

Budget 2016 Consultation

The B.C. government's commitment to balanced budgets, built on modest economic growth, prudent forecasts, and strong expenditure management, has withstood ongoing global economic uncertainty.

A balanced budget helps keep B.C.'s debt affordable. B.C.'s triple-A credit rating saves taxpayers millions of dollars, freeing up money to support government programs.

We want your input and ideas on how government can improve program delivery and services within this balanced budget framework. This consultation is your chance to tell government about your priorities for Budget 2016.

Lower taxes and new tax credits for British Columbians

British Columbians generally have one of the lowest overall tax burdens in Canada when all taxes are considered, and the lowest provincial personal income taxes in Canada for individuals earning up to \$122,000 per year.

Since 2001: provincial personal income taxes for most taxpayers have been reduced by 37% or more, an additional 400,000 people no longer pay any B.C. income tax, and an individual can earn more than \$19,000 before paying provincial income taxes.

Recent tax measures include:

- the BC early childhood tax benefit, which provides a maximum benefit of \$55 per month for each child under the age of six.
- the B.C. seniors' home renovation tax credit.
- the children's fitness and arts credits, the children's fitness equipment credit.
- the B.C. education coaching tax credit.

In addition, the B.C. tax reduction credit has been enhanced, increasing the income an individual can earn before they start paying provincial income tax.

Supporting housing affordability

Home ownership can be challenging in B.C., particularly in the lower mainland. There are several programs that help relieve some of the financial pressure of home ownership. The First Time Home Buyer's Program can save a first-time buyer up to \$7,500 in property transfer tax when purchasing a first home. The Home Owner Grant program helps keep residential property taxes affordable, with over 90% of B.C. home owners eligible for a full or partial grant each year. There are additional grants for low-income seniors, veterans and people with certain

disabilities, as well those living in the North and rural B.C. In addition, the Property Tax Deferment Program allows for annual property taxes to be deferred through a low interest loan. The Province is considering what further steps could help make home ownership more accessible.

Increased health care funding

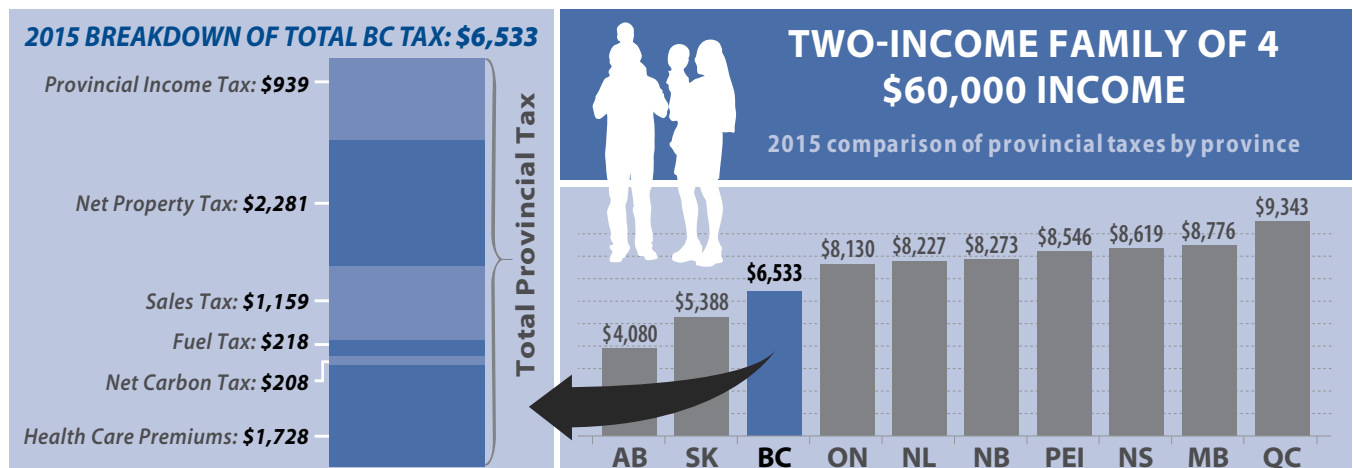
Within the next three years, funding for the Ministry of Health will increase by nearly \$3 billion—to \$18.5 billion in 2017-18. While we've reduced the annual rate of health funding growth from nearly 8% in the mid-2000s to an annual average of less than 3% B.C. continues to have some of the best health outcomes anywhere, including the longest life expectancy in Canada and the country's lowest mortality rates for cancer and heart disease.

Investing in education and jobs of tomorrow

Government is meeting its funding commitment for collective agreements negotiated in the K-12 sector including a 33% increase to the Learning Improvement Fund. Funding for K-12 education will also increase by \$564 million over the current three-year fiscal plan.

Government is making significant investments to ensure British Columbians are first in line for the jobs of tomorrow—almost \$7.6 billion annually in education and training. B.C.'s Skills for Jobs Blueprint is shifting funding and programs toward training for high-demand occupations. Government is also working to foster stronger partnerships with industry employers, post-secondary institutions and within the K-12 system to connect British Columbians with on-the-job training.

Many financial institutions are now accepting applications for the \$1,200 B.C. Training and Education Savings Grant for eligible children born in 2007 or later.



As at Feb. 1, 2015.

Questions

1. British Columbia is one of the very few jurisdictions in the world with a budget surplus and a triple-A credit rating—which helps reduce government borrowing and keeps debt affordable. A budget surplus gives the government flexibility to make choices. Using a ranking of 1 (most important) to 3 (least important), how should the government prioritize the flexibility these surpluses offer?

- Reduce debt and borrowing
- Invest in infrastructure, like schools, roads and health facilities
- Tax relief and affordability measures

2. B.C. is working to protect priority services and keep life affordable for families within a balanced budget and declining debt burden. If you had one dollar in new funding to share across programs and services the government delivers, how would you divide it up?

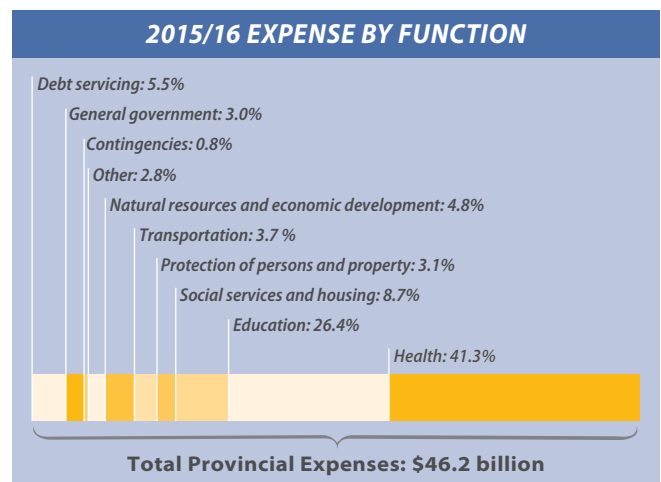
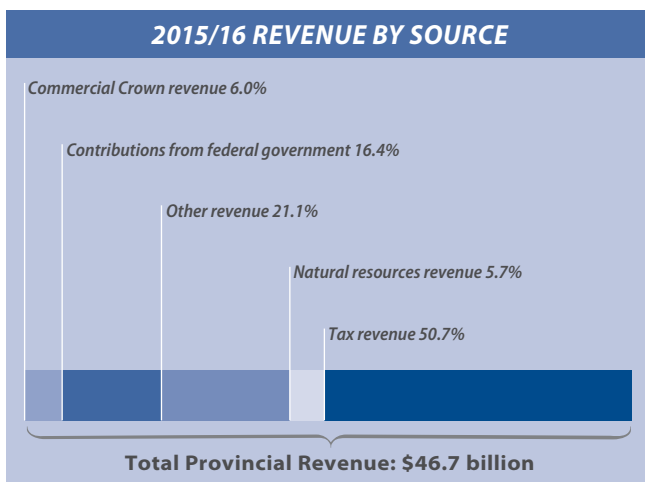
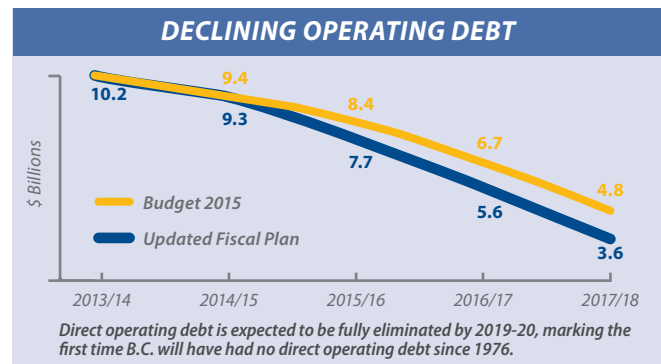
- Healthcare
- K-12 Education
- Post-secondary education and skills training
- Policing and public safety
- Social Services
- Roads, highways and bridges
- Natural resources, economic development
- Environmental protection and parks
- Debt reduction
- Tax reduction
- /100

3. British Columbia has one of the most diversified economies among the Canadian provinces. How should we continue our work to make job-creating industries more competitive? Choose your top priority.

- A) Work to reduce provincial trade barriers and red tape
- B) Reduce corporate income taxes
- C) Reduce personal income taxes
- D) Make changes to the PST within the existing framework
- E) Further promote access to new export markets

4. What options could government consider to help make housing more affordable for those most in need without hurting families that already own a home? Choose your top priority.

- A) Enhance assistance for first-time homebuyers
- B) Further encourage new construction to add to the housing supply
- C) To increase affordability without negatively impacting families that already own a home, government could [] (Enter your own answer)



First Quarterly Report Update

(\$ millions)	2015/16	2016/17	2017/18
Revenue	46,739	47,753	48,764
Expense	(46,212)	(46,917)	(47,876)
Forecast allowance	(250)	(500)	(500)
Surplus	277	336	388
Taxpayer-supported capital spending	3,867	4,104	3,513
Total taxpayer-supported debt	42,325	42,874	43,445
Taxpayer-supported debt-to-GDP ratio	17.2%	16.7%	16.2%
Economic Forecast:	2015	2016	2017
Real GDP Growth	2.0%	2.4%	2.3%
Nominal GDP Growth	3.1%	4.1%	4.3%
Population (000's)	4,689	4,744	4,804

How do you submit your ideas?

The Select Standing Committee on Finance and Government Services holds public consultations around the province in September and October. You can provide your feedback by:

- Participating at one of the public consultations.
- Completing an online survey
- Making a written submission

Visit www.leg.bc.ca/cmt/finance for locations and details.

Please send your submissions (including contact information) by Thursday, October 15, 2015 to:

Select Standing Committee on Finance and Government Services
Room 224, Parliament Buildings
Victoria, British Columbia
V8V 1X4 Canada

Phone: 1 877 428-8337 (toll-free)
Phone: 250 356-2933 (collect)
Fax: 250 356-8172

Visit www.leg.bc.ca/cmt/finance to submit your feedback and respond to the questionnaire.

Public consultation locations and dates:

Victoria	Sept. 15	Delta *	Sept. 28	Fort St. John *	Oct. 7
Castlegar	Sept. 16	Prince George *	Sept. 29	Fort Nelson *	Oct. 7
Kelowna	Sept. 16	Dawson Creek *	Sept. 30	Quesnel *	Oct. 7
Kamloops	Sept. 17	Terrace *	Sept. 30	Cranbrook *	Oct. 7
Nanaimo	Sept. 17	Williams Lake *	Sept. 30	Surrey	Oct. 13
Vancouver	Sept. 21	Abbotsford *	Sept. 30		

* Video/teleconference locations



Interested in more content and updates from the Ministry of Finance or other areas of government?

Visit www2.gov.bc.ca/govtogetherbc.

