# BUDGET 2007

# ASPIRE

TO A STRONGER, SAFER, BETTER CANADA

# CANADA'S NEW GOVERNMENT

Preserving Our Environment and Modernizing Our Health Care System

MARCH 19, 2007

Canada

# INTRODUCTION

As Canadians, we are proud of the country we have built together. We live in the most beautiful country in the world, and we must preserve and protect our lands, water and air. We have also built a first-rate health care system, which requires new investment and modernization to remain on the cutting edge.

## **PRESERVING OUR ENVIRONMENT**

Budget 2007 invests \$4.5 billion to clean our air and water, reduce greenhouse gases and combat climate change, as well as protect our natural environment. Combined with investments since 2006 totalling over \$4.7 billion, the resulting investments total over \$9 billion.

# Cleaner Energy, Better Energy Efficiency

Canada is an emerging energy superpower. We are well positioned to take advantage of our significant natural resources in new, innovative and environmentally friendly ways that will provide significant benefits to the economy.

Budget 2007 proposes to:

- Provide over \$1.5 billion in the Canada ecoTrust for Clean Air and Climate Change to support major environmental projects with provinces and territories.
- Commit to identifying additional measures to promote promising new clean energy technologies like carbon capture and storage.
- Phase out the accelerated capital cost allowance for general investment in the oil sands by 2015.

## Promoting Cleaner Transportation

Cleaner, more efficient fuels and vehicles will help reduce greenhouse gas emissions and air pollution. Budget 2007 includes:

- An additional \$2 billion over seven years to support the production of renewable fuels, including:
  - A \$1.5-billion incentive to support the production of renewable biofuels, such as ethanol and biodiesel.
  - \$500 million for Sustainable Development Technology Canada to invest with the private sector in establishing large-scale facilities for the production of next-generation renewable fuels.
- A Vehicle Efficiency Incentive structure that will include a new rebate of up to \$2,000 for the purchase of a new fuel-efficient vehicle, and a Green Levy on new fuel-inefficient vehicles.
- \$36 million over the next two years for "scrappage" programs to retire older vehicles.
- Extension of the public transit tax credit to electronic fare cards and weekly passes used on an ongoing basis.

# Protecting Canada's Natural Heritage

Building on recent measures to help protect our natural environment, which include more than \$250 million for such measures as the Natural Areas Conservation Program and safeguarding the Great Bear Rainforest on the central coast of British Columbia, Budget 2007 allocates:

- \$10 million over two years to conserve ecologically important lands in the Northwest Territories, which will protect an important part of our boreal forest and build on the agreement to work towards permanently protecting a National Historic site the size of Prince Edward Island.
- \$110 million over two years for more effective implementation of the Species at Risk Act.
- \$22 million over two years to improve the enforcement of environmental protection laws, including a 50-per-cent increase in the number of enforcement officers.

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#### National Water Strategy

Canada has the third-largest supply of fresh water in the world. We must all do our part to preserve and protect our rivers, lakes and oceans for future generations. Budget 2007 proposes a new National Water Strategy, which will include:

- \$12 million over two years to support the clean-up of Lake Simcoe, Ontario, which has been affected by excessive amounts of phosphorus.
- \$11 million over two years to accelerate the clean-up of the Great Lakes and \$7 million for the Lake Winnipeg Basin.
- \$19 million to advance the health of the oceans and support greater water pollution prevention, surveillance and enforcement along Canada's coasts.
- \$39 million for fisheries science research programs to strengthen management and conservation.
- Federal support for investments by provinces, territories and municipalities to improve water and wastewater infrastructure, including treatment facilities, sewage collection and water distribution.
- \$324 million over 10 years to the Canadian Coast Guard for six new large vessels to support its role in fisheries science and enforcement.

#### **BUILDING ON OUR SUCCESS**

The three E's of the environment, the economy and energy are inextricably linked. A modern economy needs to be energy efficient; as an emerging energy superpower, we can fuel our own economy; and a clean and healthy environment will attract and keep the jobs we need.

Since 2006, Canada's New Government has committed over \$9 billion to preserve and protect our environment, including:

- \$2.4 billion for cleaner energy and energy efficiency.
- \$2 billion for cleaner transportation.
- \$300 million for natural heritage conservation and a cleaner, healthier environment.
- A clean air agenda that replaces voluntary approaches and a patchwork of regulatory processes across the country with a national mandatory system that will achieve real results.

### **MODERNIZING OUR HEALTH CARE SYSTEM**

Canadians are proud of their health care system, but we must constantly work to keep it strong. Among other things, Budget 2007 proposes to increase funding for Canada Health Infoway, for a Patient Wait Times Guarantee Trust, for the Canadian Institute for Health Information, and for provinces and territories to protect women and girls from cancer of the cervix.

The Canada Health Transfer will provide \$21.3 billion in 2007–08, or \$1.2 billion over payments made in 2006–07, to support provincial and territorial health delivery. This will continue to grow by 6 per cent annually to reach \$30.3 billion in 2013–14.

In addition to these transfers, Budget 2007 proposes to directly invest:

- An additional \$400 million for Canada Health Infoway to support provincial and territorial development of electronic health records that will reduce wait times, reduce the risk of medical errors and lead to better outcomes.
- Up to \$612 million to support jurisdictions that have made commitments to implement patient wait times guarantees.
- \$30 million over three years for patient wait times guarantee pilot projects to assist provinces and territories in implementing their patient wait times guarantees.
- \$300 million in per capita funding for provinces and territories to support the launch of a national human papillomavirus vaccine program to protect women against cancer of the cervix.
- \$10 million over the next two years and \$15 million per year thereafter for the establishment of a Canadian Mental Health Commission.
- \$2 million in one-time funding to support the Canadian MedicAlert Foundation's goal of implementing its *No Child Without* program in all elementary schools in Canada.
- A \$22-million-per-year increase to help the Canadian Institute for Health Information build on its reputation as a world leader in providing timely, accurate and comparable health information that supports improved health delivery outcomes.

# 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)

1 800 926-9105 (TTY for the speech and hearing impaired/deaf)

You can also obtain copies of this brochure and other budget documents from the:

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