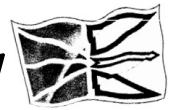


MARCH 28, 2003

Noteworthy



BUDGET 2003

Building Our Future Together

Finance Minister and President of Treasury Board Joan Marie Aylward delivered Budget 2003 on Thursday, March 27, which outlined expenditures of approximately \$4 billion.

"This year's budget will demonstrate once again that any commitment made by this government to the people of the province will be a commitment kept. Over our term we have made commitments to enhance education and youth opportunities, to better health care and to help those most in need. We continue to honour those commitments.

"This budget reflects many of the social and economic priorities we heard during our pre-budget public consultations. In every consultation session, we were told repeatedly to target strategic areas for expenditures, to be disciplined financial managers, and to achieve deficit reduction over the longer term so that we do not jeopardize the strong economic growth this province is experiencing. We are responding to that challenge and the strong direction we were given not to have a 'slash and burn' deficit reduction program that would result in layoffs in the public service and reductions to existing government programs and services.

"Our priority is to ensure that our economic and employment growth continues. We are striking a balance between being disciplined in our expenditures and directing our resources to initiatives that will build on the strong economic and social foundations we have already established." Minister Aylward said the province continues to experience economic and employment growth.

All Budget 2003 documents can be accessed on the Internet at www.gov.nl.ca/Budget2003

BUDGET HIGHLIGHTS

- \$3 million of the \$9.2 million Student Investment and Opportunities Corporation allocated for a new Youth Opportunities Newfoundland and Labrador program to assist in keeping post-secondary students and graduates in the province
- New tax incentives to encourage post-secondary students to work and stay here
- A further five per cent reduction in tuition at Memorial University
- Initiatives to enhance apprenticeship training
- \$2 million home heating fuel rebate to assist low income households
- A second MRI for the province
- An increase in the seniors' benefit tax
- Measures to assist persons with disabilities
- Funding to increase the number of permanent officer positions with the RNC
- Investment of \$500,000 in child nutrition
- Increase of \$13 million for Memorial University, bringing the total to \$145 million
- \$6.5 million Agriculture Policy Framework
- Multi-year commitment to capital infrastructure for municipalities
- \$500,000 for fisheries diversification
- \$26.2 million allocated for the Trans Labrador Highway

Budget 2003 initiatives focus on youth and education

The 2003 Budget committed that government will invest heavily in education and youth service initiatives throughout the province. This includes retaining 218 teaching positions in 2003-04, representing a \$12 million additional investment in the education system. Over the next two years, government will contribute \$5 million towards a federal-provincial Broadband project in the province, with \$2.5 million in funding being allocated in Budget 2003.

Government is allocating \$2.5 million towards phasing in the implementation of recommendations in the Warren Report respecting secretarial and janitorial/maintenance staff services in the school system. Budget 2003 also allocates \$6.2 million for curriculum development, including \$1.7 million toward

implementing a portion of the curriculum-related recommendations in the Sparkes - Williams Report bringing the total expenditure on implementing the curriculum recommendations of the report to more than \$5.1 million over the past three years. In addition government is continuing funding for the Community Access Program (CAP), with new funding of \$1.8 million in Budget 2003.

Government has invested a total of \$45 million from consolidations into the school system, in addition to \$176.8 million for new capital construction and school maintenance and repair. Including the \$8.5 million for 2003-04, this represents a total investment by government of \$230 million into the system since reorganization in 1997.

