

## Budget in Brief

March 7, 2019

The provincial government's Budget 2019, released today, sets out \$350 million for investment in Manitoba Infrastructure's Highways Capital program – no increase from Budget 2018. Notably, an additional \$45 million will be invested in 'one-time' commemorative projects for "highways and roads" to mark Manitoba's 150th anniversary. No details were released in the budget document on these projects.

Most of the one-time "150" funds are expected to flow through Manitoba Infrastructure.

### Manitoba Budget 2019 by the numbers

(millions)	<u>2019</u>	<u>2018 (3rd quarter report)</u>	<u>2018 (Budget)</u>
<b>Mb Infrastructure</b>			
Highways Capital	\$350.0	\$346.0 (incl. airport cap.)	\$350.0
M&P – Highways	\$151.4	\$136.0 (est. for 18/19)	\$162.7
Water-related Infrastructure	\$65.4	\$36.0	\$103.6

(millions)	<u>2019</u>	<u>2018 (3rd quarter report)</u>	<u>2018 (Budget)</u>
<b>Municipal Relations</b>			
Water Services Board – water & sewer	\$15.8		\$13.8

As well, the Estimates of Expenditure book contains a one-time, \$45-million fund for highways and roads in 2019/20 for commemorative projects to mark Manitoba's 150<sup>th</sup> anniversary. Details to be released at a later date. No word as to whether this fund will be subject to open, public tender process.

### Total Core Infrastructure Budgeted 2019/20 (Mb Infrastructure and Municipal Relations)

Highways	350.0	
Water-related*	65.4	
Water & sewer	<u>15.8</u>	
	= 431.2	
Manitoba 150 (one-time)	+ <u>45.0</u>	
	= 476.2 million	vs. Budget 2018's \$467.4million

\*Water-related incl. \$35million for LSM, primarily design costs for outlets

### Provincial Deficit

- The 2019/20 summary deficit is expected to be \$360 million, \$110 million less than the projected 2018/19 deficit. The 3rd Quarter Report (released Monday, March 4) stated the summary deficit projection for 2018/19 at \$470 million, \$51 million less than was budgeted last year. In 2017/18, the summary deficit was \$695 million.

### Manitoba PST

- The Province of Manitoba announced the PST will indeed be cut from 8% to 7% as of July 1, 2019, which will reduce tax revenues to the treasury by \$237 million this year (full year = \$325 million)