

Bill Good Issues Scan – October 2012

Government has a clear plan of action, focused on job creation and family affordability

Jobs:

- When the Jobs Plan was released, 2,270,900 people were employed in the province. As of today, 2,328,200 people were employed in the province. The difference is 57,400 more people working.
- When the Jobs Plan was released the unemployment rate in the province was 7.4 per cent. As of today, the unemployment rate is 7.0 per cent, below the national average of 7.4 per cent.
- Since February of 2011, B.C. has added 67,400 jobs.
- We also just launched the BC Skills and Training Program – an investment of \$75 million in skills training and making sure BC workers have first crack at new jobs.

Affordability:

- Maintaining a low tax jurisdiction
- Minimum wage increased to \$10.25/hour
- Fitness and arts credits for families
- B.C. Low Income Climate Action Tax Credit
- Review of B.C. Hydro supported restraint for hydro rate increases
- Common sense changes to Air Care program
- Student loan repayment assistance program
- First Time New Home Buyers \$10,000 bonus
- Translink Audit to control costs and find savings to keep transit affordable for Lower Mainland commuters
- BC Ferries Audit and injection of funds to limit fare increases
- Free online text books for post-secondary students

Enbridge/Kinder Morgan

- BC's position is clear and principled, based on good public policy.
- We are shipping small amounts of heavy oil now, let's not pretend otherwise. But if you want to dramatically increase those volumes, and clearly there is some appetite to do so, we've set the bar very high for environmental standards, for First Nations consultation, and for a balance between risk and benefit.
- We've set five conditions and the last one deals with economic benefits... if the first four aren't met, the last one won't matter.
- Government takes the long view on resource development – not just what will work for us today or tomorrow, but what's the choice that will work for our kids and their kids. It means tough choices and you have to work every day, every minute to maintain balance between the environment and the economy. When you're making tough choices like that, you're going to have critics. That's okay.
- The opposition has not been consistent. They've already said they would never let the project proceed but want to hold another review process with a predetermined outcome.

Natural Gas Strategy

- Currently, two LNG facilities and marine export terminals have received export licences from the National Energy Board – Kitimat LNG and BC LNG Douglas Channel.
- Other proponents are actively advancing their LNG project, including the LNG Canada project by Shell and their joint venture partners, PetroChina, KOGAS, and Mitsubishi who have filed for their NEB export licence. LNG Canada has selected TransCanada to build the pipeline that will support their project.
- Construction of three facilities and connecting pipelines are expected to generate 60,000 person years of employment during the construction period and create 1,400 full-time jobs to support ongoing operations.
- The province has also commenced discussions with two new global LNG proponents who are in the process of confirming site locations on BC's north coast.
- In September 2011, British Columbia released its natural gas strategy outlining the steps government will take to grow a viable LNG industry.
- Part of this strategy includes strengthen collaboration with First Nations, local communities, industry partners and other levels of government to define effective working relationships.
- B.C. has decades' worth of natural gas reserves, and enabling exports to Asia would raise prices for the product and increase revenue to government.

Petronas

- British Columbia shares Progress Energy's disappointment and we wish Progress Energy every success moving forward.
- We remain confident in the future of our natural gas industry and the benefits it will bring for all British Columbians.
- A lot of major companies are interested in investing in British Columbia and we welcome that investment.
- We are confident these investors share our vision of a made-in BC industry.
- It is too early to determine what impact this may or may not have on our natural gas sector in the longer term.

TFW - Chinese mine workers:

- The temporary Foreign Worker program is run by the federal government.
- We will ensure British Columbians have first shot at jobs in any new mines.
- That's why we have our new Skills Training Program, job fairs and regional workforce tables.
- This is the first step in determining if there will be a mine.
- If the mine proceeds, we will work with the federal government to ensure British Columbians and Canadians have the first opportunity for the jobs and provide the needed training.

Teacher Bargaining

- A key goal for our government is to create a more stable learning environment for B.C.'s students and their families. Last June's settlement came after a year of labour strife and disruption that affected all students and families.
- We must come together in a collaborative process to bring about labour stability. We all need to put the past behind us and be flexible to achieve long-term labour peace.
- This review will have two goals: One, longer-term stability for students; and two, improve how we interact and work with the BCTF to achieve the mutual goal of negotiated collective agreements – while minimizing anxiety and disruption.
- We will consult with key education stakeholder organizations on how the model for teachers' collective bargaining can be improved. These Consultations will occur through October and November and are expected to include school trustees, school administrators and parent groups.
- We are doing this because our kids deserve the best education possible and every opportunity to get ahead.

PO Staff Changes

- I'm very pleased with my new Chief of Staff Dan Doyle. With more than 30 years of experience in government and a track record of success outside of government, he is an incredible asset and I am fortunate to have him lead my office.
- As I know all of you can appreciate, I am limited in what I can say about personnel matters by the privacy laws that bind every employer in British Columbia.
- Our office is focused on controlling the cost of government and making life more affordable for families in British Columbia. From time to time I will make changes in my office to ensure we have the right mix of skills to ensure we are achieving that goal.

BC Liberal MLAs not seeking re-election:

- Holding public office is very demanding and this perfectly normal. For instance in 2005, 20 BC Liberals didn't seek re-election and in 2009, 14 decided to return to retire from politics.
- It's never easy saying goodbye to good people, but their decision provides us with an opportunity to renew our caucus with individuals that have different perspectives.

Rountables with Women

- It was Bill Bennett's wife who came up with the idea for the event. There was some time in the schedule and she suggested a women's only event and within 48 hrs of organizing it there were 90 women who wanted to attend and it was a great experience.
- These meetings are an opportunity for women to voice their concerns for the province just like when meeting with miners, rancher and loggers.

TransLink:

- Minister Pokak sent a letter to the Chair of the Mayor's Council last week asking for a meeting to begin these very discussions.
- Different mayors have different views of the right way forward – they need to work together to identify one path forward.
- Government has been clear that any long-term funding proposals from the Mayors' Council must be:
 - Affordable for families;
 - Regionally sourced;
 - No negative impact on B.C.'s economy; and
 - Captures a share of the benefits that arise from the substantial investments in Metro Vancouver's transportation system.
- Minister Polak looks forward to meeting with the Mayors' Council to discuss their proposals for a long-term funding model that will ensure the affordability and sustainability of transit services in Metro Vancouver.

Port Mann Tolls

- Our tolling framework ensures the convenience of the new bridge is affordable for families while covering construction costs and maintenance in the long-term.
- Once completed, the new Port Mann Bridge will eliminate the worst traffic bottleneck in British Columbia, reducing commute times by up to 50% and saving drivers as much as an hour per day to spend with their families.
- So far more than 107,000 drivers and almost 180,000 vehicles are registered.
- Drivers who sign up for a free windshield decal and tolling account by February 28, 2013 will be guaranteed the half-price introductory toll rate for the first year. Drivers who sign-up before November 30, 2012 will receive a \$30 credit on their account, equivalent to 20 free trips for passenger vehicles.
- Registered users will also be eligible for various discounts and incentives including a 25% discount for HOV users, resulting in a reduced rate of \$1.13.

BC Ferries

- The total taxpayer contribution to BC Ferries has increased from \$106 million in 2003/2004 to \$180 million today – an increase of 70%.
- With taxpayer contributions at an all time high and ongoing losses and cost pressures, we need to take steps to ensure our ferry system is affordable and sustainable. We can't have boats that run with more crew than passengers and we can't have routes that consistently run at less than 25% capacity.
- There is only one taxpayer and the only way to ensure our ferry service is affordable and sustainable in the long-term is to make changes to how the system operates. That's why government will be working with BC Ferries to implement \$30 million in service reductions.
- Starting in November, we will be consulting widely with communities about what service reductions will allow BC Ferries to be affordable and sustainable while also protecting the service needs of isolated communities. We will be looking at service reductions on routes with low ridership levels and significant financial losses.
- We are also taking steps to get future price increases to trend to the rate of inflation. Government is providing an additional \$79.5 million in funding and BC Ferries is finding an additional \$15 million in administrative cost savings.

Cancellation of Fall Sitting

- This government, on first being elected in 2001, introduced a Parliamentary Calendar, together with a fixed election date. We are proud of this.
- Back in the fall of 2001, when the calendar was set, we said explicitly that there would be fall sessions when necessary – and over the years there have been a number of instances when there has indeed been a fall sitting.
- This fall there is a new Cabinet and government is focused, in these very challenging financial times, on preparing an economic blueprint – in concert and in consultation with British Columbians.
- We need to get out into all regions and seek ideas and input from citizens in corner of the province on how they wish their valuable tax dollars to be spent.

PST Transition

- Our plans for a smooth return to the PST are on track. We are bringing forward new tools and information for businesses to help them make the transition to the PST.
- To help ensure a smooth transition we've reached out directly to more than 160,000 businesses in addition to new tax bulletins posted online, and new support services such as:
- General Transitional Rules for the re-implementation of the Provincial Sales Tax, have now been issued. They detail how and when PST applies to transactions that straddle April 1, 2013. They should be read in conjunction with federal transitional rules for the elimination of the HST in B.C. The rules outlined in the notice are subject to the approval of the legislature.
- As committed, the PST is being re-implemented on April 1, 2013, with all permanent exemptions. Consumers will again not pay PST on purchases like food, restaurant meals, bicycles, gym memberships, movie tickets and others, nor for personal services like haircuts.

Smart Meters Status:

- 90 per cent of the Smart Meters have been installed and the installations are expected to be completed by the end of the year.
- Most BC Hydro's customers — about 96 per cent — that have been offered a Smart Meter are accepting them and about four per cent of customers are not.
- Many of these customers are changing their minds about Smart Meters. More than 6,600 British Columbians, have done so when they got the facts and have had the meter installed.
- Smart meters are a safe technology. 20 years of exposure to a smart meter is equal to a single 30 minute cell phone call.

Offshore Oil Exploration Status:

- Offshore oil exploration is a non-starter for our government.
- There is ample opportunity in B.C. without offshore drilling. With technology improving, new resources still being discovered onshore, and resource projections increasing, B.C. estimates that expanded growth (including LNG exports) in the natural gas sector could be supported for 80 plus years or more.

Mid Term Timber Supply Action Plan

- Government's response to the Special Committee report is our next phase in responding to the mountain pine beetle infestation.
- Since 2001, this government has committed \$884 million in fighting the mountain pine beetle infestation and its environmental and economic impacts.
- The response to the committee report includes nine sustained and 11 new actions.
- Highlights include: a 10-year forest inventory strategy, innovative silviculture practices to grow more trees faster, and landscape fire management planning to reduce risks to the midterm timber supply.