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BACKGROUND

Advancing B.C.'s strong, sustainable economy

With almost \$1.4 billion in new operating and capital funding over the fiscal plan, Budget 2023 sets the groundwork for a greener, more sustainable future powered by good-paying jobs, holistic management of natural resources, healthy and active communities, reducing emissions, responding to a changing climate and partnership with Indigenous Peoples.

Skills for the jobs of the future

B.C.'s people are the key to building a strong, sustainable economy. With more than one million job openings anticipated over the coming decade, Future Ready is B.C.'s plan to ensure everyone has the opportunity to learn new skills and secure good-paying jobs that will support them and their communities, and to respond to the biggest challenge heard from businesses – the need for people.

Budget 2023 lays out \$480 million over three years to support Future Ready's work to break down barriers to post-secondary training, so more people can get the training they need for in-demand careers and employers can access the talent they need.

The Future Ready plan includes initiatives, such as:

- a new grant for short-term skills training, which will help people get the relevant skills and training they need to succeed in good-paying, high-demand jobs;
- new funding to assist small and medium-sized businesses in finding and implementing practical solutions to current labour market challenges and prepare for a changing economy;
- more opportunities for Indigenous Peoples, including funding to support Indigenous-led programs, such as a new Guardian training program that will be co-developed with Indigenous Peoples; and
- creating thousands of new training seats for in-demand fields to help build up a workforce ready and able to meet the demands of the future.

An additional \$58 million over three years will help expand supports for newcomers and speed up foreign credential recognition for professionals, such as health-care or child-care workers.

Future Ready will help maximize workforce participation throughout B.C. by offering supports, programs and access to targeted training that is affordable, accessible and recognizes the needs of individual learners. It is focused on opening economic opportunities, including for people who are underrepresented or face barriers in the workforce, such as Indigenous, Black and People of Colour (IBPOC), women, people with disabilities, 2SLGBTQ+ people, immigrants, people with multiple barriers, youth and former youth-in-care.

The full Future Ready plan will be released in spring 2023.

Clean, sustainable economic development

B.C. is fortunate to have many natural resources that shape the province's landscape, grow a strong economy and support vibrant, diverse communities. It's essential that these resources are managed and cared for in collaboration with Indigenous Peoples to create a sustainable economy that will continue to benefit and support people in B.C. for generations to come.

Budget 2023 invests more than \$250 million over three years to protect, maintain and care for B.C.'s abundant natural resources, including:

- \$21 million to partner with First Nations on eight more Forest Landscape Planning to protect more old growth, while providing greater certainty on where sustainable harvesting can occur;
- \$77 million to speed up natural resource permitting and begin modernizing B.C.'s permitting service delivery model, which will help reduce backlogs, move projects forward, and continue to advance electrification and connectivity in remote, rural and Indigenous communities;
- \$6 million over three years for a new critical minerals strategy to leverage B.C.'s natural resource advantages and continue to assess the critical mineral value chain potential;
- \$101 million in operating and capital funding over the fiscal plan to help preserve and enhance outdoor recreational opportunities in BC Parks and outdoor recreation sites and trails; and
- \$49 million in operating and capital funding over three years to maintain and upgrade forest service roads.

These investments build on the BC Manufacturing Jobs Fund, which was recently doubled to \$180 million, and helps support innovation projects around the province, such as helping mills move away from old growth logs and toward higher-value products, such as mass timber.

B.C. has one of the strongest climate plans in North America, and Budget 2023 continues to build on the cornerstones of the CleanBC Roadmap to 2030 to reduce emissions and build a sustainable economy for the future.

- Building on past investments, Budget 2023 commits \$100 million over the next three years for building active transportation networks – the single largest investment in active transportation in B.C. history. Whether people walk, cycle or take transit, this new funding will expand different modes of transportation that work best for different B.C. communities.

- Approximately \$40 million will move forward B.C.'s transition to a zero-emission economy through the CleanBC Go Electric Commercial Vehicle Pilot Program to help B.C.-based businesses, non-profit organizations and eligible public entities make the switch to zero-emission vehicles, including medium- and heavy-duty trucks.
- These new investments in Budget 2023 add to previous CleanBC investments of more than \$3.5 billion since 2019.

A new carbon tax framework for industry

Carbon pricing is an important part of the CleanBC Roadmap to 2030, which is B.C.'s plan to cut emissions and build a sustainable, low-carbon future that benefits everyone. B.C. has been working closely with the federal government and industry to develop a new made-in-B.C. carbon-pricing framework for industry to help reduce emissions, while staying affordable and competitive, and aligning with the federal benchmark.

Budget 2023 outlines the path ahead and the current industry carbon-pricing system will remain in place for a transition year. Starting April 1, 2024, the new industry carbon-pricing system will replace the existing system. More details about the new carbon pricing framework, including performance benchmarks for industry, will be available later this spring. The Province will continue to work with industry throughout 2023 to ensure effective implementation of the new system.

Starting April 1, 2023, the carbon tax will increase by \$15 per tonne each year until it reaches \$170 in 2030. As the carbon tax increases, B.C.'s Climate Action Tax Credit will also go up to help offset rising costs for the people most affected. By 2030, it is expected a significant majority of British Columbians will receive more through the enhanced credit than they pay in carbon tax costs.

Climate resilient communities

Budget 2023 includes more than \$1.1 billion over the next three years to fight climate change by building more climate-resilient communities. For communities still affected by climate-related disasters, Budget 2023 makes smart investments to help communities build back stronger and help people seize the opportunities of a low-carbon future.

- The plan includes \$750 million committed in Budget 2022 to help communities affected by extreme climate-related disasters, such as wildfires and the November 2021 floods.
- Through Budget 2023, the Province is allocating an additional \$300 million in capital funding over the fiscal plan to support the repair or replacement of provincial infrastructure damaged by climate emergencies.
- B.C. has created a new Ministry of Emergency Management and Climate Readiness to enhance the Province's capacity to respond to emergencies and help communities plan and prepare for a changing climate.
 - Budget 2023 provides \$85 million over three years to increase emergency-management capacity in the province and provide new investments in disaster risk assessment, preparedness and mitigation.
 - Funding will help the Province, First Nations and local governments work together to make communities more resilient.

- Through a federal-provincial cost-share arrangement, the BC Wildfire Service will receive \$64 million over the next five years for firefighting equipment. This builds on the B.C. government's decision in Budget 2022 to expand wildfire prevention and move to staffing B.C.'s wildfire service year round.

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