:** 2.1.01, Financial Administration.

**CHAIR:** Shall 2.1.01 carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, subhead 2.1.01 carried.

**CLERK:** The total.

**CHAIR:** Shall the total carry?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, Department of Finance, total heads, carried.

**CHAIR:** Shall I report the Estimates of the Department of Finance carried?

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

On motion, Estimates of the Department of Finance carried without amendment.

**CHAIR:** All right. The next meeting of this Committee is May 12 at 9 a.m.

First of all, I want to thank everybody for coming. All the officials that have left and the ones who have stayed, we thank them for their time. I know everybody would like to have a few words to end so, Minister Coady.

**S. COADY:** It's probably one of my favourite things in government is the Estimates process. I really thank the researchers and the analysts for all their in-depth review, as well as Members of the House of Assembly and all of us for being here, but I wanted to make sure I really thanked, as well, the team in the Department of Finance.

As I said earlier, I've never worked with the most dedicated, determined, thoughtful, professional group and their efforts every

day on behalf of the Province of Newfoundland and Labrador are outstanding. I want to make sure I said that before I ended.

Thank you.

**CHAIR:** Thank you.

MHA Paddock, would you like to have some closing remarks?

**L. PADDOCK:** I just want to thank again, Minister, and your officials for being here and the detail that was provided, particularly when we were in period 13 and also period one.

Navigating a fiscal year-close and a fiscal year-start has a unique challenge. We're in a period of significant volatility and I think some unique challenges on the Department of Finance. I truly appreciate that, but also, as I said to ADM Trask, there are also some unique opportunities as well with regard to some of our resources.

Full speed ahead.

**CHAIR:** MHA Dinn.

**J. DINN:** Thank you both, Minister, and to your staff.

I know certainly with regard to the tariffs, I would say we've gone from anger to, I think, sort of a steadfast approach right now. I think you read some of the articles where Canadians are going elsewhere, other than the States, and they're looking inward and to other places.

To me, I think we'll get through this. There will be some rough water, but I don't think it's going to sink the ship by any means.

**CHAIR:** All right.

Thank you everybody. I ask for a mover to adjourn.

**J. DINN:** So moved.

**CHAIR:** MHA Dinn, seconded by Minister Stoodley.

All those in favour, 'aye.'

**SOME HON. MEMBERS:** Aye.

**CHAIR:** All those against, 'nay.'

Carried.

Have a safe weekend and Happy Easter everyone.

On motion, the Committee adjourned.