

PRESS RELEASE

New report finds that public services are valuable for Newfoundlanders and Labradorians, calls for more investment

July 8, 2026

HALIFAX/ST. JOHN'S –A new report from the Canadian Centre for Policy Alternatives finds that publicly funded services provide substantial economic value to households in Newfoundland and Labrador. Using a Social Transfers in Kind (STiK) approach, the report estimates that the average household would need to spend \$30,028 annually to replace the public services it currently receives.

"We often talk about taxes as a cost to households, but rarely account for what households receive in return," says Russell Williams, co-author of the report and Associate Professor of Political Science at Memorial University. "Our analysis shows that publicly funded services such as health care, education, child care, and other programs provide substantial value to households across Newfoundland and Labrador. These services are a major part of people's standard of living, even though that value is often overlooked in public debates."

"This report shows that the quality and availability of public services and programs that have a real, positive impact on Newfoundlanders and Labradorians are the result of policy choices. For example, for many families, the government's tax cuts will not help them much, while the province gives up significant revenue to the richest households," says Daniel Cerdas Sandí, co-author and principal analyst for the report.

As he says, "Our statistical modelling also shows that there are more effective ways to support families facing affordability challenges. Expanding the Newfoundland and Labrador Child Benefit or introducing a Groceries and Essentials Tax Credit would provide more targeted support to households than broad-based income tax cuts."

"This report highlights why fair and progressive taxation matters," says Christine Saulnier, Director of the CCPA-Nova Scotia and co-author of the report. "Public services help ensure people can access health care, education, child care, and other supports

regardless of income, while also strengthening the province's long-term social and economic well-being."

"The evidence is clear that investments that reduce poverty and improve access to public services generate substantial returns for individuals, families, and communities. Choosing tax cuts over those investments comes with real costs and missed opportunities," says Saulnier.

"This report has laid out the challenges people across Newfoundland and Labrador are experiencing every day with the rising cost of living and the impact that has on them and their families," says NAPE President Jerry Earle. "It also shows that investing in public services matters. Our province works because of the services our members provide. They make our communities stronger, support families and make our province more resilient. Every Newfoundlander and Labradorian depends on these services in one way or another, and we are all better off when government invests in both the services and workers who deliver them"

The report is available on the CCPA website:

www.policyalternatives.ca/news-research/nl-value-of-public-spending/

The survey backgrounder, which includes the survey methodology, full tables, and findings is also available on the CCPA website:

www.policyalternatives.ca/news-research/nl-public-opinion-survey/

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For more information or to arrange interviews, please contact: Ruby Harrington at ccpans@policyalternatives.ca or (902) 956-3866.

The CCPA is an independent, non-partisan research institute concerned with issues of social and economic justice, as well as environmental sustainability.

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Dr. Christine Saulnier is the Director of the Canadian Centre for Policy Alternatives in Nova Scotia. She has a Ph.D. in political science.

Dr. Russell Williams is an associate professor of political science at Memorial University. His research focuses on the intersection between international political economy and public policy.

