

Provincial Budget Highlights of Interest to Local Government

The 2006 provincial budget focused on children, skills and training, tax reduction initiatives and public sector compensation.

FUNDING FOR LOCAL GOVERNMENT AND COMMUNITIES

- Small Communities Protection and Regional District Administration Grants –an additional \$42 million over the next three years, in line with the government commitment to double these grants by 2009/10.
- Municipal and Regional Infrastructure Funding – \$114 million in infrastructure grants, including water and sewer projects.
- Traffic Fine Revenue Sharing – an additional \$21 million over three years. Grants will be \$50 million annually for the next three years.
- Tourism - \$5 million to develop all seasons resorts and public recreation activities as part of the provincial Resorts Strategy and \$3 million to support hosting community-based, national and international sporting events.
- Skills Development - \$3 million to extend the Bladerunners program to more communities to assist disadvantaged youth on job training and apprenticeships.

REVENUE/TAXATION MEASURES

- Home Owner Grant – The province will provide \$309 million over 4 years to improve the program:
 - The basic grant to increase by 22 percent to \$570 from \$470, the first increase in the grant amount since 1993;
 - Grant for seniors, disabled and veterans

- will increase to \$845 from \$745;
- Threshold increased to \$780,000 in assessed value, up from \$685,000; and
- Eligibility for additional grant will be expanded to include more people with disabilities.
- Average residential school taxes and rural residential taxes will increase by 2 percent for 2006 (provincial inflation rate).
- Non-residential school taxes – limited to inflation plus new construction; rates to be set later.

Provincial Sales Tax Exemptions

- Increasing the vehicle PST surtax threshold for passenger vehicles by \$6,000, from \$49,000 to \$55,000.
- Extending the BC Mining Flow-Through Share tax credit until 2008 to maintain the incentive for raising venture capital for mineral exploration.
- Expanding eligible uses of coloured fuel to all unlicensed vehicles.

OTHER EXPENDITURES OF INTEREST

Transportation

- The Province will provide \$3.9 billion over three years as part of its ongoing commitment to the Transportation Investment Plan which includes:
 - \$90 million in road rehabilitation funding to manage the impacts of the intense

harvesting required under the Mountain Pine Beetle Strategy;

- o \$319 million in provincial funding for the Gateway Program for the North Fraser Perimeter Road, South Fraser Perimeter Road, and the Port Mann/Highway 1 project; and
- o \$48 million for airports and ports.

Housing

- \$8 million for housing and support services for people who are homeless which includes \$5 million for housing units and \$3 million for Homelessness Outreach Teams (3 year pilot projects).
- SAFER grants for elderly renters: the 10 year eligibility requirement to reside in Canada is eliminated.

Health

- Additional \$301 million for healthcare to support services including:
 - o \$21 million for 548 additional assisted living and supportive housing units for lower income seniors and people with disabilities;
 - o \$67 million to expand community living services for people with development disabilities; and
 - o \$15 million in additional funding over 3 years for the health promotion program known as ActNowBC.

Forests

- \$12 million to strengthen the monitoring of forests and range management.
- \$113 million to address the effects of mountain pine beetle, including \$38 million to support increased pine beetle harvest levels and \$75 million for reforestation devastated areas.

Mining

- \$2 million for mineral exploration and mining training, and hands-on experience for youth in prospecting and environmental remediation.

Oil and Gas

- \$129 million in funding for initiatives that support the oil and gas sector, including \$125 million for the heartland oil and gas road rehabilitation strategy and \$4 million for environmental stewardship initiatives.

Tourism

- \$50 million over three years for tourism, which includes \$15 million for tourism initiatives.

Environment

- \$6 million to enhance the capacity of the Ministry of Environment to assess permitting requests.
- \$14 million to the Living Rivers Trust Fund.
- \$30 million for conservation management and economic development initiatives within the central coast, north coast, and Queen Charlotte Islands.

Land Use

- \$3 million for Front Counter BC to provide assistance for small and medium businesses in obtaining land use and resource approvals.

Safety

- \$3 million for a Community Court Pilot Project to explore more effective responses to street crime.
- \$2 million over three years for a Crystal Meth Secretariat to integrate and co-ordinate efforts to combat the production and use of crystal meth.