


# Budget 2006-2007

## New Investments for People



New  Nouveau  
**Brunswick**  
C A N A D A

**Jeannot Volpé**  
*Minister of Finance*

**Budget 2006-2007**

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## Introduction

Mr. Speaker, I am pleased to rise in the House today to present the 2006-2007 Budget.

This budget supports our vision of New Brunswick and our balanced approach. It builds on our results and our policies, further implements our commitments, takes steps in meeting the Premier's Five in Five Initiative and makes new investments for people.

Mr. Speaker, here are some of the highlights of the 2006-2007 Budget:

- \$2.46 billion for record investments in health and senior care, a 75 per cent increase since 1999;
- \$893 million for record investments in Kindergarten to Grade 12 education, including 240 new teaching positions;
- Over \$100 million in energy relief, including the rebate of the provincial portion of the HST on home electricity and heating fuels;
- \$28.8 million more for senior care, including covering nursing home health care costs and fully protecting the value of seniors' homes;
- \$17 million in additional personal income tax reductions for New Brunswickers, resulting in 50,000 New Brunswickers removed from the income tax rolls since 1999;
- \$20 million in tax reductions for New Brunswick businesses, including the reduction of the New Brunswick small business income tax rate to 1.5 per cent;
- \$25 million over five years for a new Wellness Infrastructure Fund;
- \$15 million for regional economic development funds in Miramichi, Restigouche-Chaleur and the Acadian Peninsula;
- \$26 million over two years in tax relief and incentives as part of our \$250-million, five-year Forestry Assistance Support Package to help our forestry sector;
- \$9.2 million for culture, including an additional \$1 million for our Cultural Policy and a new book policy;
- A 27.8 per cent net debt-to-GDP ratio, for the seventh consecutive annual reduction;
- And a \$22.2 million surplus for another balanced budget.

These items demonstrate the main goal of today's budget, New Investments for People. With this budget, we continue to live within our means, while making the investments needed to ensure a more competitive and compassionate New Brunswick now and for the future.

As we committed to in our platform, *Reaching Higher. Going Further.*, over 75 per cent of all new spending continues to be directed towards our top priorities of health and senior care and education.

Mr. Speaker, our government pursues a vision of a New Brunswick where we invest in people and where people invest in us to make our province a better place to live, work and raise a family.

This government listens to New Brunswickers and makes investments in people and their priorities. We have achieved great success together in recent years. The state of our province is good, and in many ways, better than it has ever been. However, we know it is not yet the best that it can be and that there is more work to do.

We are following a balanced approach combining economic success with social progress and effective government.

## **Record Achievements and Solid Successes**

Mr. Speaker, we have been working together with the people of New Brunswick and getting impressive results in key areas.

Employment in New Brunswick is at an all-time high. For two consecutive years, the annual unemployment rate has stayed below 10 per cent – the best results in almost 30 years. Today, 35,700 more New Brunswickers are working than when we first took office in June 1999.

The number of people on social assistance has fallen from 60,941 in June 1999 to 44,345 today, a decline of 27.2 per cent.

Average weekly earnings in New Brunswick have the second highest growth rate among provinces since 1999.

Mr. Speaker, record investments in health care are giving us more doctors and full-time nurses than ever before. We have been successful in recruiting 207 net new doctors and more than 700 new permanent nurses to care for New Brunswickers since June 1999.

Record Kindergarten to Grade 12 education investments are giving us more teachers, teaching assistants, and resources in the classroom and we have made significant investments in post-secondary education.

Taxes have been reduced and will continue to be reduced. Revenue measures included in today's budget will result in additional savings to New Brunswickers totalling \$82 million. With this budget, Mr. Speaker, New Brunswickers will benefit from cumulative provincial personal and corporate income tax savings totalling approximately \$1.1 billion since 1999.

We have reduced the province's net debt by an estimated \$139.3 million since our first budget. Debt service costs as a percentage of total expenditures are at their lowest level in over two decades.

We are the only New Brunswick government to have met the obligations of the balanced budget legislation over a designated four-year period and have once again brought in a balanced budget for this year.

Mr. Speaker, we are focussed on the future, building on our success and accelerating our progress by implementing the Premier's Five in Five Initiative. We will keep on getting results for people.

## **Listening to New Brunswickers**

Mr. Speaker, this budget responds to what New Brunswickers have told us over the past year. We have listened to their concerns and their priorities.

Once again this year, we held a series of pre-budget consultations to seek the input of New Brunswickers including nine public meetings in communities across the province. The Premier and individual ministers also met with stakeholders. Many New Brunswickers responded to our Internet questionnaire or provided written comments. The input we received from this consultation process has helped us put this budget together.

New Brunswickers told us, Mr. Speaker, that health and senior care, education and children remain their top priorities. They noted that making government operations more efficient is a key to balanced budgets. They spoke of the need to invest in economic development and job creation, the need for relief from rising energy costs, and the need to provide opportunities for young New Brunswickers to stay and work in the province, and their desire for lower taxes.

All of this, and more, we have considered in developing the 2006-2007 Budget. I would like to thank everyone who took time to participate.

## **New Brunswick's Economic Outlook**

Mr. Speaker, I would like to review our province's economic performance over the past year and provide an outlook for 2006.

The Department of Finance estimates that New Brunswick's economy reported a solid performance in 2005, with real Gross Domestic Product increasing 2.3 per cent. However, the manufacturing and forestry sectors both here in New Brunswick and across Canada experienced some difficulty, owing to a higher Canadian dollar, increased energy costs and global competition. Despite this environment, many key indicators of economic progress showed a stronger performance than the previous year. For example:

- Private and public capital investment increased 5.5 per cent to a record \$4.6 billion.
- Foreign exports of commodities increased 13 per cent to \$10.7 billion, compared to a 5.8 per cent national increase.
- Manufacturing shipments rose seven per cent, above the rate of increase for Canada of 3.1 per cent.
- Average weekly earnings in New Brunswick rose 3.6 per cent, compared to the 3.1 per cent national increase.
- A measure of consumer confidence – provincial retail sales – rose 5.3 per cent, the strongest performance since 1999.

Mr. Speaker, these indicators demonstrate that our Prosperity Plan is working – the economy is growing and diversifying and creating job opportunities while becoming more competitive. In fact, since 1999, New Brunswick's real GDP per capita increase ranked third highest among provinces, while from 1987 to 1999, it ranked fifth.

Despite some setbacks in the forestry and manufacturing sectors, employment reached a record annual level of 350,500 in 2005. New Brunswick's annual unemployment rate fell to 9.7 per cent, the lowest level in almost 30 years and the second consecutive year below 10 per cent. The latest monthly numbers show employment has increased by a net 35,700 jobs since our taking office in June 1999.

While our economy continues to grow, we must not overlook the fact that not all sectors of the economy or regions of the province are growing and benefiting at the same pace. We know pulp and paper mill closures in smaller communities, and jobs lost in other sectors, have had a tremendous impact on workers and their families. Our government will continue to work in conjunction with the private sector, communities and workers to implement made-in-New Brunswick solutions to these circumstances.

Mr. Speaker, for 2006, private sector economists predict that real GDP growth in New Brunswick will be in the 2.2 per cent to 3.0 per cent range, with consensus growth of 2.5 per cent. The Department of Finance also expects economic growth to be at a similar level. Investment will again be an important driver of growth with several major projects currently underway in the province: the twinning of the Trans-Canada Highway between Fredericton and St. Leonard, the construction of the LNG terminal in Saint John, the refurbishment of the Point Lepreau nuclear power plant and the provincial government's 5.8 per cent increase to its capital budget. A record level of employment is expected in 2006, and the unemployment rate should fall again this year to a new, 30-year low.

## **2005-2006 Fiscal Update**

Mr. Speaker, I would now like to provide New Brunswickers with an update on the province's fiscal performance over the past year. As I stated last year, the 2005-2006 Budget continued the government's dedication to prudent fiscal discipline, while at the same time continuing to invest in priorities that matter to New Brunswickers.

I am proud to stand here one year later and say that our government has delivered on those priorities and we have done so with a balanced budget and an anticipated surplus of \$116.8 million for 2005-2006.

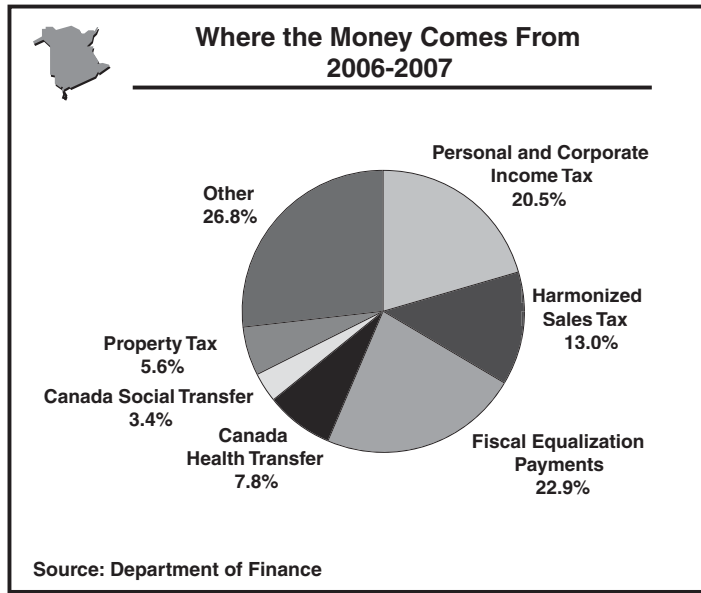
Operating revenue is expected to be \$152 million higher than budget, while operating expense is expected to be \$134 million higher than budget due to a number of additional investments in key initiatives and increased investments in health and education.

## **2006-2007 Fiscal Outlook**

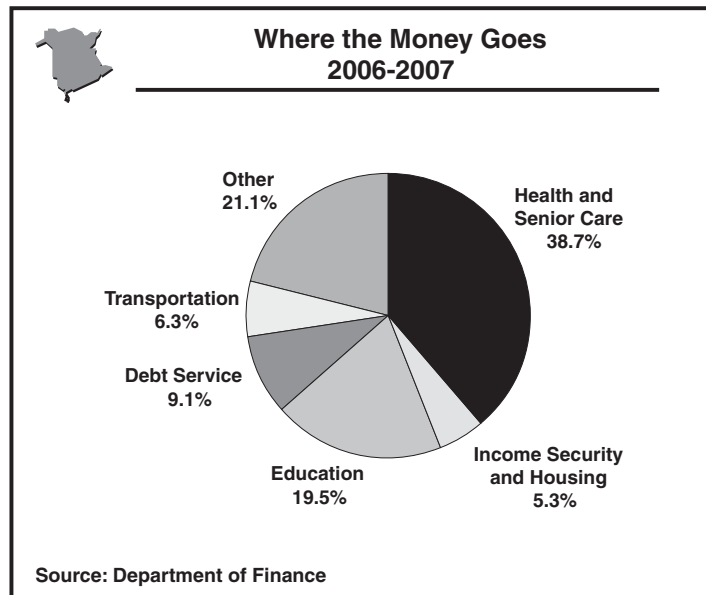
Mr. Speaker, I would now like to provide a financial outlook for the coming fiscal year. I am pleased to announce this year's budget will be balanced with a surplus of \$22.2 million.

Operating revenue is projected to be \$6.231 billion, up 0.1 per cent from revised 2005-2006 estimates. Among the key factors constraining revenue growth in 2006-2007 is our new energy relief package, along with a number of other tax reductions. Together, these measures will serve to reduce our overall tax burden and provide energy cost relief to New Brunswickers.

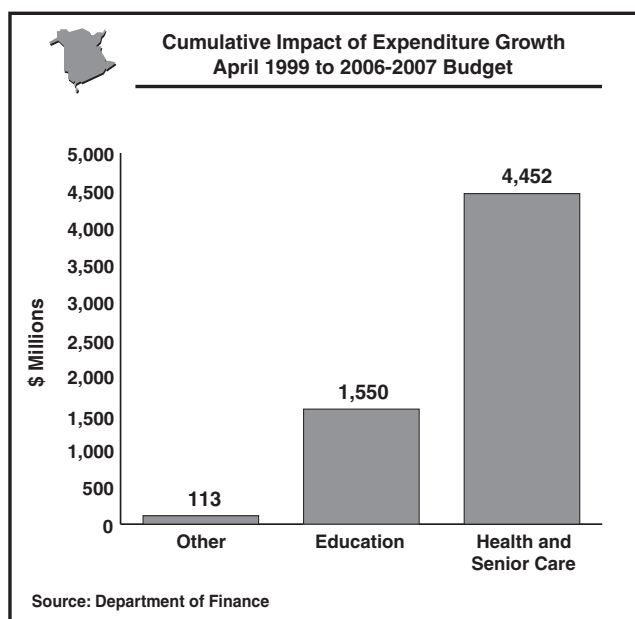




Operating expense is projected to be \$6.209 billion, up 1.7 per cent from revised 2005-2006 estimates.



Health and senior care and education and children remain the priority of New Brunswickers and the main areas of investment growth. Since 1999, cumulative new funding for health and senior care will now total \$4.5 billion and \$1.6 billion for education. At the same time, other government spending has had a cumulative increase of only \$113 million.



Mr. Speaker, on Dec. 7, 2005, this government tabled the *Fiscal Responsibility and Balanced Budget Act* to provide for greater fiscal accountability and transparency in government finances. Two of its fundamental elements are the commitment to balanced budgets over a designated fiscal period and reductions in the province's net debt-to-GDP ratio over successive fiscal periods. Under the proposed Act, for the designated fiscal period 2004-2005 to 2006-2007, this government is projecting a cumulative surplus of \$379.2 million, far exceeding the target of a balanced budget.

The province's net debt-to-GDP ratio is estimated at 27.8 per cent at the end of the three-year fiscal period, compared to 31.4 per cent at the end of the previous period, again meeting the requirements of the proposed Act. In fact, the net debt-to-GDP ratio is going down this year for the seventh year in a row.

This – combined with the cumulative reduction in the province's net debt of \$139.3 million since our first budget – reinforces our commitment to managing the province's net debt and managing smarter.

## **New Investments for People**

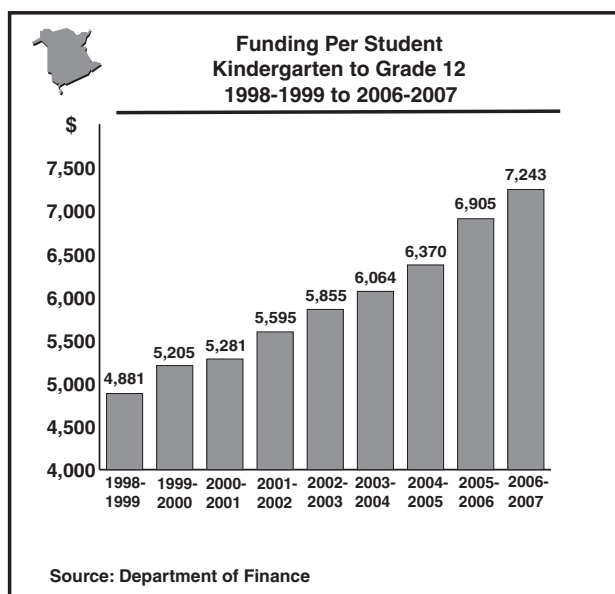
Mr. Speaker, this budget is about investing for the future by building on the foundation we have developed since our first budget: new investments for people, new investments in the priorities of health, wellness and education, new investments for the environment, and new investments for taxpayers and businesses. These investments are among many investments we are announcing today. This can only be done if we manage our fiscal resources smarter and work in partnership with New Brunswickers.

## New Investments for New Brunswick, the Smart Province

Mr. Speaker, this budget includes significant investments to help achieve our goal of New Brunswick, the Smart Province.

This year's budget builds on investments in the Quality Learning Agenda to improve educational outcomes and raise standards while ensuring each child receives the best education possible. This budget also contains a number of initiatives to support and implement the findings of the MacKay Report on inclusive education.

Today's budget provides for total investments in Kindergarten to Grade 12 education of \$893 million, a \$37.5 million or 4.4 per cent increase over 2005-2006 spending. With this budget, direct spending per student will increase by \$2,362, or 48.4 per cent, since 1999.



Mr. Speaker, our government will continue to improve classroom composition and to support the objectives of the Quality Learning Agenda.

Since taking office, our government has made improvements in the student/teacher ratio by reducing class sizes and adding teachers.

I am announcing today that our government will do more.

Today's budget provides funding for an additional 240 teaching positions in 2006, bringing the total of new teaching positions added since 2003 to 650.

We will reduce maximum class sizes by a minimum of four students for all grades over the next four years, with an immediate reduction of one student per maximum class size in all grades in September 2006.

Mr. Speaker, having well-trained and dedicated supply teachers available is very important in the learning process of our young New Brunswickers. I am pleased to announce today an investment of \$2.8 million to provide a wage increase for supply teachers.

Wages for supply teachers will increase from \$97 per day to \$113 for non-certified teachers and from \$105 per day to \$140 for certified teachers.

Classroom composition has been a concern of teachers and parents for some time. The government-initiated MacKay Report has been released, and the Minister of Education will conduct forums and engage stakeholders to discuss solutions to existing problems.

Beyond what is being announced today, this budget provides \$5 million for other initiatives to address classroom composition to be directed following the consultations. These are the next steps in what will be a multi-year initiative to address recommendations contained in the report.

Mr. Speaker, our government believes providing new technology to students is essential to New Brunswick's competitiveness in the 21st century.

In the fall of 2004, this government initiated the Dedicated Notebook Research Project to provide teachers and students in nine Grade 7 and nine Grade 8 classes in six schools with full-time access to a notebook computer. The preliminary results of this project have been promising, with children taking part showing improvements in writing, researching, simulating, problem solving and presenting and organizing their work.

In this budget, we are expanding that project. I am pleased to announce our government will invest a further \$9.4 million in 2005-2006 to supply notebooks to more Grade 7 and 8 students, expand the current research project to some Grade 9 students and provide all of our 7,500 teachers with the opportunity to obtain a notebook. Building on broadband access in our school system, Mr. Speaker, this will provide teachers with access to more tools and resources online and allow them to connect and communicate with students, parents and other teachers.

Mr. Speaker, in order for our workforce to excel in today's competitive global marketplace and for our economy to grow and prosper, we must increase our educational attainment and foster life-long learning opportunities. Today's students represent tomorrow's workforce.

I am proud to announce several other initiatives to help achieve this goal. We are increasing funding to universities and we will meet our commitment of a 13 per cent increase over this mandate by 2007-2008. This will mean by 2007-2008, annual funding to universities will have increased by over 34 per cent, or \$54.7 million, since we first came to office in 1999.

As stated in the Speech from the Throne, we will invest \$800,000 to establish a commission to better plan for the future of post-secondary education in New Brunswick.

We will also invest \$3.5 million in capital spending to renew the infrastructure of our provincial community college system.

Mr. Speaker, a major initiative in support of our goal of New Brunswick having the highest increase in the rate of workers with post-secondary education in Canada is the New Brunswick Tuition Tax Cash Back Credit. New Brunswickers will be able to begin claiming this credit in 2007 for eligible

tuition costs incurred in 2005 and 2006. This credit provides a tuition tax rebate equal to 50 per cent of eligible tuition costs incurred after Jan. 1, 2005 for individuals who have attended approved educational institutions. The maximum yearly tax rebate is \$2,000 and will be applied against provincial income tax otherwise payable, and the lifetime tuition tax rebate will be \$10,000. Students will have up to 20 years to redeem the full value of their credit. The estimated annual cost of this program once fully mature is \$63 million.

In the upcoming year, we will invest an additional \$1 million in the provincial library system to build quality and equitable services and to provide tutoring programs to foster literacy among students.

In the post-secondary education and training sector, this government will invest a further \$1 million in adult literacy programs and additional funds will be made available for enhanced apprenticeship training and other adult learning and skills initiatives.

Early learning and child care is very important to the future of New Brunswick. It is the starting point of our goal of New Brunswick, the Smart Province. We believe in supporting families throughout New Brunswick in making important child care choices that will set their children on the path of lifelong learning.

Mr. Speaker, I am pleased to announce that our government is investing \$3 million in 2006-2007 to provide additional increases to the wages of child care workers, building on investments announced last year. All eligible staff will receive an average increase of \$0.25 per hour, bringing the total increase for 2005-2006 and 2006-2007 to approximately \$1 per hour. As an incentive for further training and to assist with retention, trained staff will receive on average an additional \$1.55 per hour, for a total increase of \$1.80 per hour. As a result of these increases, regular staff will receive an hourly rate of \$9.60 and trained staff will receive an hourly rate of \$11.15.

One-time federal funding for early learning and child care in 2005-2006 and 2006-2007 totals \$31 million for New Brunswick. Spending on new provincial early learning and child care initiatives totalled approximately \$10 million in 2005-2006 and will increase to \$13 million in 2006-2007.

Today, I am pleased to announce the establishment of an Early Learning and Child Care Trust with the remaining \$8 million from the one-time federal funding. Child care operators, community groups and other relevant organizations can access the fund for renovations to existing facilities for the establishment of a pre-kindergarten program and curriculum development, equipment and material for pre-kindergarten, training for day care workers and incentives for providing new child care spaces for rural areas, infant care, and seasonal and shift work as required to meet community needs.

Although this federal funding will not be renewed in 2007-2008, our government will continue to maintain this new, increased level of spending on early learning and child care initiatives.

### **New Investments for New Brunswick, the Investment Province**

Mr. Speaker, competitive taxes are a key component of our Prosperity Plan building block to create a competitive fiscal and business environment and are a key commitment in our current platform. We are committed to lowering the tax burden on New Brunswick individuals and businesses in order to stimulate investment and innovation, create jobs and build economic wealth and prosperity.

The Premier's Five in Five Initiative sets as a goal that New Brunswick have the lowest tax burden east of Alberta and the biggest reduction in the unemployment rate in Canada within five years. Today's budget includes a number of measures to support this goal.

New Brunswickers currently enjoy the lowest provincial personal income taxes east of Ontario. Since 1999, individuals and families will have enjoyed cumulative personal income tax relief of \$774 million, with \$159 million in savings in 2006-2007 alone as a result of measures undertaken by this government. This includes measures in today's budget.

As part of the commitment to lower personal income taxes by five per cent in this mandate, the provincial income tax credit amounts and tax brackets will continue to be indexed to protect against inflation, providing an additional \$16 million in tax relief for families and individuals this year alone.

Mr. Speaker, this government is also committed to targeting greater relief to those most in need. Effective Jan. 1, 2007, we will enhance the Low-Income Tax Reduction such that all single tax filers with incomes up to \$13,750 and families with incomes up to \$22,000 will pay no provincial personal income tax. This will provide an additional \$4.8 million in tax relief in 2007. This meets our commitment set out in *Reaching Higher. Going Further*.

Because of initiatives introduced by this government, more than 50,000 New Brunswickers will not have to pay any provincial personal income tax when they file their returns for 2007 compared to the 1999 tax system.

As a result of measures taken by this government, single individuals with earned income of \$13,750 will pay no provincial personal income tax in 2007, a tax saving of \$625 compared to what they would have paid in 1999. One-earner families with income of \$22,000 will pay no provincial personal income tax in 2007, a tax saving of \$809 compared to 1999.

We have also made considerable progress in reducing corporate taxes, Mr. Speaker. Competitive taxes make New Brunswick more attractive for business investment and long-term growth and help diversify the economy. This in turn generates additional economic growth and increases the tax base to ensure the government can finance essential public services in the future.

Since 1999, cumulative corporate tax relief is estimated at \$359 million, with savings of \$88 million in 2006-2007. Since taking office, this government has lowered the small business rate from six per cent to two per cent. We currently have the lowest small business rate in the country, and that will fall further to 1.5 per cent effective July 1, 2006 and to one per cent the following year.

Additionally, the tax threshold will increase to \$475,000 on July 1, 2006 and to \$500,000 on July 1, 2007. This is the highest small business threshold in the country.

Today's budget also lowers the general corporate income tax rate from 13 per cent to 12 per cent effective Jan. 1, 2007, providing an estimated \$11 million in savings in 2007. Since taking office, Mr. Speaker, we will have lowered the general rate from 17 per cent to 12 per cent, the third lowest rate in the country.

These initiatives – combined with others in this budget – will help improve our overall tax burden while enhancing employment opportunities in New Brunswick.

Mr. Speaker, our government announced last December a \$250-million, five-year plan to help the forestry industry respond to current challenges in world market conditions. Part of this initiative is the commitment to eliminate the large corporation capital tax by the end of 2008. This tax will be reduced to 0.25 per cent in 2006, 0.2 per cent in 2007, 0.1 per cent in 2008 and eliminated for 2009. This will result in savings of \$7.5 million to New Brunswick businesses in 2006-2007 alone and an estimated \$45 million annually once eliminated. This is yet another step we are taking to make our economy more competitive.

Effective for investments made after March 31, 2006, a targeted Investment Tax Credit will provide incentive for qualifying forestry industries to invest in New Brunswick. Forestry companies will qualify for a rebate of 50 per cent of investments in manufacturing and processing equipment up to a maximum of 50 per cent of the provincial property tax paid for that year. This credit will be in effect for the 2006 and 2007 taxation years. Over the two-year period, this will provide an estimated \$18 million in assistance to the forestry industry, complementing the phase-out of the large corporation capital tax and the lowering of both the small and general corporate income tax rates.

As part of our \$250-million action plan for the forestry industry, private woodlot silviculture will be increased by 11 per cent in 2006-2007, while silviculture on Crown land will also be going up as part of a 25 per cent increase over five years.

Mr. Speaker, the mining industry continues to support thousands of jobs in our province. That is why we are renewing our commitment for an additional two years by providing \$2.5 million to the Advanced Mineral Exploration initiative.

This government's commitment to the New Brunswick agriculture sector will remain strong in 2006-2007 through continued investments in the Canadian Agricultural Income Stabilization (CAIS) Program. The CAIS Program is a demand-driven federal-provincial initiative to assist agricultural producers with fluctuations in farm income.

Through our Total Development Fund, this year valued at \$5 million, we will continue to support all our resource sectors, including fisheries, agriculture, aquaculture, forestry and mining.

As part of our increased funding for tourism, this budget also provides \$500,000 for increased tourism marketing in the key New York market and increased funding for le Pays de la Sagouine and the Fundy Trail.

Embracing Innovation is one of the four building blocks of our Prosperity Plan. Innovation is a prerequisite of a modern, competitive economy and will contribute to job creation. Our objective is to join the top four provinces in terms of R&D expenditures per capita by 2012. We are on the right track, with R&D expenditures per capita growing from \$205 to \$258 since 2001. Today, we are pleased to announce a further \$5 million investment in the New Brunswick Innovation Foundation Trust Fund, raising our investment in this important initiative to \$30 million.

Mr. Speaker, another way we have supported economic growth has been through our three regional development funds for Restigouche-Chaleur, the Acadian Peninsula and the Miramichi. These funds are working, supporting the growth of new and existing businesses and helping to sustain the record level of job creation and the decrease in social assistance in our province. This budget reaffirms our commitment to these regions, with a total of \$15 million – \$14 million ordinary budget and \$1 million for capital spending – for the three funds.

While we work as a province to offer our young people the opportunity to study, work, innovate and live in New Brunswick, we also must work to attract educated people from around the world. Our new Immigration and Repatriation Secretariat will work to attract immigrants and help them settle in New Brunswick, as well as repatriate young New Brunswickers so they will pursue careers in their home province. This budget invests an additional \$500,000 in this worthwhile endeavour.

Mr. Speaker, I would like to highlight our investments in building strategic infrastructure as set out in our capital budget for 2006-2007. These initiatives build on our record of investing in New Brunswickers' top priorities of health and education, investing in job creation through more capital spending on highways and rural roads, and investing in strategic infrastructure and environmental protection.

Gross capital spending will increase by 5.8 per cent over last year to \$436.7 million – the sixth consecutive year it has increased. Investments in education for 2006-2007 will increase by \$12 million, or 26.1 per cent, to \$58 million, the highest-ever level of capital investment per student. Investment for new schools, as well as the repair and rehabilitation of existing schools, will address health and safety issues and improve the quality of the learning environment for students and teachers.

Mr. Speaker, capital spending for health will total \$90.8 million in 2006-2007, including \$13.7 million for diagnostic and medical equipment, \$72.7 million for capital construction and \$4.4 million for capital improvements.

The capital budget for the Department of Transportation is \$242.8 million. Investment in highway infrastructure will increase by \$12.3 million, or 5.5 per cent, over last year. In addition, there will be at least \$250 million in construction activity for the Route 2 developer-built portion of the Trans-Canada Highway. Mr. Speaker, this will be the highest level of road construction in New Brunswick history. It includes investments for Routes 11 and 17, the Trans-Canada Highway and improved border crossings. Under the Rural Road Initiative, \$42 million will be invested in the second year of our government's three-year, \$125 million commitment.

Our capital budget is an investment for today as well as for the future, and will help to create and maintain jobs and further improve access to, and the quality of, our public infrastructure facilities.

### **New Investments for New Brunswick, the Wellness Province**

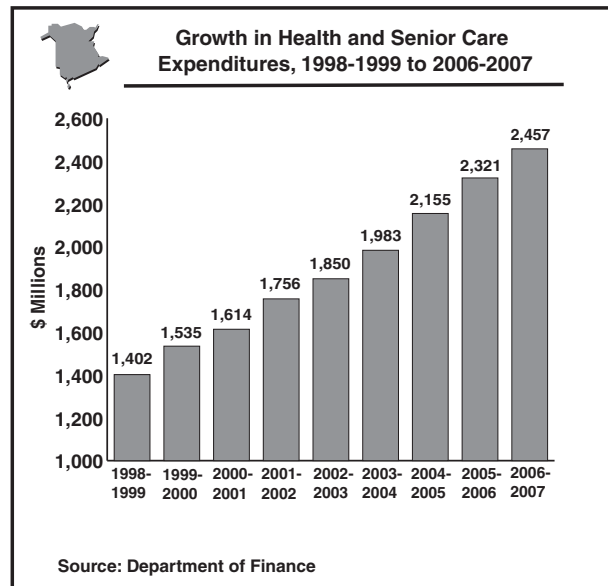
Mr. Speaker, our government recognizes the path to future good health rests in life-long wellness, culture and sport and the increased physical activity of all New Brunswickers, especially our children. That is why this goal of the Premier's Five in Five Initiative is for New Brunswick to have the biggest increase in physical fitness participation in Canada. Increased physical fitness and activity will lead to longer, healthier lives for our residents and help restrain growth in the demand for health and senior care in the future.

While we place a greater emphasis on wellness, we will also continue to improve our health and senior care system.

For the present, this budget invests more in health and senior care than ever before, as total spending will rise to \$2.46 billion, an increase of \$136 million from 2005-2006 revised estimates. Compared



to 1999, total investments in health and senior care have risen by more than \$1 billion on an annual basis, over a 75 per cent increase.



Investments are up, Mr. Speaker, and so are results. According to the 2005 patient satisfaction survey conducted by Statistics Canada, 90 per cent of New Brunswickers expressed satisfaction with their health care system. This is well above the national average of 85.5 per cent.

Clearly, the large majority of New Brunswickers support the measures we have undertaken to secure and enhance our health care system through the Provincial Health Plan, *Healthy Futures*.

Mr. Speaker, in 2006-2007, we will continue to invest in the priorities set out in the Provincial Health Plan.

Our Physician Recruitment and Retention Plan, begun during our first 200 days in office, is one of which we can all be very proud. New Brunswick has one of the highest percentages of people with regular access to a family physician in the country at 93 per cent. Today, there are 207 more doctors working in the province than there were in 1999 and more than 700 new permanent nurses.

To build on this already impressive record, this year we will fund 27 new physician positions throughout our province, further improving New Brunswickers' access to family practitioners and specialists.

Mr. Speaker, our government is committed to providing New Brunswickers with better access to quality health care, including surgical access. In the coming year, we will invest \$4.4 million to improve surgical access. This will reduce wait time for surgical procedures.

This year we will conduct operational reviews at 16 surgical sites with the goal to identify areas where we can improve efficiencies. These reviews will involve looking at processes from pre-surgical screening through to the post-operative period.

As well, we will continue work on the development of a computerized registry of all patients awaiting surgery in New Brunswick from the time they have met with their surgeon, agreed to have surgery and are booked into the system.

Mr. Speaker, in 2005-2006, our government invested \$2.5 million to equip a third cardiac catheterization laboratory at the New Brunswick Heart Centre to meet current and expected demand for these procedures. This year, we will invest an additional \$3.6 million to fund these services and to improve cardiac care throughout the province.

This budget will invest an additional \$9.8 million more for the Prescription Drug Program, an additional \$39.6 million more for Hospital Services and an additional \$13.2 million more for Ambulance Services.

Through the Provincial Health Plan, we are on track to creating a patient-focused health care system that is sustainable into the future. Its vision is clear: provide the right care in the right way at the right time by the right provider at a cost New Brunswickers can afford.

Mr. Speaker, our government believes that seniors are entitled to dignity, respect and quality care. We value our seniors. We value all they have done and contributed to building our province.

Very soon after we took office, we modified the shameful policies of the previous government of forcing seniors to sell their homes to pay for nursing home care and of separating couples to live in separate senior care facilities.

This budget provides \$335.3 million in record funding for long-term care and nursing homes.

Also with this budget, Mr. Speaker, we will go further than ever before in protecting seniors' assets, not only protecting the homes and assets of seniors, but the value of their houses. Effective April 1, 2006, proceeds from the sale of the client's principal residence will be exempt for clients accessing residential services in nursing homes, special care homes and community residences.

As well, effective Jan. 1, 2007, the province will cover nursing home health care costs. The maximum amount that all residents will pay will be based on \$79 per day, which includes room and board costs. The cost to implement this measure is estimated at \$5.2 million in 2006-2007.

For special care homes, the Level 1 rate that operators receive will increase by \$6 per day, from \$36 to \$42, starting with \$2 on July 1, 2006 and an additional \$4 on Jan. 1, 2007. The Level 2 rate also will increase by \$2 per day on July 1, 2006, from \$68 to \$70.

Additionally, Mr. Speaker, the elimination of the grandfather clause for special care home residents has been moved up to 2006-2007 rather than 2007-2008 as previously announced. This will increase funding to special care home operators for clients whose condition has changed over time and who require more services. This budget also includes \$2.1 million to provide a 3.9 per cent increase for home support agencies, the majority of which will go to wages and benefits.

Wellness has been a recurring theme during the last two pre-budget consultations. In February, we acknowledged its importance with the creation of the Department of Wellness, Culture and Sport. Today, I am pleased to announce the establishment of a five-year, \$25-million Wellness Infrastructure Fund. This will replace – and build upon – the three-year, \$10-million Community Partnership Fund

that was announced last year. Through this fund, the province will provide funding support towards the capital cost of new or expanded sport and recreation facilities, playing fields, walking trails and other priorities.

Mr. Speaker, today's budget also makes investments for culture totalling \$9.2 million, including a new investment of \$1 million to implement the Book Policy and the second phase of the Cultural Policy we announced in the Speech from the Throne. This is the first year of a \$3 million increase over three years.

### **New Investments for New Brunswick, the Clean Province**

Mr. Speaker, the Premier's Five in Five Initiative sets as a goal that our province have the greatest reduction in air and water pollution in Canada within five years. Ensuring all New Brunswickers having access to cleaner air and water has always been a priority of our government. The creation of a single-focused Department of the Environment to coordinate activities in this direction was an important part of our recent government reorganization. In our capital budget, we have made strategic investments in environmental and rural initiatives.

Our government continues to make strategic investments to protect and clean up our environment. That is why funding for the Environmental Trust Fund will be pegged at \$5.6 million this year.

Furthermore, our government believes that another way to sustain a clean environment is to treat wastewater before it is returned to our ecosystem. That is why these types of investments and other green infrastructure projects will be funded through the \$24 million provided through the Canada – New Brunswick Municipal Rural Infrastructure Fund.

Mr. Speaker, the 2006-2007 Budget reflects our commitment to ensuring both incorporated and unincorporated areas of the province benefit from new infrastructure investments. As a result of successful negotiations with Ottawa last fall, the province secured a gas tax transfer deal that will result in \$146.1 million in infrastructure funding over five years. The province will invest \$30 million over five years in addition to the \$116.1 million gas tax transfer from the federal government.

Of this funding, Mr. Speaker, 63 per cent will be transferred to municipalities while 37 per cent will fund important infrastructure investments in unincorporated areas. The 2006-2007 Budget includes a total of \$17.5 million, of which \$11 million is directed to municipalities and \$6.5 million for unincorporated areas. This funding will support environmentally-sustainable infrastructure projects, among other initiatives.

In November 2004, the government announced a new, four-year unconditional grant mechanism for municipalities that results in stable, predictable and growing funding over the 2005 to 2008 period. For 2006, the municipal grant pool is set at \$65.3 million, an increase of \$2.5 million from 2005. In 2007 and 2008, all 103 municipalities will see a two per cent increase to their grant levels in each year. In total, Mr. Speaker, municipalities will receive funding increases totalling \$21 million over four years, relative to the 2004 level.

Public safety is at the foundation of our Prosperity Plan and the realization of the Premier's Five in Five Initiative. Safe communities help build a strong economy, as people and businesses will choose to live and prosper where they feel safe and secure. We are taking a two-pronged approach to building safer communities for all New Brunswickers. We will enhance policing services by providing

\$7 million to the RCMP to provide high quality service to communities, particularly in rural areas, and to keep up with demands for specialized services.

We will also protect the public by investing in programs that will move those who come in conflict with the law away from crime and towards productive lives in our communities. We announced \$500,000 as an initial investment to begin planning for the replacement of the Moncton Detention Centre in the capital budget, as one of our many strategic public infrastructure investments. An infusion of \$700,000 will ensure that those who must be held in custody are placed in a safe and secure environment and that necessary rehabilitation and integration programs, services and interventions are in place to build a strong community infrastructure and reduce crime.

### **New Investments for New Brunswick, the Inclusive Province**

Mr. Speaker, our government has always focused on generating increased prosperity for all New Brunswick residents, no matter what region of the province or under what circumstances they live. Whether through low-income tax reductions or gas and heating fuel assistance, this government has provided help for those in need.

The fifth goal of the Premier's Five in Five Initiative is centred on New Brunswick having the largest reduction in the poverty rate in Canada. This can be accomplished by working in partnership with all levels of government on a common theme – creating more opportunities to learn and find employment.

Mr. Speaker, we have heard the concerns expressed by New Brunswickers loud and clear over the past few months on the proposed power rate increases being contemplated by NB Power. While we agree that users should pay for the cost of services, the rate increase facing New Brunswick residents and businesses is significant. With today's budget, we intend to help our people and businesses deal with the impact of the proposed rate increases. We are today announcing major energy cost relief that will benefit all New Brunswickers.

The first component of our energy relief will be to cap power rate increases to eight per cent this coming year for any category of consumers. This compares to the proposed average rate increase of 11.4 per cent. This will result in savings to New Brunswickers of an estimated \$46 million in 2006-2007, relative to the proposed rate hikes. We have also directed the NB Power group of companies to seek further efficiencies in their operations in order to protect consumers from future rate increases.

The second component of our energy relief provides additional benefit to residential users. Effective July 1, 2006, a rebate of the provincial portion of the harmonized sales tax on home energy costs will be provided. This will apply to all types of home energy including heating oil, electricity, natural gas, propane, wood and kerosene. This rebate is expected to save New Brunswickers \$45 million in 2006-2007, with an estimated full-year saving of \$55 million.

The creation of the Energy Efficiency and Conservation Agency this past fall was an important stepping-stone to providing consumers, homeowners and businesses with the information, financial and technical assistance to help them reduce their energy consumption. This budget contains \$11.9 million for this initiative, including \$8 million for Agency programs and operations, \$3.4 million for loans and advances for residential energy conservation projects and \$500,000 in HST rebates on home energy improvement work.

In addition, the budget of the Department of Family and Community Services contains \$4.8 million for a joint initiative with the Agency and federal government to provide grants to low-income households to help improve the energy efficiency of their homes.

Helping those who need help the most has been an objective of our government since day one. This budget announces increased funding of two per cent for social assistance rates and two per cent for Community Volunteer Agencies. Gas and heating fuel assistance totalling \$1.7 million and an investment of \$1.9 million for the Family Support Orders Service are also included in this budget.

Combined, the measures included in this budget will provide estimated energy relief to New Brunswick residents and businesses of over \$100 million in 2006-2007. Mr. Speaker, we have heard New Brunswickers' concerns on proposed energy rate increases loud and clear, and we have acted.

Mr. Speaker, this year will also mark continued significant investments of \$3.1 million in the areas of the Better World for Women and the Wage Gap Action Plans. This government is committed to the reduction of violence against women and their children as well as reducing the wage gap. A number of important initiatives will be implemented over the course of the year.

If we all work together in partnership – governments, volunteers, ordinary New Brunswickers and social agencies – we will accomplish the Premier's goal of making our province the Inclusive Province.

## **A New Relationship with the Federal Government**

Mr. Speaker, our government is pleased with the new, dynamic partnership and spirit of cooperation we have developed with the current federal government.

We welcome the new federal government as our partner in progress and we look forward to working together on behalf of the people of this province. Mr. Speaker, I believe our two governments can and will achieve great things for New Brunswick.

In fact, we've already begun to do just that. In recent weeks, our new partnership has resulted in significant successes for our province.

Just this past Friday, the Prime Minister joined Premier Lord to announce a landmark, \$400 million deal to improve and upgrade New Brunswick's highway system over the next 10 years. As well, they announced \$8.5 million in joint funding for the first installment for the Saint John Harbour Cleanup Project and \$13 million in three-way funding to construct a new, 10,000-seat stadium to help the City of Moncton in its bid to host the World Junior Track and Field Championships.

Mr. Speaker, the new spirit of cooperation with the federal government will not end with these announcements. We anticipate that additional funding for a number of priority areas will be announced in the near future.

We are very pleased the new federal government has committed to working with the provinces to finally fix the fiscal imbalance. Considerable fiscal disparities exist between the federal and provincial governments, and across provincial governments. We welcome strengthened fiscal arrangements that will narrow these imbalances and help strengthen the federation.

Now that we have a strong, dedicated partner in Ottawa, we are confident we will be able to reach even higher and go even further than we could before.

## **Conclusion**

Mr. Speaker, this is a budget that makes new investments for people. This is a budget that builds on the foundation we have already put in place and makes investments in important new initiatives to create greater prosperity and social development with more effective government for all. Ministers will provide further details in their departmental estimates.

We have listened to New Brunswickers about their priorities. We are making significant investments in health and senior care and education and children. We have more doctors, nurses and teachers than ever before. We are making investments for people, jobs and strategic infrastructure. We are making investments to lower taxes, to help those in need and provide relief for energy costs.

The 2006-2007 Budget supports our vision of New Brunswick, builds on our results and our policies, further implements our commitments, maintains strong prudent fiscal management, takes the initial steps in meeting the Premier's new Five in Five Initiative and makes new investments for people.

As the Premier said in the State of the Province Address, we have big new opportunities ahead of us. We will continue getting results for people.

Thank you, Mr. Speaker.

## **Appendix: Summary Budget Information**

**COMPARATIVE STATEMENT OF SURPLUS OR DEFICIT**  
**Thousands**  
**\$**

	<u>Year Ending March 31</u>		
<b>BUDGETARY ACCOUNTS</b>	<b>2006</b>	<b>2006</b>	<b>2007</b>
	<b>Estimate</b>	<b>Revised</b>	<b>Estimate</b>
<b>Ordinary Account:</b>			
Revenues.....	5,738,395	5,878,383	5,882,645
Expenditures.....	<u>5,588,880</u>	<u>5,727,787</u>	<u>5,798,433</u>
Surplus (Deficit).....	149,515	150,596	84,212
<b>Capital Account:</b>			
Revenues.....	41,284	31,445	28,256
Expenditures.....	<u>423,827</u>	<u>412,697</u>	<u>436,664</u>
Surplus (Deficit).....	(382,543)	(381,252)	(408,408)
<b>Special Purpose Account:</b>			
Revenues.....	45,375	49,037	52,289
Expenditures.....	<u>46,080</u>	<u>50,458</u>	<u>55,533</u>
Surplus (Deficit).....	(705)	(1,421)	(3,244)
<b>Special Operating Agencies (net):</b>			
Revenues.....	57,260	64,894	65,403
Expenditures.....	<u>46,538</u>	<u>45,948</u>	<u>54,654</u>
Surplus (Deficit).....	10,722	18,946	10,749
<b>Sinking Fund Earnings</b> .....	227,000	226,500	229,700
<b>Gross Consolidated Revenue</b> .....	6,109,314	6,250,259	6,258,292
Less: Capital Revenues Related to Tangible Capital Assets.....	<u>(37,983)</u>	<u>(26,972)</u>	<u>(27,590)</u>
<b>Operating Revenue</b> .....	6,071,331	6,223,287	6,230,702
<b>Gross Consolidated Expenditure</b> .....	6,105,325	6,236,890	6,345,284
Add: Amortization Expense.....	211,564	198,437	209,123
Less: Investment in Tangible Capital Assets.....	<u>(344,438)</u>	<u>(328,858)</u>	<u>(345,928)</u>
<b>Operating Expense</b> .....	5,972,451	6,106,469	6,208,479
<b>Surplus (Deficit)</b> .....	<u>98,880</u>	<u>116,818</u>	<u>22,224</u>

**Note:** Columns may not add due to rounding.



**OPERATING REVENUE**  
**2006-2007**  
**Thousands**  
**\$**

<u>DEPARTMENT</u>	<u>ORDINARY ACCOUNT</u>	<u>CAPITAL ACCOUNT</u>	<u>SPECIAL PURPOSE ACCOUNT</u>	<u>SPECIAL OPERATING AGENCY NET</u>	<u>CAPITAL REVENUE ADJUSTMENT*</u>	<u>TOTAL</u>
Agriculture, Fisheries and Aquaculture	3,942	0	0	0	0	3,942
Business New Brunswick	15,295	20	0	0	0	15,315
Education	20,018	0	10,655	0	0	30,673
Energy	349	0	0	0	0	349
Energy Efficiency and Conservation Agency of New Brunswick	100	0	0	0	0	100
Environment	4,841	0	5,187	0	0	10,028
Family and Community Services	63,480	175	12,737	0	0	76,392
Finance	5,153,059	0	56	0	0	5,153,115
Health	24,106	671	1,335	0	(345)	25,767
Justice and Consumer Affairs	46,504	0	449	0	0	46,953
Legislative Assembly	442	0	0	0	0	442
Local Government	39	0	0	0	0	39
Natural Resources	79,599	40	2,502	0	0	82,141
Office of the Attorney General	125	0	0	0	0	125
Office of the Comptroller	150	0	0	0	0	150
Other Agencies	233,696	0	0	0	0	233,696
Post-Secondary Education and Training	121,904	0	9,362	27,270	0	158,536
Public Safety	103,687	0	6,884	5,541	0	116,113
Regional Development Corporation	2,015	0	0	31,177	0	33,192
Supply and Services	834	5	1,055	0	0	1,894
Tourism and Parks	3,281	0	55	915	0	4,251
Transportation	5,180	27,345	0	500	(27,245)	5,780
Wellness, Culture and Sport	0	0	2,012	0	0	2,012
<b>TOTAL</b>	<b>5,882,645</b>	<b>28,256</b>	<b>52,289</b>	<b>65,403</b>	<b>(27,590)</b>	<b>6,001,002</b>
Sinking Fund Earnings						<u>229,700</u>
<b>Operating Revenue</b>						<b><u><u>6,230,702</u></u></b>

\*Refers to Capital Revenues Related to Tangible Capital Assets

**Note:** Columns may not add due to rounding.

**OPERATING EXPENSE**  
**2006-2007**  
**Thousands**  
**\$**

<u>DEPARTMENT</u>	<u>ORDINARY ACCOUNT</u>	<u>CAPITAL EXPENSE</u>	<u>SPECIAL PURPOSE ACCOUNT</u>	<u>SPECIAL OPERATING AGENCY NET</u>	<u>AMORTIZATION EXPENSE</u>	<u>TOTAL</u>
Agriculture, Fisheries and Aquaculture	32,081	400	0	0	0	32,481
Business New Brunswick	37,116	0	0	0	0	37,116
Education	829,550	0	10,655	0	971	841,176
Energy	1,975	0	0	0	0	1,975
Energy Efficiency and Conservation Agency of New Brunswick	8,031	0	0	0	0	8,031
Environment	14,801	400	5,600	0	44	20,845
Executive Council Office	7,106	0	0	0	0	7,106
Family and Community Services	789,113	0	14,500	0	1,113	804,726
Finance	12,326	0	56	0	0	12,382
General Government	458,266	0	0	0	0	458,266
Health	1,897,517	0	1,335	0	53,060	1,951,912
Intergovernmental Affairs	3,035	0	0	0	0	3,035
Justice and Consumer Affairs	34,435	0	449	0	0	34,884
Legislative Assembly	18,015	0	0	0	0	18,015
Local Government	110,365	125	0	0	38	110,528
Maritime Provinces Higher Education Commission	147,542	0	0	0	0	147,542
Natural Resources	96,917	0	2,626	0	185	99,728
Office of the Attorney General	13,607	0	0	0	0	13,607
Office of the Comptroller	4,899	0	0	0	0	4,899
Office of Human Resources	5,675	0	0	0	0	5,675
Office of the Premier	1,169	0	0	0	0	1,169
Post-Secondary Education and Training	256,359	0	9,361	27,270	0	292,990
Public Safety	105,982	0	7,320	6,005	0	119,307
Regional Development Corporation	38,505	15,400	0	32,673	0	86,578
Service of the Public Debt	575,143	0	0	0	0	575,143
Supply and Services	97,507	12,111	1,613	0	36,940	148,171
Tourism and Parks	26,687	1,200	55	1,186	1,207	30,335
Transportation	158,630	61,100	0	(12,480)	115,565	322,815
Wellness, Culture and Sport	16,079	0	1,963	0	0	18,042
<b>TOTAL</b>	<b>5,798,433</b>	<b>90,736</b>	<b>55,533</b>	<b>54,654</b>	<b>209,123</b>	

Operating Expense

**6,208,479**

**COMPARATIVE STATEMENT OF ESTIMATED GROSS REVENUE BY SOURCE**  
**2006-2007**  
**Thousands**  
**\$**

	<b>Year Ending March 31</b>		
	<b>2006 Estimate</b>	<b>2006 Revised</b>	<b>2007 Estimate</b>
<b>OWN SOURCE</b>			
<b>Taxes</b>			
Personal Income Tax.....	1,021,000	1,060,000	1,104,700
Corporate Income Tax.....	154,200	150,300	178,400
Metallic Minerals Tax.....	2,200	8,000	8,000
Provincial Real Property Tax.....	337,000	346,000	353,200
Harmonized Sales Tax.....	827,600	837,900	814,300
Gasoline and Motive Fuels Tax.....	236,000	234,000	236,300
Tobacco Tax.....	99,000	93,000	93,000
Pari-Mutuel Tax.....	80	65	65
Insurance Premium Tax.....	38,350	40,150	41,200
Real Property Transfer Tax.....	5,200	5,500	6,000
Large Corporation Capital Tax.....	41,300	36,300	33,900
Financial Corporation Capital Tax.....	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
<b>Sub-Total: Taxes</b> .....	<u>2,771,930</u>	<u>2,821,215</u>	<u>2,879,065</u>
<b>Return on Investment</b> .....	155,528	252,943	118,808
<b>Licenses and Permits</b> .....	102,664	102,560	103,486
<b>Sale of Goods and Services</b> .....	215,181	208,124	209,237
<b>Royalties</b> .....	67,961	65,670	67,276
<b>Lottery Revenues</b> .....	122,925	110,125	110,125
<b>Fines and Penalties</b> .....	1,737	1,437	1,486
<b>Miscellaneous</b> .....	<u>15,521</u>	<u>15,797</u>	<u>14,670</u>
<b>TOTAL: OWN SOURCE REVENUE</b> .....	<u>3,453,446</u>	<u>3,577,870</u>	<u>3,504,153</u>
<b>Unconditional Grants – Canada</b>			
Fiscal Equalization Payments.....	1,348,000	1,348,000	1,432,200
Canada Health and Social Transfer.....	0	1,000	0
Health Reform Transfer.....	0	5	0
Canada Health Transfer.....	483,400	488,000	490,200
Canada Social Transfer.....	204,300	207,100	211,600
Other.....	<u>1,900</u>	<u>1,900</u>	<u>1,900</u>
<b>Sub-Total: Unconditional Grants – Canada</b> .....	<u>2,037,600</u>	<u>2,046,005</u>	<u>2,135,900</u>
<b>Conditional Grants – Canada</b> .....	247,349	254,509	242,592
<b>TOTAL: GRANTS FROM CANADA</b> .....	<u>2,284,949</u>	<u>2,300,514</u>	<u>2,378,492</u>
<b>TOTAL: GROSS ORDINARY REVENUE</b> .....	<u>5,738,395</u>	<u>5,878,383</u>	<u>5,882,645</u>

**Note:** Columns may not add due to rounding.

**BALANCED BUDGET RESULTS**  
**Millions**  
**\$**

	<b>Year Ending March 31</b>		
	<b>2005 Actual</b>	<b>2006 Revised</b>	<b>2007 Estimate</b>
Operating Revenue.....	5,959.8	6,223.3	6,230.7
Add: Required changes under the Act.....	<u>0.0</u>	<u>(3.7)</u>	<u>1.7</u>
Adjusted Revenue.....	5,959.8	6,219.6	6,232.4
Operating Expense.....	<u>5,717.6</u>	<u>6,106.5</u>	<u>6,208.5</u>
Adjusted Surplus (Deficit) for the Year.....	242.2	113.1	23.9
Cumulative Difference - Beginning of Year.....	<u>0.0</u>	<u>242.2</u>	<u>355.3</u>
Cumulative Difference - End of Year.....	<u><u>242.2</u></u>	<u><u>355.3</u></u>	<u><u>379.2</u></u>

**Based on proposed *Fiscal Responsibility and Balanced Budget Act.***

**Note:** Columns may not add due to rounding.

**NET DEBT**  
**Millions**  
**\$**

	<b><u>Year Ending March 31</u></b>	
	<b><u>2000</u></b>	<b><u>2007</u></b> <b><u>Estimate</u></b>
Net Debt	7,048.9	6,909.6
Decrease in Net Debt 1999-2000 to 2006-2007:		139.3

**NEW BRUNSWICK ROAD IMPROVEMENT FUND**

**Thousands**

**\$**

	<u>Year Ending March 31</u>		
	<b>2006</b>	<b>2006</b>	<b>2007</b>
	<b>Estimate</b>	<b>Revised</b>	<b>Estimate</b>
<b>Revenue</b>			
Gasoline and Motive Fuel Tax.....	236,000	234,000	236,300
<b>Expenditures</b>			
Department of Transportation			
Capital Account.....	235,080	223,490	235,830
Ordinary Account.....	<u>153,600</u>	<u>164,938</u>	<u>158,580</u>
Total Expenditures.....	388,680	388,428	394,410
<b>Net Expenditures</b> .....	152,680	154,428	158,110
<b>Source of Funding for Net Expenditures</b>			
Federal Capital Revenues.....	36,194	26,357	27,245
Provincial Contribution from Consolidated Fund.....	<u>116,486</u>	<u>128,071</u>	<u>130,865</u>
<b>TOTAL</b>	<u>152,680</u>	<u>154,428</u>	<u>158,110</u>

N.B. Road Improvement Fund revenues and expenditures are included in the ordinary and capital accounts in the budget plan.

Capital Account expenditures relating to the Vehicle Management Agency have been excluded from the total expenditures above.

**Note:** Columns may not add due to rounding.