

Saskatoon:
Unit 3, 844-51st St. East
Saskatoon, SK S7K 5C7
Tel (306) 975-4725
Toll free (888) 844-8886
Fax (306) 975-4728
vellacott.mp@shawlink.ca



Ottawa:
Suite 610, Justice Bldg.
House of Commons
Ottawa, ON K1A 0A6
Tel (613) 992-1899
Fax (613) 992-3085
Vellacott.M@parl.gc.ca
www.mauricevellacott.ca

HOUSE OF COMMONS
CANADA

Maurice Vellacott, MP
Saskatoon-Wanuskewin

MP Maurice Vellacott commends Finance Minister for keeping promises to Saskatchewan

For Immediate Release

March 19, 2007

OTTAWA – Saskatoon-Wanuskewin MP Maurice Vellacott is very pleased with today's budget and the funds that have been committed to Saskatchewan families and the provincial economy. Finance Minister Jim Flaherty has delivered another balanced budget that builds a stronger, safer, better Canada by cutting taxes for working families, paying down the nation's debt and investing in the priorities of Canadians.

Budget 2007 builds a stronger province by:

- Managing Canada's \$1.5 trillion economy means making choices and striking the right balance. In Budget 2007, we have achieved this by balancing the budget, cutting taxes for working families, investing in priorities like health care, the environment, infrastructure, and restoring fiscal balance by giving provinces the resources they need to deliver the front-line services that matter to Canadians.
- Saskatchewan has the largest per capita gains of any province under the fiscal balance package in 07/08 – \$230 compared with \$91 for Quebec – and we have kept our commitment on the treatment of non-renewable resources.
- In total, **Budget 2007 will provide the residents of Saskatchewan with over \$878 million in new money.**
- This funding will be used to directly improve the lives of Saskatchewan residents, instead of providing the current NDP Premier money to waste irresponsibly in his fight for re-election.
- Reducing the nation's debt by \$9.2 billion.
- Restoring fiscal balance brings federal support for Saskatchewan to \$1.4 billion in 07-08, including:
 - \$226 million under new equalization;
 - \$756 million under the Canada Health Transfer;
 - \$342 million for Canada Social Transfer includes additional funding for post secondary education and childcare; and
 - \$75 million for Infrastructure.
- Saskatchewan will receive \$44.4 million from the Canada ecoTrust for Clean Air and Climate Change.
- \$24.8 million is available to the Saskatchewan government through the Patient Wait Times Guarantee Trust over the next three fiscal years.

- \$2 million in corporate income tax relief from changes in capital cost allowances for buildings.
- \$13 million in additional corporate income tax relief from the temporary two-year write-off for manufacturing equipment over next two years.
- Capital Gains tax savings for farmers, fishers and small business owners through increased Lifetime Capital Gains Tax Exemption from \$500,000 to \$750,000 effective today.

Budget 2007 builds a better province by:

- New \$2,000 Child Tax Credit for every child under 18 will save Saskatchewan parents \$45.2 million.
- Increase in basic spousal amount from \$7,581 to \$8,929 to make it equal with the basic personal amount will provide tax relief to a supporting spouse or single taxpayer supporting a child or relative.
- The Working Income Tax Benefit (WITB) of up to \$1,000 for families (\$500 for individuals) to help people over the welfare wall.
- Investing \$140 million over the next two years to establish a Registered Disability Savings Plan, similar to an RESP.
- We're providing \$1 billion in new direct assistance to farmers through this budget, and we are replacing the top tier of the CAIS program with a new savings account plan. Over the past two budgets, we have delivered \$4.5 billion in new assistance to Canadian farmers.
- \$1.5 billion has been allocated towards operating incentives for producers of renewable fuels. This funding will help Saskatchewan farmers by creating new market opportunities and creating value added jobs here in Canada.
- \$500 million to Sustainable Development Technology Canada to support private sector production of the next generation renewable fuels. Iogen, one of Canada's leading biotechnology firms, is seeking \$180 million to build a new plant in Saskatchewan and would be a candidate for funding.
- Increasing the age limit for converting registered pensions and RRSPs from 69 to 71 to assist older Canadians to work and save.
- Increasing the age amount by \$1,000 and implementing pension income spitting for couples.
- Aboriginals in Saskatchewan will benefit from \$35 million over the next two years in the Aboriginal Skills and Employment Partnership, a skills training program for Aboriginals.
- Eliminating the limit on annual RESP contributions and increasing the lifetime RESP contribution limit to \$50,000;
- Increasing post-secondary education funding by 40% to ensure Canadians are the best educated, most flexible workforce in the world.

Budget 2007 builds a safer province by:

- \$10 million to support the Canadian Police Research Centre to establish its permanent base in Regina.
- Creating a new National Anti-Drug Strategy to crack down on gangs and the drug trade;
- Providing more funding to the RCMP to protect children from online predators and human trafficking;
- Investing \$4.5 billion to clean up Canada's air and water, reduce greenhouse gas emissions and combat climate change.

“With Budget 2007, Prime Minister Stephen Harper and Canada’s New Government continues to provide strong leadership to build a stronger, safer, better Canada that gets things done for families and taxpayers,” says Vellacott.

– 30 –

For further comment, call (613) 992-1966 or 297-2249