



LABRADOR NORTH CHAMBER OF COMMERCE

P.O. Box 460, Station B | 6 Hillcrest Road | Happy Valley-Goose Bay, NL | A0P 1E0
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February 18, 2026

Budget 2026
Department of Finance
Main Floor, East Block, Confederation Building
P.O. Box 8700
St. John's, NL A1B 4J6

Re: Budget 2026 Submission

On behalf of the staff and Board of Directors of the Labrador North Chamber of Commerce (LNCC), we are pleased to provide input on the Government of Newfoundland and Labrador's 2026 Budget.

For more than 60 years, the LNCC has been a progressive and influential voice for business across the province. The Chamber serves its nearly 300 members across many sectors and jurisdictions and aims to highlight and promote economic opportunities in Labrador with every project and initiative the organization undertakes. Our organization works tirelessly to foster a positive environment in which businesses and the community can prosper and take our role seriously as we represent the bustling sectors within the region.

Our priorities and recommendations for your consideration are outlined below:

1. Fiscal Responsibility

- The Government of Newfoundland and Labrador continues to run deficits year after year, and the provincial government has the country's highest per-capita debt. With a projected deficit of \$948 million and net debt projected to reach \$19.9 billion, the government must shift to prioritize smarter, stricter fiscal discipline to address structural deficits. Slowed population growth and Newfoundland and Labrador's long-term out-migration has created a significant crisis for the province's tax base and revenues to the province, which needs to be reflected in the province's spending allowance.

2. Energy Reliability for Labrador

- Labrador's ability to realize its full potential is increasingly constrained by limited electrical capacity. With approximately 30MW remaining of the allocated 525MW for Labrador coupled with approximately 600MW in current new demand, the province must focus on long-term energy planning. Regardless of the results and recommendations from the Independent Review Committee of the Churchill River MOU, Labrador businesses remains restricted in the ability to attract new investment, expand existing



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operations, or support additional mining exploration, processing, and production. Without timely investment for additional generation, transmission upgrades, and long-term energy planning, Labrador risks missing significant economic opportunities that would otherwise contribute to the provincial GDP, employment, and revenue generation. To unlock regional competitiveness, Labrador requires a dedicated block of power and reassurance from the province for expanded and reliable power capacity.

3. Cost of Living Realities in Labrador

- The cost of living in Labrador is disproportionately higher compared to other areas of the province, with households requiring additional assistance to cover basic expenses. Communities and businesses in Labrador continue to operate with very high transportation and food costs, and businesses pay much higher for services and supplies. As outlined in the Progressive Conservative's platform, the LNCC encourages the government to implement its increase to the personal tax exemption to \$15,000 and recognize and identify additional initiatives to support the region's communities and people.

4. Regulatory Burden Reduction

- According to the Government of Canada, 98.5% of businesses in the province are small and medium-sized.¹ The challenges of operating a business in a constantly changing economic climate is exacerbated by excessive regulations and paperwork. While the provincial government has recently invested in several key regulatory reduction initiatives, many were implemented without clear and measured targets. The Government should not only continue the *Business Navigator Program* but consider other targeted measures to ease the pressures on business and allow for more efficiency, growth, and sustainability.

5. De-Centralizing Government Operations

- Regional representation within government departments is key to operational efficiency in rural and remote communities. While centralizing government operations may manage tighter budgets, it creates imbalance at the expense of departmental autonomy for communities and businesses that require on-the-ground guidance, cooperation, permitting and regulatory support to succeed and grow. For years – whether in health care or government services – Labrador continues to lose local, accessible, and

¹ <https://ised-isde.canada.ca/site/sme-research-statistics/en/key-small-business-statistics/key-small-business-statistics-2025>



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responsive services creating unnecessary difficulties, pressures, and delays for business operations. Investments in IT modernization such as the *MyGovNL* app has resulted in quick access to permitting, registration and personal records, but the importance of local business direction and support cannot be overstated.

As we collectively work together as province to realize our full economic potential, we appreciate the consideration of the LNCC's submission for Budget 2026. We look forward to additional future discussions to not only highlight Labrador's regional challenges, but together identify solutions to ensure Labrador's economic competitiveness.

Sincerely,

Andy Turnbull
Chairperson

Julianne Griffin
Chief Executive Officer