

Newfoundland and Labrador Federation of Labour



Solutions for a Worker-Centred Economic Recovery

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The Newfoundland & Labrador Federation of Labour (NLFL) has compiled seven (7) themes that outline solutions for a worker-centred Economic recovery plan, that will address the province's fiscal challenges, and set our province on the road to economic recovery and towards a strong economy.

We ask the Government of Newfoundland and Labrador (GNL) to focus its energies on building and sustaining a strong economy that benefits all of us; to invest in a more equal and fair economy; one that is rich in decent, fair and safe jobs for all; that invests in a strong public sector and quality public services, that supports local businesses, and our communities, and respects our environment.

A narrow focus on spending cuts and balancing the budget above all else (as an outcome rather than a pathway to a real outcome of a better society and a stronger economy for all residents of NL) will begin a process that we believe will send the economy in a tailspin. That belief is shared by many leaders, economists, researchers and experts around the world. Austerity measures are bad for workers, and bad for our economy.

This is why it is important to acknowledge the need for a holistic approach to any discussion around the economic recovery and continued economic growth of our Province; and critical that economic recovery must be gendered, inclusive, and focused on reducing inequality.

It is also important to note that there can be no economic recovery without workers.

Our rich resources belong to all of us, and our communities are reflective of the riches that many have enjoyed throughout our history, because of the hard work and struggles of those who came before us; and mark the reason why the people of NL continue to show the world their passion and determination to create a better world for themselves and their families. They deserve no less.

The provincial government has a key leadership role to play in making this vision come to fruition. It will need to work with workers and unions, with other governments, with the non-profit sector, and with businesses to succeed. And succeed it must.

Respectfully submitted,



Mary Shortall

President, Newfoundland and Labrador Federation of Labour

1. Jobs

The real crisis in Newfoundland & Labrador (NL) is high and rising unemployment and the need for decent jobs.

What we need

A comprehensive jobs strategy which includes:

- Protecting existing quality jobs in the public and private sectors, in order to safeguard the foundation for current economic activity and future economic growth.
- Add new jobs by establishing the conditions required for economic and employment growth through human capital development (education and training), economic diversification, and an emphasis on value-added – getting as many jobs as possible for resources used.
- Have workers available by attracting and retaining young and working-age people.
- A full-employment strategy (including strategies for youth and green jobs), led by public investment in public infrastructure, along with the renewal and expansion of public services. This should take the form of investment in social infrastructure, including investments in acute health care and long-term care, home care, early childhood education and childcare centres, and post-secondary institutions (We understand that support by the Bank of Canada, and federal equalization will be key to needed public investment and investment in social infrastructure).
- At a time when private investment is at an all-time low, we can use public sector investment strategically; to encourage, facilitate, and structure private-sector investment, to produce broad social benefits

and create secure, well paying, family supporting jobs, especially in rural areas and communities across NL. Such investments could target clean energy, electrification to replace fossil fuel burning, and energy conservation (including building retrofits and related labour market strategies). It should also include 100% broadband access across the province.

- Government should pursue a comprehensive green jobs strategy for NL. A key part of this strategy needs to be transition planning: planning for training and supporting workers moving into the new economy.
- Government purchases hundreds of millions of dollars in goods and services annually. Targeting a significant amount of these purchases to green goods and services, and in-province purchases, could significantly encourage a transition to a green economy, as well as increase economic activity and quality jobs in the local economy.

Support for decent, fair and safe work:

- A \$15 minimum wage (supported by 91% of the population of NL) as the beginning of a broader plan towards a living wage.
- Accurate and visionary labour market information, with investment and political buy in for proper research, planning, education and training curriculum and labour force development.
- A youth job strategy, which address recruitment and retraining, immigrant planning, support and training.
- A comprehensive review of labour standards laws, with the goal of modernizing them to the realities of the current world of work. We

need robust workplace health & safety programs, policies, laws and enforcement. Workers need access to proper Personal Protective Equipment (PPE) when and where they need it. If workers get sick, they should be able to stay home with pay. If workers contract COVID-19 directly or indirectly because of their work, it should be presumed to be work related, and they should receive full benefits from Workers' Compensation.

- Amendments to the *Labour Relations Act*, to make it easier for workers to join unions, for a fairer and more enforceable collective bargaining process, and an effective method for intervention and settlement during prolonged labour disputes.
- A green jobs strategy and a just transition strategy for workers in sunseting industries.
- Investments in digital and tech jobs that support (not harm) workers.
- Pay Equity legislation, as promised, to address the widening gender wage gap in NL.
- Community and social supports and programs for the people who need them.
- Avoidance of austerity measures.
- No cuts to public services - whether directly (job cuts, salary cuts) or indirectly through privatization or contracting out. Even finance and budget-oriented organizations like the International Monetary Fund (IMF) agree that an economic mindset of austerity budgets, spending

cuts and reduced public and social services, will result in growing inequality, anemic job creation, and low paying, precarious work. We cannot cut and slash our way to prosperity, and especially if our vision of a strong economy for all includes a more equal, fairer, more sustainable and more prosperous future. Austerity will not reduce the poverty or inequity that we see in NL, but rather will exacerbate and intensify it. Strong public investment can lead the way, lifting incomes and economic activity that will, in turn, stimulate business investments.

Robust workplace health and safety programs, policies, laws and enforcement:

- All workers need to know their workplaces are healthy and safe. They need access to the proper personal protective equipment (PPE) when and where they need it.
- If workers get sick, they should be able to stay at home with pay.
- If workers contract COVID-19, directly or indirectly because of their work, it should be presumed to be work-related, and they should receive full benefits from Workers' Compensation.
- All workers should have access to 7 days paid sick leave and 14 days emergency paid days. No worker should fear losing their job as a result of getting ill or having to take care of a family member.

2. Equality

Income inequality is by far the worst in Atlantic Canada (see chart), and the province has the largest gender wage gap, with women earning 66 cents on the dollar.

What We Need

- Avoidance of austerity measures. No cuts to, or privatization of the public services that all citizens depend upon, and especially women, and especially for domestic violence.
- Any discussion/planning towards a more diversified economy must bring all voices to the table and consider additions and alternatives to extractive, male-dominated industries.
- Implement Community Based Agreements with major infrastructure projects.
- A \$15 minimum wage as a path towards a living wage in NL.
- Strategic government equity plans like poverty reduction, and violence protection strategies.
- A comprehensive Gender-Based Violence (GBV) strategy aimed at reducing/eliminating all forms of GBV.
- Federal stimulus funds as needed to promote reform and programs that support vulnerable groups/communities and women.
- Anti-racism programs and supports for minority populations in NL, including migrant workers.
- Legislative changes to labour standards and other labour laws, including the introduction of pay equity legislation as promised.

- Community and social supports and programs for the people who need them, and especially community mental health and social supports for women, children, Indigenous and other vulnerable populations, and those who are affected by unemployment, financial distress, isolation and Family Violence/Intimate Partner Violence (IPV).
- Identifying new opportunities for more sustainable economic livelihoods.
- Building the province's social infrastructure (childcare, education and healthcare) including publicly funded, accessible, quality childcare for all.
- Reform of the EI program with a minimum benefit rate equal to or greater than the minimum wage, as well as a reduction in qualifying hours and increased benefit duration.
- Restructuring of the tax system to lessen the burden on low wage earners, and shift to corporations and those rich citizens who can better afford it.
- Ensure an equality lens is applied at every level of government.
- Comprehensive strategies to promote a diversity of voices at leadership and decision-making levels.
- A comprehensive, inclusive, public review of a Guaranteed Basic Income Program.

3. Government Investments

As referenced earlier in these notes, the Government of Canada, and many organizations around the world like the IMF have agreed that in times of economic downturns,

governments must lead the way with investing into the economy to stimulate growth and employment.

In fact, we know that each additional dollar of public spending increases the GDP by \$1.50 (Pierre Fortin, 2008). All developed-country economies are mixed economies, and investment in the public sector results in spending in the private sector - as the public sector purchases from the private sector, and as public sector workers and suppliers' workers spend their money. This multiplier effect is a key reason why public sector spending cuts have negative impacts on private sector firms and jobs.

What We Need

- Government must invest in a strong public sector and quality public services, in public and social infrastructure, human capital and the green economy, in decent, fair and safe work. These investments will be necessary to help lift incomes and stimulate business and business investment that will in turn, help grow the economy.
- Establish Community Benefits Agreements (CBAs) with major infrastructure projects. CBAs can mandate skills training, apprenticeships and on-the-job learning opportunities, as part of infrastructure investments and building projects. A gender and equity lens can help address equity issues, with gender-equity and diversity targets to ensure women, Indigenous, youth and equity seeking groups have access. CBAs should reinforce and ensure high wage floors, and solid protections for labour and health and safety rights at work. They can also ensure communities are protected and can benefit from the short-term, employment boom-and-bust nature of these projects.

- In order to address the long-standing inequalities that have been exposed throughout the pandemic, this means government must invest in community and social supports for those who need them.
- Investments in social infrastructure and human capital are critical. Any investment strategy must also be led by public investment in public infrastructure, along with the renewal and expansion of public services. This should take the form of investment in social infrastructure, including investments in acute health and long-term care, home care, early childhood education and care centres, and postsecondary education. Building towards free post-secondary tuition will help to develop human talent that is currently discouraged by fees that are costly to many, and will thereby bring innovation and creativity into the economy.
- The federal government must take immediate steps to bring long-term care fully into the public system, and regulate it under *The Canada Health Act*.
- Private-for-profit services must be replaced with public, not-for-profit services. This must be accompanied by increased federal health transfers to the provinces, including NL, to deliver long-term, home and seniors' care, and to establish high national standards for regulatory oversight of the sector.
- Other public services are in need of investment and expansion, including early childhood education, disability services and aged care.
- Administrative support by the Bank of Canada, along with federal equalization, will be key to needed public investment and investment in social infrastructure.

- Also needed are investments in the Green Economy, and a just transition strategy.
- Now is the time for NL to address the need for more affordable and public housing.
- At a time when private investment is at an all-time low, we can use public sector investment strategically: to encourage, facilitate and structure private-sector investment, and to produce broad social benefits and create secure, well-paying, family supporting jobs, especially in our rural areas. Such investment should target clean energy, electrification to replace fossil fuel burning, and energy conservation including building retrofits and related labour market strategies. It could also include ensuring 100% broadband access across the province.

4. Revenue Generation

Ultimately the goal of the provincial government is to capture enough revenue to provide for the services that allow the people of NL to live up to the Canadian standards in health care, in post-secondary education, in public health standards, road safety and other basic services. Of course, to ensure this happens, all levels of governments must work collaboratively to stimulate the economy to provide jobs for all who need them.

Muskrat Falls expenditures highlight how sometimes the spending choices government makes can be misguided and extremely costly. Similar ill-advised spending must be avoided and hopefully Justice Le Blanc's recommendations will serve us well into the future.

So, what are the other levers we can use to address the debt/deficit – other than to cut spending?

One way is to raise revenues. Revenues can be grown directly through increasing tax and royalty rates, and indirectly through stimulating economic growth. Economic growth equals revenue growth.

What We Need

- Corporate income tax rate - restore 1990s rate of 17%.
- Require that a business employ a certain number of employees in order to qualify for the low, small-business tax rate.
- Create a new higher CIT rate for the largest corporations.
- Personal income tax - increase rate for top two brackets by 2%, and introduce a new higher-rate bracket for top end.
- A Buffett Tax to ensure those with top incomes pay at least some tax every year, and can't shelter/defer/deduct/get exemptions to avoid paying at all.
- Tax capital gains in the same way that wages and salaries are taxed (cancel the lifetime exemption and cancel the 50% deduction).
- A wealth tax on the richest, working with other jurisdictions - a policy with significant public support.

- Make the carbon tax apply to more sectors; currently it leaves a quarter of emissions untaxed; the federal benchmark is to cover 89% of emissions.
- Structure carbon-tax rebates to make the large majority of lower & middle income families better off financially than they would be without the tax-and-rebate (as per Federal, BC, and AB 2015 c-tax systems)
- Design a tax-and-rebate system as above (where the majority are better off) for an incremental increase to HST (1% or 2%).

5. No to Privatization, P3's, Contracting Out

NL has a poor track record when it comes to ensuring that broad public interests in infrastructure development are not trumped by private commercial interests.

Given the experience of Muskrat Falls, the provincial government must be more transparent and open. All Public-Private-Partnerships (P3s) must be fully evaluated under full public scrutiny and transparent accounting.

Locking into 30-year contracts with a declining population, and unknown needs in the future, along with our economic and fiscal challenges, would be unwise for NL.

While P3s may solve some immediate infrastructure and budget needs, it will be at the price of a long-term more expensive end goal – which is especially concerning for those who do not want our grandchildren to be saddled with costs that have been handed down to them.

What We Need

- Decisions about public infrastructure need to be made transparently, and with a healthy and reasoned public debate. It is critical that these decisions protect public services, local democracy and public interest.
- The federal government should ensure that the GNL is provided with federal loan guarantees. Provincial infrastructure bonds could be sold in tranches for varying terms of 10, 20, 30 years; allowing lower borrowing rates, and the option to reissue or pay off debt in better times, before the 30 years are up.
- Government should immediately implement a 3 month freeze on the P3 process for HMP and submit a request for a Federal Loan Guarantee for the \$200 million overall costs.
- The Muskrat falls Inquiry Commissioners' report makes recommendations of openness and transparency in procurement that should be heeded:
 - Access to Information and Personal Privacy Act be changed so that commercially sensitive information can be accessed by the Information Commissioner and released to the public.
 - For projects larger than \$50 million, the GNL should a) engage independent experts to provide a robust review, assessment, and analysis of the project, and b) provide well-defined oversight based on best practices.
 - Ensure prompt and full protective disclosure of all procurement records, including preliminary analyses, business case documents, successful and unsuccessful bids, evaluations of bids, and contracts.

These documents should be released as they are received or distributed to procurement partners.

- Government should immediately stop the process of sole-source consultant contracts. No consultant who is also a member of the P3 lobby group should qualify as an independent expert on procurement.
- Government must end the process of bundling smaller projects into a bigger project, to ensure more projects are accessible to small and medium sized construction companies. No infrastructure project under \$100 million should be screened as a P3. Unless a P3 can save more than 10% of the costs of a project, the project should be built using public procurement.
- Public procurement projects should be strengthened to include Community Benefits Agreements which would result in more local, good quality jobs, preferential consideration to living wage suppliers and supply chains, training and job opportunities to underemployed groups, and can tie projects to specific policy objectives like greater energy efficiency, poverty reduction and inclusive growth.
- Return contracted-out work to the public service, and do not plan further contracting out of this work.

The solution is simple; we need to keep public facilities and services public. We need to avoid privatization, contracting out, and P3s, and instead keep public services transparent, focussed on quality rather than profit-taking, and democratically accountable.

There is plenty of opportunity for corporations to develop economic activity in the private sector. Indeed, we need to encourage the private sector to focus on creating more jobs and tax revenues, rather than absorbing public sector jobs and public funds.

6. Stronger Communities

What We Need

- Diversification requires a long-term multipronged approach, but hinges on levelling the playing field between resource and non-resource sectors, between local and foreign businesses, and between small and large businesses. This will mean that policy frameworks at all levels will need to be changed. The GNL can work with the federal government to change that policy landscape – practices regarding mergers and acquisitions and consolidation and unfair concentration, procurement policies, and more.
- Preferential access for local firms to NL training and employment program funds and to public tenders, to procurement, with accountability for the creation of local quality jobs. The local economic stimulus effects (direct, indirect and induced multipliers including the quality of jobs) should be calculated into the costing of proposals by government.
- Support alternative business structures (cooperatives and social enterprises). Cooperatives play a key role in small, rural communities where a smaller population base presents challenges for making a business succeed. They can be designed to service the needs of their members instead of being focussed solely on making a profit like large corporations.

- Invest in infrastructure projects that will address barriers to growth in the new economy, including broadband connectivity and market access.
- Government must support promotion of resource access for inshore owner-operators, and support new opportunities in species like redfish to go to adjacent inshore harvesters and be used to create good jobs on our shores, supporting fleet separation rules as mandated by the *Fisheries Act*. A focused effort must be made to ensure a competitive environment where fish is properly valued based on the most accurate industry information. There must be more transparency in the value of different product forms by species. Support is needed on necessary infrastructure for the delivery of quality fisheries product to market.
- Target research and development with a focus on diversification and local long-term employment creation rather than monitoring the amount of outside investment leveraged.
- Invest in replacing imports with locally produced goods and services. Replacing food imports is an example that reduces the cost of living, reduces climate change emissions, and increases local employment and economic activity. Local gardening and farming initiatives can be supported through increased R&D investments, training programs, and support for local farmers' markets. Replacing diesel with locally generated renewable energy is another way that expensive imports can be replaced while creating jobs and reducing emissions.
- Employ a range of strategies to grow value-added, from direct negotiation to incentives to regulation. Negotiating the value-added as part of the agreement that sets the conditions for an external investment

is one approach (used in Voisey's Bay nickel deposit). Direct regulation is another approach.

- Government should pursue grant and loan funding for small scale farming, community gardens and greenhouses, farmers markets (an important means of distribution for local food producers), and spearheading a certification program.
- Government should fund programs for tourism operators to be trained and certified in eco-tourism and best practices, as well as a certification program for recognizing sustainable tourist outlets, creating green jobs in training and certifying tourist operators, and encouraging green job growth in the sustainable tourism industry.
- NL is home to iconic natural heritage and protected areas, which can be used to market eco-tourism. Sustainable tourism creates good, green jobs and also boosts local economies. It can also help to market locally made, environmentally friendly goods and services.
- Connecting traditional harvest products to sustainable tourism operations can increase the demand for these products, and create more green jobs, while mitigating poverty and food security in Indigenous communities. By funding farmers' markets and artisan markets, the government can help harvesters find a market for their products. Traditional harvesters can be supported in resources sectors as well as indigenous communities. Programs to support local indigenous harvesters and artists include subsidies and tax incentives for equipment, special leave provisions, and recognition of indigenous harvesting as an independent business. Protecting fishing and hunting grounds with local

indigenous monitoring can help to ensure sustainability and safeguard jobs in the sector.

- NL will have to attract in-migration to maintain its population, build the economic base and meet upcoming labour market gaps. Immigrants are part of a diverse economy and contribute business innovation, arts and culture, as well as filling skills shortages (e.g. doctors in rural areas), and employment needs in many industries. Education and labour market strategies need to align in order to attract and retain immigrants.

7. Federal Government Support

Canadians do not want to focus on obscure issues in federal and provincial fiscal relations, they want both levels of government to work together to ensure the wellbeing of society. COVID-19 requires a level of federal leadership and funding that has not been seen in Canada for some time, but it is what Canadians need and expect. Not only has this crisis illustrated weaknesses in public programs that governments have been reticent to solve, but it has also demonstrated Canadian's deep commitment to caring for one another when adversity strikes.

As Canadians face an uncertain future together, an ambitious extension of the Bank of Canada's responsibilities is the most practical option, with more comprehensive support to the provincial government.

The federal government has already expressed its intention to invest in job creating infrastructure improvements and growing the green economy.

Accelerating the Move to Universal Public Pharmacare

Because of COVID-19, workers with private drug coverage risk losing access to needed medications, simply because they have lost their jobs. Workers who have to pay for drugs out of pocket are also struggling with making rent, buying groceries and keeping the lights on. As an emergency first step towards universal Pharmacare, the federal government should work with the provinces/territories to immediately provide public coverage for essential medicines, for everyone in Canada.

The federal government should establish a national essential medicines formulary, which would cover most major conditions, and inform the provinces/territories that Ottawa will reimburse them for Canadians needing prescription drugs, included in the essential medicines list. This is consistent with the roadmap outlined in the Hoskins report on implementing national Pharmacare. Consistent with that report, over subsequent years, additional prescription drugs would be added to the national formulary as prices and supply arrangements are negotiated with manufacturers.

Employment Insurance (EI) Reform

This crisis has shown just how inadequate our current employment insurance (EI) system is to respond to an employment emergency of this scale. After years of making the system more punitive and increasingly difficult to access for unemployed Canadians, EI needs to be restored to its original purpose of supporting workers who lose paid work.

Currently, less than 40% of unemployed workers are able to access EI. COVID-19 is not the only broad systemic crisis that can cause large unemployment nationally or regionally. We should not need to create what are in effect emergency EI programs, to compensate for the fact that the existing EI system no longer protects Canadians.

Reforming EI will require changes that include:

- A common national threshold to qualify and requalify;
- Easier qualification for benefits when leaving a job;
- A universal floor on minimum EI benefits; and
- Access to maternity and parental benefits and a higher replacement rate.

The federal government should commit to a broad review of the EI program with full public participation.

Early Learning and Child Care

In Canada today, there is no national Early Learning and Child Care (ELCC) program or policy. Each province/territory has its own approach, supported by a variety of funding arrangements. Here in NL, licensed/regulated services are provided by self-governing, not-for-profit organizations whose volunteer boards hold legal responsibility, as well as by a smaller number of commercial operators. Most service providers receive minimal public funding and are dependent on revenues from parent fees.

The very low compensation paid to the predominantly female workforce has created a crisis in recruitment and retention of qualified early childhood educators, and other staff. Especially evident throughout COVID-19 is the need for a common approach to emergency childcare.

Both the federal and provincial government have taken many important steps to help workers and their families through the pandemic; including a coordinated, federally supported plan to provide safe, free, emergency licenced childcare to parents who are required to work, or who cannot make other childcare arrangements.

We know that clear evidence tells us that the public management of childcare, including public/non-profit, like we see in Québec, is a much more fair and effective way to deliver services. It also serves to boost the economy, and the participation of women in the labour market. Each \$100 Quebec spent, returned \$104 in revenues to the provincial government (plus \$43 to the federal government). The IMF has calculated that federally funded childcare would more than pay for itself. Another study showed that quality childcare could boost NL's GDP by 3-4% in ten years, translating to about \$150M/year in provincial revenues.

Beyond the above benefits of bringing more women into the workforce, the education that children receive through ELCC, K-12 and through post-secondary education and beyond (life-long learning), is fundamental to a strong, developed economy.

It also helps to keep young people and families here, attract business investment, and support newcomers, who are essential to balancing our shifting demographics. It is important to maintain strong public services and supports for newcomers, and to have a labour market and employment vision with accurate skills training to help NL workers of the future find meaningful, appropriate work in digital and tech sectors, and also green sectors and other sectors of the future.

In the shorter term, our economic recovery will be in jeopardy if parents and guardians of young children do not have access to the childcare services they need to return to work. Canada needs a plan specifically designed to sustain this sector throughout the pandemic, and beyond. It is critical the federal government is held to its promise to turn the fragile patchwork of services into a robust, fully effective, properly regulated and comprehensive, high-quality system.

Fair and Progressive Taxation

Dealing with the impact of COVID-19 is going to be expensive, and it cannot be paid for through counterproductive austerity and budget cuts. The Prime Minister has stated that: “now is not the time for austerity.” The government must think more broadly about solutions to its financial difficulties.

The NL Government must roll back the tax breaks introduced in 2006 that benefitted high income earners. Despite the arguments at the time, the tax cuts have not “paid for themselves”. They have cost the province billions in lost revenue, and have led directly to the current financial weakness inhibiting the government’s responses to COVID-19.

As referenced earlier, for far too long, NL has had the lowest top-bracket income tax rates in Atlantic Canada. Both New Brunswick and Nova Scotia tax their high-income earners more robustly.

In her 2014 budget speech, then Minister of Finance Charlene Johnson bragged, *“Since 2006, our government has decreased taxes, putting hundreds of millions of dollars back into the hands of Newfoundlanders and Labradorians annually. This year, savings to residents will total approximately \$600 million.”*

NL has a revenue problem. These irresponsible tax cuts make it harder for NL to balance the budget every year. As the recovery gathers pace, we will need the revenues that a fairer tax system generates, to support rebuilding efforts (see solutions for Wish #4).

Federally, we must also reverse the cuts made to income tax rates for large corporations and wealthier individuals over the last 20 years. Similarly, we need

to close federal tax loopholes that benefit mostly large corporations and the wealthy.

A federal fair tax system also requires cracking down on tax avoidance by large corporations and the wealthy. The Canada Revenue Agency needs both the resources and the direction to deal with those with deep pockets who actively engage in tax avoidance.

Gaps in legislation, and regulations that make it easier for large corporations and the wealthy to avoid paying their share, need to be closed. An important step in this regard is implementing a public registry of the beneficial owners of companies registered in Canada, to make it harder to use shell companies for dodging taxes and money laundering. No government financial support and bailout funds should be going to companies that are using tax havens.

Fiscal Stabilization

Economic recovery means working with the federal government for funding assistance for vital public services and jobs rich investment programs in cooperation with the province; setting conditions of transfers in order to achieve national standards and meeting national objectives for inclusivity and equity.

Conclusion

Returning to the previous economic mindset of austerity, spending cuts, and reduced public and social services, are only going to produce the outcomes we now need to avoid; such as growing inequality, anemic job creation, precarious work, entrenched poverty and other characteristics that will ensure a slow and lethargic economic recovery, and only put us back on the same path that we were on prior to this crisis.

Newfoundlanders and Labradorians need and deserve an economic recovery plan that benefits all working people, reduces gender inequality and poverty, and ensures that no

one is left behind. Returning to business as usual cannot be an option. We don't have to settle for high unemployment rates, low wage jobs, increasing inequality, poverty, or environmental degradation. We can have an economic recovery that will produce better outcomes and a better future for everyone.

During the crisis, provincial governments have been prepared to rely on federal funding to the provinces. The federal government should continue to lead with fiscal expansion, but with conditions on transfer to provinces and territories setting high and uniform standards. The Bank of Canada must remain accommodative, supporting expansionary fiscal policy rather than counteracting it. We need a strong full-employment agenda and a wage-led recovery, to restart our economy. Not only is this achievable, it is essential if economic recovery is going to benefit working-people and vulnerable and marginalized communities in NL.