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| ***Province*** | ***Législature*** | ***Session*** | ***Type de discours*** | ***Date du discours*** | ***Locuteur*** | ***Fonction du locuteur*** | ***Parti politique*** |
| Manitoba | 39e | 4e | Discours sur le Budget | 23 mars 2010 | Rosann Wowchuk | Ministre des Finances | New Democratic Party of Manitoba |

Mr. Speaker, *tansi. Dobruy den.* *Bonjour.* Good afternoon. I am honoured today to present Budget 2010.

From our smallest communities to our largest cities, Manitoba continues to be an extraordinary place to live, work and learn. The hard work of Manitobans has created a diverse and resilient economy.

The effects of the global market downturn that began in the fall of 2008 have had a ripple effect on the economies around the world. In the past year, we've seen the worst global recession since the end of the Second World War.

Since October of 2008, almost 260,000 jobs have been lost across the country and more than 1.5 million Canadians are now out of work. Housing starts have declined by more than 34 percent since 2007, and manufacturing sales have declined for three years in a row, with a 17 percent decline in 2009 alone.

Our stable economic base has helped Manitoba fare better than most, but our province is feeling the effects of the downturn. Our economic decline in 2009–we had an economic decline in 2009, but less than the Canadian economy as a whole.

Manitoba also faced almost $150 million in unexpected costs over the past year. We dealt with the second largest flood in over a hundred years, as well as the H1N1 flu pandemic.

Across the country, economic pressures have forced federal and provincial governments, including Manitoba, to wrestle with the challenges of budget shortfalls.

Governments across Canada have learned hard lessons from short-term decisions made during the last major recession. Crown corporations and other public assets were sold to balance the books. When we emerged from the last major downturn, we faced critical nurse and doctor shortages, higher taxes, crumbling roads and a shortage of skilled workers. Repairing the damage took more than a decade and billions of dollars.

Today's governments are responding to the worldwide recession with a more responsible and balanced approach that meets today's challenges and invests in tomorrow's opportunities. Governments are restoring fiscal balance with multiyear plans that invest in economic growth and innovation while protecting front-line services.

Mr. Speaker, Manitoba's five-year economic plan fakes this approach.

With our plan to move Manitoba forward, the Province will take strong action in Budget 2010 to invest in vital front-line services by targeting more than 90 percent of new spending to health care, education and training, family services and justice.

We will stimulate economic growth by investing nearly $1.8 billion in infrastructure and capital renewal stimulus, creating nearly 29,000 direct and indirect jobs.

We will manage government spending by reducing spending in one-half of government departments to focus new spending on front-line services.

We will restore balance by returning to a surplus within five years and paying down debt from the Fiscal Stabilization Account, preserving current revenues to pay for priority services, and we will keep Manitoba affordable and in the top three provinces in Canada for combined living costs and taxes.

There are no quick solutions to the issues we face, but ttogether, we will meet these challenges and implement our plan to bring Manitoba through the global economic recession and into a bright and prosperous future.

**Supporting Vital Front-Line Services for Manitoba Families and Communities**

During the last recession, governments made deep cuts to key services. While these cuts may save dollars in the short term, the cost of repairing this neglect is much greater in the long term.

Steady, stable investment today will make sure we protect the services Manitobans rely on the most. Manitoba's five-year plan not only maintains these services, but includes investments to move our province forward.

**Sustaining Health Care and Focussing on Families**

Manitobans continue to tell us that health care is a top priority. We agree. Budget 2010 invests 60 percent of all new spending in health care.

Even with the advancements that we have seen in medical technology and pharmaceuticals, dedicated professionals remain the heart and quality of health care.  Compared to a decade ago, there are 2,000 more nurses and almost 350 more doctors caring for Manitoba patients.

This has been achieved in large part by expanding doctor training spaces by close to 60 percent and by almost doubling the number of nurses training spaces.

This year, we will increase our investment in health care education, with additional funds for:

·         more doctors in training, with support to the third intake of 110 students in the Faculty of Medicine's undergraduate program at the University of Manitoba;

·         Brandon University program for licensed practical nurses who want to become registered psychiatric nurses;

·         converting the nurse diploma program at Collège universitaire de St. Boniface to an accelerated degree program;

·         converting the licensed practical nurses program at Assiniboine Community College to a nurse diploma program; and

·         accepting the first intake of students from southern Manitoba into the University College of the North midwifery program.

The right tools help health care professionals provide quality care. Budget 2010 continues to fund new and replacement equipment for hospitals throughout the province.

Our investment in medical equipment has included high-technology instruments like the Artiste, which offers new hope for patients who–with otherwise inoperable cancer. Budget 2010 will fund the operation of this life-saving equipment when it comes on line this year at the Health Sciences Centre.

A new, computerized radiology system is being implemented in dozens of hospitals across the province. This means that diagnostic imaging results, such as X-rays and CT scans, can be instantly shared with other hospitals. This avoids duplicating tests and improves convenience for patients waiting for results, especially patients in rural communities where the sites are coming on line, such as The Pas, Eriksdale and Killarney.

During the last major recession, the health capital program was frozen. Budget 2010 keeps construction and planning in major hospital projects moving forward, including:

·         ongoing construction to the regional cancer centre and the redevelopment of the Westman Laboratory in Brandon;

·         designing and planning a new facility in Pine Falls and in Selkirk;

·         the launch of construction of a mental health crisis response centre in Winnipeg, the first of its kind in Canada

·         investments in needed repairs and upgrades to hospitals across the province.

We're also continuing to improve emergency health care, with additional emergency departments upgrades at Health Sciences Centre and opening new emergency medical services stations in Neepawa and West St. Paul, and a new emergency medical station will be built in Arborg.

Site preparations will soon be under way for the planned women's hospital in Winnipeg. The design for the new birth centre in south Winnipeg is under way, and construction will begin later this year on the maternity upgrades at St. Boniface General Hospital.

In Budget 2010, we are introducing a new provincial tax credit to support fertility treatment for Manitoba families. This makes us the second jurisdiction in Canada to do so. We will also consolidate specialized services for children and youth with disabilities, or special needs, in a one, easy-to-access facility, improving access for children and their families.

We remain committed to help deal with health care consequences of tobacco use. To help deter smoking, the tobacco tax will raise by two cents per cigarette at midnight tonight.

We remain committed to investing in children and providing supports to Manitobans in need.

Last year we successfully launched All Aboard, Manitoba's poverty reduction strategy. We are now creating the Premier's Advisory Council on Education, Poverty and Citizenship to give us front­line advice on the complex issues of poverty.

Today's budget includes new investments in housing, education, training and child care.

Manitobans have told us that quality child care services are needed, and we agree. Budget 2010 provides new funding to open hundreds of new child-care spaces across the province, targeted to happen this fall.

Mr. Speaker, we will also create a pension plan for early childhood educators, honouring the work they do and the–and supporting recruitment and retention.

Our government is committed to the safety and security of children in need right across the province. To further support child protection, Budget 2010 continues to implement Changes for Children, a multiyear plan to act on external review recommendations and strengthen foster care.

Further supports for Manitobans include other investments, such as:

·         increasing funding to support–supported living for residential, respite and day services for Manitobans living with mental disabilities;

·         increasing funding for the Manitoba Shelter Benefit; and

·         providing more resources for Manitoba's long-term housing strategy to ensure vulnerable Manitobans have access to stable housing options.

New investments will also be made in addictions services and education, as well there will be new resources for the prevention of fetal alcohol syndrome disorder.

Healthy living remains an important priority for our government. We will continue to support food security, health promotion and prevention efforts, including:

·         further increasing the northern allowance to ensure families in the north have access to affordable, healthy food; and

·         expanding the successful Northern Healthy Foods Initiative to another 17 communities.

**Safety and Security**

Safe communities are strong communities, and despite the current economic conditions, we remain committed to investing in public safety across the province.

To support the safety and security of Winnipeg residents, we will provide ongoing operating funding for the police helicopter, getting this project off the ground.

Budget 2010 includes continued funding to support police services across the province, including new officers for Winnipeg and Brandon. To further enhance police services in Manitoba and support all aspects of the justice system, we are:

·         funding nine additional full-time prosecutors;

·         adding five new sites to our successful Lighthouse youth program;

·         creating a police commission to advise on police standards, training and other public issues;

·         establishing an independent unit to investigate major incidents involving police officers; and

·         expanding correctional capacity in Manitoba.

Manitoba has become a leader in protecting workers' safety and health. In the last decade, workplace injuries were reduced by close to a third. This year we are hiring more health and safety officers to further reduce workplace injuries.

**Manitoba Communities**

Across the province, we have strong, vibrant communities where people come together to work towards a brighter future.

Some provinces have cut back or held their support for municipalities. This is not happening in Manitoba. In fact, Mr. Speaker, our support for municipalities is increasing this year.

In addition to the funding of police officers, the police helicopter and cadets, we continue to support the City of Winnipeg with new funding for public transit and ambulance service.

As part of our four-year commitment, we are providing continued support for the development of rapid transit in Winnipeg. We are also investing in two other major projects–the redevelopment of the Disraeli Freeway and the infrastructure improvements as part of bringing IKEA to Winnipeg.

This year, the tripartite Winnipeg Partnership Agreement is coming to an end. To make sure that ongoing programs are able to continue, we have dedicated resources to a new Winnipeg Regeneration Strategy.

We have allocated new funding to the successful Neighbourhoods Alive! program for a community-led project in the Elmwood area of Winnipeg.

This year, we are also supporting rural and northern communities and municipalities by increasing unconditional operating funding.

Last year, we introduced the Waste Reduction and Recycling Support Levy on large landfills to promote recycling. The successful program is being expanded to smaller landfills across the province. Revenues from this levy will continue to be rebated to municipalities based on the amount of waste recycled.

To combat forest fires, Mr. Speaker, we are purchasing four new water bombers over the next three years.

To support social and affordable housing in the North, we are implementing community-based delivery of housing services and increasing investments to upgrade social and affordable housing in northern communities.

We recently announced the establishment of the Consultation Participation Fund. This supports First Nations, Métis and other Aboriginal communities as they take part in consultations on provincial decisions and actions that may affect Aboriginal and treaty rights.

To enhance community development oppor­tunities in Métis communities, we are working with the Manitoba Métis Federation to finalize and to launch a long-term economic development fund to support community projects.

We will increase our funding commitment to the Manitoba Métis Federation for public housing units in southern rural Manitoba communities under a first-of-a-kind agreement in western Canada.

Budget 2000 maintains support for cultural organizations, for museums and historical societies right across the province.

This year, we will upgrade our polar bear holding compound and provide new interpretive resources to enhance the tourism experience in Churchill.

We recently celebrated our province with the world in Vancouver at the 2010 Olympics and Paralympics, and I would like to extend my congratulations to all of our athletes who participated, and all of those who won medals. To support greater participation of Manitoba athletes in sports in the future, and future Olympic opportunities, we will provide $3 million in funding over the next four years.

More than 100,000 people attended the Manitoba pavilion at the games, and we invite them to join us for Manitoba Homecoming 2010, at events scheduled throughout the year right across the province.

Manitoba will host a number of important events in 2010. For the first time in more than 20 years, the Assembly of First Nations will hold their annual general meeting in Winnipeg in July, bringing hundreds of representatives to our province.

Manitoba has been named the host site for the first-ever World Indigenous Games, to be held in 2012. Hosting these games builds on Manitoba's success as the host of the 2002 North American Indigenous Games.

**Managing Government Spending**

Manitoba has made significant progress renewing public services and rebuilding our infrastructure since the last downturn in the economy. This progress has been made with modest growth in provincial spending.

Manitoba's per capita spending growth over the last decade has been the second lowest of all provincial governments in Canada.

Today's pressures on our budget make it more important than ever to manage our spending strategically and set priorities. This means that in some areas we will need to move more slowly than we had planned on delivering new initiatives.

To free up these resources for front-line services, we are taking responsible steps to better manage costs.

Minister's salaries are being reduced by 20 cents–20 percent. *[interjection]* I will repeat, Mr. Speaker. Minister's salaries are being reduced by 20 percent. And we are asking all members of this House to approve our proposal that all members of the Legislative Assembly will not receive a general salary increase for the next two years.

Managing expenditures without cutting jobs and reducing services requires realistic expectations about wage costs that we can afford. Over the past decade, we have made public service–sector wages more competitive, but we will now negotiate for a pause in wage increases. We will find further savings by leaving some positions unfilled, but only where vital front-line services will not be affected.

Over the past decade, we have made significant investments in reducing income tax and enhancing both education property tax credits and farmland school tax rebates. Further enhancements will come when the economy improves. This allows us to maintain resources for the vital front-line services.

Similarly, our planned reduction of the corporate income tax rate to 11 percent will also be implemented when the economy strengthens.

Cost savings have already been achieved by renegotiating contracts with computer and telecommunication providers. We will continue with this approach and implement more on-line services, building on Manitoba's leadership in development and providing innovative services without increasing costs.

Science innovation is a top priority. We will establish a new Health Innovation Network to link health system leaders, local health providers, researchers and the business community and seek their expert advice and ideas. We will use lean management and develop better processes to improve the patient journey and create a stronger health care system.

**Restoring Balance**

Manitoba's economic growth rate has been the most stable in all of Canada over the last 10 years. And this is in thanks to the diversity of our economy. Manitoba was only one of three provinces that had more people working in 2009 than in 2008, and Manitoba consumers remain optimistic about our economy.

While the resilience of the Manitoba economy has shielded us from the worst of the world-wide economic storm, our finances will continue to face pressure for some time.

That is why governments across Canada, and indeed, the world, are all taking a multiyear approach to restoring budgetary balance. The federal government has a six-year plan to restore surplus and other provinces are projecting shortfalls for several years.

Manitoba's five-year economic plan builds on our strong economic foundation with a multiyear strategy to restore budget surplus. At 1.1 percent of Manitoba's gross domestic product, our projected 2009 shortfall was the smallest in Canada.

This budget complies with balanced budget legislation, projecting a four-year positive balance of $9 million and a summary net loss of $545 million for 2010-11.

Manitoba will return to surplus by budget 2014.

Continuing to meet the requirements of today's balanced budget legislation in the current environment would require the cancellation of stimulus spending, short-sighted cuts to front-line services, and new taxes.

Our responsible plan to restore balance over five years includes amendment to legislation, including balanced budget legislation, that would require the budget shortfall to be eliminated over four years and to return to surplus in year 5 of the plan. It would keep the legal requirement to have balanced budgets into the future. It will exceed the debt payment requirement under the current legislation. It will retain restrictions that prohibit increase to major taxes without a referendum, and it will reduce ministerial salary and freeze pay to members of the Legislative Assembly.

By restoring balance over several years, our plan is both financially and socially responsible, balancing priority investments in vital services and infrastructure with sound fiscal management.

Maintaining vital services means Manitoba will not face the huge costs of rebuilding our health care and education system experienced after the last major recession. And today's investment in the national stimulus plan will support economic recovery.

Mr. Speaker, Manitoba's Five-Year Economic Plan aggressively pays down debt incurred as a result of the economic downturn. We will draw from our rainy day savings account for this purpose, preserving investments in vital front-line services.

Since 1999, we have nearly quadrupled the amount in the Manitoba Fiscal Stabilization Account with a balance of over $800 million. Budget 2010 dedicates $96 million from the account to start paying down the principal and interest.

Over the next four years, an estimated $600 million from our rainy day fund savings will be dedicated to debt payments. By the end of the five‑year plan, we will have retired almost one-third of the principal on debt resulting from the economic turn down, and exceeded debt payments required under the current legislation.

With a significant reduction in Manitoba's debt burden over the past decade, Manitoba's net debt to GDP ratio remains well below the 1999 levels, projected at 26.8 percent in Budget 2010, down from 32.9 percent in 1999. In Budget 2010 the share of total revenue spent on debt servicing is forecast to be six cents of every dollar, down from 13 cents in 1999.

Addressing the pension liability supports workers and their families. We are the first government since 1961 to pay the employer's current service contributions for all civil servants and teachers across the province, to ensure pension funds are available in the future.

**Stimulating Economic Growth**

Manitoba's plan to stimulate economic growth has three components.

First, we are investing in infrastructure projects to create jobs now and make our economy more productive and competitive into the future.

Second, we are expanding education and training to make sure we have the skilled workers for our economic needs.

Third, we are supporting research, innovation and environmentally focussed projects to position our economy for the global recovery.

Smart investments today will bring continued growth and prosperity into the future.

**Investing in Infrastructure**

Manitoba has been an active partner with other provinces and the federal government in the national economic stimulus program.

Mr. Speaker, Manitoba's nearly $1.8-billion commitment to infrastructure and capital renewal this year is almost double the amount invested two years ago before the stimulus program was launched.

This year, we are investing nearly $600 million in roads and bridges:

·         improvements to Highway 1 East, Highway 75 South, the pavement works in Highway 6 North;

·         there's work on single-access roads, provincial roads into Pelican Rapids, Norway House and Cross Lake;

·         there's surface rehabilitation on No. 2 Highway near Reston, Highway No. 1, Highway 45 east of Oakbank in the southwest region;

·         there's funds to replace and repair bridges, including the bridge over the Red River at St. Adolphe; and

·         there is further progress on the CentrePort Canada Way.

Climate change is shortening our winter road season–and that was very obvious a few weeks ago–particularly on the east side of Lake Winnipeg, making an all-season road a necessity. This year we will significantly increase our investment in the construction of an all-weather east-side road.

The Floodway and East Side Road Authority will proceed with this project in a way that provides jobs and training and business opportunities for east­side communities.

Budget 2010 will support the construction of a tourism interpretive centre near Hollow Water First Nation to support their growth in their tourist industry. This year the Province will contribute an additional $30 million to the Canada-Manitoba infrastructure program to support projects across the province, bringing the total provincial contribution to nearly $72 million in Budget 2010.

This fall, construction on the Len Evans Centre for Trades and Technology at Assiniboine College in Brandon will be completed. Construction is scheduled to begin this year at the University College of the North projects in Thompson and The Pas, and work is also planned for satellite sites, including Swan River.

Social housing provides low-income Manitobans with affordable shelter, and Budget 2010 continues our support for important projects.

Mr. Speaker, we will add 1,500 new social housing units over five years, with a significant investment this year; and there will be an upgrade–significant upgrades to our existing social housing stock.

Work on many of these projects will be done by people who live in social housing and in the surrounding neighbourhoods, and this will provide training opportunities.

We will also provide funding to undertake the stabilization of the historic Display Building at the Keystone Centre in Brandon.

This year is the 50th anniversary of Manitoba's parks system. Budget 2010 funds campgrounds expansions and upgrades at Asessippi, Winnipeg Beach and Wellman Lake.

**Supporting Education**

In the last major recession, school divisions had their budgets cut.

Despite the challenging economic times, we are providing overall increases of almost 3 percent to public school funding this year, well above the rate of economic growth. Every school division will receive at least a 2 percent increase in grant.

To support our children's schools, we are maintaining the balance between residential and commercial contributions to public education.

This year's education funding investments brings a total increase over the past nine years of $276 million. Mr. Speaker, this is 15 times the increase we saw in the same period during the '90s. We are doubling capital investment in schools. Construction work will continue this year in schools across the province, including new schools at Steinbach, Winkler and La Broquerie.

Despite fiscal pressures, overall operating support for our colleges and universities will increase by 4.5 percent.

To ensure our institutes have the resources they need to provide quality service, tuition fees will increase by 5 percent at universities and $150 for college.

I am pleased to announce that, starting in 2010, we will provide college and university students with fast access to part of the Tuition Fee Income Tax Rebate while they are still in school. This means a student paying $3,000 in tuition fees will receive a $150 refund per year while they are still enrolled in school, providing an estimated $7.5 million each year to students when they need it the most.

Government has a continued commitment to increase opportunities in apprenticeship training, despite the challenges of the current recession.

Meeting the training needs of Manitoba workers and business requires a collaborative approach. The provincial sector councils act as a key link between Manitoba education, business and the labour communities.

Since 1999, the number of registered apprenticeship has more than doubled, and Apprenticeship Manitoba is anticipating a further 35 percent increase over the next two years.

Budget 2010 increases apprenticeship training support by $2 million, and six new designated trades are being developed.

**Innovation and the Environment**

Manitoba needs to continue investing in innovation so that our businesses are strong and more adaptable and ready to complete–continue in the changing economy.

We need to build on the progress we have made in recent years. Manitoba is a leader in real business labour productivity with a total increase of 9.5 percent over five years, almost triple the national growth.

The Industrial Technical Centre helps small- and medium-sized business access the innovative engineering and technical services that help their companies grow. This year, we'll invest more than $1 million to support this work.

Budget 2010 provides continued investment in the Manitoba Research and Innovations Fund, which has supported hundreds of science and health research projects since it was established in 2003.

The Churchill North Studies Centre is internationally recognized as a hub of arctic research and education. The Province is supporting the centre's capital campaign to raise funds to replace the main facility, enabling further research in the north.

This spring, the Premier's Economic Advisory Council will host an economic summit involving leaders from business, labour, aboriginal and community groups as well as the education sector. Together, we will discuss strategies for expanding economic growth so Manitoba is ready to seize new opportunities and stay in the forefront of innovation.

This fall, the business-to-business forum Centrallia 2010 will be held in Winnipeg, attracting more than 500 business leaders from around the world to network in English, French and Spanish.

Plans are under way to host an Arctic summit with key national and international stakeholders to kick-start discussions and encourage innovative ideas about how to use Manitoba's northern sea access to better distribute goods and services, further building our economy.

Despite global economic conditions, the number of Manitobans working in the mining and oil industries grew by 3.8 percent over the previous year. As we move closer to economic recovery, Manitoba will be well positioned to respond to the sector's employment needs with the establishment of a new mining training facility in Flin Flon.

We will continue to invest in environmental clean-up in abandoned mine sites.

Budget 2010 includes a strong focus on the environment and we are acting on our commitments to reduce greenhouse gas emissions and are making investments to further reduce these levels.

Manitoba Hydro has designed and built one of the most energy-efficient office towers in the world, winning international awards for its environmentally friendly design.

Following this example, we are greening our building codes to improve water and energy efficiency in new homes and in other buildings, helping Manitobans save money on these costs while reducing greenhouse gas emissions.

I was very pleased that, yesterday, we were able to announce that construction will begin this year on the wind farm in St. Joseph, Manitoba, which will add clean and green wind power to our system.

This past year Manitoba Hydro signed an agreement with four Cree Nations partners to develop Keeyask Generating Station.

The Wuskwatim Generating Station, being built in partnership with NCN and Manitoba Hydro, is scheduled to be in service next year and yield more than $250 million in annual gross domestic product for Manitoba. Work is also proceeding to ensure that Bipole III is built on time to meet our export commitments, generating revenues that will keep rates low for Manitobans into the future.

We are also undertaking a joint study with Saskatchewan to look at enhancing our transmission capacity and exploring ways to increase renewable energy development for both our provinces.

Other initiatives that focus on the environment include:

·         continued support for low-income residential retrofit programs in Winnipeg and Brandon;

·         continued work to restore the health of Lake Winnipeg, including a new WaterSmart initiative to promote water conservation; and

·         the elimination of sales tax on shredded tires used in municipal road construction to encourage the use of recycled products.

The protection of our streams, rivers and lakes is important, and we are increasing funding to help farmers meet water protection objectives. Budget 2010 also continues major investments in drainage capital works and maintenance.

We are working with cattle producers to create a more responsive pasture insurance program, and we continue to work with the Manitoba Cattle Enhancement Council, which supports the Manitoba cattle industry, including investments in Keystone Processors facility located in St. Boniface.

We have provided–we are providing new financial support to help farmers hardest hit by flooding in the north Interlake in the last two years.

We are also providing provincial support through Agri-Opportunities program for the development of a hemp fibre processing facility in the Parkland region.

We will continue to invest in other priorities, including food safety, the environment and agri-food innovations. Plans are under way for a facility expansion for the Food Development Centre to support rural economic development through additional technological capacity and improved services for our clients.

In 2009, we saw first-hand how investments in new equipment and other flood mitigation resources helped protect our province. Budget 2010 provides further funding for flood mitigation efforts, including:

·         increasing investment in flood forecasting equipment and operation; and

·         continuing to work with First Nations communities, such as Peguis and Fisher River, and the federal government to develop long-term flood mitigation plans and agreements.

**Maintaining Manitoba's Affordability**

Manitoba is one of the most affordable places in Canada to live, work and raise a family. When you look at the total combined living costs and taxes, Manitoba is among the top three for families.

Manitoba's Five-Year Economic Plan will keep our province's affordability advantage.

We have made great progress reducing the tax burden for Manitoba families over the last decade, with $725 million in annual tax relief. Manitoba has been the only province in Canada where residential property taxes have, on average, stayed flat since 2000. To further protect Manitoba families, we have declined invitations to harmonize our sales tax with the GST.

Despite budgetary pressures, Mr. Speaker, Budget 2010 will not increase personal income tax and will not increase sales tax.

A critical component of affordability is keeping the cost of government in check. Budget 2010 keeps government affordable by increasing core government spending by just 1 percent related to the projected spending levels of last year.

We will shield families from rising drug costs. For the duration of our five-year plan, Pharmacare deductibles–deductible increase will be limited to the rate of inflation while 100 percent of all eligible drug costs above deductibles will remain covered.

Medical experts tell us the health risks of using tanning beds. To address the consequences of these risks, the provincial sales tax exemption will be removed from tanning services, beginning in July.

Budget 2010 will also:

·         extend the fitness tax credit to Manitobans aged 16 to 24, beginning in 2011;

·         introduce a new tax credit to support fertility treatment costs;

·         include a 5 percent advance on Tuition Fee Income Tax rebate;

·         introduce new regulations to improve the security, flexibility and greater transparency of pension plans to better meet the needs of today's workers; and

·         support another year of free access to provincial parks.

Manitoba is also an affordable and competitive place to do business. Budget 2010 provides $14 million in new tax reductions for business, bringing the total amount of annual business relief to $422 million.

Since 1999, the small-business tax rate has fallen from 8 percent to just 1 percent today. Mr. Speaker, we are keeping our promise to completely eliminate the small-business tax, effective December 1 this year, the first jurisdiction in Canada to do so permanently.

The general Corporation Capital Tax is also being eliminated at the end of 2010 to encourage needed investment that improves business productivity and competitiveness. By 2011, the phase-out of this tax will have freed up more than $80 million for companies to reinvest and innovate for the future.

Mr. Speaker, we are phasing in partial refundability of the research and development tax credit, reducing tax bills for companies that invest in new ideas by $12 million annually by 2012.

We are also reducing red tape by eliminating the requirement to register and collect provincial sales tax for small businesses with less than $10,000 annual taxable sales. This affects 3,500 businesses in Manitoba.

We are expanding the Film and Video Tax Credit until 2014 and enhancing the credit to include production costs in addition to labour.

We are making it easier for businesses to hire high school students taking apprenticeship training by extending the Co-op Education and Apprenticeship Tax Credit, and we're providing a new tax credit for co-op enterprise development.

**Conclusion**

We have worked hard to make sure Budget 2010 keeps Manitoba's future in focus while managing today's challenges. Strategic and responsible decisions had to be made. Manitoba's Five-Year Plan guides our decisions as we move Manitoba forward.

We will manage government spending while focussing on the priorities of Manitobans and return to surplus by budget 2014. We will maintain our quality of life by keeping Manitoba affordable, both now and in the years ahead.

Investments in front-line services will strengthen health care, education, training, public safety and support to families. Continued economic stimulus will create jobs, renew infrastructure and grow the economy.

There are challenges to face, but we are on our way to recover. We will keep moving forward to make our province an even better place to live, and together we will build a stronger future for Manitobans.

Mr. Speaker, I would like to just take a moment and say that I want to thank all of my colleagues and my Premier (Mr. Selinger) and all the staff at Treasury Board and Finance who have worked so hard to put this budget together.

Mr. Speaker, it has been a challenge. I want to thank Manitobans for the advice they gave me when I did my budget consultations, and I certainly want to thank my family for the support that they have given me through this time.

So, Mr. Speaker, *meegwetch. Dyakuy. Merci.* Thank you very much to all of you.