Budget 2005 reflects the growth and optimism Manitobans are experiencing. More young people are moving to our province, housing starts are up, employment and investment have reached record levels and earnings growth is among the best in Canada. This is not a record to rest on, but a record to build on.

Budget 2005 is built on four key pillars:
- Paying down debt
- Making strategic investments
- Keeping our promises on tax reductions
- Saving for our future

Budget 2005 is balanced. It maintains our policy of fiscal responsibility while continuing to grow the economy and keep Manitoba strong. It invests in the priorities of Manitobans: health, education, roads and water. At the same time, we will continue to keep taxes affordable, pay down debt and ensure our future is secure by saving for tomorrow.

By balancing priorities, building opportunities and investing in tomorrow Manitobans can feel confident and optimistic about their future.

To find out more about Budget 2005, please visit our Web site at www.manitoba.ca.

Greg Selinger
Minister of Finance
Through strategic investments and tax reductions, Budget 2005 supports Manitoba’s growing economy and helps to sustain our province’s competitive edge. More young people are making Manitoba home with net youth migration over 1,100 in 2004.

- Number of jobs has grown on average by 7,200 a year since 1999
- Building Manitoba’s economy by developing our clean energy resources of hydroelectricity and wind
- Support for research and innovation - $1 million for Asper Research Centre and $1 million for biotechnology commercialization
- Extension of the Manitoba Research and Innovation Fund to 2010
- Enhancement of the R&D tax credit
- Expanding settlement programs to help reach a goal of 10,000 new immigrants
- Continuing work with the Premier’s Economic Advisory Council in implementing the province’s seven-point action strategy for economic growth

Budget 2005 continues the commitment to ongoing tax reductions for Manitobans - bringing personal income and property tax savings since 1999 to $391 million annually.

- Manitobans save an additional $80 million annually with new personal income and property tax reductions
- New property tax cuts save a typical family with a $125,000 home approximately $120 - property tax cuts over the last six years have resulted in savings of $1,425
- Farmland School Tax Rebate is increased from 33 per cent in 2004 to 50 per cent in 2005, providing Manitoba farmers a yearly saving of $20 million
- Business taxes fall a further $54 million - the corporation tax rate will fall to 14.5 per cent in 2006 while the small business rate will drop to 4.5 per cent in 2006

Our province has an abundance of fresh water and natural areas. Budget 2005 continues the commitment to protect our water and natural resources now and in the future.

- Increased funding for Water Stewardship - the only dedicated water department in Canada
- $1.1 million for water quality initiatives
- More parkland and upgraded park facilities
- Supporting actions to clean up and protect Lake Winnipeg
- More support for sustainable forest management
- Green Strategy that addresses climate change, water protection and natural areas

This year’s budget announces one of the largest deposits in history to the province’s savings account.

- $314 million deposited into the rainy day fund
- No budgeted draw from the rainy day fund for the second year in a row
- Increases the debt and pension liability payment to $110 million - bringing the total payment to $594 million since 1999/00

Budget 2005 invests in tomorrow by making government affordable today.

- Budget 2005 is balanced under the province’s balanced budget law and the summary financial statements
- Budgeted debt payment is increased from $96 million last year to $110 million this year
- Per capita spending remains the 2nd lowest in Canada
- Continuing voluntary reduced work time for civil servants, which saved $2.4 million in 2004

Safe and healthy communities are a priority for all Manitobans. Budget 2005 provides funding for a variety of programs that will help our communities thrive.

- 40 additional police officers for Winnipeg, Brandon, rural and northern Manitoba
- Expanding the successful Lighthouses program for Manitoba youth
- New resources to protect Manitobans from sexual predators and dangerous offenders
- New resources to combat domestic violence
- New strategy to deal with illicit drug manufacturing

Budget 2005 provides funds that will help Manitoba families grow and prosper. This includes new and ongoing programs for families - from the very youngest to the most senior members of our communities.

- Over $17 million for community living supports for adults living with mental disabilities
- New programs to support parents
- New integrated shelter benefit to help make housing more affordable for low-income Manitobans
- More funding for the arts to further enrich our quality of life

This year’s budget announces one of the largest deposits in history to the province’s savings account.

- $314 million deposited into the rainy day fund
- No budgeted draw from the rainy day fund for the second year in a row
- Increases the debt and pension liability payment to $110 million – bringing the total payment to $594 million since 1999/00