



BRITISH
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BUDGET 2009

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NEWS RELEASE

Budget 2009 Builds Stability, Confidence For The Future

VICTORIA – *Budget 2009* supports infrastructure projects to create thousands of jobs and build opportunities in every region of the province while providing stability and confidence for British Columbians by investing in health, education and social services, announced Finance Minister Colin Hansen today.

“*Budget 2009* builds on B.C.’s Economic Plan to help families, communities and business alleviate the effects of the economic slowdown,” said Hansen. “Despite unprecedented global economic turmoil, we are improving public services and making critical investments to create tens of thousands of jobs and position British Columbia as a leader in the coming economic recovery.”

Budget 2009 invests almost \$14 billion in infrastructure projects in every region of British Columbia. The Province will move forward on its capital plan and partner with the federal government and municipalities to build and upgrade housing, hospitals, schools and roads. These new and accelerated investments will generate as many as 88,000 jobs across B.C.

“Our immediate investment in infrastructure will help stimulate the economy, maintain stability and keep British Columbians working during the downturn — every job counts,” Hansen said. “With our federal and municipal partners we will build the assets we need to support future growth and development in our province.”

Budget 2009 enhances the fundamental public services on which British Columbians depend. As a result of a comprehensive review of government spending that began last fall, \$1.9 billion will be reallocated to strengthen health, education and social services.

Over the next three years, health care funding will increase by \$4.8 billion. By 2011/12, total provincial health spending will be \$17.5 billion — an increase of 65 per cent since 2001.

The budget maintains funding for kindergarten to Grade 12 education, resulting in per-student funding of \$8,242, the highest level in B.C. history. The budget invests \$228 million over three years in post-secondary education to enhance access to institutions,

expand health education programs, and fulfil the commitment to increase the number of trained physicians in B.C.

For British Columbians in need, *Budget 2009* invests \$351 million to support income assistance, programs for adults with developmental disabilities, and funding for healthy child and family development.

As allowed by the recently amended Balanced Budget and Ministerial Accountability Act, *Budget 2009* includes a temporary deficit for two fiscal years due to the impact of the global economic crisis on provincial revenues. The deficit is forecast to be \$495 million for 2009/10 and \$245 million for 2010/11, with a return to balanced budgets by 2011/12.

“There is no doubt that volatile commodity prices, instability in financial markets and weaker global economies have had a detrimental effect on our revenues,” said Hansen. “Our enduring commitment to sound fiscal management and prudent budgeting ensures we will not leave a legacy of deficit budgets for future generations.”

With *Budget 2009*, the government sets out a plan to take full advantage of four key opportunities in the coming economic recovery: being a leader in the new, green economy; building on the Asia-Pacific Gateway Strategy; becoming a centre for international commerce; and, capitalizing on the benefits of hosting the 2010 Olympic and Paralympic Winter Games.

“We have worked hard over the last seven years to bring British Columbia back to being a destination for people to live, work, play and invest,” said Hansen. “Our increasingly diverse economy will enable B.C. to weather the economic storm better than almost any other jurisdiction on the continent. British Columbia will emerge stronger, more confident and enter a whole new stage of growth.”

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3 backgrounders attached.

For the Finance Minister’s speech and more about details on *Budget 2009*, visit www.bcbudget.ca.

Visit the Province of British Columbia’s website at www.gov.bc.ca for online information and services.

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