

Highlights of Provincial 2019 Budget released February 19, 2019:

Summary

- Estimated surpluses \$274 million for 2019/20, \$287 for 2020/21 and \$585 million for 2021/22
- 2019 has more than \$1.5B of unallocated spending - essentially a 3% contingency built in year 1
- Year's 2 and 3 have \$2.3B in unallocated spending.

3 New spending commitments

1. Province will commit \$902 million implement CleanBC

CleanBC-Transportation

- \$90 million to encourage the adoption of zero emission vehicles
 - \$3 million to develop and implement a Zero Emission Vehicle standard
 - \$42 million to maintain point of sale incentives
 - \$20 million for fast charging and hydrogen fueling stations + \$5 million over three years for battery charging stations at highway rest areas
- \$6 million over three years for active transportation projects

CleanBC-Commercial & Residential Buildings

- \$168 million to support commercial reduction of GHG emissions
- \$58 million to make homes and buildings more energy efficient

CleanBC-Other CRD related

- \$15 million for the Remote Community Clean Energy Strategy
- \$3 million for the Indigenous Clean Energy Initiative
- \$1 million over three years to develop a program increase organic waste diversion
- \$299 million in contingency funding

2. First Nations and Reconciliation

- Gaming revenue sharing of \$297 million over three years
 - projected to provide \$3 billion over the next 25 years
- Forthcoming legislation to implement the UN Declaration on the Rights of Indigenous Peoples.

3. Childcare and Support for Parents

- additional \$9 million will be provided for childcare fee reduction.
- \$400 million has been committed to introduce a new B.C. Child Opportunity Benefit starting in 2020 that will replace the Early Childhood Tax benefit.

Continuation from Last Budget

1. Housing

- additional \$24 million in operating funding grants will be provided over the next 3 years
- additional 200 modular units for homeless or at risk of homelessness will be built
- province wide homelessness count will be undertaken
- provincial homelessness coordination unit will be established
- accelerate payment of \$38 million in grants to housing providers to reduce ongoing borrowing costs

2. Other Items that could be related to the CRD and/or Municipalities & EAs

- Environmental Assessment
 - \$9 million for implementing the revitalized Environmental Assessment Act
- Wildfire Resiliency and Management
 - \$60 million to the Community Resiliency Investment Program
 - \$111 million over three years to increase wildfire response and control capacity
- Mental Health, Addictions and Opioid Response
 - \$30 million over three years to respond to opioid overdose emergencies
 - \$74 million over three years to enhance mental health and addictions services for children, youth and young adults
- Taxi Modernization and Ride Hailing
 - \$9 million over three years to modernize the taxi industry and introduce ride hailing

3. Interesting Budget Items

- Expansion of Public Service
 - FTEs in core ministries to increase by 600 (from 30,750 to 31,350) in 2019/20
- Employer health tax revenue is projected to rise from \$0.5 billion in 2018/19 to \$1.9 billion in 2019/20 reflecting the full year effect of the January 1, 2019 effective date.
 - Over the next two years, revenue growth is forecasted to average 4.0% annually
 - Forecasting employee compensation income growth to match

Cannabis Excise Tax

- Province received the excise tax from the Federal Government on March 1, 2019
- Budget 2019 does not estimate the federal transfer amount

Rent Bank

- \$10 million to the first-ever provincially-funded rent bank
- provides no-interest loans for low-income individuals who are at risk of losing their housing due to a short term financial crisis
- no details about how funds will be allocated