



# 2026 PROVINCIAL BUDGET SUBMISSION

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February 11, 2026

Honourable Craig Pardy  
Minister of Finance  
Department of Finance  
P.O. Box 8700  
East Block Confederation Building  
St. John's, NL  
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Dear Minister Pardy,

**2026 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 2026 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 of opportunity. The recent election delivered a mandate for change, rooted in a commitment to workers, good jobs, and thriving communities. This 2026 budget is the critical first step to fulfil those promises and move our province forward.

For too long, workers have faced stagnant wages, eroding labour standards, and pressures that push them to seek opportunities elsewhere. At the same time, our public services - the bedrock of our communities - have been stretched thin. This budget is a chance to turn the page.

The choices we make today will shape our province for generations to come. We must seize this opportunity to build a Newfoundland and Labrador where people have every opportunity to live, work, and thrive. This requires a forward-thinking, collaborative, and comprehensive fiscal strategy that puts workers and communities at its heart.

Strategic investments in strong public services and social well-being are not merely expenditures; they are down payments on our collective future. A population with access to well-funded healthcare, education, childcare, and social services is healthier, more skilled, and more resilient. This strengthens our economic foundation and makes our province more attractive for everyone.

True economic diversification and strength are built by investing in our people. By combining strategic public investment with an unwavering commitment to workers' rights and dignity, we can build a more sustainable, equitable, and prosperous Newfoundland and Labrador for all. This budget is where that work begins.

# STRENGTHENING LABOUR RELATIONS AND WORKERS' RIGHTS

The new government was elected, in part, based on a promise to create good jobs here at home. To fulfill this commitment, a strong, modern, and effective labour relations system is imperative. This system must not only protect workers' fundamental rights to organize and bargain collectively but must also function efficiently and fairly for all parties involved.

Currently, our labour relations framework is not meeting these standards. Workers face unnecessary barriers when exercising their rights, while systemic delays and resource constraints undermine the very institutions designed to uphold fairness. 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. To build a province where workers and communities thrive, we must build a labour relations system that is a source of stability and equity, not frustration and delay.

## The Path Forward: A Comprehensive, Evidence-Based Approach

Our Federation recommends a deliberate and thorough process that moves beyond tinkering around the edges to a full system renewal. The primary vehicle for this work should be a public, time-bound legislative review. This review must be empowered to:

- **Listen to Workers and Stakeholders:** Engage directly with workers, unions, and community stakeholders to understand on-the-ground realities, identify what is working, and diagnose where the current system is failing.
- **Benchmark Best Practices:** Conduct a comprehensive analysis of labour laws and their implementation in other Canadian jurisdictions, particularly those with proven success in areas like card check certification and anti-scab legislation.
- **Ensure a Properly Resourced Board:** Critically assess and provide the Newfoundland and Labrador Labour Relations Board with the stable funding, staffing, and operational support it needs to perform its duties promptly and effectively.

## Core Legislative Priorities for the Review

This review must be tasked with modernizing our labour laws, focusing on two key, interconnected reforms:

## 1. Card-Based Certification: Ensuring Workers' Voices Are Heard

Card-check certification is a straightforward, democratic process where a union is certified once a majority of workers sign membership cards. It is a proven model used successfully across Canada that:

- **Empowers Workers** by allowing them to express their choice free from fear and intimidation.
- **Reduces Conflict** by minimizing the prolonged election campaigns that often lead to interference and poisoned labour relations.
- **Increases Efficiency** by streamlining the certification process, reducing the administrative burden on the Labour Relations Board.

## 2. Anti-Scab Legislation: Promoting Fair and Good-Faith Bargaining

The use of replacement workers during a legal strike or lockout fundamentally undermines the right to strike and removes the employer's incentive to bargain in good faith. Introducing anti-scab legislation:

- **Supports Free and Fair Collective Bargaining** by ensuring the economic pressure of a strike is meaningful, encouraging both parties to reach a fair settlement.
- **Reduces Prolonged Disputes** by incentivizing negotiation, leading to shorter, less acrimonious conflicts that are better for workers, employers, and communities.
- **Aligns with National Standards**, following the lead of Quebec, British Columbia, Manitoba, and the federal government.

## Expected Outcomes of a Modernized System

Investing in this review and the subsequent modernization will yield significant benefits for the province:

- A fair and efficient Labour Relations Board capable of rendering timely decisions.
- Enhanced ability for workers to achieve better wages and safer workplaces which contributes to economic growth.

- Increased stability in labour relations, creating a more predictable environment for businesses and workers alike.

**Budget Recommendation:**

To initiate this work, the 2026 budget must include dedicated resources for:

- **A Legislative Review Process:** Funding for consultations, research, expert analysis, and stakeholder engagement.
- **Labour Relations Board Capacity:** funding to address staffing shortages/gaps

Budget 2026 provides an opportunity to make the investment in the labour relations system required to support workers and build a fair and prosperous economy.

# **BUILDING A WORKFORCE FOR A PROSPEROUS FUTURE**

The future prosperity of Newfoundland and Labrador depends on a skilled, stable, and resilient workforce. While major projects present important opportunities, our province's true economic strength lies in a holistic strategy that builds capacity across *all* sectors. We need skilled workers not only for large-scale developments but, also to sustain and enhance our public services, healthcare, education, manufacturing, technology, and emerging green industries.

This is a moment for strategic investment strategic workforce planning. Without a comprehensive and collaborative labour market strategy, we will fail to meet both current and future labour demands, leaving economic potential unrealized. The goal must be to create a diversified labour market that provides stable careers for workers here at home while reducing our vulnerability to boom-and-bust cycles.

To achieve this, we must develop a forward-looking provincial labour market strategy that ensures workers are central to the planning process. This strategy must focus on preparing a diverse, skilled labour force through targeted investments in education and training programs, prioritizing a just transition to a green economy, and actively supporting economic diversification.

The guiding principles for government must center on creating meaningful, sustainable employment that provides workers with dignity, stability, and economic security. Good jobs must be the foundation - jobs that offer living wages, comprehensive benefits, and job security, rather than precarious or temporary work.

Equality and fairness must be central components of job creation and workforce development, ensuring that all workers (particularly so for equity deserving groups) have equal access to education, upskilling, training, employment opportunities, and career advancement, while addressing systemic barriers that have historically excluded certain groups.

Worker safety must be non-negotiable, with strong health and safety standards, proper training, and enforcement mechanisms that protect workers from injury, illness, and exploitation.

Transparency in decision-making processes is essential, with labour having meaningful input into economic development strategies, skills training programs, and industrial policies that affect working people. True collaboration requires that workers have a genuine voice at the table, not merely token consultation after decisions have already

been made. Respect for workers' rights to organize, bargain collectively, and advocate for their interests must be upheld as fundamental to a healthy labour relations environment.

Finally, any job creation strategy must ensure that Newfoundlanders and Labradorians benefit from economic development in their own province. This includes investing in skills training and apprenticeship programs that create pathways for young people to enter the trades and other growing sectors, while also providing retraining opportunities for workers transitioning from declining industries.

### **A Holistic Vision for Workforce Development**

Our approach must be focused on meeting immediate project needs while building lasting capacity for the economy that sustains our communities. The government is uniquely positioned to coordinate this effort by funding educational opportunities, collecting essential labour market data, enacting policy, and convening all stakeholders. We therefore urge the creation of a formal process to develop and implement this strategy.

### **Demographic Challenges and Immigration**

Given Newfoundland and Labrador's population and demographic challenges, immigration will be essential to any comprehensive labour market strategy. While retaining our existing workforce must remain the top priority, strategic recruitment of newcomers is equally important to meeting our growing labour demands.

However, recruitment alone is insufficient; we must ensure newcomers have every opportunity to succeed in our province. This means creating comprehensive integration supports that go beyond basic settlement services. Newcomers need access to skills recognition and credential validation processes, workplace-specific language training, and mentorship programs that connect them with established workers.

Equally important is building strong, vibrant communities that newcomers (and those wanting to stay and work here at home) want to call home. This requires strong public services including affordable childcare that allows families to participate fully in the workforce, quality healthcare that ensures well-being, excellent schools that provide opportunities for their children, and accessible public transportation that connects workers to employment opportunities.

The goal should be building inclusive communities with strong public infrastructure where newcomers can contribute their skills and experience while accessing the same

opportunities for career advancement, fair wages, and workplace protections that all workers deserve. When newcomers succeed in thriving communities supported by quality public services, our entire labour market and economy benefit. This comprehensive approach will help address our demographic challenges while strengthening our workforce and communities for the opportunities ahead.

## **Investing in our Public Post-Secondary Institutions**

A skilled, prosperous future is built on the foundation of a strong, accessible, and high-quality public education system. Memorial University and the College of the North Atlantic are not merely institutions; they are major engines of our province's economic, academic, cultural, and social development. Our public university and college must be properly funded.

The current crisis at Memorial University, marked by program cuts, building closures, and layoffs, is a direct result of over a decade of funding cuts. Since 2013, provincial funding to Memorial has been cut by over 46% (excluding the Medical School). This degradation is a profound disservice to our province and betrays the purpose for which the university was founded. These cuts hurt more than the campus community; they have a profoundly negative impact on our province's capacity to innovate, retain youth, and build a knowledge-based economy.

Newfoundland and Labrador needs public institutions with the resources and capacity to:

- Provide students with the high-quality, affordable education they need to succeed and build lives here at home;
- Conduct research and mobilize knowledge that addresses provincial challenges and seizes opportunities;
- Offer strong skills training, trades education, and upskilling pathways that are directly aligned with current and future labour market needs;
- Be accessible to all, supported by a system of needs-based grants and financial assistance that removes barriers and eliminates crushing student debt.

The people of this province need and deserve a public university that serves the public good, where students, faculty, and staff are valued and supported. This vision cannot become a reality under a regime of cuts and austerity. Faculty and staff are stretched thin, and students are facing diminished services and rising uncertainty.

Therefore, strategic reinvestment in our public post-secondary system is not an expense; it is a prerequisite for achieving the workforce strategy outlined in this

submission. We cannot build a skilled, stable, and resilient workforce by starving the very institutions tasked with educating and training it.

Simply put, restoring and increasing funding to Memorial University and the College of the North Atlantic is a direct investment in our province's people, its economic prosperity, and our collective future - an investment that will yield returns for generations to come.

### **Budget Recommendations:**

To launch this critical work, the following investments and initiatives are recommended for the 2026 budget:

#### **1. Investment in a Provincial Labour Market Strategy**

- Allocate immediate funding to establish and support a **Labour Strategy Council** composed of government, labour unions, industry, educators, and community representatives. This council's mandate will be to develop, oversee, and continuously adapt a provincial workforce strategy.
- Provide resources to collect, analyze, and publicly disseminate detailed labour market information to guide evidence-based decisions in education, training, and economic policy.

#### **2. Strengthening Public and Union-led Post-secondary Education and Training**

- Increase funding for public post-secondary institutions and union training centres.
- Support apprenticeship and certification pathways by enhancing funding for on-the-job training programs and fostering stronger partnerships between educational institutions, workers, and industry.
- Establish targeted grants and supports for students and workers pursuing education in critical fields facing shortages.
- **Reverse the Decade of funding cuts to Memorial University:** Commit to a multi-year funding plan to restore and increase the core operating grants to Memorial University (and the College of the North Atlantic). The goal must be stable, predictable funding that allows for long-term planning, program preservation, and quality enhancement.
- **Align Funding with Provincial Priorities:** Provide targeted funding to expand program capacity in critical fields identified in the provincial labour market strategy (e.g., healthcare, education, skilled trades, technology, and green industries).

### 3. Workforce Development and Upskilling

- Launch a **Provincial Labour Market Transition Fund** to support the upskilling and reskilling of workers across all sectors, with dedicated streams for green job transitions, public sector needs, and supporting workers in underrepresented communities.
- Enhance funding for adult basic education and essential skills upgrading to ensure all workers can participate fully in a changing labour market.

#### Strong Benefits Agreements

Major projects in Newfoundland and Labrador must deliver lasting, equitable benefits to the workers and communities that enable them. Without strong, enforceable standards, we risk projects that extract provincial resources while providing only temporary, precarious work, failing to build local wealth or skills.

To ensure public investments deliver public good, the government must legislate strong, mandatory Project Labour and Community Benefit Agreements for all publicly funded, supported, or permitted developments. These agreements must be legally binding and include:

1. **Union Hiring Priority:** Mandating that local unionized workers are first in line for project jobs.
2. **Wage & Benefit Standards:** Requiring prevailing union wages, pensions, and benefits to lift standards industry-wide.
3. **Training & Apprenticeship:** Enforcing hiring ratios for apprentices and contributing to sector-wide training funds.
4. **Local Procurement:** Prioritizing Newfoundland and Labrador-based suppliers and manufacturers.
5. **Equity & Inclusion:** Embedding provisions for Indigenous workers, women, and other equity-deserving groups, respecting free, prior, and informed consent from Indigenous communities.
6. **Strong Enforcement:** Establishing clear penalties for violations, including contract termination, to ensure accountability.
7. **Consent:** free, prior, and informed consent from Indigenous peoples.

#### Conclusion

The choices in this budget will define our province's trajectory – economically and socially. We have an opportunity to move beyond reactive planning and build a resilient, diversified workforce that powers every aspect of our province.

This requires a bold commitment to a worker-centered labour market strategy. By making the necessary investments now, the government can fulfill its commitment to good jobs and strong communities.

We urge the provincial government to act swiftly by allocating the resources outlined above. Doing so would be an investment in the people of Newfoundland and Labrador and our collective future.

# WORKER SAFETY: A MORAL AND LEGAL IMPERATIVE

Every person who goes to work has the right to return home safely at the end of their shift. One workplace death is one too many. One preventable injury is one too many. The provincial government has a moral and legal obligation to ensure that workers across Newfoundland and Labrador are protected from harm through strong and progressive legislation, adequate enforcement, and proactive prevention measures.

The following recommendations are essential investments in the safety, health, and dignity of our province's workforce.

## **1. Increase Workers' Compensation Income Replacement to 90%**

The current workers' compensation income replacement rate of 85% of net earnings fails to adequately support injured workers during their recovery. The current replacement rate, combined with the loss of employer benefits, overtime opportunities, and other income sources, often results in significant income reductions that create stress and hardship for injured workers and their families.

The financial strain imposed by inadequate income replacement can impede recovery. Workers facing financial pressure may attempt to return to work prematurely before they have fully healed, risking re-injury or permanent disability. They may forgo recommended treatments or therapies because they cannot afford associated costs not covered by workers' compensation. The stress of financial insecurity itself undermines physical and mental health recovery. Supporting injured workers adequately is not only a matter of fairness but of ensuring optimal recovery outcomes that benefit workers, employers, and the compensation system itself.

WorkplaceNL's Injury Fund is currently 131.8% funded, well above the target of 100-115%. This strong financial position demonstrates that the system has both the capacity and the obligation to improve benefits for the injured workers it exists to serve.

The last statutory review of Workers' Compensation explicitly recommended that there be no further discounts to employer assessment rates until such time as the income replacement rate for injured workers is increased. Despite this clear recommendation, employers have continued to receive rebates while injured workers struggle with inadequate income replacement.

### **Budget Recommendation:**

The provincial government must direct WorkplaceNL to increase the income replacement rate to 90% of gross earnings for all injured workers.

## **2. Thermal Stress Protections for Workers in Newfoundland and Labrador**

Climate change is fundamentally altering weather patterns in Newfoundland and Labrador, increasing both the frequency and intensity of extreme weather events. Workers across the province face growing risks from thermal stress, whether from extreme heat during summer months or dangerous cold conditions during winter. Outdoor workers in construction, fisheries, forestry, and transportation are particularly vulnerable, but indoor workers also face significant risks in environments such as fish processing plants, commercial kitchens, warehouses, and manufacturing facilities where temperature extremes can occur regardless of outdoor conditions.

Thermal-related illnesses ranging from heat exhaustion and heat stroke to hypothermia and frostbite represent serious and potentially fatal workplace hazards. Despite these growing risks, current occupational health and safety regulations in Newfoundland and Labrador lack specific thermal stress limits, temperature thresholds, or comprehensive protections. This regulatory gap leaves workers vulnerable and employers without clear guidance on their obligations to protect workers from thermal hazards. The absence of mandatory monitoring, reporting requirements, and enforcement mechanisms means that thermal injuries and illnesses often go unreported and unaddressed until a serious incident occurs.

### **Budget Recommendation:**

The provincial government must:

- **Set Temperature Thresholds:** Define safe working temperatures and require employer monitoring.
- **Include Indoor Workers:** Cover high-risk indoor environments (e.g., fish plants, kitchens) with ventilation/heat exchange standards.
- **Training & Reporting:** Require thermal illness prevention training and mandate reporting of thermal-related incidents to WorkplaceNL.

## **3. Workplace Violence Prevention**

Workplace violence has reached crisis levels across multiple sectors in Newfoundland and Labrador. Healthcare workers face increasing physical assaults and verbal abuse from patients and visitors, often while providing essential care under already stressful conditions. Retail workers encounter aggressive customers, with incidents ranging from

verbal harassment to physical violence. Service industry workers regularly experience threats, intimidation, and violence that endangers their physical safety and psychological wellbeing.

The problem extends beyond individual incidents to represent a systemic failure to protect workers. Many employers lack adequate violence prevention policies, staff training programs, or reporting systems. Workers often feel pressured to tolerate abusive behavior as "part of the job" rather than as unacceptable safety violations. When incidents do occur, workers frequently receive insufficient support, inadequate mental health resources, and limited access to compensation or recovery time. The normalization of workplace violence not only endangers current workers but discourages people from entering or remaining in essential occupations, contributing to workforce shortages in critical sectors.

The consequences of workplace violence extend far beyond the immediate physical injuries. Workers experience long-term psychological trauma, anxiety, depression, and post-traumatic stress disorder. These mental health impacts affect not only the individual worker but their families, colleagues, and the quality of service they can provide to the public. The economic costs include workers' compensation claims, staff turnover, recruitment expenses, and reduced productivity, yet these pale in comparison to the human cost of workers living in fear at their workplace.

#### **Budget Recommendation:**

The provincial government establish a task force to:

- Investigate root causes of rising workplace violence.
- Develop enforceable safety standards and reporting protocols.
- Mandate employer training on de-escalation and violence prevention.
- Strengthen legal consequences for perpetrators.
- Provide adequate supports and resources to sector-specific safety councils to carry out this work.
- Provide mental health support for affected workers.

#### **4. Establishment of Occupational Health Clinics Funded by Workers' Compensation**

Workers in Newfoundland and Labrador who suffer workplace injuries or develop occupational illnesses face significant barriers to accessing specialized, timely healthcare. The province lacks dedicated occupational health clinics with expertise in diagnosing, treating, and rehabilitating work-related health conditions. This gap in the

healthcare system leads to delayed diagnoses, prolonged recovery periods, inappropriate treatment approaches, and ultimately higher costs for both workers and the workers' compensation system. Injured workers often navigate a fragmented healthcare system where general practitioners and emergency departments lack specialized knowledge of occupational health issues, resulting in inadequate care and longer periods of disability.

Successful models from other jurisdictions demonstrate the value of integrated occupational health services. Ontario's Occupational Health Clinics for Ontario Workers (OCHOW) have proven that specialized clinics improve health outcomes, reduce recovery times, and lower overall system costs by providing expert care tailored to workplace injuries and illnesses. These clinics serve as a one-stop resource for workers, offering not only clinical care but also prevention services, workplace assessments, and employer education. The recent WHO Pandemic Accord emphasizes the importance of strengthening health systems to address workplace health risks and ensuring equitable access to occupational healthcare, reinforcing the need for dedicated occupational health infrastructure.

Beyond clinical treatment, the absence of occupational health clinics means limited capacity for prevention activities such as workplace hazard assessments, ergonomic evaluations, and early intervention programs that could prevent injuries before they occur. The province is also unable to systematically track occupational disease trends, identify emerging hazards, or develop targeted prevention strategies based on comprehensive data.

### **Budget Recommendation:**

The provincial government must establish an occupational health clinic(s), funded through workers' compensation funds, to:

- **Provide Specialized Care:** Offer diagnosis, treatment, and rehabilitation for work-related injuries/illnesses.
- **Align with Workers' Compensation Statutory Review and Health Accord Recommendations.**
- **Include Prevention Services:** Deliver workplace hazard assessments, ergonomic evaluations, and employer training to reduce injuries.
- **Ensure Accountability:** Mandate transparent reporting on clinic outcomes.

## **5. Expand Occupational Health & Safety Investigation Capacity**

The current capacity of occupational health and safety investigation teams in Newfoundland and Labrador is inadequate to meet the demands of ensuring workplace safety across the province. OHS officers are stretched thin, unable to meet legislated investigation timelines, and lack the resources to conduct thorough inspections of all workplaces within their jurisdictions. This under-resourcing has serious consequences: dangerous workplace conditions go uninspected, violations of safety regulations go undetected, and workers remain at risk in environments that should be subject to regulatory oversight.

The lack of public reporting on inspection activities, timelines, and outcomes makes it impossible for workers, employers, or the public to assess whether the OHS system is functioning effectively or to hold the government accountable for enforcement failures.

### **Budget Recommendation:**

The provincial government must:

- Hire Additional OHS Officers to meet legislated investigation timelines and ensure full provincial and sectoral coverage.
- Prioritize High-Risk Sectors with dedicated specialists.
- Expand Rural/Remote Presence.
- Publicly Report Metrics on inspection timelines, outcomes, violations, etc.

## **6. Expand Workers' Compensation to Cover Chronic Stress & Mental Health Injuries**

WorkplaceNL and the provincial government have failed in their fundamental obligation to injured workers by maintaining discriminatory treatment of workers with psychological injuries within current workers' compensation legislation. Under existing rules, workers who develop chronic stress, burnout, anxiety, depression, or other mental health conditions as a result of their workplace conditions face systematic denial of compensation claims. Workers subjected to toxic work environments, workplace harassment, excessive workloads, and chronic stress find themselves unable to access the same benefits and protections available to workers with physical injuries, despite the fact that their conditions are equally debilitating and equally caused by workplace factors.

This framework ignores the overwhelming scientific evidence that workplace factors are significant contributors to mental health injuries. It also ignores the reality that

psychological injuries can be just as severe and long-lasting as physical injuries, often requiring extended treatment and recovery time. Workers suffering from workplace-induced mental health conditions face a double burden: they are harmed by their workplace and then denied support during their recovery, often forcing them to continue working in the same harmful environment or leave the workforce entirely without income protection or access to treatment.

The burden of proof currently required for psychological injury claims is unreasonably high, requiring workers to demonstrate that workplace factors were the sole cause of their condition rather than merely a significant contributing factor. This standard is both medically inappropriate and practically impossible to meet, as mental health conditions typically result from multiple contributing factors. Furthermore, the requirement for diagnosis by specialists such as clinical psychologists or psychiatrists creates additional barriers in a province with severe shortages of these professionals, meaning workers cannot access the diagnoses required to support their claims even when their conditions clearly result from workplace causes.

### **Budget Recommendation:**

The provincial government must amend workers' compensation legislation to:

- Recognize all psychological injuries (i.e. chronic stress, burnout, and mental health injuries), including those caused by workplace harassment, as compensable workplace injuries.
- Lower the burden of proof by accepting workplace factors as a significant contributing cause (not sole cause).
- Accept a diagnosis from other healthcare providers, such as a general practitioner, given the lack of access to clinical psychologists and psychiatrists in Newfoundland and Labrador.

## **7. Establishing an Independent Safety Sector Council for Healthcare**

Healthcare workers face unique occupational hazards, including exposure to infectious diseases, workplace violence, ergonomic injuries, chemical agents, and high levels of stress and burnout. The current occupational health and safety framework does not adequately address the specialized risks and challenges present in healthcare settings. The COVID-19 pandemic highlighted the urgent need for stronger protections, better preparedness, and sector-specific strategies to safeguard both healthcare workers and patients.

Establishing a dedicated Safety Sector Council for healthcare would provide specialized expertise, targeted resources, and enforcement mechanisms tailored to the healthcare environment. Such a sector would enhance prevention efforts, ensure consistency in safety standards, and improve accountability for protecting the health and safety of healthcare workers.

**Budget Recommendation:**

The government must establish a dedicated Safety Sector Council for healthcare. It must be adequately funded, resourced, and staffed.

**8. Mandatory Free Menstrual Products in Workplaces**

Menstrual products are a basic health necessity, yet many workplaces across Newfoundland and Labrador fail to provide them. This forces employees, particularly those in low-wage positions, to pay out of pocket for essential hygiene products or face the discomfort, embarrassment, and health risks of going without. The financial burden of purchasing menstrual products regularly can be significant for workers already struggling with the rising cost of living. This inequity disproportionately affects women, trans and non-binary workers, and those in marginalized communities who face additional barriers to accessing affordable menstrual products.

Beyond the financial impact, the lack of workplace-provided menstrual products creates health and safety concerns. Workers who experience unexpected menstruation without access to products may be forced to leave their worksite, use inadequate substitutes, or work in discomfort and distress. This is particularly challenging for workers in remote locations, those without easy access to retail stores during work hours, or those working in male-dominated industries where menstrual products may not be readily available. Treating menstrual products as anything less than essential workplace health supplies perpetuates stigma and fails to recognize the basic dignity and health needs of menstruating workers.

**Budget Recommendation:**

The provincial government amend Occupational Health and Safety regulations to:

- Require all employers to provide free menstrual products in all workplace washrooms.
- Include these products as mandatory workplace health supplies, equivalent to toilet paper and soap.

## **9. Complete Silica Dust Study for Labrador West**

Workers and their families in Labrador West have been exposed to silica dust for decades through mining and ore processing operations, yet a comprehensive study of exposure levels, health impacts, and control measures is long overdue despite repeated calls from workers, unions, and health advocates. Crystalline silica dust, when inhaled, causes silicosis, an incurable and progressive lung disease that can be fatal. Beyond silicosis, silica exposure is linked to lung cancer, chronic obstructive pulmonary disease (COPD), kidney disease, and autoimmune disorders. The failure to conduct this long-overdue study leaves workers unprotected from a known occupational health hazard and prevents the implementation of evidence-based exposure controls, health monitoring programs, and protective measures that could prevent serious illness and death.

The absence of comprehensive data on silica exposure levels in Labrador West workplaces means that current control measures may be inadequate, workers may be experiencing dangerous exposures without their knowledge, and the long-term health consequences for the workforce remain unknown and unaddressed. Workers deserve to know the risks they face in their workplaces and to have confidence that those risks are being properly measured, monitored, and controlled. The delay in completing this study represents a failure of the government's duty to protect worker health and raises serious questions about the priority given to occupational health in resource extraction communities.

### **Budget Recommendation:**

The provincial government must:

- Fund and complete a comprehensive silica dust exposure study for Labrador West.
- Implement protective measures based on study findings, including exposure limits, monitoring protocols, and engineering controls.
- Establish ongoing health surveillance programs for affected workers.
- Ensure transparency by making study results publicly available.

## **10. Declare Intimate Partner Violence an Epidemic**

Intimate partner violence (IPV) has reached crisis levels in Newfoundland and Labrador and represents a profound workplace safety issue that demands urgent government action.

Reports of intimate partner violence in our province have increased by 150% over five years, from 1,367 reported occurrences in 2019 to 3,394 in 2023. From 2022 to 2023 alone, reports surged by 51%. According to national statistics, Newfoundland and Labrador recorded the largest increase in intimate partner violence among all provinces, with a 30% increase since 2018. (<https://www.cbc.ca/news/canada/newfoundland-labrador/intimate-partner-violence-reports-charges-rising-nl-1.7555052>)

Intimate partner violence is fundamentally a workplace issue. Victims of intimate partner violence frequently experience impacts that extend into their workplaces, including harassment by abusive partners at work, missed work due to injuries or court proceedings, decreased productivity due to trauma and stress, job loss when unable to maintain employment, and safety risks when abusers locate victims at their workplace. Research shows that women are victims of over 80% of intimate partner violence in Canada. Women are often targets of extreme incidents of violence in workplaces, universities, and colleges.

Despite the scale and severity of this crisis, intimate partner violence has not been formally recognized by the provincial government as the epidemic it clearly is. Unions, advocates, community organizations, and politicians across the province have called for this formal declaration.

Formally declaring intimate partner violence an epidemic is essential because it highlights how widespread this violence is, addresses the health and social impacts including physical injuries and mental health issues and allows government to dedicate more funding and research to ending violence, increases public awareness and fights stigma, and gives public services the mandate to build up prevention tools rather than only crisis response.

Other provinces have taken this step - Nova Scotia passed legislation declaring intimate partner violence an epidemic unanimously and immediately in September 2024, and New Brunswick passed a unanimous motion in June 2025.

It is now time for the government of Newfoundland and Labrador to act.

### **Budget Recommendation:**

The provincial government must immediately declare intimate partner violence an epidemic in Newfoundland and Labrador.

This declaration must be accompanied by concrete action including dedicated funding for prevention programs and support services, expanded support for women's shelters and frontline service providers who are overwhelmed by demand, comprehensive

training for justice system personnel, healthcare providers, and employers on recognizing and responding to intimate partner violence, workplace protections, and public awareness campaigns to change societal attitudes that enable intimate partner violence.

Declaring intimate partner violence an epidemic is not merely symbolic; it is a necessary first step toward mobilizing the comprehensive response this crisis demands. Workers deserve safety not only in their workplaces but in their homes and relationships. The government must act with the urgency this epidemic requires.

### **11. Remove the Earnings Ceiling Cap on Workers' Compensation Benefits**

Current workers' compensation legislation imposes an arbitrary ceiling on earnings replacement that fails to fully compensate injured workers who earned above a set threshold prior to their workplace injury. The Workplace Health, Safety and Compensation Act and Regulations caps loss of earnings benefits at a maximum of \$80,935.00 of compensable assessable earnings.

This means that workers who earned more than this amount before their injury face significant and unfair income reductions when they are injured at work.

This earnings ceiling creates a two-tier compensation system where workers in higher-paid industries and occupations are penalized for their earnings when they suffer workplace injuries. A worker earning \$80,000 annually receives the same compensation as a worker earning \$120,000, despite the latter facing a far greater loss of income and corresponding reduction in their ability to maintain their standard of living, meet financial obligations, and support their family during recovery. The principle of workers' compensation is that injured workers should be made whole to the greatest extent possible, yet the earnings cap ensures that higher-earning workers are systematically under-compensated for their losses.

The cap is particularly problematic in industries such as mining, offshore oil and gas, skilled trades, and other sectors where workers earn above-average incomes.

The earnings cap also undermines the adequacy of compensation as wages increase over time. While the cap is adjusted annually, it consistently lags behind wage growth in many industries, meaning that an increasing proportion of the workforce earns above the cap and faces inadequate compensation in the event of injury. This growing gap between actual earnings and compensable earnings represents a systematic erosion of workers' compensation protection.

**Budget Recommendation:**

The provincial government must remove the cap on maximum compensable assessable earnings, allowing workers' compensation benefits to reflect the real loss of earnings that injured workers experience regardless of their pre-injury income level.

**CONCLUSION**

These eleven recommendations represent critical steps toward ensuring that every worker in Newfoundland and Labrador can perform their job safely and return home healthy at the end of each day. The provincial government must demonstrate its commitment to worker safety by implementing these measures in the 2026 budget. The cost of inaction - measured in lives lost, injuries sustained, and families devastated - is far too high.

# PRIVATIZATION: PROFIT BEFORE PEOPLE

## Applauding Government's Recent Highway Decision

The NLFL commends the provincial government for its recent decision to proceed with a new highway project using traditional public procurement rather than a Public-Private Partnership (P3) model. This decision demonstrates fiscal responsibility and a commitment to protecting the people of the province from the documented failures of privatization schemes. It represents an important turning point in recognizing that P3s and privatization are not the cost-saving solutions they were once promised to be, but rather expensive experiments that have consistently failed to deliver value for money while undermining public accountability and service quality.

This decision sets a precedent that we urge the government to apply across all sectors, particularly in healthcare and other essential public services.

## The Failed Experiment: Why Privatization Doesn't Work

The push toward privatization and P3 arrangements within our essential public services represents a failed experiment that has consistently undermined service quality, accountability, transparency, and economic stability. Decades of evidence from across Canada and around the world demonstrate that privatization is a false economy that delivers short-term political relief while creating long-term fiscal and social costs.

The NLFL and our members stand firmly opposed to the continued erosion of public services through privatization schemes. We call on the government to learn from its own positive decision on the highway project and extend this evidence-based approach to all areas of public service delivery.

## The Evidence Against Privatization

Research from multiple jurisdictions provides compelling evidence that privatized services consistently result in higher costs for taxpayers while delivering inferior outcomes:

**Healthcare Privatization:** Private healthcare facilities cherry-pick less complex, more profitable cases while offloading challenging and costly procedures onto the public system. Ontario's experience with privatized long-term care homes revealed significantly higher mortality rates and poorer care outcomes despite higher operational costs. This creates a two-tier system that violates the principles of universal healthcare while increasing overall system expenses.

**P3 Infrastructure Projects:** Studies of P3 projects across Canada show that private financing costs significantly more than public borrowing, with governments paying premium interest rates to private consortiums. These projects often include clauses that prevent governments from making changes without expensive penalties, locking in arrangements for decades regardless of changing public needs.

**Service Delivery Privatization:** From waste collection to social services, privatization studies consistently show initial cost savings evaporate as contracts are renewed, service standards decline, and governments lose the capacity to deliver services directly.

## **Why the Privatization Model Fails**

### **1. Financial Impact**

While private operators promise cost savings, the reality reveals increased long-term expenses. Governments lose economies of scale, pay profit margins built into every service transaction, and face higher borrowing costs through private financing. The appearance of saving money is often achieved through accounting tricks that push costs off current budgets while creating larger future liabilities.

### **2. Service Quality Deterioration**

Private operators, driven by profit motives, systematically cut costs through reduced staffing levels, lower wages, deferred maintenance, and minimal investment in infrastructure and training. This directly impacts service quality and accessibility, particularly for vulnerable populations who depend most heavily on public services. The race to maximize shareholder returns inevitably comes at the expense of service recipients.

### **3. Loss of Accountability and Transparency**

Private entities are primarily accountable to shareholders rather than the public. This results in:

- Reduced transparency through commercial confidentiality clauses
- Diminished democratic oversight of essential services
- Difficulty maintaining consistent standards across providers
- Reduced ability to respond to community needs and concerns
- Limited public access to information about service quality and costs

#### **4. Workforce and Economic Impact**

Privatization typically leads to:

- Job losses and increased precarious employment
- Reduced wages and benefits as private operators seek to maximize profits
- Deteriorating working conditions and increased workplace injuries
- Broader negative impacts on local economies through reduced spending power

#### **5. Loss of Public Control**

Once assets are privatized or locked into long-term P3 contracts, governments lose the ability to:

- Respond flexibly to changing public needs
- Integrate services across sectors
- Make strategic investments in infrastructure and capacity
- Maintain consistent service standards
- Reverse poor decisions without paying expensive penalties

#### **A Cautionary Tale: The High Cost and Failure of Privatization in Newfoundland and Labrador's Healthcare System**

The Provincial Auditor General's June 2025 report on health sector contracts provides a powerful indictment of the privatization experiment via the use of private nursing agencies. This model has resulted in exorbitant costs, a lack of value for public money, and serious failures in oversight, exemplifying why privatization is a failed approach for our province.

The core promise of privatization - efficiency and cost-control - has been completely broken. By March 2025, the average annual cost of a single agency nurse had ballooned to over \$404,486.

The audit also revealed a systemic breakdown in the management of these private contracts - lack of oversight and transparency as well as opportunity for potential fraud and/or conflicts of interest.

It proves that outsourcing core public healthcare services to private, for-profit agencies drains precious public resources, invites mismanagement, and fails to deliver stability or value. It underscores the need to reinvest these funds into permanent, public solutions:

competitive wages, full-time positions, and strong retention strategies for the public healthcare workforce.

## **Empowering Municipalities: Investing in Public Community Infrastructure**

A prosperous province is built on thriving, resilient communities. Municipalities across Newfoundland and Labrador are the front line of service delivery, providing the roads, water, recreation, and public spaces that form the backbone of daily life. However, underfunding and the immense burden of infrastructure costs have pushed many municipalities into difficult situations that can lead to service degradation or privatization.

Strong public infrastructure is not a luxury; it is a prerequisite for attracting and retaining a skilled workforce, supporting families, and building inclusive communities where newcomers want to settle. To keep our communities public and prosperous, municipalities require a reliable provincial partner. Moreover, public infrastructure projects provide good jobs in our province.

This infrastructure funding can align with provincial priorities by incentivizing projects that enhance community livability (e.g., active transportation, public transit), support workforce attachment (e.g., affordable housing, childcare facilities), and promote climate adaptation.

Investing in municipal infrastructure is an investment in community well-being and economic stability. By empowering municipalities to build and maintain high-quality public assets, the province safeguards essential services, creates local employment, and builds the foundation upon which a skilled workforce and a diversified economy can thrive.

## **The Path Forward: Sustainable Public Investment**

Rather than continuing the failed experiment of privatization, the NLFL calls on the government to:

1. **Extend the highway project decision to all sectors:** Apply the same evidence-based analysis that led to rejecting P3 for highway construction to healthcare, long-term care, education, and other public services.
2. **Provide sustainable public investment:** Invest in public infrastructure, staffing, and capacity rather than seeking short-term budgetary relief through privatization schemes.

3. **Fund public municipal infrastructure:** Commit to stable, multi-year provincial investment to help municipalities build, own, and maintain essential public assets and services.
4. **Strengthen public service capacity:** Build strong public sector expertise and capacity to deliver high-quality services directly rather than fragmenting delivery across multiple private contractors.
5. **Protect existing public services:** Resist pressure to privatize healthcare delivery, diagnostic services, long-term care, and other essential public services. End the use of private agencies/contracts in healthcare.
6. **Review existing P3 contracts:** Conduct comprehensive reviews of existing P3 arrangements to assess whether they are delivering promised value and explore options for bringing services back under public delivery.
7. **Enhance transparency:** Ensure full public disclosure of the costs and performance of both public and private service delivery to enable informed decision-making.

## **A Question of Values**

The choice between public and private service delivery is not merely an economic decision but a fundamental question of values and societal priorities. Do we want services designed to maximize shareholder profits, or services designed to meet public needs? Do we want accountability to shareholders or accountability to citizens? Do we want good jobs that support families and communities, or precarious employment that enriches distant investors?

The government's recent decision on the highway P3 project suggests it understands these questions. We must preserve and strengthen our public services to ensure equitable access, maintain democratic accountability, protect service quality, and sustain good jobs in our communities.

The evidence is clear: privatization is a failed experiment. It's time to learn from past mistakes, applaud good decisions when they're made, and commit to a future built on strong, accountable, well-funded public services.

# **SUSTAINABLE JOBS: A JUST TRANSITION FOR NEWFOUNDLAND AND LABRADOR**

## **The Need for Action**

The effects of climate change are undeniable, and the global energy transition is accelerating at an unprecedented pace. Regardless of whether Newfoundland and Labrador attempts to maintain the status quo, the rest of the world is fundamentally transforming. The question is not whether this transition will happen, but whether our province will be prepared to benefit from it or left behind by it.

This reality presents both challenge and opportunity. The energy transition offers significant potential for job creation, economic diversification, and long-term prosperity in Newfoundland and Labrador. Our province possesses abundant renewable energy resources, a skilled workforce, and strategic geographic positioning that could make us a leader in the clean energy economy. However, realizing this potential requires more than hope, it demands proactive government planning, strategic investment, and a commitment to ensuring fair outcomes for workers and communities throughout this transformation.

## **Learning from Our History**

Newfoundland and Labrador's workers are intimately familiar with economic transitions. From the cod moratorium to the restructuring of resource industries, our workforce has repeatedly demonstrated resilience and adaptability in the face of economic upheaval. Too often, transitions have been reactive rather than planned, leaving workers and communities to bear the costs of adjustment without adequate support or meaningful engagement in decision-making processes.

To avoid repeating past failures, the provincial government must adopt a fundamentally different approach to the energy transition. This approach must be proactive rather than reactive, comprehensive rather than piecemeal, and centered on workers and communities rather than treating them as afterthoughts. Most importantly, it must ensure that workers are not merely consulted but are active participants in designing and implementing transition plans that will shape their futures.

## **Workers Must Have a Seat at the Table**

A just transition cannot be imposed on workers from above. The people who will be most directly affected by changes must have a say in planning those changes.

The NLFL recommends that the provincial government establish a Newfoundland and Labrador Sustainable Jobs Council with genuine authority to advise on transition

planning, investment priorities, training programs, and support measures. For this council to function effectively as a forum for social dialogue rather than mere consultation, it must include at least one-third representation from trade unions, including the co-chair position. Without substantial worker representation at the decision-making table, the council cannot prioritize workers' needs or command the trust and confidence of the workforce it is meant to serve.

### **Sustainable Jobs Must Be Good Jobs**

The energy transition presents an opportunity to not merely replace existing jobs but to create better jobs; employment that offers fair wages, comprehensive benefits, safe working conditions, job security, and pathways to advancement. This opportunity must not be squandered through a race to the bottom that treats the energy transition as an excuse to lower standards or undermine hard-won worker protections.

New jobs created in the renewable energy sector and related industries must offer equal or better terms and conditions than the jobs they replace. Workers are far more likely to embrace transition when they have confidence that new opportunities offer genuine security and prosperity for themselves and their families.

Creating good jobs in the emerging clean economy requires deliberate policy choices and strategic investments. Government investments and support for energy transition projects must prioritize quality employment with wages that reflect workers' skills and experience, comprehensive benefits including health coverage and pensions, safe working conditions with strong occupational health and safety protections, and union representation that gives workers collective voice in their workplaces.

### **Comprehensive Training and Worker Support**

The transition from high-carbon to low-carbon employment will require significant investment in worker training and skill development. Many of the skills workers have developed in traditional energy sectors will remain valuable and transferable in renewable energy and related industries. However, workers will also need opportunities to acquire new skills, update existing knowledge, and obtain credentials.

Union-run and public training facilities have a proven track record of delivering high-quality, industry-relevant training that meets both worker needs and employer requirements. These institutions understand the realities of workplace skill demands, maintain strong connections with employers, and operate with a commitment to worker success rather than profit maximization.

Training programs alone, however, are insufficient without complementary supports that enable workers to participate. Workers cannot afford to give up their incomes while retraining. Just transition requires income support during training, coverage of training-

related costs including tuition and materials, support for transportation and relocation, and bridging programs that allow workers to earn while they learn through apprenticeships and on-the-job training.

Beyond training, workers transitioning between industries need comprehensive support services. These supports should be funded through a dedicated transition fund rather than requiring individual workers to navigate fragmented programs or bear transition costs themselves.

### **Protecting Existing Jobs Where Possible**

While the energy transition will inevitably create new jobs and transform existing ones, a just transition plan must also prioritize protecting existing employment wherever possible.

Protecting existing jobs also means ensuring that workers in industries facing long-term decline are not abandoned. Workers who have spent decades building our province's economy deserve security and dignity as those industries evolve and change.

### **Attaching Conditions to Government Investment**

The provincial government invests substantial public funds in infrastructure, economic development, and industry support. These investments provide direct leverage to protect workers' rights and ensure quality job creation during the energy transition. Attaching clear, enforceable conditions to government funding is one of the most effective tools available to ensure the energy transition benefits workers and communities rather than merely enriching corporations.

Community Benefit Agreements (CBAs) can ensure that local workers, particularly those in communities facing declining industries, have pathways into renewable energy careers through local hiring requirements, hiring provisions for displaced workers, and partnerships with local training programs.

Strengthened reporting requirements for projects receiving government support must include comprehensive employment and economic indicators. This transparency enables government, workers, and the public to assess whether investments are delivering promised benefits and hold recipients accountable for commitments made.

The government should establish a tripartite table bringing together workers, employers, and government representatives, in ongoing consultation with affected communities and stakeholders, to review proposed major projects, assess employment impacts and opportunities, develop appropriate labour standards and conditions for government support, and resolve disputes or concerns that arise during project implementation.

### **Addressing the Specific Needs of Communities and Workers**

The transition will not impact all regions of Newfoundland and Labrador equally. Some communities are heavily dependent on carbon-intensive industries, while others have more diversified economies or greater proximity to renewable energy opportunities. New industries and opportunities will not emerge uniformly across the province. Without deliberate intervention, the energy transition risks deepening regional disparities, leaving some communities behind while others prosper.

### **Preventing Privatization of Renewable Energy Assets**

As Newfoundland and Labrador develops its renewable energy capacity, maintaining public ownership and democratic control of energy infrastructure is essential for ensuring the energy transition serves public interests rather than private profit motives.

NL Hydro and other crown utilities and public agencies are well-positioned to lead development of the province's renewable energy system, including expanding wind and solar generation, upgrading and integrating electrical transmission networks, developing energy storage capacity, and coordinating electrification of transportation and building heating. Public bodies can implement long-term strategic approaches that align energy development with broader provincial goals.

### **Budget Recommendations:**

The NLFL calls on the provincial government to take the following actions in the 2026 budget to advance a just transition for Newfoundland and Labrador's workers:

- 1. Establish a Dedicated Just Transition Fund**
- 2. Establish a Newfoundland and Labrador Sustainable Jobs Partnership Council**
- 3. Attach Mandatory Conditions to Government Investment**
- 4. Invest in Public and Union-Led Training Programs**
- 5. Maintain Public Ownership of Renewable Energy Assets**
- 6. Develop and Communicate a Clear Provincial Just Transition Strategy**

# The Cost-of-Living Crisis: Wages, Housing, and Poverty Reduction

## The Growing Crisis of Unaffordable Work

Every worker deserves dignity and the ability to meet their basic needs through honest employment. Yet in Newfoundland and Labrador today, nearly one-quarter of our workforce (approximately 23% of all workers) earns less than \$20 per hour. These workers, despite working full-time, struggle daily to keep pace with rising costs of food, housing, transportation, and childcare. They are trapped in a reality where work no longer means the ability to make ends meet.

The minimum wage currently sits at \$16 with increases tied to inflation. While these incremental increases represent acknowledgment that wages must rise, they fall dramatically short of what workers actually need to survive.

## The Evidence: What Workers Actually Need to Earn

In August 2025, the Canadian Centre for Policy Alternatives (CCPA) released its provincial living wage report for Newfoundland and Labrador. The report calculates the hourly wage needed to cover essential expenses across four regions, based on a family of two working adults and two children, incorporating all available tax credits and government benefits.

The 2025 living wage rates are:

- Central Newfoundland at \$24.10,
- Eastern Newfoundland at \$25.40,
- Western Newfoundland at \$24.10, and
- Labrador-Northern Peninsula at \$28.30.

These figures represent what workers need to earn per hour, working full-time, to cover basic expenses including food, shelter, transportation, childcare, clothing, health care, and household expenses. They do not include savings for emergencies, retirement, or children's education.

Comparing these living wage calculations to the current minimum wage reveals the crisis facing low-wage workers. At \$16 per hour, the current minimum wage falls well short of the living wage, depending on region.

## **The Real Costs of Low Wages**

When workers cannot earn enough to meet basic needs, the consequences extend far beyond individual hardship. For workers and families, inadequate wages mean skipping meals, living in substandard housing, foregoing medical care, and constant financial stress that takes profound tolls on mental and physical health. Workers whose employment income is less than a living wage face considerably narrowed options for meeting their needs, often detrimentally affecting their health, denying them adequate housing and contributing to food insecurity.

Government budgets bear significant costs through increased demand on the social safety net and public programs and services.

Communities suffer when working people lack money to spend locally. Low wages suppress economic activity, reduce tax revenues, increase demand for charitable services, contribute to population decline, and create social instability. The systematic underpayment of workers also perpetuates inequality, as low-wage workers are disproportionately female and members of visible minority communities.

## **Why the Current Approach is Failing**

The current approach of annual adjustments tied to the Consumer Price Index is fundamentally inadequate. While indexation prevents the minimum wage from falling further behind, it does nothing to close the existing gap. The approach also fails to account for costs of necessities which are increasing faster than general CPI measures. The longer government delays meaningful action, the more difficult closing the gap becomes.

Higher minimum wage represents one of the most powerful tools to address unaffordable work. It puts money directly into workers' pockets through regular paycheques, respecting their dignity by ensuring labour is fairly compensated.

## **The Foundation of Dignity: Affordable Housing**

A prosperous province cannot be realized without secure, safe, and affordable housing. For too many in Newfoundland and Labrador, the crisis of unaffordable work is compounded by the crisis of unaffordable shelter. Housing is a fundamental human right and essential social infrastructure, yet it has been treated as a speculative financial asset to be bought and sold. This has priced workers, families, and young people out of stable homes.

The evidence is clear: relying on the private, for-profit market to deliver affordability has failed. The predictable result is a system that prioritizes investment returns over human need, leaving a growing gap between housing costs and wages.

Solving this crisis requires a decisive shift in strategy. We must treat housing as public infrastructure, not a commodity. This means a direct, sustained public investment in building and preserving non-market housing.

The three levels of government all have a role to play in affordable housing and must work together to address this urgent need.

Investing in non-market housing is an investment in our workforce and our future. It provides stability for families, reduces poverty, creates skilled local jobs in construction, and builds the strong, inclusive communities necessary to attract and retain workers. It is the indispensable foundation for a prosperous Newfoundland and Labrador.

### **Budget Recommendations:**

1. **Implement Immediate Minimum Wage Increases:** The minimum wage must increase substantially beyond the scheduled inflationary increase. The CCPA has recommended bringing minimum wage to \$20 per hour by 2027. The plan should be informed by consultation with workers, stakeholders, and economic experts.
2. **Conduct Annual, Region-Specific Living Wage Calculations:** The government must fund annual living wage calculations for all regions, providing essential data for evidence-based policy making. Living wage data should inform not only minimum wage policy but the full range of labour market and social policies affecting working people.
3. **Use Living Wage Data to Reform Income Benefits:** Living wage calculations reveal inadequacy of government income benefits. The NL Child Benefit and the NL Income Supplement fall short of what is needed in comparison to the increasing cost of living. These programs should be reformed based on living wage data, with higher eligibility thresholds, increased benefit amounts, and adjusted clawback rates that avoid trapping workers in low-wage employment.
4. **Launch a Provincial Non-Market Housing Strategy:** Allocate funding to develop and implement a 10-year strategy. This strategy must include family-sized units, accessible homes, and supportive housing.

5. **Ensure True Affordability and Protect Public Housing:** Enact a provincial definition of housing affordability tied directly to income (e.g., 30% of a household's gross income). Enforce rules to ensure these homes remain affordable and are occupied by residents, not corporate investors.
  
6. **Develop a Comprehensive Poverty Reduction Strategy:** Newfoundland and Labrador lacks a coordinated poverty reduction strategy. The government must develop and implement a comprehensive strategy that sets measurable poverty reduction targets, coordinates action across government departments and programs, includes timelines and accountability mechanisms, addresses root causes including inadequate wages and insufficient social supports, and incorporates input from people with lived experience of poverty alongside community organizations and labour.

A poverty reduction strategy should be informed by living wage research and include clear targets for closing the gap between minimum wage and living wage.

## **Conclusion**

The evidence is clear. Workers cannot afford to live on current minimum wages. The gap between earnings and basic expenses is large and growing, imposing costs on workers, families, government budgets, employers, and communities.

We have the tools to address this crisis. A significantly higher minimum wage, informed by living wage calculations and part of a comprehensive poverty reduction strategy, can close the gap.

The moral case is straightforward: people who work full-time should earn enough to meet basic needs. The economic case is also clear: adequate wages benefit everyone by reducing social costs, improving productivity, and strengthening local economies.

## **Demanding Real Pay Equity**

When in opposition, the Progressive Conservative Party was a strong and vocal advocate for meaningful pay equity and pay transparency legislation in Newfoundland and Labrador. PC members criticized the inadequacy of proposed measures, called for stronger protections for workers, and demanded legislation that would genuinely address the persistent gender wage gap in our province. These were principled positions that recognized the urgency of pay equity and the need for comprehensive, enforceable legislation that goes beyond symbolic gestures.

Now, as the governing party, the Progressive Conservatives have the authority and opportunity to act on those very calls they made from the opposition benches. They have the power to implement the kind of pay equity framework they previously advocated for.

### **The Persistent Reality of the Gender Wage Gap**

The gender wage gap in Newfoundland and Labrador remains one of the largest in Canada; a disparity that represents not only individual economic injustice but systemic undervaluing of women's work. This gap accumulates over working lifetimes, resulting in lower earnings, reduced pension savings, greater economic insecurity in retirement, and increased vulnerability to poverty, particularly for single mothers and older women.

Pay equity legislation, when properly designed and enforced, directly addresses the systematic undervaluation of work performed predominantly by women and gender-diverse people by requiring employers to identify and correct wage disparities between jobs of comparable value.

### **The Inadequacy of Current Legislation**

The NLFL continues to call for an overhaul of the province's recently adopted Pay Equity and Pay Transparency legislation.

The current legislation falls dramatically short of established best practices seen in other Canadian jurisdictions. Newfoundland and Labrador's legislation lacks the teeth necessary to compel compliance and correct wage disparities. The absence of clear, legislated timelines for implementation allows employers to delay indefinitely. The lack of mandatory pay equity plans means employers can avoid the systematic analysis required to identify undervalued work. The absence of regular reporting requirements eliminates transparency and public accountability. The failure to include proactive

enforcement mechanisms means workers must file complaints and navigate lengthy processes rather than having government actively monitor and enforce compliance.

The legislation, as it currently stands, must be amended to incorporate concerns and recommendations made by feminist community organizations, researchers, and pay equity experts who have spent years studying these issues and advocating for effective solutions. 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 that must be addressed if the legislation is to achieve its stated objectives.

### **Budget Recommendations:**

1. **Coverage of Private Sector Employers:** New legislation must apply to both public and private sector workers. The current framework's inadequate coverage of private sector employers leaves a significant portion of the workforce without adequate protections. Pay equity cannot be achieved if it applies only to a fraction of the workforce.
2. **Dedicated Funding for Enforcement:** Funding must be allocated to ensure appropriate enforcement of pay equity laws. Without dedicated resources for compliance monitoring, investigation of complaints, employer education and support, data collection and analysis, and penalties for non-compliance, even the strongest legislative provisions risk becoming merely symbolic rather than transformative.
3. **Mandatory Pay Equity Plans and Timelines:** Employers must be required to develop and implement pay equity plans within clear timelines. Mandatory requirements with real consequences for non-compliance are essential.
4. **Intersectional Approach:** Pay equity legislation must recognize that women and gender diverse people experience wage discrimination differently. Black women, Indigenous women, immigrant women, women with disabilities, and trans workers face compounded wage gaps that require specific attention.

### **Conclusion**

Women in Newfoundland and Labrador have waited long enough for real pay equity. They deserve legislation that reflects best practices, incorporates expert recommendations, includes strong enforcement mechanisms, and delivers real wage justice. The government has the power to make this happen.

## **IMPROVING EARLY CHILDHOOD EDUCATION: AN INVESTMENT IN OUR FUTURE**

The federal investments in the Canada-Wide Early Learning and Child Care system since 2021 are delivering significant results: driving economic activity, increasing women's labour force participation, and making life more affordable for families through lower fees.

To sustain and build on this measurable progress, the provincial government's continued advocacy and collaboration with the Federal government is essential. A strong commitment is needed to secure enhanced and sustained federal funding for the \$10 a day childcare program. This will ensure the system can achieve its social and economic objectives, including workforce recruitment and retention, and provide all children access to high-quality, affordable childcare.

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.

### **Budget 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

## Living Wage Report – NL

<https://www.policyalternatives.ca/wp-content/uploads/2025/08/2025-Living-Wages-for-NL-NS-and-PEI-Too-many-workers-struggle-to-make-ends-meet-1.pdf>

## Privatization

<https://abigmistake.ca>

<https://cupe.ca/privatization>

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

Mortality and health care privatization: A comparison between countries -

<https://www.policyalternatives.ca/news-research/mortality-and-health-care-privatization-a-comparison-between-countries/>

Audit Overview – Health Sector Contracts Audit:

<https://www.ag.gov.nl.ca/files/Overview-Health-Sector-Contracts-Audit-June-2025.pdf>

## Intimate Partner Violence

<https://www.cbc.ca/news/canada/newfoundland-labrador/intimate-partner-violence-reports-charges-rising-nl-1.7555052>

<https://www.canada.ca/en/women-gender-equality/gender-based-violence/intimate-partner-violence.html>

Canadian Labour Congress (CLC) – Domestic Violence at work resource centre -

<https://canadianlabour.ca/domestic-violence-work/>

## Workplace Safety

Workers' Compensation Statutory Review Final Report (2021) -

<https://www.gov.nl.ca/eccc/files/2019-Statutory-Review-Workers-Compensation-System-Final-Report-June-10-2021.pdf>

CLC - <https://canadianlabour.ca/issues/workplace-health-safety/>

## **Just Transition**

Worker Voice and Effective Transitions For Fossil Fuels in Canada:

<https://centreforfuturework.ca/wp-content/uploads/2025/12/Transitions-for-Fossil-Fuel-Workers.pdf>

Jobs for Today: Canada's Building trades and the Net Zero Transition:

[https://ccg.eco/wp-content/uploads/2025/09/Jobs\\_for\\_Today\\_Report.pdf](https://ccg.eco/wp-content/uploads/2025/09/Jobs_for_Today_Report.pdf)

## **Investing in Public Services**

Newfoundland and Labrador: Options for a Strong Economy -

[https://www.policyalternatives.ca/wp-content/uploads/attachments/Newfoundland\\_Labrador\\_Options.pdf](https://www.policyalternatives.ca/wp-content/uploads/attachments/Newfoundland_Labrador_Options.pdf)

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>

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](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/>

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