

Strategic Program Review

Choices to move New Brunswick Forward

Liberal Government's Priorities:

- 1- Job Creation,***
- 2- Getting its finances in order and***
- 3- Improving services for families.***

What are the government's proposals telling us?

What we found out:

**Job creation (1), Getting our finances in order (31), Improving services to families (3),
Job loss (16), Less services to families (7)**

New Brunswick Common Front for Social Justice Inc.

www.frontnb.ca

CHOICES : SAVINGS

Proposed measures	Choices	Reasons	Estimated savings \$ (million)	Impact of proposed measures
Inter-provinces cooperation	Improving public services. Reducing and harmonizing red tape. Enhancing labour market skills. Energy security and development. International trade.	Close proximity. Same challenges.	1-2 million	Getting our finances in order.
Administrative efficiencies	Rationalizing and optimizing: subscriptions, memberships, computers, telephones, printing, vehicle and travel. No banking of excessive time. Streamlining and optimizing procurement processes.	Already identified a variety of areas to eliminate waste and redundancy.	10-15 million	Getting our finances in order.
Reshaping the civil service	Attrition, reclassification, combining positions, eliminating unneeded and vacant positions. Rationalizing the layers of management and right-sizing management.	Simplify management and be more innovative and flexible to the needs of NB.	20-45 million	Job loss. Getting our finances in order.
Consolidating customer contact centres	Consolidating these contact centres	40 different contacts centres that operates independently. Achieve financial saving, invest in technology and improve services. Employees in these new consolidated centres –better training, cross-trained.	3-5 million	Job Loss Improved services but less direct services in rural areas. Getting our finances in order.

Consolidate non-medical laboratory services	Consolidation	Two different governance models, six different mandates and six separate management teams. Duplication and variation across various lab services.	1.5-3 million	Job Loss Getting our finances in order.
Reducing visitors information centres	Close three visitor information centres beginning in 2016 tourism season- At exit point, not entry point	Are used by fewer than 10% of travellers. Visitors use the Internet.	200,000-300,000	Job loss. Getting our finances in order.
Review of legislative officers	8 legislative officers - Combine offices.	Other provinces (Quebec, NS, PEI and NL have 4-5).	400,000-700,000	Job Loss Getting finances in order.
Education (Kindergarden to Grade 12)	Increase class size by four students Reduce the number of teachers.	There is a maximum but no minimum (varies from 5-29 students).	50-70 million	Job loss. Less services for families. Getting our finances in order.
Reduce number of teachers	For each 20 students who leave our system, reduce one full-time educator: done through attrition	Decline of students. 30% fewer students than 23 years ago.	10-12 million	Job loss. Less services for families. Getting finances in order.
Reducing the number of education assistants	Readjust the funding formula for education assistants.	Steady decline of students.	3-6 million	Job loss. Less services for families. Getting finances in order.

Post-secondary education	<i>Performance-based funding</i> for universities: better graduation rates, having graduates aligned to provincial priorities, limiting duplication and then having corresponding remuneration for institutional performance. <i>New funding formula:</i> a model that focus on performance outcome would deliver value and accountability. <i>New governance legislation:</i> link policies set by government and universities	It is vital that our post-secondary education system achieves and supports social and economic development, financial stability and accountability.	15-45 million	Reduced academic freedom. Getting finances in order.
Reforming local governance	Modernizing legislation to give municipalities powers to promote development and become hubs of job creation. Establishing fair taxation for local and regional roads in local service district to support better planning. Increasing provincial revenues. Improving voluntary community restructuring approach.	Only 54% of NB population lives in communities that meets the viability test of 4,000 population and a \$200-million tax base.	25-30 million	Improving services for families. Getting finances in order.
Motor vehicle registration process improvement	Receiving notice of registration and renewal by e-mail. Multi-year vehicle registration. Looking at renewals every 2-years)	Make registration process more efficient and convenient.	200,000-500,000	Job Loss. Improving services for families. Getting finances in order.
Privatize custodial services in the education system	Privatize all custodial services in schools Mitigate impact of job loss if the approved service provider rehires same employees	Right now 15 schools have private custodial services; 22% lower cost.	5-7 million	Job loss. Lower wages and employment benefits. Getting finances in order.

Privatize highway maintenance	Privatize all routine maintenance activities of highways. Reduce by the same token the number of government vehicle, reduce the capital budget for vehicle maintenance and replacement	In other provinces, delivery of transportation-related program are done by the private sector at lower costs.	11-22 million	Job loss. Lower wages and employment benefits. Getting finances in order.
Reforming transportation and infrastructure	Standardize processes such as procurement and tendering. Develop a central supply chain. Privatize some services. Reduce positions.	Inefficiencies, duplication and, in some cases, out-dates and non-standardized practices.	10-14 million	Job loss. Lower wages and employment benefits. Getting finances in order
Managing government buildings more effectively	Identifying and selling surplus property. Consolidating and moving provincial government offices to ensure the best use of government-owned space.	There is a surplus of government buildings.	1.5- 3 million	Getting finances in order
Transforming our health-care system	Closing many rural hospitals or converting to community health centres. Realignment of services in major urban areas. Decreasing the number of access points to specialized health services by moving to single centres of excellence at one location (ex: 6 full-service emergency room-1 hour distance from everyone). Other sites- 12 to 16 hours	22 hospitals, not including speciality and mental health facilities. Highest number of acute-care hospital beds per capita in Canada. We don't have a better health outcomes. More travel for a lot of citizens but higher quality of care.	50-80 million	Job loss. Less services for families. Getting finances in order.
Optimizing hospital laboratories and medical imaging	A single laboratory system for the province. Decommissioning of equipment as well as business process changes to improve exam appropriateness.	Improve quality of care and realize efficiencies.	20-23 million	Possible loss of services for families. Getting finances in order.

Pension Plans: school bus drivers, school custodians and nursing homes	Move to a shared-risk model for school bus drivers, school custodians and nursing home employees.	MLA's, nurses and civil servants have moved to a share-risk plan.	7.5-9 million	Lower employment benefits. Getting finances in order.
Estimated savings			243.8-392.5 million	

CHOICES: REVENUES

Items	Proposals	Reasons	Estimated Revenue \$ (million)	
Monetizing naming privileges	Naming new or renovated building, wings of building, parts of trail or highway and program sponsorship. Allowing advertising on or around ferries, roadways and government common areas (e.g.: lobbies).	Get more revenue. It's been done elsewhere.	1-2 million	Getting finances in order.
Monetizing data registries Real property Registry, Motor	Privatize the delivery of these Registry; financial benefit to the province in lump sum	Ontario, Manitoba, Saskatchewan have done it for the registration of some of their	8-10 million	Job loss. Danger of

Vehicle Registry, Personal Property Registry, Corporate Registry)	or annual royalties).	data registries.		reduced confidentiality. Getting finances in order.
Monetizing NB Liquor	Partial sale of the business or sale of minority stake or strategic changes to how NB Liquor operates to increase revenues.		15-20 million	Job loss. Lower wages and employment benefits. Loss of yearly revenue for short term gain. Getting finances in order.
Monetizing parks and attractions (ski hills, golf courses, heritage attractions, parks and other recreational properties	Private sector to acquire, lease and-or operate.	Not financially viable right now.	3-5 million	Job loss. Lower wages and employment services. Less services for families. Getting finances in order.
Targeting the illegal trade of tobacco	Establish a dedicated enforcement unit to actively identify and investigate individuals involved in illegal activities. Increasing fines to illegal trade of tobacco.	Lose millions of dollars.	2-4.5 million	Getting finances in order.
Increase tobacco tax	If we go with Nova scotia rate, increase by 6.52 cents-cigarette.	Discourage smokers. Help pay for health cost associated with smoking.	7-25 million	Getting finances in order.
Increase the HST	Increase by 2%. A new HST rebate tax credit to help low to middle-income New Brunswickers.	Atlantic provinces and Quebec are higher.	175-295 million	Getting finances in order.
Increase the corporate income tax	Increase from 12% to 14%.	Similar to Atlantic provinces.	12-25 million	Getting our finances in order
Recovering highway maintenance	Highway tolls.	Money can be directed to finance the	60 million	Job creation

cost	8 electronic tolling facilities in high-traffic areas.	management and rehabilitation of our transportation infrastructure.		Getting our finances in order
Increase the diesel tax	Increase the diesel tax by 10 cents-litre to 31.3 cents-litre.	NB has the highest rate.	40-45 million	Getting finances in order
Increase the Real Property Transfer Tax	Increase from 0.5% to 0.75% Or 0.1% to 1%.	NB has the lowest real property transfer taxes of all the provinces.	4-10 million	Getting finances in order
Increase Insurance Premium Tax	Now: Applies at a rate of 2% to life, accident and sickness; and at a rate of 3% to any other contracts of insurance.	We are in the middle of the pack.	15- 20 million	Getting finances in order
Estimated revenues			342- 521.5 million	