

BACKGROUND

INVESTING IN B.C.'S ECONOMIC COMPETITIVENESS

Balanced Budget 2008 delivers, over four years, \$428 million in new investments and an additional \$407 million in tax reductions to enrich our communities, improve British Columbia's competitiveness, and build on our economic strengths.

New tax reductions:

- \$112 million to enhance the basic and regional film tax credits to support B.C.'s film industry;
- \$220 million to phase out the existing capital tax on financial institutions and replace it with a minimum tax;
- \$6 million for changes to the *International Financial Activity Act* to expand the types of patents and activities eligible for tax refunds;
- \$60 million to reduce the school tax rate for major industrial properties to reflect the competitive pressures facing B.C.'s export sector; and,
- \$9 million for improvements stemming from the PST Review.

New funding:

- \$12 million to Geoscience BC for oil and gas exploration and to further develop geoscience data to support mineral exploration in Mountain Pine Beetle-affected regions;
- \$30 million to enhance engagement with First Nations when Crown land and resource decisions affect asserted Aboriginal territories;
- \$21 million to assist with environmental assessment and resource permitting demand;
- \$6 million to staff and manage 125 new parks and protected areas;
- \$60 million to support research and innovation through GenomeBC and to upgrade and expand Science World;
- \$30 million to endow the Terry Fox Research Centre, to be headquartered in B.C., for translational research to help in the fight against cancer;
- \$25 million for the Brain Research Centre at the University of British Columbia to support research and explore new treatments for illnesses and injuries affecting the brain;
- \$15 million to the Li Ka Shing Foundation for cancer research and care;
- \$10 million to advance musculo-skeletal research in areas such as hip health and osteoporosis;
- \$2 million to expand research on preventing and treating childhood cancers;
- \$40 million to strengthen and expand economic and cultural links between B.C. and Asia Pacific nations;

- \$7 million to expand the Provincial Nominee Program and attract more skilled workers and entrepreneurs to British Columbia;
- \$5 million to enhance the Skills Connect for Immigrants and International Qualifications programs to connect skilled immigrants with employment opportunities;
- \$30 million for the Build Canada Fund to help communities with drinking water, sewage treatment and other infrastructure projects;
- \$9 million to enter into cost-sharing agreements for planning and procurement of wastewater treatment facilities in the Capital Regional District;
- \$10 million for rural municipalities to restore roads damaged by increased logging truck traffic due to the intensified harvesting of trees infested by Mountain Pine Beetle;
- \$11 million to maintain inland and coastal ferries service standards;
- \$24 million generated from the \$150 million endowment for the BC150 Cultural Fund to support new arts and culture activities across the province;
- \$9 million to restore and revitalize the Vancouver East Cultural Centre and establish an endowment for ongoing operational expenses;
- \$3 million to explore opportunities for an Aboriginal art gallery and a World Women's History Museum; and,
- \$69 million to support other arts and culture initiatives, which will be announced before the end of the fiscal year.

In addition, \$183 million in economic investments are being made as part of the \$1 billion in new funding for climate action initiatives:

- \$10 million to support innovation in the pulp and paper industry to further reduce its carbon footprint;
- \$19 million to enhance the carbon storage potential of B.C. forests, develop new seed technologies, and reduce risks of wildfires to communities;
- \$25 million to establish the Bioenergy Network to encourage research and investments in such areas as wood-waste co-generation, biofuels from wood, agricultural or waste biomass, and wood pellet production;
- \$10 million to introduce a biodiesel production incentive;
- \$95 million for climate change research through an endowment to the Pacific Institute for Climate Solutions and the Pacific Climate Impacts Consortium; and,
- \$24 million to establish the Pacific Carbon Trust to invest in greenhouse gas-reducing projects in B.C.

For the Finance Minister's speech and more details on *Balanced Budget 2008*, visit www.gov.bc.ca/bcbudget online.

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