



# Budget 2001 News Release

## *BUDGET 2001*

### **PUTTING THE NEEDS OF TODAY'S FAMILIES FIRST: BALANCED BUDGET AND A FOCUS ON HEALTH AND EDUCATION**

VICTORIA — *Budget 2001* puts health and education first — not tax cuts. The budget is balanced and increases funding to health care and education by \$1.2 billion.

Finance Minister Paul Ramsey said today's families want government to get its priorities right and put first things first.

Ramsey said the budget meets the needs of British Columbians who understand that we can't have it all. "Governments must make choices and this government has chosen to balance the budget and focus on the health, education and basic social justice programs that families rely on," said Ramsey.

He said dramatic tax cuts at this time would have two predictable results: either big cuts to health, education and other crucial services or big government deficits and increases to our debt. Ramsey said both of these are the wrong choices for today's families.

Highlights of *Budget 2001* include:

- an increase in health care funding for the tenth straight year to \$9.23 billion
- 400 new training spaces for nurses; and an additional \$12 million to further educate and retain nurses already working in the health care system
- a major \$1.6 billion capital program to build and expand hospital and health care facilities over four years
- a five per cent cut in tuition fees for colleges, university and institutes; more than 5,000 new post-secondary education spaces; and a \$143 million increase in post-secondary education funding which will defray the costs of these initiatives and provide additional funding to protect quality and excellence in advanced education programs
- an increase of \$169 million in funding for B.C. schools to maintain smaller class sizes
- and \$106 million to build, renovate and expand 22 new schools
- an allocation of \$123 million will be provided for seismic upgrading of schools, hospitals and health care facilities and post secondary institutions over the next two years.

## **HEALTH CARE, OUR MOST IMPORTANT PRIORITY**

*Budget 2001* increases health care funding to \$9.23 billion. This represents an increase of \$959 million, or 11.6 per cent over last year.

“We are investing 52 per cent — more than half — of all the new program spending in this year’s budget in our public health care system to fund doctors, nurses, hospitals and health services in British Columbia,” said Ramsey. “We are doing our best to close the door on two-tier private health care in this province.”

*Budget 2001* focuses on the shortage of nurses and doctors. It provides \$4.7 million to create 400 new training spaces for nurses, and \$12 million to further educate and retain working nurses. It funds new incentives under the Health Action Plan to attract and keep doctors.

More than two-thirds of the increased health care budget — \$681 million for regional programs — will operate new MRI and CT scanners throughout B.C. and fund: additional cancer treatments; new beds in intensive, critical and acute care; expansions to home support, home nursing and palliative care programs; and additional cardiac care and renal dialysis.

“These programs will allow more British Columbians to live independently in their own communities and allow terminally ill patients to receive care at home surrounded by loved ones and friends,” said Ramsey.

*Budget 2001* funds the largest capital investment in health care in B.C. history, committing \$1.6 billion over the next four years for new and expanded hospitals, cancer clinics and other health care facilities in B.C. communities.

The province is increasing funding for B.C.’s Mental Health Plan to \$31.5 million, more than triple last year’s funding. The government believes mental health care services should be as accessible as other health care services, said Ramsey.

“We are saying ‘yes’ to more nurses, ‘yes’ to more doctors and beds, ‘yes’ to more equipment and services,” the finance minister said.

“*Budget 2001* reaffirms that the heart of B.C.’s public health care is still beating strongly. Under this government, B.C. will never have a health system that checks your credit rating before checking your pulse.”

## **B.C. — THE EDUCATION PROVINCE**

*Budget 2001* directs 28 per cent of total spending to funding teachers, schools, colleges, universities, skilled trades and training opportunities. This year education funding will increase by \$312 million in British Columbia.

In addition, \$505 million in capital funding is committed to build and improve public schools, colleges, universities and institutes.

### **Increased funding for post-secondary education**

*Budget 2001* increases post-secondary funding by eight per cent, or \$143 million. It cuts tuition at B.C.'s post-secondary institutions by five per cent and creates over 5,000 new spaces in colleges, universities and institutes.

The budget also provides for a doubling of the number of apprenticeship and skilled trades training spaces to 50,000 over the next four years.

“That’s 50,000 British Columbians getting practical, hands-on training for good careers,” he said. “It’s our insurance that when skilled labour shortages hit, as we know they will, B.C. will be ready not just to ride it out, but to thrive and prosper.”

### **Reducing class sizes for primary school students**

*Budget 2001* increases operating funding for B.C. schools by \$169 million.

This will allow class sizes in the primary grades to remain small — with 20 or fewer students in kindergarten and 22 or fewer students in grades 1-3.

Twenty-two schools will be built or expanded and three new career technical centres will be funded in the Okanagan, North Vancouver Island and Northwest Region. B.C. schools will be able to access a \$123 million fund for seismic upgrading over the next two years.

“British Columbia’s public schools are among the best in the world and we’re working to make them even better,” said Ramsey. “We’re doing that with smaller class sizes, better learning conditions and more resources. When you include operating and capital funding, the province has provided \$37 billion in education funding since 1991.”

### **ENSURING A FAIR AND JUST B.C.**

Ramsey said *Budget 2001* does not walk away from the government’s social responsibilities.

It provides an additional \$45 million for Child Care B.C., giving more parents affordable and safe before-and-after-school child care and saving B.C. parents up to \$1,100 per child annually.

The combined BC Family Bonus and the National Child Supplement increases by \$72 dollars to \$1,332 per child annually. The budget also provides \$60 million in new funding for British Columbians with disabilities.

An additional \$3.5 million will help provide school meals for more children in need — the first step in a commitment to doubling the school meal program budget. Another \$13.5 million is allocated for early childhood programs to help Aboriginal communities give their children a strong start in life. As well, \$13.3 million in federal funding will be spent on early childhood intervention initiatives.

“One of the great things about our province is our commitment to building a society where we can all make a contribution and where we can all have opportunities to succeed and prosper,” said Ramsey. “While that aspiration remains a goal rather than a reality, this budget moves us closer than ever before.”

## **Outlook for 2001/2002**

The government is forecasting economic growth of 2.4 per cent for 2001. The figure matches the forecast made by B.C.'s Economic Forecast Council.

Ramsey said the government will continue its cautious fiscal management over the coming year. In 2001/2002, revenues are expected to be \$24.6 billion and expenditures are forecast at \$24.3 billion. The positive consolidated revenue fund balance of \$300 million offsets a projected net loss from Crown corporations and agencies for the coming year.

A \$1.1 billion surplus is expected for this budget year when a one-time pension adjustment and a \$300 million forecast allowance are taken into account.

“We’ve balanced the books in 1999/2000 and are projecting balanced budgets for 2000/2001 and for 2001/2002,” said Ramsey. “We’ve kept personal taxes among the lowest in Canada. And we’ve put increased resources into health care, education and social justice, building on a solid, prudent financial foundation. Why? Because British Columbians have told us that these are their priorities. They’re our government’s priorities, too.”

For more information, contact 1-866-356-5941 or view the budget documents at [www.bcbudget.gov.bc.ca](http://www.bcbudget.gov.bc.ca) on the Internet.

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