



Budget 2017 – A Summary of Citizen Input

December 15, 2016 to February 8, 2017

Government of British Columbia

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Executive Summary

Ahead of the release of Budget 2017, British Columbians were given the opportunity to share their ideas for the management of government finances. Citizens were asked for input to help shape the province's economic direction and share their spending priorities within a balanced budget.

British Columbians were provided with three ways to participate in the engagement, which included:

- Three discussion forums on the Budget 2017 engagement website
- Four regional telephone town halls with Minister of Finance Mike de Jong
- Questions submitted by email

Participants on the Budget 2017 engagement website were asked to comment on housing affordability, government priorities and economic development. Questions asked of participants in the telephone town halls centred on housing, health care spending and economic development.

This report summarizes how the Budget 2017 engagement was carried out and what was heard from British Columbians throughout the process. Results include a list and summary of the top themes that emerged in the online discussion forums, and responses to the three questions posed in the telephone town halls.

The results show a range of priorities for government spending, which reflect the diverse priorities and opinions of B.C. residents, and a desire to accomplish economic growth while also maintaining a balanced budget.

British Columbians see some areas for increased focus, particularly on public education, health care and the environment. Overall, British Columbians are proud of the province's strong economic position leading up to the release of Balanced Budget 2017 on February 21, 2017.

1. Background

The Select Standing Committee on Finance and Government Services – an all-party committee of the Legislative Assembly – held province-wide consultations in September and October 2016 to seek the views of British Columbians. Results of those consultations are [available online](#).

Starting in December, 2017, Minister of Finance Mike de Jong asked citizens to participate in the Budget 2017 citizen engagement process. Background information was provided on the [Budget 2017 engagement website](#) and is echoed below.

Investing in Infrastructure

Budget 2016 outlined British Columbia's investments in hospitals, schools, post-secondary facilities, transit, roads, housing and other projects. Making these investments requires government to take on debt on behalf of British Columbians – debt that is therefore taxpayer-supported.

These capital investments are made within an affordability framework because they result in valuable assets that will help build social and economic wealth for society and all its citizens.

As British Columbia continues to attract people to the province, there will be a need to make even greater investments. For the first time in a decade, provincial enrollment at kindergarten to grade 12 levels is going up, fuelled at least in part by Canadians who are making their way to British Columbia from Alberta and further east, as well as from around the world.

Providing a safe learning environment through new and upgraded schools reflects a commitment to student achievement in British Columbia. New hospitals reflect a commitment to maintaining the best health outcomes in Canada. And new roads and related transportation infrastructure demonstrate a commitment to building the fundamental elements of a strong economy.

Housing Affordability

Helping British Columbians secure affordable housing is among government's top priorities. It's important to understand the value of B.C. as a destination of choice – the more people come here, the better for economic growth and consumer confidence. But there is also a need to increase the supply of housing as a way to meet demand and moderate rising prices.

A wide range of housing initiatives are being analyzed to make smart investments and create new housing opportunities, with a mix of affordable, social and rental market supply.

Lower Taxes

B.C. families generally have one of the lowest overall tax burdens in Canada including income taxes, consumption taxes, property taxes, health care premiums and payroll taxes.

B.C. currently has 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 a single individual can earn more than \$19,000 before paying provincial income taxes.

Tax Credits

Government has improved, extended and added tax credits and programs to help support B.C. families and keep life affordable. Some examples are exempting children from MSP premiums and premium assistance, providing BC Early Childhood Tax Benefit, the BC Training Tax Credit program, the BC Training and Education Savings Grant which was extended to children born in 2006 or later, and credits like the new B.C. Back to School Tax Credit (to be included in Budget 2017 and subject to approval of the Legislature), Children's Fitness Credit, Children's Fitness Equipment Credit and Children's Arts Credit to help families with some of the costs of raising children.

There is also a Provincial Sales Tax exemption on numerous school supplies as well as children's clothing and footwear.

Supporting Business

Keeping business taxes low is an essential part of maintaining a competitive tax environment to attract investment, create jobs and move B.C.'s economy forward. B.C.'s general corporate income tax rate is the lowest in the country, having been cut by almost 35% since 2001, and the combined federal-provincial rate is among the lowest in G7 countries.

B.C. has a competitive small business corporate income tax rate of 2.5%, a reduction of 44% since 2001 and the third lowest in the country. The small business corporate income tax threshold, below which corporations can pay the lower rate of corporate income tax, has been increased by 150% to \$500,000 since 2002.

B.C. also offers targeted tax credits for film, television, digital media, venture capital, research and development, and apprenticeship training.

Commission on Tax Competitiveness

Government established the Commission on Tax Competitiveness to get advice on how to modernize British Columbia's business taxes to drive competitiveness and economic growth, and create jobs, without returning to the HST.

The commission has provided a number of recommendations on improving tax competitiveness, with a particular focus on addressing the negative impacts of the PST businesses pay on machinery and equipment, electricity, software and telecommunications services. These recommendations are a product of the commission's discussions with stakeholder groups, individuals and businesses throughout the province.

Government has received the report and will consider it carefully in the context of Budget 2017 and the development of government's longer term fiscal plan. Should the province ever consider more substantive changes to the current PST, government endorses the commission's recommendation for broad public consultation and engagement.

2. Engagement Process

Defining the purpose and process of a public engagement helps increase the response rate and provide context for results.

2.1 Purpose

Minister of Finance Mike de Jong asked for public input to help with the creation of Budget 2017.

2.2 Engagement Participation

Participation results by the numbers:

- 5,060 visitors to the Budget 2017 engagement website
- 1,322 comments received in the online discussion forum at engage.gov.bc.ca/budget2017
- 121 emails received by the minister and at citizenengagement@gov.bc.ca
- 56 questions were sent using the 'Ask the Minister' button on the engagement website sidebar
- 59 people signed up to receive updates on Balanced Budget 2017
- 41,195 citizens were called as part of the series of telephone town halls
 - 11,373 on Monday, January 9, 2017 (Northern B.C.)
 - 10,313 on January 16, 2017 (Okanagan)
 - 9,626 on January 30, 2017 (Vancouver Island/Coastal)
 - 9,883 on February 7, 2017 (Fraser Valley)

2.3 Engagement Topics

In the online discussion, participants were asked to comment in three forums. The first discussion forum was about housing affordability, the second was about government priorities and the third was about economic growth and the BC Jobs Plan.

During the telephone town halls, participants were able to provide responses to three questions, about housing affordability, health care spending and economic growth. Participants were also invited to submit their own questions, some of which were answered directly by the minister during the town hall.

2.4 Notification

A news release was sent out on December 16, 2016 to launch the budget citizen engagement titled *Creating a budget to echo the voices of the people of B.C.* Regional info bulletins were also sent out about how to participate in telephone town halls and the engagement process on January 6, 11, 18, 26 and February 3.

In addition to media stories resulting from the news release and info bulletins, the B.C. government used social media throughout the engagement to notify citizens of the opportunity to participate. The BCGovNews Facebook and Twitter accounts were used, as well as govTogetherBC's Twitter account.

There were 13 tweets sent out by govTogetherBC. There were 19 tweets sent by BCGovNews and seven Facebook posts.

Stakeholder groups also used social media to get the word out about the engagement, including the British Columbia Teachers' Federation and the BC Confederation of Parent Advisory Councils.

For the telephone town halls, 41,195 citizens were randomly selected by postal code over four sessions. The largest participation rate was in the northern region where 11,373 citizens were called. In addition, a button on the Budget 2017 engagement website allowed citizens to sign-up for the town halls.

2.5 Engagement Methods

There were several ways for citizens to participate in the process. They could:

- Submit their thoughts in an online discussion forum between December 16, 2016 and February 8, 2017 at 4 p.m.
- Send their comments by email
- [Submit a question to "Ask the Minister" directly](#)
- Share priorities and ask questions through a series of telephone town halls
- Sign up for updates on Balanced Budget 2017

Emails continue to be received following the engagement period close. These are reviewed but not considered as part of this analysis of results.

2.5.1 Telephone Town Halls

Minister de Jong hosted four regional telephone town halls to give British Columbians an opportunity to listen to a live discussion and submit questions ahead of Budget 2017. In total, 41,195 people were included in the telephone town halls. Participants were asked to respond to three questions:

- **Question 1:** Is the B.C. government doing enough to address housing affordability in British Columbia?
- **Question 2:** Health expenses make up about 40 per cent of the provincial budget. Do you think that is the right level of funding?
- **Question 3:** B.C. has led the country in economic growth over the last two years and is expected to be among the top performers in 2017. Do you see evidence of growth in your community?

2.5.2 "Ask the Minister"

A button was provided on the Budget 2017 engagement website, allowing users to email questions and comments about the provincial budget to Minister de Jong. In total, 56 questions were sent to the minister using the 'Ask the Minister' button on the engagement website.

2.5.3 Online Discussion Forum

British Columbians were invited to participate in three discussions on the Budget 2017 engagement website. Citizens were asked to contribute on three priority topics:

- **Discussion 1:** Housing Affordability
- **Discussion 2:** Government Priorities
- **Discussion 3:** Economic Growth & BC Jobs Plan

3. Results: Summary of Themes

Below is a detailed summary of the top 10 themes mentioned in the online forum and email.

1) Public Education

The most popular topic mentioned throughout the consultation was public school funding. There were over 1,000 mentions including comments on funding, teacher levels and the 2016 Supreme Court ruling on class size. Most of those who commented about public education funding wanted more support for students and students with disabilities, as well as more support staff and specialist teachers.

Most contributors who commented on public school funding expressed some urgency and wanted to see changes this school year. Contributors generally wanted to see class sizes on par with the Canadian average. Several talked about having funding restored for woodworking, metal working, fine arts, libraries, art and band and strings programs.

Many contributors described an urgent need for seismic upgrades to be completed and others wanted the government to go a step further and provide earthquake proof desks in every school.

Some contributors said technology in B.C. schools needed to improve in order to implement the new curriculum. Others felt strongly about the need for appropriate technology in the classroom so that students can learn skills for the future. Others mentioned the need for IT support and teacher-librarians to teach students digital and media literacy.

The costs and funding for rural schools as well as the quality of education, busing, access to special education specialists and counselling services were considered issues in rural and remote locations.

There were several contributors that didn't want the government to subsidize private education. There were also comments about the physical status of school buildings, and a few comments about changing the school funding model to modernize the way schools and students are funded. Several people talked about the need for more mental health services in schools.

2) Health Care

Health care was the second most common theme mentioned throughout the engagement. There were over 270 mentions, with the majority saying that the government needs to significantly increase investment in health care.

The general comments covered a range of issues including improving working conditions in hospitals, creating proactive health strategies like providing free admission to community centres for children, cancer treatment improvements, drug treatment beds, reducing wait times for surgeries and specialist appointments.

Some of the specific topics about health care that were mentioned were:

Changes to MSP – There were 127 comments about the Medical Services Plan (MSP), including one suggestion to make MSP premiums a progressive tax like income tax. Other suggestions included reducing or eliminating MSP and ensuring that additional services like access to mental health services was included.

Doctor/Nurse Availability – 28 contributors mentioned doctor or nurse availability to be an issue. Many of those reported having difficulty finding a doctor and many mentioned challenges with having to use walk-in clinics instead. Some suggested solutions included having physician assistants help alleviate the family doctor shortage, to open up more spaces in medical school and create an incentive for doctors to stay in B.C.

Changes to Pharmacare – Many contributors talked about the high cost of prescriptions, especially for seniors.

Mental Health, Drug Treatment and Addiction – Some responders expressed concerns about health and mental health. Additional mental health supports and treatment centres was mentioned several times. For example, Carole from Vancouver Island said, *“It is past time to put money into mental health and addiction treatment, social services and counsellors in schools, housing and support for the homeless.”*

Some said they wanted to see improvements to health care services for seniors.

3) Environment

The theme of climate and the environment were mentioned 386 times. Many commenters talked about increased funding for renewable or green energy exploration and alternative power, particularly in northern and rural communities. Some said they did not consider LNG projects and the Site C Dam to be environmentally renewable energy options.

Many people talked about needing to address climate change for future generations. People talked about funding for climate leadership and the need to increase programming and funding for environmental protection and climate change.

There were several comments about parks funding, parks protection and camping. One person indicated that rare and threatened ecosystems like the old growth forests on Vancouver Island need to be protected, and others mentioned the protection of water. BC Parks was mentioned several times in the context of charging fees.

There was support for increased funding for the BC Park Ranger program as support by Jo who said *“... increase the number of rangers and/or the length of their season so they are able to get caught up on trail maintenance and restore the beauty and functionality of our parks.”*

Some contributors wanted to see better controls in the lumber and forestry industry around clearcutting. There were also demands to stop wolf population control.

Carbon tax featured high overall in comments about the environment. Contributors wanted to see a reduction of carbon tax impacts on food costs and a removal from the carbon tax on cremations. Some people wanted the carbon tax done away with altogether.

4) Transportation

The way British Columbians move throughout their communities and the province was a common theme with 172 mentions throughout the engagement.

Public Transit - Some wanted to increase funding for transit initiatives and have more public transit, while some wanted fewer road and bridge developments. Others said that more spending on infrastructure will create jobs and support industrial opportunity. Several contributors talked about investing in intermodal transportation hubs. One contributor suggested government give handyDART a new mandate and different priorities with a growing number of seniors needing access.

BC Ferries – many people had comments about all topics from cost of taking a ferry to sailing times and routes. One contributor asked *“Why were the new BC ferries not built in BC? Outsourcing jobs to other countries to get the lowest price is very shortsighted. Building those ferries here would have provided a lot of skilled jobs, so a lot of people paying taxes and supporting other local businesses. Supplies and materials provided here would have supported so many other businesses. Support Canadian and BC companies, no more big contracts sent out of the country.”*

ICBC – most suggestions were about lower rates for ICBC, some suggesting that there be a bigger discounts for those who maintain good driving/claim records.

There was a suggestion to upgrade highways to reduce travel time through the province, to open access to remote regions and to invest in new highway corridors to shorten major routes.

There were also several comments on specific transportation projects including the Massey Tunnel, Highway 1/216, Highway 99, Stickle Road in Vernon, Peachland and the Okanagan Valley.

5) Housing

Housing affordability was seen as a complicated issue that requires some government intervention while also recognizing that sometimes government intervention may be unwise.

Comments about the Foreign Ownership Tax were mainly positive, but it was generally felt that the tax should be applied to all of British Columbia, not just the Lower Mainland, and one participant suggested that the *“foreign buyers tax should be based on the country of principal residence, not on the citizenship of the purchaser.”*

On the other hand, comments about the newly introduced BC Home Owner Mortgage and Equity Partnership were mainly negative, for example Samantha said she *“would like to see more options for*

first time home owners than putting them into more debt. We have enough student loan debt, that isn't a good way to assist young people or young families."

Housing Affordability

The most prominent theme throughout comments about housing in British Columbia was housing affordability for both owners and renters. The general sentiment was that citizens view home ownership as a plan to stay, live and thrive in B.C.'s communities, not just as an economic investment, and that that life choice is, or is becoming, unattainable.

Lack of Rental Properties

At the same time, a lack of rental properties was also seen as a major concern with several suggesting that the province should provide incentives to developers and homeowners to build more rental properties, or should be building additional affordable rental properties, including co-op units.

There were also specific concerns raised around the lack of affordable rental units available for vulnerable populations such as seniors and those on social assistance programs or disability.

It was suggested that the current subsidies provided by the government aren't enough to cover the actual costs of housing, and that housing affordability was seen as ensuring that B.C. residents have enough income to be able to access market-rate housing, with the term 'affordable housing' representing what someone making minimum wage could afford.

6) Children and Families

Several people indicated a need for more resources and support for at-risk children and youth through increased spending at the Ministry of Children and Family Development (MCFD). Specifically, it was suggested that more support is needed for young people aging out of care.

Child Care – There were 48 comments related to child care. There was a call for more affordable child care and an increase in daycare spaces through funding and incentives. A proposed range from \$10 to \$25 per day was suggested by several contributors. It was also suggested that lowering the daycare costs would allow parents to return to the workforce and therefore boost the economy.

Poverty Reduction, Child Poverty – Poverty and/or child poverty was mentioned 35 times. Several stated that there needs to be a poverty reduction plan and that reducing the number of children living in poverty must feature prominently in the upcoming budget.

MCFD Funding – Some wanted to see an increase in funding for MCFD and added supports for youth and families. In addition, it was suggested that caseworkers should have smaller caseloads.

Foster Care – Suggestions included an increase in payments to foster parents and increased funding for children in care so that they receive support until the age of 21, or until they complete post-secondary education.

7) Taxes

There were continued calls to reduce obstacles for businesses and to simplify and reduce taxes. Some called for investment in small businesses that hire British Columbians and pay them a good wage. One person suggested the provincial government offer more jobs outside of Victoria and Vancouver.

Carbon Tax – Comments were generally unsupportive of the carbon tax and one said it should not be used as a hidden corporate investment program. Another said that the carbon tax is causing food costs to increase.

Business and Corporate Taxes – Several comments suggested increasing taxes on top earners, corporations and big business. Other contributors suggested there be fewer tax cuts for corporations.

PST – Comments on this topic ranged from reducing the PST to raising the PST, while another said to leave it as it is.

Property Tax – Comments included changing the property-tax deferral program so that only low-income seniors that are home owners can defer paying their property taxes. Another suggestion was to fix the property tax formula.

Tax Marijuana – There were a couple of suggestions to legalize marijuana and apply taxes to it like alcohol.

8) Social Development

This theme was seen by many to be a priority and some felt poverty could be reduced by increasing social assistance rates.

Social Assistance – Some suggested that government raise social assistance and disability rates to match Alberta's rates. There was a suggestion to have access to education funding to help people get off assistance.

Persons with Disabilities – There were several comments about increasing the Persons with Disabilities benefit. One suggestion was to raise payments to the poverty line and index to the cost of living. Several mentioned an increased hardship of food and housing affordability on the allotted benefits.

Bus Pass – There was also a desire to see a change to the way the bus passes for Persons with Disabilities program is administered and have increased transportation subsidies provided to this section of the population.

Concern was also expressed about supports for children with disabilities, particularly around mental health.

9) Jobs and the Economy

In relation to improving the economy, many contributors felt very thankful for the state of our current economy. Some suggestions to improve it were reduced taxes for businesses so they can compete better, less red tape in the construction industry, investing in small businesses, paying off debt and setting a higher tobacco tax.

Some suggestions to improve the economy and jobs were to investigate whether some government jobs could be moved outside of Victoria and Vancouver, whether there are more opportunities to create jobs for university graduates, whether more green jobs can be created, and whether B.C. should make a commitment to hiring B.C. workers.

Raising the minimum wage was also a common theme under jobs and the economy to assist vulnerable British Columbians and young people starting out in the working world.

One contributor talked about the mill closure in Quesnel and the lack of a sponsor for completing apprenticeships. There was a suggestion that there should be a financial incentive for employers to accept apprentices.

10) Seniors

There were 39 comments related to seniors on a range of topics. Making sure seniors are cared for and have support and quality health care was a main topic for seniors. There were also comments on the need for affordable housing, increased funding for residential care, nursing homes and home support.

Also, contributors identified a need for assistance with the cost of living and expenses such as MSP, bus passes and property taxes.

This theme overlapped with both housing and health care.

Other Themes

Other themes that came up more than once included:

- First Nations issues were woven throughout the comments from schooling to housing to supporting First Nations communities and small businesses
- The Agricultural Land Reserve, agriculture and food costs
- Policing, safety, court services and legal aid
- The impacts of the new U.S federal administration on international trade
- Search and Rescue

There were also suggestions about changes to government operations. For example, there were suggestions to put a limit on the premier's travel budget and have fewer news releases.

There was a recommendation that all government entities amalgamate services to reduce waste and save money. Another suggestion was that government workers and MLAs should not get a pension until they reach a set retirement age.

4. Results: Telephone Town Halls

Participation in the telephone town halls was divided into four regions of the province. The sessions were held on four dates in January and February 2017. Participants were asked to answer three questions related to housing, health care spending and economic growth, and a selection of listeners asked a question directly of Minister de Jong.

While results varied in each region, the numbers were comparably close.

Northern Region

The first of the telephone town halls took place on January 9, 2017 with residents in northern regions. There were 11,373 participants for this session and 1,338 peak attendees. The session lasted 62 minutes and included 11 live questions to the minister from participants.

Question 1: Is the B.C. government doing enough to address housing affordability in British Columbia?

Answer	Responses	Percentage
Yes	103	21.5%
No	249	51.9%
Unsure	128	26.7%

Question 2: Health expenses make up about 40% of the provincial budget. Do you think that is the right level of funding?

Answer	Responses	Percentage
Yes	125	24.6%
No – Too Little	183	36.0%
No – Too Much	66	13.0%
Unsure	134	26.4%

Question 3: B.C. has lead the country in economic growth over the last two years and is expected to be among the top performers in 2017. Do you see evidence of this growth in your community?

Answer	Responses	Percentage
Yes	137	24.5%
No	329	58.9%
Unsure	93	16.6%

Thompson – Okanagan Region

The second telephone town hall took place on January 16, 2017 with residents in the Thompson – Okanagan region. There were 10,313 participants and 1,750 peak attendees. The session lasted 62 minutes and included 15 live questions to the minister from participants.

Question 1: Is the B.C. government doing enough to address housing affordability in British Columbia?

Answer	Responses	Percentage
Yes	139	23.0%
No	304	50.2%
Unsure	162	26.8%

Question 2: Health expenses make up about 40% of the provincial budget. Do you think that is the right level of funding?

Answer	Responses	Percentage
Yes	138	24.7%
No – Too Little	202	36.1%
No – Too Much	72	12.9%
Unsure	147	26.3%

Question 3: B.C. has lead the country in economic growth over the last two years and is expected to be among the top performers in 2017. Do you see evidence of this growth in your community?

Answer	Responses	Percentage
Yes	156	36.6%
No	195	45.8%
Unsure	75	17.6%

Vancouver Island & Coastal B.C.

The third telephone town hall took place with residents of Vancouver Island and coastal regions of B.C. on January 30, 2017. There were 9,626 participants and 1,448 peak attendees. The session lasted 64 minutes and included 11 live questions from participants to the minister.

Question 1: Is the B.C. government doing enough to address housing affordability in British Columbia?

Answer	Responses	Percentage
Yes	110	17.5%
No	348	55.5%
Unsure	169	27.0%

Question 2: Health expenses make up about 40% of the provincial budget. Do you think that is the right level of funding?

Answer	Responses	Percentage
Yes	152	29.7%
No – Too Little	167	32.6%
No – Too Much	49	9.6%
Unsure	144	29.1%

Question 3: B.C. has lead the country in economic growth over the last two years and is expected to be among the top performers in 2017. Do you see evidence of this growth in your community?

Answer	Responses	Percentage
Yes	133	32.4%
No	197	48.0%
Unsure	80	19.5%

Fraser Valley

The final telephone town hall was held on February 7, 2017 with residents of the Fraser Valley region. There were 9,883 participants and 1,151 peak attendees. The session lasted 63 minutes and included 13 live questions to the minister.

Question 1: Is the B.C. government doing enough to address housing affordability in British Columbia?

Answer	Responses	Percentage
Yes	86	19.2%
No	234	52.1%
Unsure	129	28.7%

Question 2: Health expenses make up about 40% of the provincial budget. Do you think that is the right level of funding?

Answer	Responses	Percentage
Yes	110	30.2%
No – Too Little	98	26.9%
No – Too Much	57	15.7%
Unsure	99	27.2%

Question 3: B.C. has lead the country in economic growth over the last two years and is expected to be among the top performers in 2017. Do you see evidence of this growth in your community?

Answer	Responses	Percentage
Yes	106	38.3%
No	99	35.7%
Unsure	72	26.0%