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| ***Province*** | ***Législature*** | ***Session*** | ***Type de discours*** | ***Date du discours*** | ***Locuteur*** | ***Fonction du locuteur*** | ***Parti politique*** |
| Manitoba | 38e | 4e | Discours sur le Budget | 6 mars 2006 | Gregory F. Selinger | Ministre des Finances | New Democratic Party of Manitoba |

Mr. Speaker, it gives me great satisfaction today to present Budget 2006: Meeting Commitments, Building Opportunities.

Budget 2006 meets and exceeds important commitments our government made to Manitobans. Today's budget makes our province more affordable, more competitive. It improves our quality of life and builds opportunities for long-term growth and prosperity. We are building on Manitobans' accomplishments and taking actions on Manitobans' priorities.

      Nous sommes conscients des formidables avantages qu'offre le Manitoba ainsi que des qualités exceptionnelles de sa population. Dans notre province, le taux de bénévolat figure parmi les plus élevés du pays, et la proportion de dons de charité par personne est la plus forte de toutes les provinces.

***Translation***

*We recognize the great advantages that Manitoba has to offer and the extraordinary quality of our people. In Manitoba, rates of volunteerism are among the highest in the country, and Manitobans have the highest proportion of charitable giving of any province.*

***English***

      Manitobans watched with tremendous pride as Manitoban after Manitoban won Olympic medals on behalf of their country at the 2006 Winter Olympics. Mr. Speaker, I am pleased to announce that on behalf of all Manitobans, Budget 2006 pledges $100,000 in the winning spirit of Manitoba Olympians: $50,000 for KidSport to increase sport opportunities for children in Manitoba and $50,000 for Right to Play, to promote sport and play for children in the most disadvantaged parts of the world.

Building on our success in hosting the 2005 Canadian Juno Awards, Manitoba will host the Canadian Aboriginal Music Awards this year and the Women's World Hockey Championships in 2007 at the MTS Centre, our world-class entertainment, sports and performing arts centre. Last year, the MTS Centre was the third busiest arena in all of Canada and set a new provincial record for gross revenues from a single arena show, topping $1 million for Aerosmith and Lenny Kravitz.

Mr. Speaker, this year brought great honour when *BusinessWeek* magazine named Manitoba as the best in the world for taking action on climate change. Manitoba's climate change strategy was also ranked No. 1 in Canada by the David Suzuki Foundation. These are honours we can all be proud of, representing the actions Manitobans have taken to protect our environment, to develop clean energy sources like wind and hydro power and to keep our economy growing green for today and tomorrow.

Manitoba's dedicated and skilled workforce, our strong business and community leadership, our exceptionally innovative entrepreneurs are the backbone of so much of our prosperity and growth, supporting the success of Manitoba businesses at home and around the world. Our province is expected to lead the country in the coming year in capital investment growth.

Rural Manitobans have demonstrated their resilience in dealing with challenges, such as extensive flooding brought on by record-high water levels, the lingering impacts of cross-border trade disputes and the pressure of a high Canadian dollar. We recognize the hard work of rural Manitobans and will continue to work with families, producers and industry to build strong rural communities.

Our government will continue to work with all Manitobans to capture the Olympic "can do" spirit and achieve our goals together.

Budget 2006 centres on four main building blocks:

·         Growing Green, Growing Smart

·         Healthy Families, Healthy Communities

·         Tax Savings for Manitoba Families and Business

·         Balanced Budgets

Our government has worked hard to address the challenges of the 1990s and build opportunities for the 21st century.

In 1999, Manitoba was losing doctors and nurses, signs of a seriously troubled health care system. Funding for post-secondary education was stagnant, enrollment was declining, and our education facilities were deteriorating. Manitoba had the highest corporation tax rate and the second-highest small business tax rate in the country. Education taxes were rising, while property values remained flat or were declining. Water and environmental protection was falling behind.

      Since 1999, we have reversed the tides of decline. We outlined a plan to invest in Manitobans' priorities, to grow a strong economy, to deliver sustainable tax relief and to implement a sound fiscal plan. And we have delivered, Mr. Speaker:

·         Nous avons apporté à l'éducation post-secondaire et à la formation professionnelle un appui sans précédent qui a contribué à augmenter d'un tiers les inscriptions dans les universités, les collèges et les programmes d'apprentissage.

***Translation***

*We have provided record support to post-secondary education and training, supporting a one-third increase in university and college enrollment and apprenticeships.*

***English***

·         Budget 2006 includes a major new multi-year funding commitment to universities and colleges.

·         We have also invested in health professionals and rebuilding our health care system. Budget 2006 advances our Wait-time Reduction Strategy and new healthy living initiatives.

·         We have worked to make our communities safer. Budget 2006 provides new resources for our Crime Fighting Action Plan, Lighthouses in our communities and our fight against crystal meth.

·         We have implemented our Action Strategy for Economic Growth, resulting in continued strong economic performance. Budget 2006 advances strategies to improve competitive­ness, innovation and clean energy to keep our economy growing green and growing smart.

·         We have invested in cleaner water, flood protection and emergency preparedness. Budget 2006 adds resources for increasing water quality, drainage projects and pandemic planning.

·         We have built roads and infrastructure. Budget 2006 advances new highways funding and resources for priority infra­structure projects.

·         We have worked with Aboriginal com­munities in partnership to close the quality of life gap between Aboriginal and non-Aboriginal people. Budget 2006 supports our commitment to targets under the Kelowna Accord.

·         We have provided increased funding to municipalities tied to growth revenues. Budget 2006 includes a $7.9-million increase in the Building Manitoba Fund for municipalities for 2006.

Today's budget reduces education taxes, personal income taxes, small business taxes and corporate taxes. Mr. Speaker, taxes are lower today than they were in 1999, more affordable for families, more competitive for business. We have met or exceeded every tax reduction promise we have made to Manitobans.

And we are delivering on our commitments within a responsible, balanced fiscal framework. Mr. Speaker, I am pleased to announce that Budget 2006 is our seventh consecutive balanced budget under balanced budget legislation. Furthermore, Budget 2006 anticipates a surplus of $148 million on a summary basis.

      Aujourd'hui, un nouveau vent d'optimisme et de confiance souffle sur le Manitoba. Nous avons encore du travail  à faire, mais les résultats montrent que nous sommes sur la bonne voie.

***Translation***

*Today, there is renewed optimism and confidence in Manitoba. We have more work to do, but results show that we are on the right path.*

***English***

      Our economy is performing well, with the second-lowest unemployment rate in the country and economic growth of 2.9 percent in 2005. A growing confidence is reflected in rising consumer spending and business investment. Over the past five years, Manitoba has experienced:

·         33 percent growth in retail sales;

·         85 percent growth in housing starts; and

·         30 percent growth in real investment in machinery and equipment, almost double the rate for Canada.

The Government of Canada has signed a number of important federal-provincial agreements with Manitoba. These agreements were undertaken on behalf of the people of Manitoba to advance their priorities on child care, the Kelowna Accord on Aboriginal issues, the Floodway Expansion Project, immigration and training. Our government will work diligently to uphold our responsibilities and meet our obligations under these agreements in the interest of all Manitobans.

Recent meetings of the Council of the Federation focussed on the critical need for new federal support for post-secondary education and skills training. Continuing strong provincial investment and renewed federal resources are needed to improve productivity and address skill shortages in Manitoba's booming construction industry and other growth sectors.

We are delivering on our commitments: investing in Manitobans' priorities for health care; education; cleaner water and roads; building a strong, leading-edge, sustainable economy; making taxes more affordable and competitive; and keeping to a sound fiscal strategy and debt repayment plan. We will continue to build opportunities for all Manitobans.

Manitoba's Action Strategy for Economic Growth, built on recommendations of the Premier's Economic Advisory Council, is a blueprint for investing in our strengths for sustained economic growth.

A sound education strategy is at the heart of a solid economic strategy.

In support of education excellence, we have made major investments in post-secondary capital. Our $50-million investment helped kick-start a successful $237-million University of Manitoba capital campaign. Provincial investments have supported the new Engineering and Information Technology Complex at the University of Manitoba, the restoration of the University of Winnipeg's Wesley Hall and the new Red River College Princess Street Campus.

      Le Budget 2006 maintient la réduction des frais de scolarité de 10 pour cent pour les étudiants, qui a entraîné une hausse d'un tiers dans les inscriptions.

***Translation***

*Budget 2006 retains the 10  percent tuition reduction for students, which has supported a one-third increase in enrollment.*

***English***

       As we have done every year, we are providing fully offsetting revenue to universities and colleges to compensate for the tuition reduction, tied directly to the number of students enrolled. Our annual compensation for the tuition reduction has grown from $8 million in 2000 to $13.8 million with today's budget for a cumulative total of $81 million since 2000. Thanks to increased enrollment, universities and colleges are also benefiting from a 38 percent increase in tuition income.

      Mr. Speaker, Budget 2006 builds on our record of strong support with a major new three-year funding commitment of $60 million for universities and colleges. This is the largest commitment of its kind in Manitoba's history. Provincial operating grants to universities and colleges will increase by 5.8 percent in the coming year. In addition, the elimination of all property taxes for universities is equivalent to an additional 1.2 percent increase, taken together, a 7 percent operating boost. Colleges and universities will receive a 5 percent increase in each of the following two years. New multi-year funding will better enable our post-secondary institutions to plan and grow. We are making this new commitment at a time when the federal share of provincial funding for post-secondary education is 7 percent, down from 15 percent in the 1990s.

In addition, Mr. Speaker, Manitoba is working with other provinces and the federal government to establish a new pan-Canadian partnership on post-secondary education and skills training. We are committed to investing additional dollars if new federal resources are provided to support education excellence, comprehensiveness, lifelong learning, affordability and accessibility.

Today's budget increases resources for:

·         the College Expansion Initiative;

·         Adult Learning Centres;

·         ACCESS programs; and

·         training partnerships with industry to address skills gaps in growth industries.

Mr. Speaker, Budget 2006 expands the Graduate Scholarship and Hope Bursary programs established by our government to encourage bright and talented students to stay in Manitoba.

Through a new federal-provincial Labour Market Partnership Agreement, targeting workers outside the post-secondary system, new funding will support apprenticeship, literacy and essential skills, workplace skills development and enhanced work force participation of Aboriginal people, immigrants and persons with disabilities.

Mr. Speaker, for the seventh year in a row, we are keeping our government's commitment to public schools by increasing funding by the rate of economic growth. This year's increase brings total provincial operating funding to $926 million.

Increased funding is also being provided for English as an Additional Language for students who have refugee and war-affected backgrounds.

Today's budget provides resources to respond to the Public Libraries Review, which will enhance public library service, including to underserved First Nations.

Over the last five years, Manitoba has experienced strong population growth, an increase of more than 30,000 people, up from an increase of 18,700 people during the previous five years. This year, we expect our population to continue growing but at a reduced rate, a trend common to most provinces. Our government is taking action to increase immigration to our province and to encourage young people to make Manitoba their home.

Budget 2006 extends our successful Co-operative Education Tax Credit to a broader range of employers. In addition, Mr. Speaker, I am pleased to announce the introduction of a new Co-op Graduate Hiring Incentive to support the employment of Manitoba co-op education students and graduates at home in our province.

Expanding the number of new immigrants coming to Manitoba is an important element in our growth strategy. Mr. Speaker, for the first time in almost 40 years, more than 8,000 immigrants made Manitoba their home in 2005. Manitoba's Provincial Nominee Program, a leader inCanada, is responsible for 80 percent of economic immigration to Manitoba.

      Grâce à un nouveau soutien du gouvernement fédéral, le Budget 2006 prévoit une augmentation de financement de 20 pour cent pour renforcer les services d'intégration des immigrants.

***Translation***

*With new federal support, Budget 2006 provides 20 percent more funding to strengthen immigration integration services.*

***English***

      Today's budget expands support for Manitoba's rich network of ethnocultural community organizations.

Investments in research and innovation are investments in productivity, new product develop­ment, competitiveness and scientific discoveries.

Building on last year's 33 percent increase in the Research and Development Tax Credit, today's budget increases our support for the Manitoba Centres of Excellence Fund, increasing investment in world-class research being performed right here in Manitoba.

Budget 2006 makes a new investment in the Industrial Technology Centre to assist small- and medium-sized businesses to develop and grow. Recognizing the unique opportunities that exist in the digital media industry, today's budget also doubles the capacity of the Manitoba Interactive Media Fund.

Manitoba's biotech sector continues to be among the fastest growing in Canada with more than 40 active companies and close to 30 research and development establishments. Mr. Speaker, one in 10 Canadian biotech companies are located in Manitoba, and over 4,000 people are employed by the life sciences industry in the province.

Just this past January, based on private-public partnerships, new state of the art biotech facilities were opened at Red River College, offering the most complete biotech and pharmaceutical training programs in Canada.

Since 1999, private investment in Manitoba has increased by $1.2 billion, up 30 percent. Mr. Speaker, a recent Stats Canada survey shows that private investment in Manitoba is expected to grow by twice the national growth rate.

Sustaining this strong growth in investment is essential for continued expansion of our research and innovation capacity, productivity and competitive­ness of local business. Our government is committed to doing its part by improving services, imple­menting regulatory efficiencies, reducing red tape and making taxes more competitive.

According to a recent study by the Canadian Federation of Independent Business, Manitoba is tied with Alberta for the second-lowest overall cost of regulation relative to GDP. Our government will take further action in consultation with the Premier's Economic Advisory Council to improve our competitive advantage.

Over the next year, our government will put in place the infrastructure necessary to support a significant expansion of e-commerce capability.

We are also working to:

·         expand the Canada-Manitoba Biz Gateway;

·         extend use of the common business identifier; and

·         establish BizPal service to streamline information about business requirements to make compliance easier and less expensive.

Manufacturing is one of the most important sectors of Manitoba's economy. Mr. Speaker, manufacturing investment is expected to grow by a remarkable 61 percent this year, the best in the country.

Last year, to encourage more investment by the manufacturing sector, our government made used equipment, machinery and buildings eligible for the Manufacturing Investment Tax Credit. Mr. Speaker, I am pleased to announce that our government is renewing the Manufacturing Investment Tax Credit and increasing the refundable portion of the credit from 20 percent to 35 percent.

Growing entrepreneurship is key to Manitoba's ability to increase investment, create jobs, innovate and generate wealth. Budget 2006 makes a new investment in BizCoach Manitoba to connect successful business leaders to act as mentors to new entrepreneurs, improving their chances of success.

Mr. Speaker, Manitoba has a dynamic and diversified $42-billion economy. Over the past decade, the value of Manitoba's exports relative to GDP has risen to 65 percent from 53 percent. Our government is working in partnership with Manitoba business leaders to market Manitoba as a gateway for trade and investment in North America.

We have worked to diversify the international markets in which our small- to medium-sized companies do business. Our non-U.S. bound exports have increased from 19 percent to 24 percent of total exports over the last four years. Last month, our Premier led a trade mission to India, the largest trade mission in Manitoba history, including more than 45 business participants. Tapping into emerging markets like India and China where our companies have opportunities for strategic joint ventures is a key part of our international strategy.

The actions taken by Manitobans have made our province a world leader in developing clean energy and addressing climate change.

      Notre avantage en termes d'énergie propre place le Manitoba dans une situation privilégiée qui nous permet de préserver et de protéger notre environne­ment tout en favorisant une forte économie verte

***Translation***

*With our clean energy advantage, Manitoba is uniquely placed to preserve and protect our environment, while at the same time developing a strong, green economy.*

***English***

      Manitoba residential and business users are fortunate to enjoy among the lowest electricity costs in the world. Budget 2006 expands resources for clean energy development.

Hydro exports have increased from $363 million in 1999 to an all-time high of $818 million in 2005. That is a growth of 125 percent. With the potential to double our existing capacity, Manitoba Hydro is well positioned to take advantage of growing export markets to the east, west and south.

Manitoba Hydro and Nish-āwā-shik Cree Nation are proposing to develop the 200-megawatt Wuskwatim hydro dam in full partnership. Advancing the development of Conawapa to capture export markets will provide enormous community and economic benefits for northern Manitobaand the province as a whole.

Manitoba is leading the push for an expanded east-west energy grid to increase interprovincial energy sales and to improve national energy security.

We are also moving forward on our hydrogen strategy. Winnipeg, North America's "Bus Manufac­turing Capital," hosted the first on-road trial of a hydrogen-engine-powered bus in Canada, an accomplishment made possible through a broad public-private education partnership.

Manitoba is a leader in ground-source heat pumps. The number of home heat pumps has quadrupled over the past four years in Manitoba, more than anywhere else in Canada. Manitoba is working to make ground-source heat pumps a prime feature of our new Waverley West housing development.

      Manitoba Hydro has launched expanded Power Smart programs promoting customer savings through more efficient use of energy. Over 23,000 residential customer loans totalling over $78 million have been approved to date, proof, Mr. Speaker, that Manitobans are saving money by becoming "power smart."

Through our new Green Manitoba office we are rolling out new eco-solutions that work for Manitobans around energy efficiency, water conser­vation and waste reduction activities.

So much of what we are building today begins with water. Clean water is at the heart of our ecosystems, our communities and our economy.

      Le budget d'aujourd'hui accorde une grande priorité à la protection de notre eau potable, de notre eau souterraine et de notre réseau unique de lacs et de rivières.

***Translation***

*Today's budget puts high priority on protecting our drinking water, our ground water and our unique network of lakes and rivers.*

***English***

      Budget 2006 expands resources for improved drinking water safety initiatives.

Protecting Lake Winnipeg is a responsibility that we all share. Our government is taking further steps this year to protect our lakes and waterways from excess nutrient loading with a focus on improving Lake Winnipeg water quality and reducing algae blooms on the lake. New staff will be added to support the implementation of The Water Protection Act to better protect ground and surface water.

Budget 2006 provides a new incentive for farmers to adopt beneficial water-related practices.

Today's budget expands resources for:

·         more Conservation Districts;

·         the Canada-Manitoba Hydrometric program for flood forecasting;

·         the Manitoba Water Services Board; and

·         the Environmental Livestock Program.

Budget 2006 provides a new intake under the enhanced Riparian Tax Credit program that helps protect sensitive lands bordering waterways.

Today's budget provides resources for a made-in-Manitoba parks reservation system, with bookings to be offered through a call centre or the Internet and now on-site at campgrounds. To enhance public safety, we are also extending 911 emergency services to five major provincial parks.

Our initiative to make 1,000 cottage lots available has sparked significant interest from Manitoba families. More than 600 cottage lots have been newly offered through draws. Budget 2006 provides additional resources for campground upgrades, including more yurts as well as expanded electrical, washroom and shower facilities.

Since 1999, we have designated new provincial parks and added to our network of protected areas, including the recent addition of Tall Grass Prairie Preserve, made possible in partnership with the Manitoba Naturalist Society. Over the last two years, we have established five new ecological reserves, offering the highest level of protection.

Mr. Speaker, Budget 2006 provides additional resources to advance the First Nations-Manitoba-Ontario UNESCO World Heritage site nomination and doubles our grant to the Nature Conservancy of Canada's National Campaign for Conservation to $200,000.

In recognition of the unique communities, ecosystems and circumstances on the east side of Lake Winnipeg, our government launched the East Side Planning Process, engaging First Nations on an ongoing basis in building for their future. Today's budget increases resources for the land planning process as well as sustainable resource management priorities.

Mr. Speaker, our government is taking seriously the risk of a global pandemic. Manitoba has a strong pandemic response plan. We have worked with regional health authorities and municipalities to ensure that their emergency action plans are fully up to date. We are also working with schools, businesses and community and professional organi­zations to strengthen their capacity to plan and prepare for the possibility of an influenza pandemic.

Budget 2006 expands Manitoba's Emergency Measures Organization to support planning for business continuity in all areas of government service in the case of an emergency. Today's budget also provides new resources for foreign animal disease surveillance, early warning diagnosis and enhanced rapid response capacity overseen by Manitoba's new Chief Veterinarian.

Supported by a federal partnership, Budget 2006 advances construction of the floodway expansion project. Renewing a federal partnership for comple­tion of the floodway expansion is a top priority.

Mr. Speaker, since 1999, we have been rebuilding our health care system. We have invested in training and expanding the number of health care professionals, in medical innovation, technology and health care capital, in expanded healthy living and prevention initiatives and in delivering care sooner and closer to home.

Our top health care priority is reducing wait times, not only for critical life and death treatments where we have made some important gains but also for key quality-of-life procedures where we are dramatically increasing the number of hip and knee procedures.

Since 1999,

·         the average wait time for cancer radiation treatment has been reduced from six weeks to one week; and

·         the wait time for cardiac surgery has been reduced by more than one third.

      Monsieur le Président, le Budget 2006 investit dans la réalisation d'un nouveau centre d'excellence en chirurgie cardiaque ultramoderne à l'Hôpital général de Saint-Boniface.

***Translation***

*Mr. Speaker, Budget 2006 invests in creating a new, state of the art, centre of excellence in cardiac surgery at St. Boniface General Hospital.*

***English***

      With expanded capacity at Concordia, Brandon and Boundary Trails hospitals, we are on pace to complete more than 3,500 hip and knee surgeries this year, an increase of more than 800 from last year.

Budget 2006 continues our investment in increasing diagnostic testing and bringing health care services closer to home.

Our public health care system has more than quadrupled the annual number of MRIs since 1999, with the addition of new MRI machines, including the first MRI located outside of Winnipeg, at the Brandon Regional Health Centre and the first community-based MRI at the Pan Am Clinic. Mr. Speaker, I am pleased to announce that we are adding a new MRI machine to Boundary Trails Hospital in Winkler-Morden.

More than 20,000 additional MRI tests will be performed at the Health Sciences Centre, St. Boniface General Hospital and the Pan Am Clinic over the next three years.

Since 1999, the number of CT scans has almost doubled. CT scanners are now available in Steinbach, Selkirk, Portage la Prairie, The Pas and Thompson and are being upgraded in Brandon and Dauphin.

More than 15,000 additional CT scans will be performed over the next three years.

Mr. Speaker, Budget 2006 completes the replacement of our entire 160 ambulance fleet. This year, we will be opening a new transportation and communication centre in Brandon to co-ordinate medical dispatch and emergency response.

Our wait-time reduction strategy goes above and beyond national priorities. Budget 2006 invests in:

·         more pediatric dental surgeries;

·         increased testing for sleep disorders;

·         pain clinic expansion at the Pan Am Clinic; and

·         expanded community mental health programs.

In addition to the new St. Boniface cardiac centre, we are supporting the massive reconstruction of the Health Sciences Centre to serve all of Manitoba. Concordia Hospital's centre of excellence in hip and knee surgery has completed 400 more surgeries this year than last.

Budget 2006 invests in the redevelopment of the Selkirk Mental Health Centre to meet the needs of Manitobans living with acquired brain injury and mental illness. In addition, we are expanding assertive treatment for people who are ready to live in the community but need support to achieve their goals.

In 1999, we were faced with a declining number of health care professionals. We have taken action. The number of doctors in training has increased by 21 percent, from 591 to 712. Our program to increase the number of nursing education seats has more than tripled the number of graduates.

Mr. Speaker, Budget 2006 fulfills our commitments to:

·         increase the number of medical spaces at the University of Manitoba to 100;

·         l'augmentation à 25 du nombre de places d'accueil des diplômés internationaux en médecine;

***Translation***

·         *increase the intake for international medical graduates to 25 spaces;*

***English***

·         increase enrollment in nursing training to 3,000; and

·         increase technologist training to 57 seats, exceeding our commitment.

We continue to work with regional health authorities on recruitment and retention of physicians through our new Physician Resource Co-ordination Office. We are also offering new opportunities to expand nursing roles within our health care system.

With our First Nations and Métis partners, we continue to work with the federal government to meet the unique health needs of Aboriginal communities. Budget 2006 expands the federal-provincial Chronic Disease Prevention Initiative to 40 communities throughout Manitoba, an initiative singled out by the Assembly of First Nations as a model for delivering health services in Aboriginal communities.

The Canadian Diabetes Association has recognized the low out-of-pocket costs for diabetes drugs in Manitoba. Mr. Speaker, I am pleased to announce that we are increasing affordability by eliminating the retail sales tax on lancets and blood glucose monitors purchased by diabetics.

Our Pharmacare program has adopted best practices and expanded the use of generic drugs to control costs. Nonetheless, the cost of this important program continues to grow, underscoring the need for a national Pharmacare system. This year, Pharmacare deductibles will increase by $3 to $6 per month for most Pharmacare families. We are improving the program this year with new flexible payment options.

In establishing our Healthy Living Ministry, we are expanding opportunities for Manitobans to live healthier lifestyles.

      Manitoba was the first province to introduce a province-wide indoor smoking ban. Statistics Canada recently reported that the first half of 2005 saw a reduction in the smoking rate for 15- to 19-year-olds in Manitoba from 21 percent to 16 percent.

Mr. Speaker, we know that healthy active children are more likely to become healthy active adults. The federal government has announced its intention to introduce a Children's Physical Activity Tax Credit, and I am pleased to announce that Manitoba will complement this worthwhile effort with a parallel credit to encourage greater participation by children in sports, recreation and other physical activity.

Our government is moving forward on the recommendations of the Healthy Kids, Healthy Futures Task Force. Budget 2006 provides resources to expand the number of "in motion" communities to encourage kids to get active and stay healthy.

This year, we will be introducing new healthy food and nutrition guidelines for schools, as well as extending and strengthening curriculum for health and physical education. Mr. Speaker, we are also kick- starting a new bicycle safety program by purchasing 1,000 bike helmets to be made available to Manitoba kids in partnership with KidSport.

Mr. Speaker, through Healthy Child Manitoba, Budget 2006 provides new resources to expand:

·         the Healthy Baby program;

·         Centres de la petite enfance et de la famille into more Francophone schools; and

·         the school-based teen clinic initiative.

Our government, working in co-operation with pharmacists and retailers, is implementing a comprehensive strategy to combat the dangerous street drug, crystal meth, including restricting the sale of products that can be used to make crystal meth as well as a far-reaching public education campaign about the dangers of the drug. Mr. Speaker, today's budget commits $2 million in new annual funding for our strategy on crystal meth and addictions.

Mr. Speaker, our government continues to support children and families and to combat poverty on many fronts.

Manitoba has been a strong voice on Aboriginal issues. The Kelowna agreement, reached last fall, identifies key priorities and makes important commitments to close the quality of life gap between Aboriginal and non-Aboriginal people. Manitoba will continue to work with Aboriginal people to champion the Kelowna Accord to ensure that promised investments are made.

In 2002, in advance of a federal-provincial partnership on child care, our government launched a major five-year plan focussed on expanding the number of child care spaces and investing in early childhood educators.

      Au mois d'avril de l'année dernière, le gouvernement du Canada a signé des accords avec le Manitoba, l'Ontario et le Québec prévoyant le versement sur plusieurs années de nouveaux fonds fédéraux pour l'apprentissage et la garde des jeunes enfants.

***Translation***

*In April of last year, the Government of Canada signed agreements with Manitoba, Ontario and Québec providing new multi-year federal funding for child care and early learning.*

***English***

      Building on our five-year plan, our quality public child-care system would be enhanced with new and expanded choices for Manitoba families including:

·         1,650 newly funded child-care spaces for Winnipeg, 700 for rural communities and 68 for the North; and

·         new training spaces and wage increases for early childhood educators.

We will work with the Government of Canada and other provinces to find a positive balance between the promises made by the federal government and the investments we are making to expand child-care choices for children and families throughout Manitoba.

Under the federal-provincial Affordable Housing Initiative and other housing programs, we have invested in the repair, renovation and construction of 3,000 housing units in Winnipeg, Brandon and Thompson. Our government will also be introducing legislation to dedicate profits from our Waverley West and other suburban housing developments to inner-city housing and community development.

Our government is also undertaking a major restructuring and enhancement of Manitoba's existing shelter allowance system, an important step in our strategy to reduce poverty. Mr. Speaker, we are providing $7.8 million in support to assist low-income Manitobans to deal with rising shelter costs. More than three times as many individuals and families will qualify for support under our new program, including many more persons with disabilities who will qualify for a new benefit of up to $2,400 a year.

Today's budget invests in:

·         supported living for persons with mental disabilities;

·         creates a new active training and employ­ment assistance program for people on income assistance; and

·         expands community-based services and community living support for seniors.

Mr. Speaker, our record of investment in infrastructure priorities is evident all across the province. Since 1999, we have focussed on overdue investments in capital for health care, public schools, post-secondary education, highways and vital water and municipal projects.

In 1999, a promised new hospital for Brandon remained unbuilt and the Health Sciences Centre continued to deteriorate. Mr. Speaker, we have delivered a new hospital for Brandon and the largest ever health care capital project to reconstruct the Health Sciences Centre.

With our seven budgets, we have provided capital support of more than $200 million for universities and colleges and $378 million for public schools.

Manitoba's construction industry is poised for accelerated growth supported by major capital projects such as the floodway expansion, the new hydro generating stations, and our government is making Aboriginal training and employment a priority.

Mr. Speaker, Budget 2006 provides more than $29 million in additional highways expenditures for new construction, winter roads and maintenance, bringing our record support to $257 million with this budget.

      Un nouveau financement appuiera des investissements importants pour répondre aux nouveaux besoins relatifs à la route no 1 à l'est de Winnipeg et à la route no 75 au sud.

***Translation***

*New funding will support significant investments to address emerging needs on Highway 1 east of Winnipeg and Highway 75 to the south.*

***English***

      Mr. Speaker, Budget 2006 provides for a 30 percent increase in water infrastructure projects, and funding specifically for drainage is more than doubling.

We are providing $32 million under cost-shared agreements so that municipalities can advance infrastructure and other priorities, such as the Kenaston underpass, Winnipeg's waste water and treatment upgrade, Brandon's Keystone Centre, the Parklands telecommunications network and Broadband Communications North.

Manitoba continues to be a leader in support for municipalities in Canada.

Our last budget established the Building Manitoba Fund, providing $119 million to support Manitoba municipal infrastructure and services. The Building Manitoba Fund expanded Manitoba's income and corporation tax revenue sharing arrangement to include fuel tax revenue sharing, providing municipalities with three sources of growth revenue.

The Building Manitoba Fund is working the way it was intended, growing by $7.9 million in 2006.

Mr. Speaker, the City of Winnipeg will receive increased funding of $4.5 million, or 5.7 percent, in 2006 through the Building Manitoba Fund, including more funding for transit. This is the second year in a row that funding for transit is increasing by over 15 percent.

The Building Manitoba Fund will also provide an additional $3.4 million for outside of Winnipeg in 2006, including increased payments to all municipalities and a dedicated fund for municipal recreation and library facilities. Over the next two years, Manitoba will provide $7 million through the Building Manitoba Fund for municipalities to invest in recreation and library facilities.

In keeping with our commitment, Budget 2006 provides for a new grant to the City of Winnipeg to assist with property assessment costs, giving the City new financial flexibility to meet city budget priorities, such as investments in roads.  We are also increasing casino revenue sharing from 5 percent to 10 percent in 2006.

A partnership approach to working with the City of Winnipeg is showing impressive results. Winnipeggers can see the signs of downtown revitalization in projects like:

·         the MTS Centre;

·         the Millennium Library;

·         construction of the Manitoba Hydro headquarters; and

·         new residential redevelopment along Waterfront Drive.

According to a new study by the Downtown BIZ, Winnipeggers' visits to the downtown are up 50 percent since 2003.

      Monsieur le Président, l'année dernière notre gouvernement a élargi le programme efficace Quartiers vivants pour inclure sept quartiers additionnels de Winnipeg.

***Translation***

*Mr. Speaker, last year our government expanded our successful Neighbourhoods Alive! program to include seven new areas in Winnipeg.*

***English***

      Budget 2006 provides second-year funding to support this expansion.

This year, our government will extend our support for community economic development to a new innovative Community Financial Service Centre pilot project in the North End of Winnipeg, helping to address the declining presence of mainstream financial providers and the expansion of payday lenders.

The city of Brandon is also undergoing significant renewal, Mr. Speaker.

Our government has supported the $15-million redevelopment of Brandon's Keystone Centre.

The Province has also committed to a substantial relocation of the Assiniboine Community College campus to the former Brandon Mental Health Centre site.

The development of the new national Curling Hall of Fame will provide yet another attraction for the city of Brandon.

      Neighbourhoods Alive! has contributed $1.8 million to date for revitalization activities in Brandon, including almost half a million in downtown projects.

Mr. Speaker, agricultural producers faced a number of challenges over the past year, including significant overland flooding, the lingering impact of the border closure and weather-related weakness in crop production. Rural Manitobans have once again demonstrated their dedication and hard work in addressing these challenges. The partial reopening of the U.S. border to cattle and improvements in livestock cash receipts are positive developments. Our government remains committed to working with farm families, producers and industry to build a strong and diversified rural economy.

Manitoba has provided for a doubling of relief for farm families for 2005-06 through a $104-million provincial contribution to the Canadian Agricultural Income Stabilization program. Manitoba farmers have received over $500 million in production insurance payments for lost crops over the last two years, the largest two-year payout on record in Manitoba. Today's budget provides a further enhancement to our excess moisture support program, providing farmers with new options to increase their coverage.

Our government's Growing Opportunities initiative is helping to meet the changing needs of today's farmers and their families and to expand rural economic development opportunities, jobs, slaughter capacity, and value-added processing.

Provincial investments are supporting a unique international calibre cluster in research and development and commercialization of functional foods and natural health products including:

·         the new Richardson Centre for Functional Foods and Nutraceuticals;

·         the Canadian Centre for Agricultural Research in Medicine; and

·         the newly expanded Food Development Centre in Portage la Prairie.

Mr. Speaker, there is growing excitement in rural Manitoba today about harvesting Manitoba's new clean energy crops: wind, ethanol and biodiesel.

      La première centrale éolienne du Manitoba, un projet de 210 millions de dollars situé à Saint-Léon, tournera à plein régime cette année.

***Translation***

*Manitoba's first wind farm, a $210 million project in St. Leon, will be in full production this year.*

***English***

      Proposals for wind developments of up to 1,000 megawatts over 10 years are presently being reviewed. Our wind strategy is expected to generate $2 billion in investment and $100 million in wind-rights payments to landowners.

Manitoba's legislation to mandate the use of ethanol, along with federal funding, is supporting Husky Oil's $145-million investment to expand Minnedosa's ethanol plant. This will provide the possibility of an additional $80 million per year in income for farmers who sell their crops for the manufacture of this cleaner fuel.

Our government is partnering with the federal government to deliver a $1.5-million Biodiesel Production Program to promote the development of smaller community-based biodiesel production facilities. Mr. Speaker, we will be providing further support to grow the biodiesel industry across Manitoba.

Budget 2006 provides new resources to pursue a federal partnership to double the number of Manitoba soil survey teams. The work of these new teams will enhance mapping for the implementation of the new water protection and planning acts, ensuring water quality protection in planning for new developments.

Today's budget also establishes a new loan program to assist farmers in making economic and environmental improvements to their farm operations, complementing existing incentives under the Agricultural Policy Framework.

Our government has made a significant investment in the future of northern Manitoba in establishing the University College of the North, which now has over 2,000 registered students in over 40 programs in 12 locations throughout the North.

Over 800 trainees have already benefited from the $60-million pre-project training partnership between Canada, Manitoba and Manitoba Hydro for northern hydro developments. Our Aboriginal partners are building community capacity through planning and delivery of community-based training.

At the Kelowna meetings, leaders set important targets to extend broadband Internet access to remote and Aboriginal communities. Our government is committed to advancing the extension of broadband access to remote and Aboriginal communities, expanding opportunities for education, health care and economic development. Mr. Speaker, working in partnership with the federal government and the private sector, our government is targeting to provide broadband access to 60 remote and Aboriginal communities over the next two years.

Today's budget provides new funding to engage Aboriginal communities in mineral resource activities.

A growing number of northern Manitoba communities are promoting traditional harvesting, gardening and food self-sufficiency. Our Northern Healthy Foods Initiative is supporting projects in this area as positive alternatives to the high cost of commercial foods in remote communities.

Today's budget continues our multi-year commitment to the Churchill Gateway Initiative, helping to market Churchill's shipping advantages to the world.

With Budget 2006, our government, in partnership with the federal government, is supporting the conversion of the community of South Indian Lake into a reserve for Manitoba's newest First Nation, O – pèepon – na – pee-win Cree Nation. It is a major accomplishment, Mr. Speaker.Manitoba is committed to working with the federal government and First Nations to fast-track Treaty Land Entitlement settlements.

In leading up to meetings in Kelowna last fall, Manitoba issued a challenge to Ottawa: We will invest in modernizing water and sewer systems in northern communities; the federal government should invest in modernizing water and sewer systems on reserves. Budget 2006 advances water treatment projects in Sherridon, Duck Bay, Dawson Bay and Mallard, as well as waste water projects in Cormorant and Matheson Island, part of a multi-year strategy for modernizing all Northern Affairs communities.

Arts and culture are an integral part of Manitoba communities and our economy.

Successful films like *Capote* and the *Falcon Beach* movie-drama turned TV series are promoting Manitoba's reputation as a prime location for movie productions. Since 1999, the film industry in Manitoba has grown from $37 million to its present level of $100 million, almost tripling in size in seven years. Manitoba will continue to offer a competitive environment for film production.

Budget 2006 increases support for major cultural organizations. Funding for the Community Festivals program is also growing, expanding support for more rural and northern festivals, and  provides new resources to work with the Aboriginal community to establish a new annual Aboriginal cultural festival.

Budget 2006 continues our commitment to increase funding for Sport Manitoba and supports hosting the 94th CFL Grey Cup Championship Game in Winnipeg this year.

      Monsieur le Président, il est important de réduire la criminalité et d'améliorer la sécurité si l'on veut bâtir des collectivités saines.

***Translation***

*Mr. Speaker, reducing crime and improving community safety are important aspects of building healthy communities.*

***English***

      Our government's approach to justice has always been: Tough on crime, tough on the root causes of crime.

Last year, funding for 54 new police positions was provided, the largest funding increase for police in our province's history. Budget 2006 commits 31 additional police positions: 23 for Winnipeg, two for Brandon and six to enhance policing in Aboriginal communities.

Today's budget doubles the size of the Gang Prosecutions Unit which has supported over 280 gang convictions since it was established. This specialized team will be expanded to 16 positions, including five new prosecutors, to target gang activity.

We are also expanding our strategy to combat gangs with a focus on community mobilization and intensive supervision and supports for youth at risk. This will complement successful programs already underway, such as the provincially supported Integrated Organized Crime Task Force with the RCMP and Winnipeg and Brandon Police which is achieving positive results, tackling organized crime at the leadership level.

More than 150 drug dens and gang and prostitution houses have already been shut down under The Safer Communities Act and The Neighbourhoods and Fortified Buildings Act.

Manitoba's anti-auto-theft initiative and Manitoba Public Insurance's popular incentive program for immobilizers resulted in 1,680 fewer auto thefts last year. Through a partnership with MPI, Budget 2006 provides funding of $1 million to reduce auto theft.

Lighthouses are an innovative initiative of our government, serving as beacons of hope for Manitoba's youth, providing after-school recreation, education and social opportunities. Budget 2006 expands the number of Lighthouses throughout Manitoba to 45.

Manitoba has gained national recognition for tackling domestic violence. The Chief Judge-led Front End Project has successfully fast-tracked domestic violence cases through the justice system. Our government has passed legislation to protect a wider range of victims of violence, including persons in dating relationships, and to enforce protection orders granted by courts in other provinces.

Budget 2006 increases support for community-based family violence prevention initiatives, for crisis accommodations for vulnerable adults and the Victim Services Intervention Unit to work with police in assisting families at risk in situations where formal charges are not laid.

Mr. Speaker, we will be adding a fifth Provincial Court Judge located in the North to serve Aboriginal communities.

Our government established a special consul­tative committee to provide guidance on the location and type of facility needed for a new correctional centre to replace the aging women's jail. Our government will be releasing the committee's report and taking action to implement its recommendations.

      In addition, new funding is provided to increase capacity and security at the Dauphin, Headingley and Milner Ridge correctional facilities.

Mr. Speaker, safety in our communities includes safety in our workplaces. Healthy and safe workplaces are good for workers, good for families and good for business. We are making progress in reducing time loss due to injury. A 20 percent reduction has already been achieved. In partnership with the Workers Compensation Board and building on the success of the SafeWork campaign, Budget 2006 expands resources for workplace safety and health initiatives.

Budget 2006 is providing tax savings to make Manitoba more affordable for families and more competitive for business.

Manitoba's bottom-line benefits and quality of life advantage make it the ideal place to live, work and raise a family.

Manitobans enjoy:

·         among the lowest auto insurance rates and the lowest electricity rates;

·         a quality, affordable higher education system;

·         a healthy, attractive natural environment; and

·         world-class, affordable arts and cultural activities.

·         And even with improving housing values, Manitoba still remains one of the least expensive places to purchase a quality home.

Our province boasts a competitive business environment. KPMG's recent study of competitive business costs ranks Winnipeg ahead of Calgary, Vancouver, Montreal, Ottawa and Toronto.

Our competitive business advantage is rooted in a unique combination of factors, such as:

·         a productive, well-educated and multi-lingual labour force;

·         quality, public health care and education systems;

·         competitive land, office and construction costs;

·         strong research and development capabilities combined with generous tax incentives; and

·         a strategic mid-continent trade corridor location.

      Monsieur le Président, pendant sept ans, nous avons tenu chaque promesse de réduction d'impôt et de taxe que nous avons faite, et dans certains cas nous avons même été plus loin.

***Translation***

*Mr. Speaker, for seven years, we have kept or exceeded every tax promise we have made.*

***English***

      Our government is committed to doing our part to keep Manitoba affordable and competitive.

Budget 2006 delivers on our commitment to eliminate the residential Education Support Levy, ESL, saving Manitobans an additional $34 million this year. This will save Manitobans an additional $34 million this year. This is an annual saving of $163 on a $150,000 home. Mr. Speaker, there is now one less tax in Manitoba.

After 11 years of rising residential property taxes, each of our seven budgets have reduced provincial education taxes for homeowners. We are committed to making further progress on education taxes for homeowners with future budgets.

In 2003, we promised to reduce farmland education taxes by 20 percent. We exceeded our promise with a 50 percent reduction. For 2006, we are going beyond our previous commitment to farmers by increasing the reduction on farmland education taxes to 60 percent. Mr. Speaker, this additional reduction will provide new tax savings of $4.6 million for Manitoba farmers.

Budget 2006 also builds on our record of providing steady reductions in personal income taxes. It is my pleasure today to announce that Budget 2006 delivers on our commitment to reduce the middle income tax rate to 13 percent, effective January 1, 2007, for a total reduction of 20 percent since 2000. In addition, the basic personal amount will be increased by another $100. Mr. Speaker, these new measures will provide Manitobans with additional savings of $32.3 million in annual tax relief and remove 2,000 low-income earners from the tax rolls.

In 1999, Manitoba had the second-highest small business tax rate in the country. Our government has cut the small business tax rate by half and doubled the small business tax threshold by 100 percent. More than 90 percent of all taxable corporations in Manitoba now benefit from the small business tax rate.

Mr. Speaker, I am pleased to announce today that we are exceeding our promise to small business. The tax rate for small business will be reduced to 3 percent on January 1, 2007. This will make it the second-lowest rate in Canada. This additional reduction brings our cumulative reduction in the small business tax rate to 63 percent since 1999.

In 1999, Manitoba had the highest corporation income tax rate in the country at 17 percent. The corporation income tax rate has been reduced to 14.5 percent and is falling to 14 percent on January 1, 2007, reductions unprecedented in our province's history. Mr. Speaker, I am pleased to announce today that the corporation income tax rate will be reduced to 13 percent effective July 1, 2008, subject to balanced budget requirements.

I am also pleased to announce that, effective January 1, 2007, Budget 2006 doubles the corporation capital tax deduction from $5 million to $10 million, reducing the number of firms paying this tax by 19 percent; 90 percent of firms will no longer be covered by the capital tax. In addition, our government will begin to phase out the general corporate capital tax with a 20 percent rate reduction to take effect on July 1, 2008, subject to balanced budget requirements.

Changes made by our government to improve the competitiveness of Manitoba's oil and gas exploration tax regime have increased interest in our oil and gas prospects, helping to generate record exploration and development activity in the province. Annual oil production is up 25 percent since 2004.

Mr. Speaker, our government will further support the record-breaking growth of this industry by providing a retail sales tax exemption for drilling rigs and other equipment used for oil and gas exploration.

Mr. Speaker, by 2007, Manitobans will enjoy annual savings in personal, property and business taxes of $618 million compared to 1999.

This is significant tax relief for Manitoba families and Manitoba business, savings that exceed our commitments, savings that we have delivered within a fiscally responsible framework, without compromising important public investments in health care and education and without ceasing our debt repayment plan.

Last year, we made a commitment to implement full summary budgeting by 2007-08, a compre­hensive reporting of all government and government-controlled entities, using generally accepted accounting principles, GAAP.

      Nos progrès sont constants et nous sommes sur la bonne voie pour respecter cet engagement.

***Translation***

*We are making steady progress and are on track to meet this commitment.*

***English***

      Last fall, we tabled the March 31, 2005, Public Accounts, the first ever Public Accounts in Manitoba history to be fully GAAP-compliant. Next year, as recommended by the Auditor General, the summary budget will become Manitoba's primary budget presentation and reporting tool.

Budget 2006 is balanced on a summary basis, forecasting a surplus of $148 million.

In 1999-2000, the net debt to GDP ratio stood at 31.4 percent. We have made progress in reducing this rate and forecast that it will decline to 24.5 percent in 2006-07. Over the medium term, our projections indicate summary surpluses will continue.

For the seventh straight year we are balanced under Manitoba's balanced budget legislation, with a positive balance of $3 million.

The balance in Manitoba's Fiscal Stabilization Fund, FSF, is forecast to be $414 million at March 31 this year.

Our prudent management of the government's finances has been rewarded with two credit rating upgrades since we took office.

Budget 2006 provides for 3.4 percent growth in expenditures, the same rate as last year.

One of our first tasks after coming to office in 1999 was to develop a comprehensive plan to address Manitoba's pension liability, a liability that was allowed to grow unfunded for 40 years. We have implemented the first ever plan to address this major liability. Mr. Speaker, I am pleased to announce that Budget 2006 provides for a $110-million payment toward the general purpose debt and pension liabilities, bringing our total contribution over seven years to $704 million.

Mr. Speaker, Budget 2006 meets our commit­ments to take action on Manitobans' priorities and builds opportunities for today and tomorrow.

Measures we advance today will:

·         increase investment in education at all levels;

·         improve health care for all Manitobans;

·         invest in key infrastructure for highways, water and drainage, health care, and education;

·         provide vital support for children, families and communities; and

·         make taxes more affordable for families and more competitive for business.

And all this is accomplished while projecting a summary budget surplus and a positive balance for the operating fund.

Manitobans can take pride in their province.

      Nous avons tant accompli et nous pouvons aller encore plus loin.

***Translation***

*We have accomplished so much, and we can do so much more.*

***English***

      We are proud to present Budget 2006 to the people of our province.

Thank you, Mr. Speaker.