

BUDGET 2018 CONSULTATION



BRITISH
COLUMBIA



Government is carving a path toward long-term, sustainable economic growth by investing in our greatest resource—people.

The Budget 2017 Update represents a new vision for British Columbia. It takes the first steps toward making life more affordable and improving services for everyone in our province, while building a strong sustainable economy that works for all.

Budget 2017 Update *Highlights*

Making life more affordable, including:

Cutting Medical Services Plan (MSP) premiums in half for everyone

Saving individuals up to \$450 per year and families up to \$900 per year, beginning Jan. 1, 2018.

Affordable housing

Building 1,700 affordable rental units for low- to moderate income families, and building and staffing 2,000 new modular housing units with a \$632-million investment.

Eliminating bridge tolls

Saving commuters who take the Golden Ears or Port Mann bridges more than \$1,500 a year, and commercial drivers averaging one crossing a day more than \$4,500 a year.

Income and disability assistance rates

Increasing income and disability assistance by an additional \$100 a month.

Investing in services British Columbians count on, including:

Fentanyl emergency

Taking immediate action to improve mental-health and addiction services, as well as helping police and the coroner's service deal with the emergency with a \$322-million investment.

K-12 education

Ensuring students have the supports they need to succeed, including hiring 3,500 more teachers and build the spaces that schools need with \$681 million in increased funding over three years.

Child care

Supporting over 4,000 new child-care spaces and providing \$330 million in early childhood development and child-care funding in 2017-18.

Healthy Kids program expansion

Helping low-income families with improved dental rates and expanding services to include hearing aids.

Home and residential care for seniors

Supporting seniors who want to stay at home with \$189 million in new support.

Residential Tenancy Branch

Reducing wait times and helping renters and landlords better understand their responsibilities with a \$7-million investment over three years.

Building a sustainable economy that creates good jobs, including:

Wildfires

Upgrading wildfire infrastructure, protecting communities from wildfire, and supporting community recovery with a \$255-million investment.

Adult education

Restoring free tuition for Adult Basic Education and English Language Learning at post-secondary and K-12 levels, which began in August 2017.

Infrastructure spending

Investing \$14.6 billion in taxpayer-supported capital spending over the next three years, focusing on transportation, health, post-secondary institutions, education and housing projects.

Helping small businesses

Phasing out provincial sales tax (PST) on electricity for business and cutting small-business corporate income-tax rates from 2.5% to 2%.

Innovative and equitable jobs

Creating an emerging economy task force, the fair wages commission, and appointing an innovation commissioner.

Carbon Tax and Climate Action Tax Credit

Ending carbon tax revenue neutrality, so carbon tax revenue can be used to support families and fund green initiatives that address carbon action commitments.

MSP Premiums



**MSP premiums
will be cut by 50% in 2018**

Our province is expected to be among the top performers in economic growth this year and next. But there are pressures on government's fiscal plan. This includes costs to help communities affected by the unprecedented wildfires season, financial instability at the Insurance Corporation of British Columbia, uncertainty from the softwood lumber and North American free trade agreements, the upcoming negotiation on the new compensation mandate for government, as well as possible interest rate increases from the Bank of Canada.

As we prepare for Budget 2018, we are committed to continuing to build a better British Columbia where no one is left behind. That means taking concrete steps to make life more affordable, to invest in the services that people rely on, and to build a strong, sustainable economy—and we want to hear from you. This consultation is your opportunity to submit your priorities for Budget 2018.

Questions for the Budget 2018 Consultation

This Budget Consultation Paper is a way for you to share your ideas with the Select Standing Committee on Finance and Government services regarding Budget 2018 and the three-year fiscal plan from 2018-19 to 2020-21.

The questions below are designed to elicit your priorities going forward, in order to continue to make life more affordable, improve services and create a sustainable economy for tomorrow and generations to come.

What are your top priorities to help make life more affordable in British Columbia?

What service improvements should be given priority?

What are your ideas, approaches, and/or priorities for creating good jobs and to build a sustainable economy in every corner of our province?

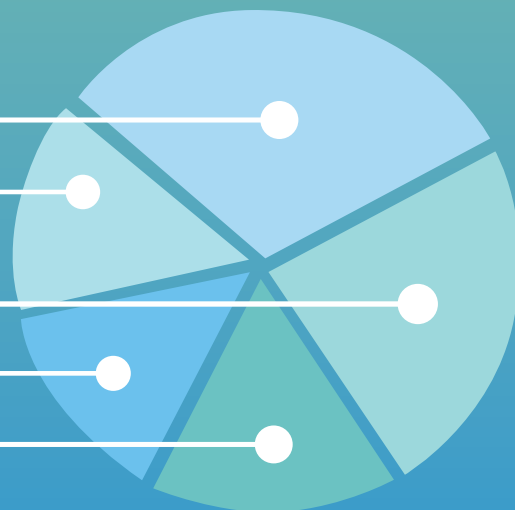
Are there any additional comments or suggestions you would like to share with the Select Standing Committee regarding Budget 2018?

Infrastructure Spending

Three-year taxpayer-supported capital spending:

\$14.6 Billion

31%	Transportation
16%	BC Housing, ministries and other
21%	Health
14%	Education
18%	Post Secondary Institutions



Budget and Fiscal Plan 2017/18 to 2019/20

<i>(\$ millions)</i>	Actual 2016/17	Budget Estimate 2017/18	Plan 2018/19	Plan 2019/20
Revenue	51,459	52,407	52,557	53,677
Expense	(48,722)	(51,861)	(52,029)	(53,070)
Forecast allowance	–	(300)	(300)	(350)
Surplus	2,737	246	228	257
Capital spending				
Taxpayer-supported capital spending	3,659	4,956	4,855	4,814
Self-supported capital spending	2,725	2,701	2,635	3,154
Total	6,384	7,657	7,490	7,968
Provincial Debt				
Taxpayer-supported debt	41,506	44,853	47,031	48,642
Self-supported debt	24,377	21,624	22,509	23,764
Total debt (including forecast allowance)	65,883	66,777	69,840	72,756
Taxpayer-supported debt to GDP ratio	15.8 %	16.2 %	16.4 %	16.3 %
Taxpayer-supported debt to revenue ratio	81.8 %	87.8 %	91.7 %	93.0 %
Economic Forecast (Calendar Year)	2016	2017	2018	2019
Real GDP Growth	3.6 %	2.9 %	2.1 %	2.0 %
Nominal GDP Growth	5.1 %	5.1 %	4.1 %	4.0 %
Population (000's)	4,752	4,806	4,863	4,919

How To Submit Your Ideas

To participate in the Select Standing Committee on Finance and Government Services consultation process, please visit www.leg.bc.ca/cmt/finance



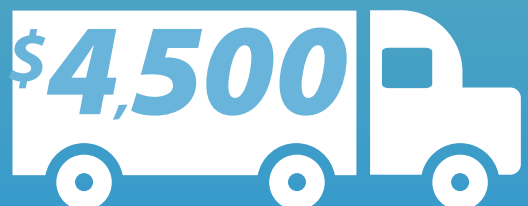
Elimination of Bridge Tolls

Annual savings for
average commuter



\$1,500

Annual savings for
commercial truck driver



\$4,500