

Thank you to the organizers and MUN for hosting this valuable symposium which has helped us engage and has been a true education about NL's fiscal situation. You've recognized that collectively we must work together to help our province develop a solid financial future. We're all in it together! I applaud you for taking the lead in this forum. Hopefully this type of engaged scholarship is just the beginning of more initiatives to come.

Throughout the day, we have heard from many experts, distinguished academic thinkers in Economics and Political Science, current and former Finance Ministers, union and business leaders informing on the economic dimensions of NL's fiscal reality. Thank you for sharing your unique perspective and expertise in this common pursuit.

It's not in that context that I speak to you. The organizers want this panel to focus on the political dimensions of our fiscal reality, from the perspective of Members of the House of Assembly. I'd like to qualify the term "political dimension", because I have no intention today of being politically "partisan." What I really want to talk about is the people I was elected to represent in the district of Harbour Main, and the challenges they face, day to day, in the communities they call home.

I want to put a human face on the fiscal issues we've been talking about in broader terms.

Many of you have traveled in my district in summertime. Harbour Main wraps around the southern shore of Conception Bay – westward from C.B.S., all the way to North River.

My district includes the communities of North River, Otterbury, Clarke's Beach, South River, Roaches Line, Makinsons, Cupids, Brigus, Georgetown, Marysvale, Colliers, Conception Harbour, Bacon Cove, Kitchuses, Avondale, Lakeview, Chapel's Cove, Harbour Main, Holyrood, and part of the Town of Conception Bay South, including Seal Cove and Upper Gullies.

Some names you probably know, but others may not be as familiar. The region is a beautiful place to visit, especially in the summer; but it can be a challenging place to live, not just when the weather is tough, but even more so when your personal circumstances are tough, as many of my constituents' circumstances are.

I'm in a district not too far from St. John's but despite its proximity to town the district is fundamentally rural in nature unlike the other two panelists who are urban MHA's.

The issues and problems in my district are many of the same problems prevalent in any rural community you will find in our province. Most days we are inundated with

pleas for help by telephone, Facebook messages, texts, drop ins and meetings.

As an MHA I am most often the go to person by constituents who feel lost and abandoned by all levels of government. They reach out to their MHA for help. Help with issues involving personal health: needing help to find a family doctor, or concerned about response times for emergency ambulances, or accessing medical transportation or getting extra home care support for their ailing parent, or insulin pump coverage or attempting to get a family member in a personal care home or seniors seeking assistance with dental care or medical transportation; Many of my calls are from seniors, living with the challenges that come with age.

Health issues are prominent but the shortage of jobs is equally concerning in my region. The highest percentage of tradespeople live in the Harbour Main district. Skilled and experienced tradespeople who historically have been able to secure meaningful work are now living with the challenges of too little work, a shortage of jobs.

Of course, like other rural districts we respond to concerns raised about the conditions of roads, infrastructure and the list of challenges goes on.

Economists often think in macro terms when dealing with the kinds of challenges we're dealing with today.

But each of those challenges has a human face – thousands of human faces.

Indeed, every one of those lives is a complex array of challenges. No macro model could possibly account for all the factors in every life. Models work by simplifying and generalizing.

But as you well understand, every reductive step risks subtracting something essential from the equation.

If you're not careful, you end up with a model that is seriously flawed.

And if you're not careful in applying that model, then you end up with conclusions and recommendations that miss the mark and lead us in the wrong direction.

And then, you end up doing more harm than good to the people we're trying to serve.

Let's take a specific example.

There's a conversation going on across this country and province right now about health care and how much it costs.

Health care spending accounts for some 60 per cent of annual spending by the provincial government. That percentage has been growing. It's a major driver of public sector spending, and some say it's out of control.

We've also been told that we in this province have more health care professionals, per capita, than some of our wealthier neighbouring jurisdictions have.

We have more doctors per capita. We have more nurses per capita.

But we also heard a few weeks ago from our province's Medical Association.

They reported that approximately 100,000 people in this province do not have a family physician.

That's one in five of our people, without access to a family doctor.

As an MHA, I know that's true. I hear it from people in the communities I represent. Many cannot get access to the services of a family doctor. Others have recently lost access. They're upset, and as their MHA, I'm upset.

How can we have so many doctors and so little access? How is that possible?

One of the problems is that fewer doctors are specializing in family practice, and many who do choose that specialty are leaving their practices from burnout. They can't cope with their patient loads. The loads of those who remain are only growing heavier.

So what gives? We have all this health care spending. We have all these health care professionals. Still, we don't have proper access to certain basic medical services like family doctor access in our communities.

Now, some of you might think you see where this is going. Here we are talking about controlling our spending, and someone is about to suggest that we should spend even MORE to incentivize the hiring of even MORE doctors, driving health spending and the deficit even higher.

If that's what you're thinking, let me stop you.

And instead, let me ask you this question. What if we do nothing? What if we simply tolerate the status quo and accept as a given that a fifth of our people will have to make do without a family doctor?

Well, let me tell you what's going to happen – and what's already happening – from the perspective of an MHA.

A senior in my district who doesn't have a family doctor but really needs care is going to take a trip to the emergency room. That's going to put an even greater cost pressure on our health care system.

Another person who doesn't have a family doctor won't be having regular checkups, and a problem that a family doctor would have identified early is instead going to be missed.

A cholesterol problem will be missed. A high blood pressure problem will be missed. A heart valve problem will be missed. An early stage cancer will be missed. A complication of diabetes will be missed. An infection will be missed.

When conditions like this are missed, the consequences are often profound down the road. They're profound, not just in terms of human suffering, but also in terms of the net cost to the taxpayer.

Intervening early saves money. Late stage intervention requiring hospitalization and extraordinary measures is extremely expensive.

An ounce of prevention is worth a pound of cure. There's real wisdom in that phrase.

It pays to invest in access to care when prevention is possible. We need to be keeping people healthier longer.

And if we do, then in the long run, we will be saving money while producing better health outcomes for people. That's what you call a win-win scenario.

But unless you look at the situation in human terms, you might miss the right solution.

Let's stop thinking in terms of dollars. Let's think first in terms of people – their needs and their outcomes. And let's work our way to a solution from there. Because I believe the right solution for people will also be the right solution fiscally, in the final analysis.

Another example we've talked about recently is insulin pumps. These devices are more attuned to patients' insulin needs and deliver more precisely what the patients require. These devices do cost a significant amount of money, but they also keep people healthier in the long run, avoiding complications that cause suffering and expensive medical care.

An ounce of prevention... Sometimes you need to invest up front in order to reap greater gains down the road.

And sometimes the best solution is a completely different approach to the problem.



Take, for instance, the way we pay health care professionals. The funding model imposes restrictions that were designed to keep spending under control. And certainly, controlling spending is important.

But what if some of those restrictions are actually driving up costs in the long run by impeding innovation?

What if we could permit health care professionals to come together as multidisciplinary health care teams, serving a population from a common base, and sharing the responsibilities of care in innovative ways, such as through virtual care?

Perhaps an arrangement like that would be more attractive to health care providers wishing to establish in rural areas, and perhaps this could end up improving local access to care – all sorts of care. There's a good reason to believe it will even reduce costs in the long run.

Health care providers are actually pressing for such innovations. We need to be listening.

Instead of getting our backs up out of fear that new approaches could cost a fortune, let's consider the possibility that thinking outside the box will actually improve access and improve outcomes while reducing costs in the long run.

The status quo is not the answer. I believe the answer lies in collaboration and innovation – as long as we ensure that the primary focus is the best interests of people – and I mean real people in our communities, and not hypothetical people defined by a generalized model.

I've talked about health care as an example of a major area of public spending that we need to approach differently. But health can also serve as a good analogy for another challenge facing my district.

In many of our communities, there are skilled workers with certificates on their walls and solid records of experience on their résumés, but no access to work. Our young people are leaving here to seek job opportunities elsewhere. Outmigration numbers are alarming.

Our economy is, basically, a sick patient. It's not doing well.

The tax burden is too high. The unemployment rate is too high. The impediments to business are too great. The climate for investment is far from ideal. Opportunities are passing us by.

That's not a partisan attack. The economic indicators and our business and community leaders say the same

thing. The status quo is not okay for people in my district needing income and wanting work.

Newfoundlanders and Labradorians do not want a handout. They want the dignity of work. They want a healthier climate for employers to invest, expand and hire.

Not everyone is going to agree with what I say next, but I believe it's true. Tax relief affects our fiscal bottom line by reducing revenue, but it also affects our bottom line down the road by stimulating growth. Consumers with more to spend will spend. Businesses will respond by hiring. And that's what we desperately need.

If we accompany tax relief with reductions in fees and red tape, it becomes even easier to operate and hire and grow.

It ought to be easier to get a small business off the ground, and to grow that business, and to hire workers, and to expand operations.

Let's view our local small businesses as the engines of growth in our economy. Not a cash cow to be bled. Don't cook the goose that lays the golden eggs.

I don't have a degree in Economics. If you show me a graph of marginal costs versus marginal benefits, and ask

me to explain the pressures on allocative efficiency, I'll give you a pass.

My background is in the practice of law.

And my recent experience is in the representation of people in the legislature.

I'm not conversant in the academic language of Economics, but I am deeply immersed in the practical realities of our economy.

The challenge of this forum is to take the perspectives and information that all of us bring to the table, and to apply it in ways that will benefit Jo in Harbour Main, and Jo's Confectionary in Avondale, and Jo's Machine Shop in Clarke's Beach, and Jo the certified electrician in Holyrood who is out of a job but surfing the net every day in search of a new opportunity.

If we think it's difficult for us to come up with solutions that will change the lives of the Jo's and Josephine's of this province, think of how much more difficult it is for them, trying to make their lives work in an economy that forces so many to struggle.

I have great confidence in the resilience of the people of my district. They are great people-extraordinary. They're

not giving up. Just like the people throughout our great province.

I also believe strongly that we have the capacity here to develop a more sustainable economy, where businesses can grow and people can thrive.

Getting our economy firing on all cylinders is not a pipe dream. It's an absolute necessity if we are to get our fiscal house in order.

We will never cut our way to fiscal balance any more than we will tax our way to growth.

We have to put the horse before the cart, and the horsepower of our economy will always be enterprising people working hard to make a living.

We just need to get out of the way.

It's true that we have an imbalanced economy, but the solution is to get the private sector growing and the population growing, just as other parts of Canada and the world are growing.

It may be agriculture or aquaculture, information technology or electric vehicle maintenance, aircraft repair or digital design, or any of the other sectors, old and new,

where opportunities abound both locally and around the world. We need to ensure that we are getting every piece of the action that we can.

I think that the really important part of the fiscal equation is neither public sector revenues, nor public sector expenditures, nor public sector debt, but private sector opportunities in our communities.

Economic sustainability is the foundation of fiscal stability.

In the end, it will be Jo's job and Jo's business that is going to save us. So let's be careful to take good care of the people and the local economies where those tender shoots of opportunity are going to take root. If we cultivate enterprise in these little towns I named, then we'll have a whole other fiscal reality than the one we're talking about today. Thank you.