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B.C. BUDGET 2019: MAKING LIFE BETTER

IMPACTS TO FIRST NATIONS

BACKGROUND

The B.C. Budget was tabled February 19, 2019. The budget, titled 'Making Life Better' is building on the government's 2018 Budget by 'creating opportunities' and 'making life better for people.' Minister Carole James highlighted commitments to making life more affordable, as well as building a strong, sustainable economy. The government plans to make significant investments in British Columbians and aims to balance the budget.

As with Budget 2018, Budget 2019 articulates the expectation that BC will have a high GDP growth and reach the lowest unemployment rate in Canada. The Economic Forecast Council (EFC) upgraded projections for BC's economic performance in both 2019 and 2020.

The central pillar of BC Budget 2019 is historic investment in people with the creation of the BC Child Opportunity Benefit of approximately \$400 million to BC families raising children while also providing surpluses of \$274 million in 2019/20, \$287 million in 2020/21 and \$585 million in 2021/22.

With respect to Indigenous Peoples, the BC Government restated their commitment to 'achieving true and lasting reconciliation with Indigenous Peoples.' A key commitment in Budget 2019 is the historic gaming revenue sharing agreement with First Nations, where \$3 billion in provincial gaming revenue will be shared with First Nations over the next 25 years. Additional commitments to Indigenous People include \$85 million to support children-in-care by increasing support payments for foster parents, adoptive parents and extended family members, \$6 million in Implementation of the United Nations Declaration on the Rights of Indigenous Peoples, \$18 million for Clean Energy Initiatives directed to First Nations communities, support for Environmental Assessment, connectivity, early childhood education, wildfire response and other areas.

The following is a summary of Budget 2019: Making Life Better.

SUMMARY

The areas of focus for Budget 2019 as it relates to resources for Indigenous peoples are revenue sharing, reconciliation work, childcare, and environmental initiatives. Budget 2019 allocates more than \$300 million in new funding on these priorities over the fiscal plan (2019/20 – 2021/22):

- Includes \$297 million in gaming revenue-sharing payments over three years for First Nation communities to invest in areas related to housing, environmental protection, health and wellness, and economic development; stable, long-term funding of \$3 billion from shared revenue will be generated over the next 25 years
- Includes \$6 million in funding over three years for the Ministry of Indigenous Relations and Reconciliation (MIRR) to continue supporting work on treaties and agreements, environmental stewardship initiatives, and socio-economic development
- Includes \$18 million over three years to support children who are placed in the care of extended family caregivers and adoptive parents.
- Includes \$15 million for a province-wide homelessness action plan to implement a supportive housing response strategy that will create interim and permanent housing units for those homeless or at risk of homelessness
- Includes \$9 million in funding to implement the revitalized *Environmental Assessment Act* which will focus on attaining reconciliation and consensus with Indigenous people while achieving sustainable project approvals.
- Includes \$18 million, as allocated by the CleanBC plan, to fund two initiatives with Indigenous and remote communities that will work to expand and implement clean energy growth and energy saving improvements.

Budget 2019 builds upon Budget 2018's reconciliation commitments and initiatives with the historic gaming revenue-sharing agreement with B.C. First Nations that will see payments estimated at \$3 billion over the next 25 years.

With an additional \$6 million over three years to fund projects and work related to Indigenous reconciliation, Budget 2019 marks increased efforts by the government to ensure First Nations can have a stable, viable streams of funding to bolster community building and self-government.

Also noteworthy is the Government's commitment to grant Indigenous extended family caregivers support payments equal to that of foster parents, in line with Grand Chief Ed John's recommendation to keep Indigenous children in the care of their families.

However, notably absent from Budget 2019 were clear funding allocations related to wild salmon rehabilitation, aquaculture, and cannabis revenue sharing.

The government has committed to sharing its gaming revenue with BC First Nations starting in 2019/20, and more work must be done in partnership with the First Nations Leadership Council and the BC First Nations Gaming Commission through the Limited Partnership to ensure revenue sharing is carried out in a collaborative and transparent manner. Furthermore, the Budget's support for LNG development in BC is premised heavily on economic growth and opportunity, sidestepping the associated environmental liabilities and conflicts with First Nation interests that need to be addressed.

APPENDIX A: BUDGET 2019 MEASURES AFFECTING FIRST NATIONS

RECONCILIATION/GAMING

Budget 2019 makes a historic commitment towards gaming revenue sharing with BC First Nations with stable, long term funding of over \$3 billion over 25 years to support reconciliation efforts, including \$3 million in the next 3 years for support for Indigenous Reconciliation work including the introduction of legislation implementing the United Nations *Declaration on the Rights of Indigenous Peoples*.

Starting in 2019, the BC Government will share 7% of its gaming revenue with First Nations. Every First Nation community in BC will be eligible for between \$250,000 and \$2 million annually and can determine their own priorities for the funding, ranging from health and wellness, housing, infrastructure, training, environmental protection, economic development, self-government efforts and other uses.

CLIMATE CHANGE/CLEAN ENERGY BC (NK)

Budget 2019 allocates over \$679 million in funding for the CleanBC plan which aims to reduce carbon emissions and promote clean energy to power BC's economy. The investment will be further supplemented by enhancements to the *Climate Action Tax Credit*, totaling \$223 million

over three years, bringing the government's total commitment to climate action to over \$902 million.

CleanBC's funding is aimed at three main areas of development: cleaner transportation, energy efficient buildings, and a clean growth program for industry. The plan is purportedly structured around principles of partnership and opportunity and includes several initiatives to provide funding for Indigenous and remote communities to develop clean energy projects. However, the CleanBC's commitments to lower greenhouse gas emissions (GHG) remains at odds with LNG and fossil fuel developments, such as the LNG Kitimat facility and the TMX, that are associated with increased emissions. Of the \$679 million investment for the CleanBC Plan:

- \$18 million will fund the BC Indigenous Clean Energy Initiative and BC's Remote Community Clean Energy Strategy – initiatives that will increase the clean energy growth capacity for Indigenous and remote communities
- \$107 million will help British Columbians transition to cleaner transportation options, including zero-emission vehicles
- \$58 million in operation funding will make homes and buildings in BC more energy efficient
- \$168 million will be allocated to the CleanBC program for industry that will offer industrial incentives to reduce GHG emissions.

CHILD WELFARE AND CHILD CARE

In addition to the new BC Child Opportunity Benefit, specific commitments in Budget 2019 for child welfare and child care include increases of support payments for foster parents and extended family members caring for children that will amount to \$16 million annually. This is in support of recommendations from Grand Chief Ed John's report to keep more Indigenous children with their families.

Budget 2019 will also provide \$9 million annually to support the Child Care Fee Reduction Initiative and the associated Childcare Fund Operating Program. Other commitments include \$6 million for supporting vulnerable children and youth, specifically children with special needs and an increase in respite benefits.

POVERTY REDUCTION

Budget 2019 commits to contributing \$10 million for a provincial rent bank. This will provide access to loans for vulnerable families.

A Poverty Reduction Strategy/Plan will be announced in Spring 2019, further specifics available at that time.

FORESTRY/EMERGENCY MANAGEMENT

Budget 2019 provides \$111 million over 3 years to strengthen prevention, response and recovery efforts related to BC wildfires and \$13 million for forest restorations in areas damaged by disease and wildfires. This is an increase from Budget 2018 which allocated \$50 million over three years for wildfire preparation and response.

There will be \$10 million over 3 years to support the Coast Forest Sector Revitalization initiative and \$13 million over 3 years to support the Forest Carbon Initiatives. These initiatives will work to support diversifying tenures, increasing domestic timber processing, and reducing carbon emission in the forest sector.

HEALTHCARE

Budget 2019 invests \$322 million to address the overdose crisis. This will be directed to initiatives delivered by BC Emergency Health Services and BC Centre for Disease Control, as well as expanding services in rural and remote areas and broaden distribution of life-saving naloxone kits. In addition, Budget 2019 allocates \$74 million over 3 years to address mental health and addictions services for children, youth and young adults. A targeted amount of \$20 million over 3 years is allocated to First Nations communities to assist in addressing the overdose crisis.

CONNECTIVITY

Budget 2019 commits to investing \$50 million to help close the gap in high-speed internet access between rural and urban, as well as expanding to more than 200 rural and Indigenous communities.

ENVIRONMENTAL ASSESSMENT

\$9 million is committed in Budget 2019 for implementing the new *Environmental Assessment Act*, which focuses on enhancing public confidence and participation in the EA process and pursuing reconciliation with Indigenous peoples and protecting the environment. This funding will include consideration of new approaches and tools to seek consensus with Indigenous peoples and include enhanced environmental, social and economic assessments. Budget 2019 does

not indicate whether or not this funding will also be extended to First Nations wishing to launch their own environmental processes.

SKILLS TRAINING/HIGHER EDUCATION

Budget 2019 provides \$3 million over 3 years to the Industry Training Authority of BC to increase support to Indigenous communities and peoples to navigate through the trades training system. This funding will be utilized to develop a Performance Management Framework which will include a reporting tool to evaluate initiatives and report on progress toward inclusion of Indigenous peoples in skilled trades.

JUSTICE

In response to the rampant money laundering and recent legalization of cannabis in BC, the government is committed to providing funding for programming related to anti-money laundering, cannabis legalization, gun and gang violence, and road safety. Budget 2019 provides \$53 million over three years to improve access to justice as follows:

- \$32 million annually to support the Civil Resolution Tribunal which allows for 24/7 online access to information, early dispute resolution processes, and expedited adjudication.
- \$9 million to enhance capacity in the justice system, including updating equipment, fulfilling mandatory health and safety updates, and increasing the capacity of Justice Centres.
- \$6 million to the Crime Victim Assistance Program that will support victims of violent crime and their families by offsetting financial losses
- Commitment to improve access to justice through Legal Clinics, by providing funding to continue consultation and development of the Indigenous Justice Strategy in partnership with the Law Foundation of BC.

There is an absence of clear funding commitments for the development or implementation of justice related programs for Indigenous Peoples however there is some expectation or funding to be committed in the future through supplemental budgetary processes. The BC Aboriginal Justice Council notes gaps as it relates to addressing the over incarceration of Indigenous peoples and the need to address fundamental issues within the justice system. There is a need to ensure substantive and immediate investments now for priority areas such as First Nations courts, Indigenous Justice Centres and enhancement of Gladue writers and training.

APPENDIX B: MIRR BUDGET AND ANALYSIS

The Ministry of Indigenous Relations and Reconciliation is receiving \$6 million in funding over 3 years for new staff to support work which builds on initial investment made in Budget 2018. The MIRR overall budget will increase to \$108 million for 2019/20, \$107 million for 2020/21 and \$107 million for 2021/22. Current 2018/19 spending is forecasted to be \$101 million.

