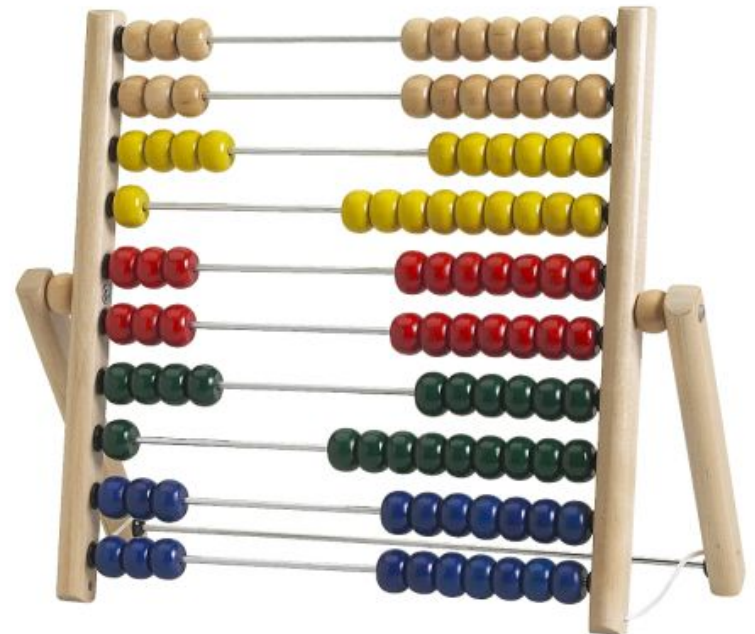


2013 Manitoba Pre-Budget Presentation





We are:

- Non-profit, Non-partisan

We Stand For:

- Lower Taxes
- Less Waste
- More Accountability

What We Do:

- Direct advocacy with politicians
- Provide comment to the media
- Educate/mobilize supporters



At a Glance...

Manitoba suffers from a “Hail Mary” spending problem – money is routinely thrown at issues while politicians cross their fingers and hope it delivers results.

This has resulted in:

- Poor service results
- High taxes
- High debt
- Underperforming economy

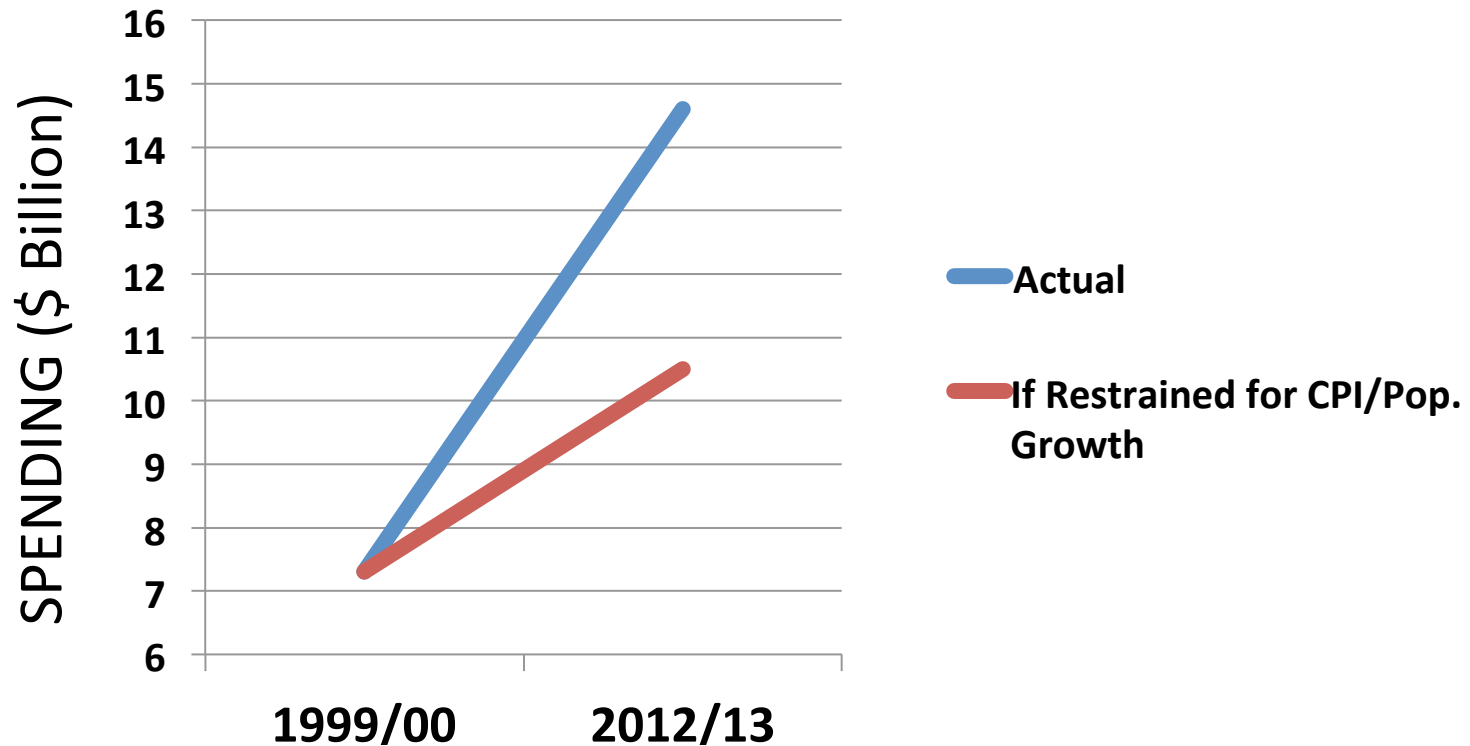


Top 10 CTF Priorities



1) *Balance the Budget*

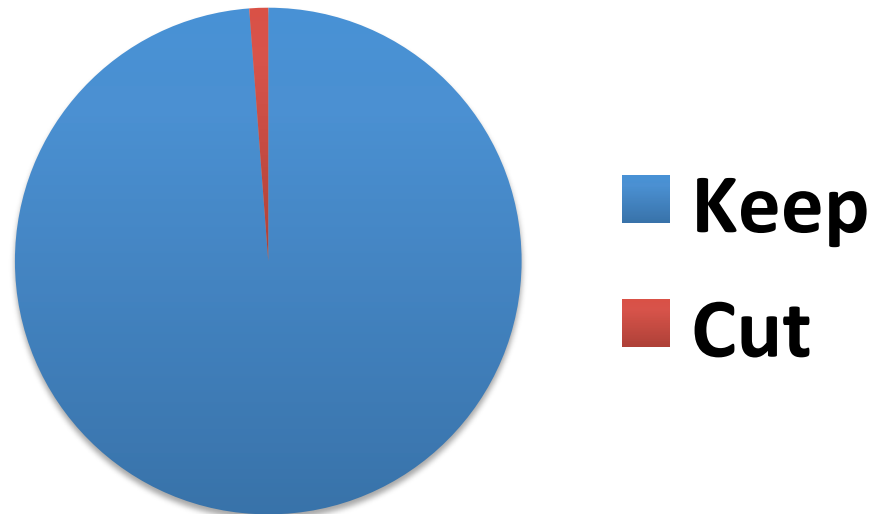
Blame for the deficit was first laid on the economic downturn and now it's the flood. The reality is the NDP simply can't control spending. That has led to high taxes, higher debt & and money wasted on interest costs.



1) *Balance the Budget...cont'd*

Spending has increased over the past decade at a torrid pace – more than double inflation and population growth.

Yet the \$567 million deficit is only 3.9% of spending.



Recommendation 1) Cut spending to balance the budget in 2013-14; last forecast projected 1.2% deficit.

2) *Spending Review*

After a decade of wild spending, it's time for a serious review of current programs and future cost pressures.

Recommendation 2) Establish a spending review committee of outside experts (or an all-party committee) to review spending.



3) Reduce the Bureaucracy

103

84



CDN Average



MANITOBA

Number of municipal and provincial bureaucrats / 1000 residents. Annual savings if Manitoba downsizes to the national average = **\$1.2 billion/yr.**

Source: [Frontier Centre for Public Policy](#)

3) Reduce the Bureaucracy

Since the economic slowdown, Manitoba's provincial bureaucracy [increased by 1,235 positions](#). Thus, the province's planned 600 position reduction still leaves Manitobans paying for a larger bureaucracy than when the slowdown began.

As 23% of civil servants will be ready for retirement over the next five years, a larger downsize can be achieved relatively pain free.

Recommendation 3) Downsize more aggressively.



4) Pay Fairness

Average Weekly Earnings in MB:

Gov't Workers

\$905

Everyone Else

\$723



4) Pay Fairness

Across the country, public sector unions are using each others' gains to leapfrog over each other – ultimately receiving higher pay settlements than taxpayers are receiving.



Recommendation 4) Start national discussion on controlling public sector pay.

5) Pension Reform

Who has a workplace pensions in MB?

Gov't Workers

89%

Everyone Else

29%



5) Pension Reform

Who has a defined benefit workplace pension
(most expensive type) in MB?

Gov't Workers	74%
Everyone Else	12%



5) Pension Reform

Worse yet, expensive defined benefit government employee plans are requiring bailouts from taxpayers:

“A review of current contribution rates for public sector plans registered in Manitoba revealed that all plans are dealing with rate increases over the next few years and that the Municipal Employee Pension Plan rates were comparable to the other plans.” - [Municipal Employees Benefit Program](#)



5) Pension Reform

Recommendation 5) Just as Saskatchewan's NDP did in the late 1970s, begin putting new hires in less costly, defined contribution pension plans. Existing plans should be scaled back.



6) *Corporate Welfare*

People can decide on their own if they want to invest in a company or not. It's time for the provincial government to scrap the Manitoba Industrial Opportunities Program and other similar programs.

Recommendation 6) Eliminate corporate welfare programs.



7) *Focus on Core Services*

The provincial government needs to stop funding everything under the sun and focus on its mandate – health care, education, highways, CFS, etc.

Recommendation 7) *Focus on funding and reforming core services to ensure best outcomes.*



8) *No Vote Tax*

In 2002 the NDP raised **\$660,301** in donations.

In 2011 the NDP raised **\$1,416,718** in donations.

Clearly, the NDP have no grounds for claiming their party needs another subsidy from taxpayers.



Recommendation 8) *No new vote taxes;*

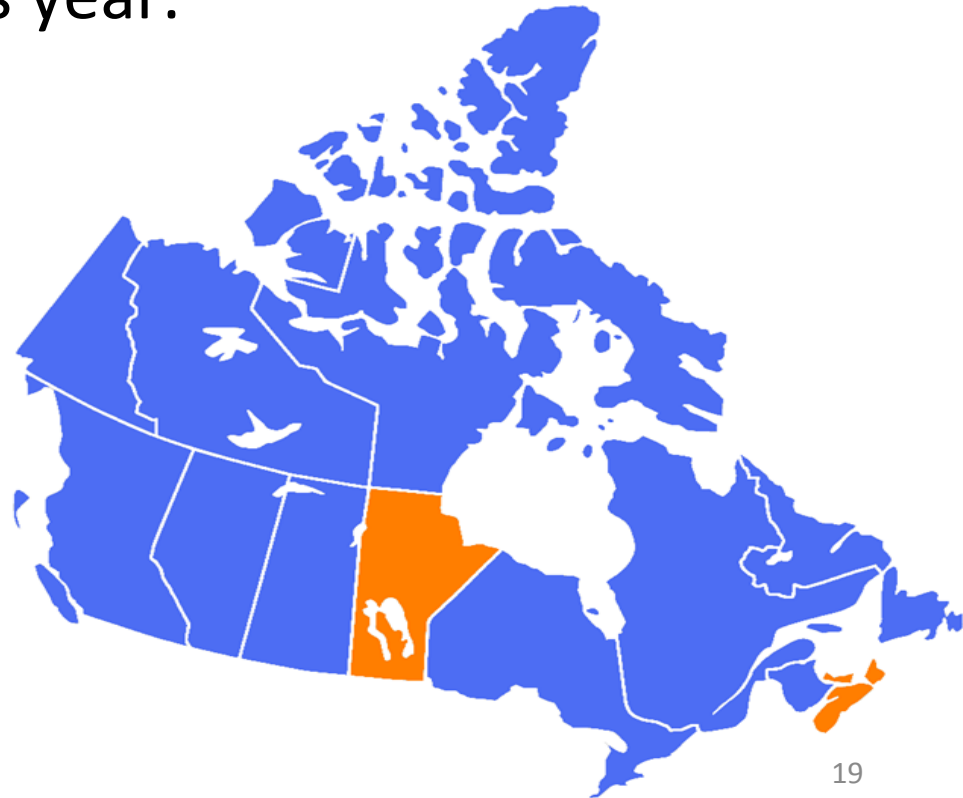
they're a symbolic signal the government isn't taking the deficit seriously.

9) *End Bracket Creep*

Manitoba continues to be one of three provinces that does not protect taxpayers for inflation in the tax system. Had the rates been indexed in 1999, taxpayers would save **\$90 million+** this year.

Recommendation 9)

End Bracket creep immediately.



10) No More Tax Increases!

Manitoba families are hurting from:

- Largest tax increase in 25 years (last year)
- School tax increases
- Municipal tax increases
- Bracket creep
- Hydro rate increases
- Other fee increases
- CPP/EI increases

Recommendation 10)

No tax hikes!



Appendix



Appendix: Spending Table

Year	Actual Spending	Per Capita Spending Adj for Infl.	Difference	Population	CPI
1999/00	\$7,287,000,000	\$7,287,000,000.00	\$0.00	1,138,900	2
2000/01	\$7,496,000,000	\$7,468,634,345.42	\$27,365,654.58	1,144,400	2.5
2001/02	\$7,726,000,000	\$7,682,776,747.08	\$43,223,252.92	1,148,500	2.7
2002/03	\$7,995,000,000	\$7,921,813,786.22	\$73,186,213.78	1,153,100	1.5
2003/04	\$9,070,000,000	\$8,078,295,542.80	\$991,704,457.20	1,158,500	1.8
2004/05	\$9,578,000,000	\$8,291,141,372.02	\$1,286,858,627.98	1,168,000	2
2005/06	\$10,381,000,000	\$8,515,612,666.94	\$1,865,387,333.06	1,176,100	2.7
2006/07	\$10,948,000,000	\$8,774,534,790.03	\$2,173,465,209.97	1,180,000	2
2007/08	\$11,938,000,000	\$9,097,169,972.63	\$2,840,830,027.37	1,199,400	2
2008/09	\$12,312,000,000	\$9,370,403,632.04	\$2,941,596,367.96	1,211,200	2.3
2009/10	\$12,848,000,000	\$9,708,596,136.51	\$3,139,403,863.49	1,226,700	0.6
2010/11	\$13,503,000,000	\$9,766,847,713.32	\$3,736,152,286.68	1,226,700	0.8
2011/12	\$14,854,000,000	\$9,981,417,403.66	\$4,872,582,596.34	1,243,700	3
2012/13	\$14,548,000,000	\$10,473,490,687.89	\$4,074,509,312.11	1,267,003	1.6
		TOTAL DIFFERENCE	\$19,119,173,295.00		

Sources: Public Accounts (spending figures), Statistics Canada (population figures, CPI)