

### **Highlights of 2021 BC Provincial Budget**

At first glance it's an unbalanced budget (nearly \$70B) with forecasted deficits of;

- 2021/22 \$9.7B deficit (including \$3.3B in contingencies)
- 2022/23 \$5.5B deficit (including \$1.0B in contingencies)
- 2023/24 \$4.3B deficit (including \$0.3B in contingencies)

The forecasted debt by the end of the 3 year budget in 2023/24 is \$92.7B (nearly double pre-pandemic levels). The Government predicts that it will take at least 10 years to repay this debt.

2021/22 GDP forecast to grow at 4.4% with a provincial Unemployment rate of 7.5%

### **Provincial Budget Highlights Impacting CRD & Member Municipalities**

#### **1. COVID Response**

- \$3.2B in COVID-Related Impacts including;
  - \$253 million over three years to provide faster access to doctors and nurse practitioners
  - Additional \$900 million for 2021/22 Pandemic and Recovery for health-related needs including testing, contact tracing, and vaccine rollout
- \$120 million in 2021/22 for tourism including \$20 million for community destination development grants **[municipalities? Non-profits, EAs]**
- \$6M over three years to support the recovery of arts and culture organizations **[Arts, Grants]**

#### **2. Affordable Housing**

- \$2 billion additional funding for the HousingHub program which aims to build 9,000 rental homes over the next 3-5 years. Incremental to current funding to the build more than 10,000 low-middle-income units through grant funding non-profit housing providers. **[CRHC, non-profit housing providers]**
- \$265 million in 2021/22 to supports and services related to homelessness. There is an additional \$30 million ongoing support tied to hotel purchases providing 400 shelter units. **[CRHC, CRHD?]**
- Funding to maintain more than 3,000 temporary emergency shelter spaces secured during the COVID-19. Specific to Vancouver and Victoria, additional funding for the 650 urgent shelter spaces, rent supplements, and supportive housing sites used to support decampments, with on-site health and other supports. **[CRHC, non-profit housing providers, CRHD?]**
- Continued partnership with the federal government through the Rapid Housing Initiative to convert existing buildings into supportive housing, and develop modular housing. **[CRHC]**

### 3. Environment

- \$506 million continued funding (over 3 years) to support CleanBC through;
  - \$130 million incentives for zero emission vehicles, charging infrastructure, electrification of school buses, ferries, government fleets. Also included is \$18 million for active transportation infrastructure **[Parks & Trails, Facilities, Transportation]**
  - \$11 million to develop and fund a new program for local governments to plan for compact, energy efficient communities **[Community Planning?, Climate Action]**
  - \$46 million for energy efficient buildings and communities **[Facilities?]**
  - PST exemption on electric bikes **[Transportation, Parks & Trails]**
- \$60 million for Centre of Innovation & Clean Energy to support commercialization of clean tech
- \$519 million for CleanBC's Program for Industry to transition to low carbon technology

### 4. First Nations Reconciliation

- \$60 million annual funding to support engagement and capacity building on legislation, policy, and programs **[FNR]**
- \$59 million for cultural safety and humility training across health and addiction services
- \$20 million in rural economic recovery grants for Indigenous and local governments **[FNR, Grants, EAs]**
- \$17M to implement the Declaration Act and reconciliation agreements, including land transfers **[FNR]**

### 5. Support Services

- \$233 million increase over three years for childcare to create new spaces **[Recreation?]**
- Additional \$111M to expand the low-to no-cost childcare program **[Recreation?]**
- Provincial funding of \$41 million over 3 years to support local governments, not-for-profit entities and First Nations in accessing community infrastructure funding *further details coming in the fall of 2021.* **[FN Relations, Grants, EAs]**
- \$100 million in 2021/22 for Community Infrastructure, BC 150 Grants, and CleanBC recovery **[Grants, EAs]**
- Ongoing base funding of \$40 million over the plan for the Province's connectivity strategy **[Grants, EAs]**
- \$83 million over 3 years for BC Parks, with \$10 million in 2021/22 to improve parks, add campsites, upgrade trails, purchase new land, and improve the reservation system **[Parks?]**

**6. Other Budget Items of Interest**

- \$150M for Increased Employment Incentive tax credit for those who increased hiring or wages in the fourth quarter of 2020 **[CRD, Munis?]** **Note the minimum wage will be raised to \$15.20 per hour on June 1, 2021.**
- \$1.9B for public transit services including free transit for youth 12 and under across the province **[Transportation]**
- Mental Health & Substance use
  - \$3.1 billion over the plan to improve mental health care, including \$500 million to expand mental health and substance services:
    - \$97 million to build a network of mental health supports for youth (schools, wellness resources, integrated supports teams school districts) **[Health]**
    - \$61 million incremental over the plan to improve access and quality of services, including eating disorder care, suicide prevention, psychosis intervention **[Health]**
    - \$14 million for the First Nations Health Authority to deliver mental health and addictions services to Indigenous peoples. **[FN Relations, reconciliation]**
    - \$330 million over the plan for full spectrum substance-use treatment and recovery services, including \$152 million for opioids **[Health]**
    - 195 new substance use treatment and recovery beds **[Health]**
- \$195 million in 2021/22 for the Small and Medium Sized Business Recovery Grant Program **[Economic Development?]**