

Prince Edward Island

Budget Highlights 2001-2002

Keeping the Balance in Uncertain Times

The Honourable Patricia J. Mella
Provincial Treasurer
Second Floor South, Shaw Building
95 Rochford Street
PO Box 2000, Charlottetown, PEI C1A 7N8
Tel: 368-4050 Fax: 368-6575
<http://www.gov.pe.ca>



Presented by
The Honourable Patricia J. Mella
Provincial Treasurer
March 29, 2001

Prince Edward Island

Budget Highlights 2001-2002

Keeping the Balance in Uncertain Times

Index

Index	1
Overview	3
Fiscal Responsibility	4
Special Projects Fund	5
Where the Money Comes From	6
Where the Money Goes	7
Health and Social Services	8
Education	10
Job Creation/Community Development	12
Summary Statistics	13

Prince Edward Island


Budget Highlights 2001-2002

Keeping the Balance in Uncertain Times

Overview


Commitments

- Health Care
- Education
- Job Creation
- Community Development



The 2001 Budget continues on the path set by our previous budgets. Sensible programming and affordable tax reductions have placed the Province in a strong economic and financial position. Our continuing focus on health, education, communities, job creation and economic development has served the Province well.

Patricia J. Mella
Patricia J. Mella
Provincial Treasurer



Fiscal Responsibility

Budget Summary:

	2001-2002 Estimate (\$ millions)	2000-2001 Forecast (\$ millions)	2000-2001 Estimate (\$ millions)
Revenues:			
Revenue Sources	951.2	933.7	886.4
Special Projects Fund	<u>9.5</u>	<u>20.8</u>	<u>3.4</u>
Total Revenues	960.7	954.5	889.8
Expenditures:			
Operating	920.7	910.3	856.4
Special Projects Fund	9.5	20.8	3.4
Capital	<u>28.9</u>	<u>30.1</u>	<u>29.8</u>
Total Expenditures	959.1	961.2	889.6
Budgetary Surplus(Deficit)	1.6	(6.7)	0.2

Forecast 2000-2001:

Revenues:

Forecast revenues are up \$64.7 million from 2000-2001 Budget Estimate.

Major sources are:

Equalization	\$ 24.8 million
Special Projects Fund	\$ 17.4 million
Agriculture and Agri-Food Canada	\$ 13.6 million
Corporate Taxes	\$ 6.2 million

Expenditures:

Forecast expenditures have increased from 2000-2001 Budget Estimate as follows:

Agriculture and Forestry	\$ 28.8 million
Ministry of Development	\$ 14.4 million
Health and Social Services	\$ 10.2 million
Transportation and Public Works	\$ 6.9 million
Education	\$ 6.0 million
Employee Benefits	\$ 3.0 million

The above expenditure increases include \$17.4 million from the Special Projects Fund.

Special Projects Fund

Special Projects Fund - Expenditures:	2001-02 Estimate (\$)	2000-01 Forecast (\$)	2000-01 Estimate (\$)
<u>Health Care Stabilization & Research Fund</u>			
Support of Front Line Staffing	3,500,000	3,382,100	3,382,100
Welfare Assistance Rates	-	1,066,400	-
Nurses Recruitment	-	1,174,100	-
New Physicians	-	555,000	-
Health Research	<u>100,000</u>	<u>165,300</u>	-
	3,600,000	6,342,900	3,382,100
<u>Development Fund</u>			
REDA	-	2,252,900	-
Business Development	275,000	7,425,000	-
Infrastructure Program	<u>1,700,000</u>	-	-
	1,975,000	9,677,900	-
<u>Education Stabilization Fund</u>			
Kindergarten	1,811,200	1,753,900	-
French School in Summerside	1,000,000	-	-
Technology Mentor Program	-	473,800	-
Computer Replacement	-	100,000	-
User Support	<u>350,000</u>	<u>150,000</u>	-
	3,161,200	2,477,700	-
<u>Community Development Fund</u>			
Community Development	-	934,100	-
Corporate Land Use Inventory	<u>192,800</u>	<u>108,700</u>	-
	192,800	1,042,800	-
<u>Sustainable Resource Support Fund</u>			
AERC	570,000	1,000,000	-
Environment Program	-	<u>213,500</u>	-
	570,000	1,213,500	-
Total Special Projects Fund	9,499,000	20,754,800	3,382,100

Where the Money Comes From

Revenues:

Total source revenues are up \$70.9 million from the 2000-2001 budget estimate.

2001-2002 Revenues Where the Money Comes From

(Graph not available online)

Where the Money Goes

Expenditures:

Total expenditures are up by \$69.5 million over 2000-2001 budget estimate..

2001-2002 Expenditures Where the Money Goes

(Graph not available online)

Health and Social Services

Achievements

- Nine new physician positions were established and funded.
- Ten physicians relocated to Prince Edward Island, including seven family physicians and three specialists.
- Creation of 27 new permanent registered nurse positions.
- The tender process for the construction of the new East Prince Health Facility is currently underway. Funding of \$13 million is in the current budget.
- Contribution of \$2.5 million was made in 2000 to the equipment fund at the Prince County Hospital Foundation.
- \$1 million has been allocated to cover the social assistance rate increase announced in November 2000.

New Initiatives

- An integrated Provincial Autism Policy will be implemented.
- Proclamation of new child protection legislation.
- New P.E.I. Disability Support Program - New funding of \$1.5 million will be provided while current funding of \$5.4 million will be redirected toward this program.
- Medical (out-of-province) transport support program \$200,000.

Health and Social Services

New Initiatives (*continued*)

- Children's mental health program will be expanded to provide increase access to community mental health services throughout the Province.
- Enhancement in Family Health Benefits to increase assistance for lower income working families with the cost of prescription drugs.
- Implementation of a new Chronic Disease prevention program \$100,000.
- Increase funding to Provincial Mental Health Services \$500,000.
- Primary Care Redesign funding of \$700,000.
- Introduction of a new gambling treatment program.
- Funding increase of \$3,961,200 for operations of hospitals, manors and home care and support.
- Nursing Recruitment Strategy Funding - \$2,248,400.
- Seniors Drug Program funding increased by \$1,240,900
- Expansion of French Language Services funding by \$656,000
- Expansion of the O'Leary Community Hospital to include 10 additional long-term nursing care beds - \$895,000.
- Additional funding to private nursing homes.

Education

Achievements

- Implementation of publicly-funded kindergarten.
- Contributed \$1.4 million to cover June 30, 2000 operating deficits of Western School Board and Eastern School District.
- Contribution of \$1.2 million to school boards for increases in fuel costs in the current school year.
- Funding of \$100,000 to upgrade computers in intermediate schools.
- Completion of a school construction project at Summerside Intermediate and a new facility to replace the Fort Augustus School.

New Initiatives

- Kindergarten funding has been increased from \$1.7 million to \$3.2 million in Budget 2001.
- Additional investment of \$700,000 is being provided to school boards for staffing and funding, which includes \$140,000 for classroom programming materials.
- Government will be increasing the budget for technology support for the education system by \$250,000.
- Contribution of \$1 million to both UPEI and Holland College. This is the second year of a three year commitment to increase funding to these institutions.

Education

New Initiatives *(continued)*

- Despite declining school enrollments, the Province will invest \$900,000 to maintain the present number of approved teaching positions and fund an additional five positions.
- Extension of the new math curriculum \$216,000.
- Implementation of apprenticeship initiatives \$100,000.
- Contribution of \$100,000 to the Holland College Foundation for bursaries and scholarships.
- Assistance of \$125,000 to UPEI for alterations, renovations and equipment needs.
- Contribution of \$443,600 to fund additional teacher assistant positions.
- Atlantic Veterinary College funding increase \$418,500.
- Funding to Holland College of \$350,000 to support the operation of the Atlantic Welding and Fabrication Centre.
- Continuation of the School Construction Program with projects scheduled for Parkdale Elementary, Miscouche Consolidated and Kinkora Regional High.
- Additional resources to build on the existing capacity of Department and school system staff to address the needs of children with Autism Spectrum Disorder.
- \$61,000 investment in leadership training for school administrators.
- Contribution of \$2.2 million towards the construction of a new French school in Summerside.

Job Creation/Community Development

Additional funding provided as follows:

• Development program assistance	\$6,000,000
• Contribution to recreational facilities (to be contributed over 4 years)	\$6,000,000
• Canada-PEI Infrastructure Program	\$4,292,000
• Canadian Farm Income Program	\$4,000,000
• Highway Maintenance funding	\$2,000,000
• Seed Potato Quality Strategy	\$1,700,000
• Farm Safety Net Programs	\$1,000,000
• Agriculture and Environment Resources Conservation Program	\$1,000,000
• Tourism Investment Fund	\$800,000
• Provincial Parks Waste/Water Treatment Facilities	\$626,300
• New Visitor Information Centre in West Prince	\$525,000
• Sustainable Agriculture Initiatives	\$500,000
• Community Development Projects	\$500,000
• Drinking Water Strategy	\$270,000
• Contribution to French Culture Centre	\$160,000
• Tourism Marketing Enhancements	\$113,400
• Increase funding to PEI Museum & Heritage	\$112,400

Summary Statistics

	1999	2000
Population on 1 July (in '000s)	137.6	138.9
Personal Income per capita* (\$)	20,283	20,864 ¹
<i>As % of Canadian personal income</i>	79.7	82.0
Employment (in 000's)*	61.3	64.5
Unemployment Rate - PEI (%)	14.4	12.0
<i>Unemployment Rate - Canada (%)</i>	7.6	6.8
CPI - Annual Change PEI (%)	1.2	4.1
<i>CPI - Annual Change (%) Canada</i>	1.7	2.7
Retail Trade (\$ millions)	1,156.6	1,239.8
New Motor Vehicle Sales (units)	4,802	4,997
Farm Cash Receipts (\$ millions)	352.3	326.0
Potato Receipts (\$ millions)	194.8	154.9
Lobster Landings (\$ millions)	88.8	85.8
<i>Lobster Landings (lbs - millions)</i>	18.4	19.1
Housing Starts (units)	616	710
Investment (\$ millions)*	517.3	534.3
Manufacturing Shipments (\$ millions)	1,109.0	1,182.6
Tourist Expenditures (\$ millions)	283.4	280.0
International Exports in Goods (\$ millions)	566.5	679.6
GDP at Market Prices (\$ millions)	2,994	3,207 ¹

* Revised Data

¹ Provincial Treasury estimate

Sources: Statistics Canada; CMHC;

PEI Fisheries, Aquaculture and Environment; Tourism PEI