

February 18, 2020

NEWS RELEASE

Budget 2020 keeps building a stronger B.C. for everyone

VICTORIA – *Budget 2020* moves British Columbia forward by building the infrastructure the growing province needs, supporting thousands of new jobs, strengthening investments in health and education, and making life more affordable for everyone.

“From new roads, hospitals, housing, schools and child care centres to better, more affordable services in every community, we’re seeing fundamental changes that are making life better for British Columbians,” said Carole James, Minister of Finance. “Together we’ve made a lot of progress and we can’t turn back. *Budget 2020* keeps our province moving forward by focusing on people.”

Building a stronger B.C.

Budget 2020 makes new commitments to bring capital spending over three years to \$22.9 billion – the highest level in B.C.’s history. And work underway on new and upgraded hospitals and health facilities, highway and transit projects, schools and new housing throughout B.C. is stimulating more than 100,000 direct and indirect jobs during construction.

“British Columbians are working hard to build a better future for their family, and so are we. By building the infrastructure our growing province needs, we’re making life easier for people and creating good jobs and opportunities in local communities,” James said.

A stronger B.C. means ensuring there are opportunities for everyone. *Budget 2020* takes another step forward toward reconciliation with Indigenous peoples by affirming the historic 25-year revenue-sharing agreement that will see \$3 billion of gaming revenues shared with all First Nations.

New opportunities in a sustainable economy

Over the next decade, more than 860,000 jobs will open up throughout B.C. and more than 75% of all jobs will require some post-secondary education or training.

Budget 2020 creates a new, needs-based BC Access Grant for students to make sure all British Columbians can tap into these opportunities, while growing B.C.’s skilled workforce.

This grant will provide up to \$4,000 to help with the upfront costs of tuition for more than 40,000 low and middle-income students.

“B.C.’s future is bright and filled with opportunity. With the new BC Access Grant, we’ll put a college or university education within reach for thousands more British Columbians,” James said. “These grants will make a difference for students and they’ll help B.C. businesses find the skilled people they need.”

The Province continues to support struggling forestry workers through access to job placement, skills training, equipment loans, grants for hard-hit communities, and programs to support early retirement. *Budget 2020* adds \$13 million for new forestry revitalization efforts, including revving up B.C.’s bio-economy with innovations that convert wood into value-added products like biofuels, bioplastics, and textiles.

A clean environment is the foundation of a prosperous and sustainable economy. *Budget 2020* accelerates the transition to a cleaner future with an additional \$419 million over three years for CleanBC, on top of the approximately \$900 million invested in *Budget 2019*. This funding includes incentives to buy electric vehicles and build EV charging stations. Additionally, this year’s budget increases support for industries moving toward clean, low-carbon solutions and projects to make B.C.’s schools, universities, colleges and hospitals more energy efficient.

Making life more affordable and improving services

B.C. is one of Canada’s fastest growing economies, but while the economy has grown, life has become too expensive for many families.

The new BC Child Opportunity Benefit, launching in October, will provide 290,000 families with more money to support their kids. Combined with B.C.’s Affordable Child Care Benefit and the Fee Reduction Initiative for licensed child-care spaces, families with one child may save up to \$20,000, and families with two children could save up to \$28,000 each year.

These savings come on the heels of a major transformation of ICBC that will reduce fees by an average of 20%, or \$400 a year for all drivers, while improving care benefits. It also marks the first full year of the elimination of MSP premiums — the biggest middle-class tax cut in a generation.

Budget 2020 strengthens the health, education and community services that all British Columbians depend on. The budget delivers an additional \$339 million to strengthen B.C.’s K-12 education system — building on recent investments to upgrade schools and hire more than 4,200 new teachers.

An additional \$1 billion in *Budget 2020* will improve health care in B.C. New or upgraded hospitals are already on the way for 13 communities, and 12 new urgent and primary care centres are open, with two more coming.

A balanced plan

Budget 2020 is a balanced plan focused on the priorities of British Columbians.

Budget 2020 creates a new tax bracket for the top 1% of income earners in B.C. Nearly half the revenue generated will come from individuals who make more than \$1 million annually.

“Today we’re asking the people at the top, the highest 1% of individual income earners, to pay a little more and help B.C. provide families and communities with better services and stronger infrastructure,” James said.

To help address the growing health costs and impacts of sweetened drinks, B.C. will begin charging PST on sweetened carbonated beverages. This is a step that has been advocated for by health professionals and an all-party committee, as young people between the ages of 14 and 18 are the top consumers of pop.

The Confidence and Supply Agreement with the BC Green Party caucus continues to provide the basis for a strong, stable government for British Columbia. By working together progress continues to be made on shared priorities like climate change, tackling the housing crisis and building a strong, diverse economy.

Quick Facts:

- The budget is balanced in all three years of the fiscal plan with surpluses of \$227 million in 2020/21, \$179 million in 2021/22, and \$374 million in 2022/23.
- Last year, B.C.’s economy was among the top of the provincial real GDP growth rankings, led the country with the lowest unemployment rate, and was among the leaders in employment growth across Canada.
- British Columbia is projected to continue to be among the top of the provincial real GDP growth rankings in 2020 and 2021.
- Between 2001 and 2019, B.C.’s population grew by close to one million people, with much of the increase concentrated in the Lower Mainland. By 2024, B.C.’s population is expected to grow by approximately 346,000 people, and by more than one million people in the next 15 years.