BUDGET 2007

INTRODUCTION
Budget 2007 is focused on creating a stronger, safer, better Canada. Based on Canada’s long-term economic plan, Advantage Canada, the budget includes:

• A historic investment to restore our country’s natural beauty, clean our air and help reduce greenhouse gas emissions.
• A Working Families Tax Plan to reduce the tax burden, especially for lower- and middle-income families.
• Investments to preserve our environment and modernize our health care system.

Budget 2007 aims to make Canadian families better off and more secure and make Canada a world leader for today and future generations.

BUDGET AT THE NUMBERS

• $30 billion: funds dedicated over seven years to restore Canada’s fiscal balance.
• 90: per cent of Canadian families that will benefit from the new $2,000 child tax credit.
• 100,000: number of law enforcement officers that will be removed from the tax rolls as a result of the new $2,000 child tax credit.
• 20: number of initiatives in Budget 2007 to preserve and protect the environment.
• 40: per cent increase in annual post-secondary funding to the provinces and territories by 2008–09.
• 1.2 million: number of low-income Canadians who will benefit from the Working Income Tax Benefit.
• $2 billion over seven years to support renewable fuel manufacturers in Canada, including biofuels.
• A rebate of up to $2,000 per vehicle to owners of fuel-efficient vehicles and a Green Lift on new fuel-efficient vehicles.
• $56 million over the next two years for “scrappage” programs to get older vehicles off the road.
• $110 million over three years for better implementation of the Anti-Doping Program.
• $32 million over two years to improve enforcement of environmental laws, including increasing the number of enforcement officers by 40 per cent.
• $10 million over two years to ensure and expand protected areas in the Northern Territories, which includes part of the important boreal forest that stretches across Canada.
• The National Water Strategy will provide $93 million over the next two years to improve the quality of water in Canada’s rivers, lakes and oceans.
• $342 million over 10 years to the Canadian Coast Guard for six new large vessels to patrol our territory.

A BETTER CANADA
A Cleaner, Healthier Environment
Canada is the most beautiful country in the world. Budget 2007 aims to protect our country’s natural beauty, clean our air and help reduce greenhouse gas emissions.

• The Canada Fund for Cities and Climates Change will provide over $1.5 billion for projects to cut air pollution and greenhouse gas emissions.
• Consenting to identify measures to promote growing new energy technologies like carbon capture and storage.
• Phasing out the accelerated capital cost allowance for general investment in the oil sands by 2015.
• $2 billion over seven years to support renewable fuel manufacturers in Canada, including biofuels.
• A rebate of up to $2,000 per vehicle to owners of fuel-efficient vehicles and a Green Lift on new fuel-efficient vehicles.

Modernizing Our Health Care System
As Canadians, we are proud of our universal health care system.

• The Canada Health Transfer will increase by $1.2 billion to $21.3 billion in support of the 40-Year Plan to Strengthen Health Care. Budget 2007 takes further action to strengthen and modernize the health care system, including:
• $490 million for Canada Health Infoway to support the development of electronic health records.
• Up to $612 million for a Patient Wait Times Guarantee Trust.
• $30 million over three years for patient waits times guarantee pilots projects.
• $390 million for provinces and territories can offer a vaccine to protect women against cancer of the cervix.

Investing in Canadians
An important part of being Canadian is that we help and protect our own. Budget 2007 focuses on priorities to help and protect Canadians.

• A Working Income Tax Benefit of up to $3,000 per family or $1,500 for individuals will help people over the “wealth wall” and strengthen incentives to work for more than 1.2 million low-income Canadians.

• A New Registered Disability Savings Plan to help parents and others save money to care for children with serious disabilities.
• $56 million per year to combat the sexual exploitation and trafficking of children.
• $10 million a year to expand the New Horizons for Seniors program which will help prevent abuse and trafficking.

• $10 million a year to achieve meaningful results in key areas such as the economic status of women and combating violence against women and girls.

Strengthening Our Culture
Canadians are proud of our history, culture and the things that make us unique. Budget 2007 provides:

• $30 million over two years to support official languages in minority communities.

BUDGET 2007
Achieve a balanced, strong, secure Canada.

Modernizing our health care system
Budget 2007 includes a comprehensive plan that fulfills the Government’s commitment to support provinces, territories, and communities in their efforts to improve the quality of health care services.

• Renewed and strengthened Equalization—more than $1.7 billion in 2007–08, or approximately $5.5 billion over payments made in 2006–07.

• Renewed and strengthened Territorial Formula Financing—$2.2 billion in 2007–08, or approximately $11.5 million over payments made in 2006–07.

• Fairness through a commitment to equal per capita support for the Canada Health Transfer and the Canada Social Transfer as they are renewed.

• Canada Health Transfer—$21.3 billion in 2007–08, or $1.2 billion over payments made in 2006–07.

• Canada Social Transfer—$9.5 billion in 2007–08, or nearly $1 billion over payments made in 2006–07.

• New and long-term federal funding for labour market training of $500 million annually, beginning in 2007–08.

• Budget 2007 provides $16 billion in new funding for infrastructure. Combined with investments from Budget 2006, long-term support to provinces and territories for infrastructure totals an unprecedented $33 billion over seven years.

RECESSIONAL BUDGET 2007

BUDGET 2007

Budgeting for a Better Canada

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A STRONGER CANADA
Advantage Canada, the Government’s long-term economic plan, creates five Canadian ways to help improve our quality of life and international competitiveness. Budget 2007 takes concrete action to achieve these advantages and make Canada a world leader for today and future generations.

Fiscal Advantage
For 2006–07, the Government plans to reduce the federal debt by $4.8 billion.
• The Government remains on target to lower the federal debt-gDP ratio from 55 per cent in 2000–01 to 25 per cent by 2012–13.
• The Tax Back Guarantee, which will be legislated with Budget 2007, directs over $1 billion a year in debt interest savings to personal income tax refunds.

Infrastructure Advantage
Infrastructure Advantage Canada First
• $1.3 billion for provinces and territories to fund such national initiatives as the core national highway system, urban transit and water treatment facilities.
• $1.8 billion for the Building Canada Fund to support investments in the core national highway system, urban transit and water treatment facilities.
• $2.1-billion fund for gateways and border crossings, including funding for the Windsor-Detroit corridor.

Knowledge Advantage
Budget 2007 invests over $16 billion in new infrastructure funding over the next seven years. Combined with investments in Budget 2006, total federal funding for infrastructure will be $33 billion over that period, the largest such investment in Canadian history.

Entrepreneurial Advantage
Budget 2007 proposes a number of measures to help Canadian businesses grow and succeed in the global market, including:
• An independent review of Canada’s competition policy.
• A 20-per-cent reduction in paper burden for companies, including small businesses.
• $600 million over two years to streamline the regulatory review of large natural resource projects.
• A Global Commerce Strategy to advance Canadian business in global markets.

Tax Advantage
Budget 2007 invests an additional $1.3 billion for an ultimate capital gains exemption for farmers, and $350 million over 2006–07 and the next two years to support the Canada Foundation for Innovation.

How Can I Get More Information on Budget 2007?
Information is available on the Internet at www.fin.gc.ca or by phoning:
1 800 O-Canada (1 800 622-6232)
Fax: 613-996-0518
Phone: 613-995-2855
(TTY for the speech and hearing impaired/deaf)

A SAFER CANADA
Canadians want to live in safe and secure communities. We are also proud of the role Canada plays around the globe, restoring international peace and security requirements to stay in Canada.

ECONOMIC OUTLOOK
• Risks to the economy are slow domestic productivity growth, a downturn in U.S. consumer demand and rising oil prices.

1. $114 million over two years to combat the criminal use of firearms.
2. $6 million in a continued fight against the trafficking of children.
3. Support for the RCMP to tackle white-collar crime.

$14 million a year to combat the criminal use of firearms.
$6 million in a continued fight against the trafficking of children.
Support for the RCMP to tackle white-collar crime.

$2.3 billion for provinces and territories to fund such national initiatives as the core national highway system, urban transit and water treatment facilities.
• $17.6 billion in gas tax and other base funding
It includes:
• $6 million a year to combat the sexual exploitation and
$64 million over two years to establish a new National

$200 million on focused international assistance objectives

$30 million to the Rick Hansen Man in Motion Foundation for spinal cord research.

$350 million to support the Canada Foundation

$15 million a year to the Indirect Costs of Research program.

$120 million to CANARIE for a next-generation research

$350 million over 2006–07 and the next two years to support post-secondary education.

$150 million to support the Canada Foundation for

$350 million over two years for new graduate scholarships.

$100 million to the Indirect Costs of Research program.

$100 million for Genome Canada.

$30 million over two years to facilitate the creation of the new business
Fund of Businesses of Excellence.

$150 million over two years to address the creation of new businesses
Networks of Centres of Excellence.

$510 million to support the Canada Foundation

$14 million over two years to combat the criminal use
of firearms.

$30 million to the Rick Hansen Man in Motion Foundation for spinal cord research.

$175,000 from $50,000.

$225,000 from $150,000.

$5 million a year for research targeted to key priorities through the federal granting councils.

$100 million for Genome Canada.

$3 million to the Rick Hansen Man in Motion Foundation for spinal cord research.

$120 million over two years for new graduate scholarships.

$100 million to support the Canada Foundation for Innovation.

$120 million to CANARIE for a next-generation research network.

$85 million a year for research targeted to key priorities through the federal granting councils.

$15 million a year to the Indirect Costs of Research program.