

expenditure for the province after Health and Social Services which takes up \$321.9 million (or 36.5% of all expenditures) and Education which accounts for \$189.6 million or 21.5% of all expenditures.

The government announced several pre election goodies in several areas. I will not bore you by going through them all but I will provide a summary of what I think are important. The Tories will be buying a Linear Accelerator Unit for the Cancer Treatment Centre and a Magnetic Resonance Imaging (MRI) Unit. They will begin constructing an East Prince Health Facility and they set aside money to try to recruit doctors and nurses to the Island. Other areas of health expenditure included prevention strategies and research.

In education, the government took several initiatives. The biggest is the \$1.5 million being spent to implement a province wide kindergarten program (the last province in Canada to do so). They have boosted spending at UPEI (as outlined a couple of weeks ago) and have increased their funding by \$1.2 million to the operating budget this

year and made a commitment to increase it by another million for each of the next two years. They have made a \$3 million investment in elementary and secondary schools through a variety of initiatives (although they did not pay heed to the PEI Teachers Federation request that 40 additional teachers be hired to improve teaching). They also spent

years. Overall, growth is expected to be at 3% of the economy. The one thing that eats at this growth is inflation, which was measured at 1.2%. But Mella mentioned something that I warned about several months ago. She pointed out that rising fuel costs will probably increase inflation. To find out real growth after inflation (the actual amount the economy

The upside to inflation is that it means that personal income rises. From 1998 to 1999 (the most update statistics available), personal average income for all Islanders rose from \$19,124 to \$19,706, which is good.

After digesting all of these crazy numbers, we waited for Mella to arrive to answer our questions. She did

answered questions with their help. Each question would see these economists scramble through their files and produce the crazy number asked for. Mella showed a great ability to answer questions while reading files. I managed to even fire a couple of questions her way. I found it amazing how when one journalist raises a point the others start circling around that point like a shark around a bleeding victim. She seemed confident that borrowing institutions would react positively to this budget.

The one area that I wanted an answer to I got. Basically, the federal government has given the provinces the option to set up their own tax system and rates. PEI will be doing this. This is

important because since the federal government cut their taxes, it effects provincial revenues (downward) because they take a percentage of the federal government tax grab. Mella assured me that all tax cuts would be passed on in full to Islanders as PEI would use the same tax brackets as Ottawa. Whether or not they intend to keep this promise is another matter altogether because when revenues fall you can be sure they will find the money from somewhere. And that somewhere usually means you or I.

GONZO OUT

Last year's budget had a \$16.5 million surplus which the Tories managed to bury in a manner that would make

**Paul Martin**  
envious.

money on book acquisitions and other education areas.

Finally, they made a lot out of their varied job creation schemes. What this is is a way to reward party hacks with high paying no work jobs in a variety of industries. The important part of the job equation is that PEI has the highest number of people employed in its history, 64,800 of the 138,000 people living on the Island. The unemployment rate in February, 2000 was 11.5%, which is its lowest rate in 12

actually grew) one arrives at 1.8% which isn't bad but is not an economic explosion.

not look like she was having the time of her life. Flanked by her economists, she

### UPEI Sexual Harassment Policy on Campus

You may or may not know this, but UPEI has a policy on sexual harassment (it is on the web) and a committee to oversee policy development and deal with any questions or complaints that may arise. For this academic year the committee is composed of:

Barb Curley (curley@upei.ca), Matt Hogan (mhogan@upei.ca), Bob Gibson (bgibson@upei.ca), Roberta MacDonald (romacdonald@upei.ca), Genesta MacInnis (gmacinnis@upei.ca) and David Sims (sims@upei.ca).

Your university has a strict policy of dealing with sexual harassment, if you have any concerns, please contact any of the committee members.