



2025 BUDGET SUBMISSION



**A WORKER-FOCUSED
APPROACH**

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January 21, 2025

Honourable Siobhan Coady
Minister of Finance
Department of Finance
P.O. Box 8700
East Block Confederation Building
St. John's, NL
A1B 4J6

Dear Minister Coady,

2025 Provincial Budget Submission

The Newfoundland and Labrador Federation of Labour (NLFL) thanks the Government of Newfoundland and Labrador for consulting with the public and for the opportunity to provide our input to the 2025 provincial budget.

Our submission is attached.

As always, we are available to meet with you at any time to discuss our vision of a strong economy that works for the people of Newfoundland and Labrador.

Sincerely,



Jessica McCormick
President, Newfoundland & Labrador Federation of Labour

ABOUT THE NEWFOUNDLAND AND LABRADOR FEDERATION OF LABOUR

The Newfoundland and Labrador Federation of Labour (NLFL) has proudly represented workers' interests since 1936. Today, we unite 25 affiliated unions, 500 locals, and four District Labour Councils, representing over 70,000 members across every sector and community in our province.

The NLFL is dedicated to advancing the cause of working people and fostering a progressive society where no one is left behind. We advocate for:

- **Stronger Worker Rights and Protections:** Improved occupational health and safety laws, fair workers' compensation, and accessible Employment Insurance programs.
- **Good jobs:** progressive legislation that advances the cause of the working class, strong collective bargaining rights, and robust collective agreements that ensure workers are compensated fairly for their labour.
- **Enhanced Public Services:** well-resourced and accessible universal healthcare, quality education at all levels, accessible worker training, comprehensive senior and home care, affordable childcare and early learning.
- **Social Justice:** Upholding principles of equality, equity, and social justice for all.

The NLFL collaborates with affiliated unions and social partners to build a better future for all Newfoundlanders and Labradorians.

INTRODUCTION

Newfoundland and Labrador stands at a pivotal moment in its history. While major energy and infrastructure projects offer pathways to prosperity, we face significant challenges from global economic uncertainty and geopolitical tensions, volatile markets, and the threat of protectionist trade policies, particularly from our American neighbours.

These challenges pose serious risks to our economy, communities, and the workforce that drives them. These external pressures could profoundly impact our province, our communities, our industries, and most importantly, our workers – who form the foundation of our economy and social fabric.

The choices we make today will shape our province for generations to come.

In this critical period, our provincial government must pursue a forward-thinking, collaborative, and comprehensive fiscal strategy. Strategic investments in economic growth and social well-being are not merely expenditures – they are down payments on our collective future.

A population with access to strong and well-resourced healthcare, education, and social services becomes more productive and resilient, reducing long-term demands on government resources, while strengthening our economic underpinnings.

The government must prioritize investments that both generate revenue and strengthen our province's economic and social capacity. Economic diversification is essential to building resilience against market volatility and global uncertainties. This approach not only creates new opportunities for growth but also ensures our province can better manage its obligations while maintaining vital public services. In order to be truly effective, this approach must be worker-led and worker-centered.

Through thoughtful investment in our people and strategic sectors, we can build a more sustainable, equitable, fair, and prosperous Newfoundland and Labrador.

STRENGTHENING LABOUR RELATIONS AND WORKERS' RIGHTS: A CRITICAL INVESTMENT

The labour relations systems in our province are experiencing significant operational challenges requiring immediate attention and investment to ensure fair, efficient, and timely processing of labour relations matters.

Current delays in union certifications and major decisions are undermining the effectiveness of our labour relations system and workers' fundamental rights.

Key Challenges

Several key challenges contribute to the current state of labour relations:

Resource Shortages: Critical resource shortages, staffing deficits, and high turnover at the Labour Relations Board are causing substantial delays in processing applications and rendering decisions.

Outdated Legislative Framework: The outdated legislative framework governing labour relations in the province requires a comprehensive review and modernization to align with current workplace realities and shifts in legislative approaches and best practices across the country.

Imbalanced Processes: Current processes have created an imbalance that disadvantages workers in organizing efforts, limiting their ability to achieve better and safer working conditions and fair compensation.

Strategic Recommendations

To address these challenges, the following strategic recommendations are proposed:

1. Resource Enhancement, Review, and Modernization

This involves a two-pronged approach:

- I. Increase operational funding for the Labour Relations Board to address staffing shortages.
- II. Provide resources for comprehensive legislative review and reform.

2. Legislative Reforms for Fair Labour Relations: Card-Based Certification

Card-based union certification, or "card check," is a method of union recognition where employees sign authorization cards indicating their support for forming a union.

Once a majority of employees sign the cards, the union is certified without a formal election.

This approach offers several key benefits:

- I. **Simplifies the Unionization Process:** Card check reduces procedural hurdles, streamlines decision-making, and reduces the administrative burden on the Labour Relations Board.
- II. **Reduces Employer Interference:** It minimizes opportunities for employer coercion or intimidation during election campaigns.
- III. **Empowers Workers:** Card check protects workers' voices, gives them more control over the unionization process, and reduces fear of retaliation.
- IV. **Increases Unionization Success Rates:** Studies show that unions are more likely to be certified through card check, encouraging greater worker participation.
- V. **Aligns with Democratic Principles:** It reflects majority rule and represents workers' authentic choice.
- VI. **Addresses Power Imbalances:** Card check levels the playing field, promotes fairness, and reduces the risk of creating toxic workplace environments.

Ultimately, card-based union certifications empower workers, reduce employer influence, and simplify the process of union formation, promoting workplace democracy. Implementing card-based certification will ensure workers can exercise their organizational rights free from interference.

This proven system streamlines the certification process, reducing the administrative burden on the Board while protecting workers' rights and providing balance and fairness. Similar systems have been successfully implemented in multiple Canadian jurisdictions.

3. Workplace Fairness Measures: Anti-Scab Legislation

The use of replacement workers undermines workers' right to negotiate fairly by undermining their ability to withdraw labour.

Allowing replacement workers tilts the balance in favour of employers, removing any incentive for them to negotiate constructively.

Therefore:

Anti-scab legislation should be introduced to promote good-faith bargaining and reduce prolonged labour disputes.

This aligns with emerging national standards, following Quebec, British Columbia, Manitoba, and federal legislation.

This measure would reduce strain on Board resources by encouraging faster dispute resolution.

Expected Outcomes

Investing in these recommendations will lead to several positive outcomes:

- Improved efficiency in processing labour relations matters.
- Reduced case backlog and shorter decision timelines.
- Enhanced ability to protect workers' fundamental rights.
- Greater retention of economic benefits within local communities through improved working conditions.
- Increased labour relations stability, benefiting both workers and employers.

Investment in these recommendations will position Newfoundland and Labrador as a leader in fair and efficient labour relations, ensuring the benefits of economic growth are shared more equitably.

These measures will help address cost-of-living challenges for workers while strengthening the overall economic fabric of the province.

Budget Requirements

The following budget requirements are necessary to implement these recommendations:

- **Staffing and operational funding for the Labour Relations Board.**
- **Legislative review and implementation resources.**
- **Training and capacity building.**

TRADE TARIFFS: A UNITED FRONT

Newfoundland and Labrador faces a significant economic threat from proposed U.S. trade tariffs. With over \$7 billion in exports to the United States in 2022, the proposed 25% tariff would have far-reaching implications. This necessitates an immediate and coordinated response.

Potential Impacts of Trade Tariffs

The implementation of these tariffs would create cascading economic and social effects.

Direct economic impacts include immediate pressure on export-dependent industries, potential job losses across multiple sectors, reduced provincial revenue impacting public services, and decreased business investment and economic growth.

Socially, the tariffs could lead to an increased cost of living for families, pressure on community support systems, strain on social programs and services, and potential population retention challenges in affected communities.

Strategic Response Framework

A three-pillar approach is proposed to mitigate these potential impacts.

The first pillar focuses on establishing a strong **Government-Industry-Labour Partnership**.

This involves creating a formal tripartite consultation framework, developing coordinated advocacy strategies, establishing rapid response mechanisms for affected sectors, and enabling joint representation in trade discussions.

The second pillar centers on **Worker Protection Measures** which includes developing worker transition and support programs, creating emergency job retention initiatives, and establishing skills development and retraining programs.

The third pillar emphasizes **Economic Resilience Building** through diversifying trading relationships, strengthening domestic supply chains, investing in innovation, technology, and infrastructure, and supporting market diversification initiatives.

Recommendations for Action

To effectively implement this strategic framework, several key actions are recommended.

First, an **Emergency Trade Response Task Force** should be established with representation from government, labour, and industry. This would formalize and strengthen the Premier's current Advisory Committee structure and process.

Second, a dedicated **Worker Protection Fund** and portal should be created to mitigate potential job losses and provide vital information, updates, and resources.

Third, a **Provincial Trade Resilience and Diversification Strategy** should be developed with specific measures for at-risk sectors.

Finally, a **coordinated federal-provincial strategy** is crucial.

Conclusion

This coordinated approach, relying on a united front between government, industry, and labour—a Team NL/Team Canada approach—is essential to ensuring Newfoundland and Labrador maintains its economic stability and protects its workers and communities from potential trade disruptions.

BUILDING A WORKFORCE FOR NEWFOUNDLAND AND LABRADOR'S FUTURE

Context and Need

Newfoundland and Labrador is on the cusp of a transformative economic opportunity with the Churchill Falls Memorandum of Understanding (MOU) and other proposed large-scale projects, projected to create 5,000 direct jobs and 4,500 indirect and induced jobs. However, realizing this potential requires immediate, strategic investment in our province's workforce. Without proactive planning, we risk undermining the success of these projects, leaving both economic and community benefits unrealized.

While our province's workers have consistently demonstrated their capability to handle projects of this magnitude, we must ensure we have the workforce capacity to meet these demands alongside other provincial labour needs. This planning must begin immediately.

To meet these future labour demands, we must develop a comprehensive and collaborative workforce strategy that focuses on preparing a diverse, skilled, and resilient labour force. This strategy must ensure that workers are central to planning efforts, include targeted investments in education and training systems, and prioritize green job transitions and economic diversification.

With regards to the current and short-term workforce – the goal, in benefits agreements and otherwise – must be full employment for workers from Newfoundland and Labrador. Unions have worked with employers and government to run large scale projects in the recent past and are ready, willing, and able to collaborate on that front again.

Budget Recommendations

To support this goal, the following investments and initiatives are recommended:

1. Post-Secondary Education and Training Investments

- Increase funding for public post-secondary institutions (e.g., Memorial University and College of the North Atlantic) and union training centres to expand and adapt programs aligned with anticipated labour demands.
- Establish targeted bursaries, scholarships, and funding for students pursuing education and training in priority sectors such as renewable energy, infrastructure, and green technologies.
- Support apprenticeship and certification pathways by providing additional funding for on-the-job training programs and partnerships between post-secondary institutions/training colleges and employers.

2. Workforce Development and Upskilling

- Launch a **Labour Market Transition Fund** to support upskilling and reskilling of workers, particularly for green job transitions.
- Create regional training hubs in partnership with community organizations, unions, and industry, to deliver tailored training programs and professional development opportunities.
- Enhance funding for adult education and skills upgrading initiatives to meet labour demands in underrepresented communities, including women, Indigenous peoples, and newcomers.

3. Worker-Led Collaboration

- Establish a **Labour Strategy Task Force** composed of government representatives, unions, and industry, to oversee and guide workforce planning efforts.
- Ensure that all project benefits agreements include provisions for worker consultation and local hiring priorities, with mechanisms to ensure accountability.

4. Economic Diversification and Green Transition

- Provide dedicated funding for initiatives that support economic diversification, including research and development in renewable energy and emerging industries.
- Grants for training programs to equip workers with the skills needed for green jobs.

Conclusion

The future prosperity of Newfoundland and Labrador depends on bold, forward-thinking investments in workforce development. This is a once-in-a-generation opportunity to prepare our province for the challenges and opportunities ahead. By prioritizing collaboration, education, and a just transition to green jobs, we can ensure that these large-scale projects deliver maximum benefits for workers, communities, and the economy.

We urge the provincial government to act swiftly by allocating the necessary resources in this year's budget to develop and implement a comprehensive workforce strategy.

This is not just an investment in our economy—it is an investment in our people and the future of Newfoundland and Labrador.

CHURCHILL FALLS MOU REVENUE AND STRATEGIC INVESTMENT

The anticipated annual revenue from the Churchill Falls MOU presents a significant opportunity to position Newfoundland and Labrador for long-term success.

Effective utilization of these funds requires an approach that considers public services, infrastructure, social programs, and strategic debt management to ensure fiscal sustainability.

Strong social programs can reduce poverty, improve social mobility, and create a more equitable society, leading to a healthier and more skilled population in the long run.

Strategic investments in areas that generate future revenue and enhance the province's fiscal and social capacity are crucial for long-term success and stability.

Economic and Social Benefits of Strategic Investment

Investing in key areas yields significant economic and social benefits. **Social Capital Development** through education, particularly post-secondary education, creates a skilled workforce, diversifies the economy, prepares for future labor market challenges, fosters adaptability to economic changes, and reduces youth outmigration.

Healthcare Investment Benefits are essential given the province's aging population and key indicators. Investing in preventive care reduces long-term healthcare costs, improves services to retain and attract the working-age population, and addresses various healthcare and demographic challenges.

Infrastructure Development is crucial for economic growth and diversification. Improved transportation boosts tourism and trade, reduces long-term maintenance costs, connects rural communities, and creates well-paying jobs.

Finally, **Social Programs** impact local economies through poverty reduction programs, support for families to address demographic challenges, and reduced long-term government costs.

Counter-Arguments to a Debt Focus

While debt reduction is a factor, a singular focus on debt overlooks crucial aspects of a strong and resilient economy.

A **Growth Perspective** emphasizes that investments in human capital and infrastructure can generate higher returns and increase future revenue sources, leading to a more diversified and debt-resilient economy.

Timing Considerations highlight the unique opportunity presented by the MOU revenue and the pressing need for immediate investments in infrastructure, healthcare, education, and addressing demographic and labor market challenges. Delaying these investments could result in higher costs and worse outcomes.

The Newfoundland and Labrador Context

Several factors are specific to Newfoundland and Labrador.

Demographic Challenges include an aging population requiring healthcare investment and young worker retention, the need to reverse population decline, and the potential of education investments to retain younger generations.

Economic Diversification is essential to reduce over-reliance on natural resources which are subject to volatility. Investments in education and infrastructure can support emerging sectors and foster innovation. This will make our economy more resilient to external and unforeseen challenges and pressures.

Regional Economic Development can be supported through infrastructure investments to better connect remote communities, healthcare improvements and health care worker retention initiatives, and educational opportunities to support regional economies.

Economic multipliers show significant returns on investment for public investment – upwards of 1.5x in two to five years.

A Fair, Sustainable, and Forward-Thinking Approach

A fair approach ensures both immediate social investment needs and long-term fiscal responsibility while focusing on economic growth and diversification.

A fair revenue allocation model could allocate funds across strategic investments (education, post-secondary education, healthcare, infrastructure), debt management, social programs, and a stabilization fund, with flexibility to adjust based on emerging needs.

Conclusion

A fair, sustainable, and progressive approach combining significant social and infrastructure investment while responsibly balancing obligations will yield better long-term economic and social outcomes.

Strategically investing in growth-generating areas and the people of our province (i.e. public services, social programs, and infrastructure) is the best path forward for Newfoundland and Labrador.

PRIVATIZATION: A THREAT TO PUBLIC SERVICES, TRANSPARENCY, ACCOUNTABILITY, AND ECONOMIC STABILITY

The push toward privatization within our essential public services, particularly our public healthcare system, represents a fundamental threat to service quality, accountability, transparency, and economic stability. The NLFL and our members stand firmly opposed to the short-sighted approach of selling public assets for temporary financial gains. This practice of privatization has repeatedly proven to be a false economy that undermines the long-term fiscal and social health of our province.

The evidence against privatization is compelling and well-documented. Research from multiple jurisdictions demonstrates that privatized services consistently result in higher costs for taxpayers while delivering inferior outcomes. In healthcare specifically, private facilities have been shown to cherry-pick less complex cases while offloading more challenging and costly procedures onto the public system. This creates a two-tier system that undermines the principles of universal healthcare and increases overall system costs.

The privatization model fails on multiple fronts:

Financial Impact: While private operators promise cost savings, the reality shows increased long-term expenses as governments lose economies of scale and profit margins are built into service delivery. For example, studies from Ontario's privatized long-term care homes revealed significantly higher mortality rates and poorer care outcomes despite higher operational costs.

Service Quality: Private operators, driven by profit motives, often cut corners through reduced staffing levels, lower wages, and minimal investment in infrastructure and training. This directly impacts service quality and accessibility, particularly for vulnerable populations.

Accountability: Private entities are primarily accountable to shareholders rather than the public, resulting in reduced transparency and diminished democratic oversight of essential services. This makes it harder to maintain consistent standards and respond to community needs.

Workforce Impact: Privatization typically leads to job losses, reduced wages and benefits, and deteriorating working conditions as private operators seek to maximize

profits. This not only affects workers directly but has broader negative impacts on local economies through reduced spending power and increased income inequality.

International examples from the UK's National Health Service to Australia's privatized senior care system demonstrate that once public assets are privatized, service quality declines while costs increase. Rather than selling off public assets for short-term gain, we call on the government to provide sustainable investment in public services that prioritizes long-term public benefit over private profit.

The choice between public and private service delivery is not merely an economic decision, but a fundamental question of values and societal priorities. We must preserve and strengthen our public services to ensure equitable access, maintain democratic accountability, and protect both service quality and good jobs in our communities.

SUSTAINABLE JOBS: A JUST TRANSITION FOR NEWFOUNDLAND AND LABRADOR

The effects of climate change are undeniable, and the global energy transition is accelerating. Even if Newfoundland and Labrador and Canada attempt to maintain the status quo, the rest of the world is adapting to the evolving energy landscape. We must respond and adapt to these changes.

This energy transition presents a significant opportunity for job creation and economic growth in Newfoundland and Labrador. However, to capitalize on this opportunity, governments must proactively plan for a just transition that ensures fair outcomes for workers. A comprehensive plan is essential to support workers and the provincial economy throughout this shift.

Newfoundland and Labrador's workers are familiar with economic transitions. Past experiences, however, have led to skepticism about the government's ability to manage change effectively, avoiding unnecessary hardship and engaging all stakeholders meaningfully.

To avoid repeating past mistakes, the government must adopt a more proactive approach, prioritizing workers and communities. Crucially, this includes ensuring workers are central to the energy transition planning process.

Workers must have a seat at the table.

The government must guarantee that new job opportunities in the emerging net-zero economy offer and maintain the same or better job standards. The empirical data is clear, increased union density benefits all workers, regardless of union membership.

The federal Sustainable Jobs Act established a Sustainable Jobs Partnership Council, a forum for social dialogue advising the minister on sustainable jobs. The Newfoundland and Labrador Federation of Labour (NLFL) strongly recommends establishing a similar council at the provincial level. This council must include at least one-third representation from trade unions, including the co-chair. To function effectively as a forum for social dialogue, the council must prioritize the needs of workers. Without substantial worker representation, it cannot achieve this goal.

Sustainable jobs must be good jobs.

The transition to net-zero presents a remarkable opportunity to create quality jobs, revitalize economies, and secure favorable working conditions. New jobs must offer equal or better terms and conditions than those they replace.

Investments and job creation related to the energy transition must:

- **Ensure new jobs are good jobs:** Prioritize quality employment with fair wages and benefits.
- **Support comprehensive training:** Facilitate the transition of workers from high-carbon to low-carbon jobs. Union-run training facilities, with their proven track record, are ideally positioned to meet the training demands of a just transition. Utilizing these established programs will ensure workers receive appropriate, high-quality, and accredited training.
- **Protect existing jobs where possible:** Explore all avenues to retain existing employment.

Attaching conditions to government investments is a direct way to safeguard workers' rights during the energy transition. This can be achieved through:

- Project labour agreements and/or local hiring agreements on government-funded projects.
- Strengthened reporting requirements that include employment and economic indicators.
- Establishing a tripartite table of workers, employers, and government, in consultation with affected stakeholders.

New jobs must be truly sustainable.

A plan for transitioning Newfoundland and Labrador's workforce to sustainable jobs must ensure these jobs are genuinely compatible with a long-term net-zero economy. The government should prioritize investments that contribute to long-term prosperity, avoiding dead-end ventures.

Workers and communities need the assurance that their jobs are part of the future net-zero economy. A clear vision of future job prospects encourages participation in training programs and facilitates smoother job transitions—workers are more willing to adapt if they see a viable future.

Address the specific needs of communities and workers.

The transition to net-zero will not impact all regions equally. New industries and opportunities will not emerge uniformly across the province.

A just transition plan must acknowledge the unique circumstances and specific needs of workers and communities, actively supporting new opportunities in these areas.

Key strategies include:

- Utilizing community benefit agreements to ensure local workers in fossil fuel-dependent communities have pathways into net-zero careers.
- Directly funding the development of renewable or low-carbon industries in communities experiencing a decline in carbon-intensive industries.

Prevent further privatization of provincial renewable energy assets or infrastructure.

Public ownership and democratic direction are crucial for developing new renewable infrastructure and building flexible systems that integrate hydro, wind, and solar power. Utilizing NL Hydro and other crown utilities and public agencies will enable the province to effectively build its renewable energy system, networks, transportation infrastructure, and building retrofits.

Public bodies are better positioned to:

- Implement long-term strategic approaches.
- Undertake large-scale investments in climate mitigation.
- Conduct a comprehensive provincial inventory of the resources required for renewable energy electrification.
- Collaborate effectively with other provinces and the federal government.

Recommendations:

- **Establish a Transition Fund:** Create a dedicated fund to support workers and communities transitioning to a low-to-zero emissions economy. This fund should receive ongoing investment and be guided by unions to create new, sustainable jobs and pathways for workers in high-emitting sectors and those entering the workforce.

- **Establish a Sustainable Jobs Partnership Council:** Create a provincial council with at least one-third union representation, including the co-chair, to provide a forum for social dialogue and advise relevant ministers on sustainable jobs.
- **Attach Conditions to Government Investment:** Secure workers' rights through project labor agreements, community benefit agreements, and local hiring agreements on government-funded projects. Strengthen reporting requirements to include employment and economic indicators, and ensure jobs created in the renewable sector are unionized and tied to prevailing wages.

THE POWER OF FAIR WAGES: MAKING WORK PAY IN NEWFOUNDLAND AND LABRADOR

Every worker deserves dignity and the ability to meet their basic needs. Yet in Newfoundland and Labrador, nearly one quarter of our workforce – approximately 23% – earns less than \$20 per hour, struggling to keep pace with rising costs of living.

In August, the Canadian Centre for Policy Alternatives (CCPA) released its second provincial living wage report, revealing a stark reality. The report calculates the hourly wage needed to cover basic expenses across four regions:

- Central Newfoundland: \$24.10
- Eastern Newfoundland: \$24.70
- Western Newfoundland: \$23.10
- Northern Peninsula and Labrador: \$27.30

These calculations, based on a family of four and accounting for tax credits, deductions, and government benefits, encompass essential expenses like food, shelter, transportation, and childcare. The gap between these living wages and the current minimum wage of \$15 per hour is dramatic.

While the minimum wage adjusts for inflation, recent unprecedented increases in food, housing, transportation, and childcare costs have created a widening gap between wages and basic needs.

This shortfall carries costs for everyone. Government budgets bear the burden through increased need for social services and lost productivity. Businesses face higher turnover and training costs. Communities lose the economic activity that comes with working people having money to spend locally.

A higher minimum wage represents one of our most powerful tools for addressing these challenges. It would:

- Put more money directly into workers' pockets
- Create a level playing field for employers
- Reduce pressure on social services
- Boost local economic activity
- Help families escape poverty's stress cycle

To build an economy that works for everyone, we recommend:

- 1. Implementing a significant increase to the minimum wage beyond \$15 per hour**
- 2. Conducting annual, region-specific living wage calculations to inform policy decisions**
- 3. Releasing the 2024 Minimum Wage Review report**

Living wage calculations should also guide reforms to income benefits, including adjusting eligibility thresholds and reducing clawback rates to help workers transition into better-paying jobs.

By using evidence-based living wage data to inform labour market and social policies, we can ensure government programs effectively support working people in building stable, dignified lives.

DEMANDING REAL PAY EQUITY: BEYOND SYMBOLIC LEGISLATION

The NLFL continues to call for an overhaul of the province's recently adopted Pay Equity and Pay Transparency legislation. The legislation, which was introduced with no prior consultation with stakeholders, will not meaningfully address the gender wage gap in Newfoundland and Labrador, where women earn on average 84 cents for every dollar earned by men – one of the largest gender wage gaps in Canada.

The current legislation falls short of established best practices seen in other Canadian jurisdictions. Unlike Ontario and Quebec's comprehensive pay equity frameworks, Newfoundland and Labrador's legislation lacks robust enforcement mechanisms and clear timelines for implementation. The absence of mandatory pay equity plans and regular reporting requirements significantly weakens its effectiveness.

The legislation, as it stands, must be amended to incorporate concerns and recommendations made by feminist community organizations, researchers and pay equity experts. Key stakeholders, including the St. John's Status of Women Council and the Provincial Advisory Council on the Status of Women, have highlighted critical gaps in the current framework. These include the need for clearer definitions of comparable work, more detailed evaluation criteria for job classifications, and established processes for identifying and correcting wage disparities.

New legislation should apply to both public and private sector workers and funding should be allocated to ensure appropriate enforcement of pay equity laws. The current exclusion of private sector employers leaves a significant portion of the workforce without adequate protections. Furthermore, without dedicated funding for enforcement and compliance monitoring, even the existing provisions risk becoming merely symbolic rather than transformative.

A BRIGHTER FUTURE: IMPROVING WORKING CONDITIONS FOR EARLY CHILDHOOD EDUCATORS

Recent federal and provincial funding agreements have significantly improved the childcare sector in Newfoundland and Labrador. The recent wage grid was a crucial step towards strengthening the sector, but challenges persist in recruiting and retaining Early Childhood Educators (ECEs). Consequently, access to quality childcare remains a challenge. High demand for childcare spaces directly translates to high demand for qualified ECEs.

Newfoundland and Labrador boasts the highest rate of privately-operated childcare spaces in Canada at 70%. Research consistently demonstrates that commercial childcare settings often offer lower compensation packages to ECEs and may compromise the quality of learning experiences for children.

In neighbouring provinces, governments have proactively addressed these concerns by introducing pension and benefit packages in addition to wage grids for ECEs. As this vital sector continues to expand, the government must prioritize the well-being of childcare workers. Ensuring competitive working conditions and comprehensive benefits is crucial to attracting and retaining a highly skilled and dedicated ECE workforce.

Recommendation: Offer Early Childhood Educators access to a defined benefit pension plan and comprehensive group benefits plans. These plans should be portable, following ECEs regardless of their specific employment setting, provided they remain employed by a provincially-licensed and funded childcare centre.

PUBLICATIONS AND RESOURCES

The Macroeconomic Effects of Public Investment: Evidence from Advanced Economies
<https://infrastructuregovern.imf.org/content/dam/PIMA/Knowledge-Hub/Publications/pubdocuments/The%20Macroeconomic%20Effects%20of%20Public%20Investment%20Evidence%20from%20Advanced%20Economies.pdf>

Revisiting Public Investment Multipliers
<https://documents1.worldbank.org/curated/en/099719510222432022/pdf/IDU1fd4bd390139da14d001b6c910c4f56d49874.pdf>

Canada's Quiet Bargain - The Benefits Of Public Spending
https://policyalternatives.ca/sites/default/files/uploads/publications/National_Office_Pubs/2009/Benefits_From_Public_Spending.pdf

The potential macroeconomic benefits from increasing infrastructure investment
<https://www.epi.org/publication/the-potential-macroeconomic-benefits-from-increasing-infrastructure-investment/>

Reimagining Full Employment: 28 Million More Jobs and a More Equal Economy
<https://rooseveltinstitute.org/publications/reimagining-full-employment-28-million-more-jobs-and-a-more-equal-economy/>

What Have We Learned From Three Decades Of Research On The Productivity Of Public Capital?
<https://onlinelibrary.wiley.com/doi/abs/10.1111/joes.12037>

Why increasing government spending makes economic sense
<https://www.policynote.ca/invest-in-people/>

Investments in social protection and their impacts on economic growth
https://www.ituc-csi.org/IMG/pdf/investments_in_social_protection_and_their_impacts_on_economic_growth.pdf

CCPA Alternative Federal Budgets
<https://www.policyalternatives.ca/news-research/alternative-federal-budget/>

Public Services: an important driver of Canada's Economy

https://iris-recherche.gc.ca/wp-content/uploads/2021/03/Public_Service_WEB.pdf

Living Wage Report – NL

<https://www.policyalternatives.ca/wp-content/uploads/2024/11/2024-Living-Wages-for-Newfoundland-and-Labrador-Nova-Scotia-and-Prince-Edward-Island.pdf>

Newfoundland and Labrador: Options for a Strong Economy

https://www.policyalternatives.ca/wp-content/uploads/attachments/Newfoundland_Labrador_Options.pdf

Privatization

<https://abigmistake.ca>

<https://cupe.ca/privatization>

<https://www.policyalternatives.ca/news-research/category/government-policy-budgets/public-services-privatization/>