

Ministry Specific

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[Intro]

This week marks the end of the fourth session of our government,

and over two years since the last provincial election.

Starting from our first day, our government has been hard at work delivering results to make life better for people.

British Columbia is a remarkable place filled with unmatched natural beauty and resources, hardworking people, and a thriving economy.

But for too long, decisions were made to benefit the few at the top.

Our government is making different choices.

We're reducing costs and fees, so British Columbians have more money in their pockets.

We're investing in the services people depend on.

We're:

- tackling the housing crisis,
- providing more affordable childcare for more families,
- and making sure quality public services like health care and education are delivered in every community.

◊ We're working to build a strong, sustainable economy that works for people and creates opportunities now, while meeting the challenges of tomorrow.

People are beginning to see the benefits:

- MSP premiums have been cut in half, saving families up to \$900 a year now and up to \$1,800 when the MSP is eliminated entirely at the end of this year.
- This is the biggest middle-class tax cut in B.C. history.
- Parents are saving up to \$15,000 per year per child through the Affordable Child Care Benefit.
- Wait times for MRIs are coming down as we increased access to diagnostics.

- Over 22 million BC Ferries passengers are saving from fare freezes, rollbacks and free travel for seniors.
- 20,000 new affordable housing units are underway, with a total of 114,000 coming over 10 years, and we can see the housing market beginning to moderate.
- We secured the largest-ever private investment with LNG Canada's \$40 billion facility in the north.
- And British Columbia is expected to lead the country in economic growth in 2019.
- We are the only province with a triple-A credit rating from all three major international rating agencies.
- B.C.'s unemployment rate has been the lowest in the country for 15 months.

Putting people first is starting to pay off. This is only the beginning.

We're going to keep working hard to make life better, and build a brighter future for B.C.

2019/20 Estimates Note - Advice to the Premier

Title: **Staff allocations in the Premier's Office (Executive Operations)**

Response:

- There is a total of 30 FTEs in the Premier's Office – 22 in the Executive Branch (political staff) and 8 in the Correspondence Unit.
- Changes have been made to the staffing structure in Executive Operations of the Premier's Office and 1 FTE has been added in the last year to better support the Premier and the priorities of government.
- Salary costs for Executive Operations of the Premier's Office are projected to be approximately \$2.1M for 2019/20, approximately the same as 2018/19 (excluding general increases in keeping with the Public Service).
- In July 2017 under the BC Liberal government, the Executive Branch had a total of 21 FTEs and salary cost of \$1.77 million (which included a Special Advisor (Carole Taylor) who was on contract for \$1/year.

Background/Status:

Specific staff changes in the Executive Branch:

- Premier's Office Executive Branch – net increase of 1 FTE
 - New position of Director of Policy created (Jon Robinson)
 - Deputy Chief of Staff (Amber Hockin) position created from Director of Liaison and Coordination (Layne Clark) position with commensurate salary increase (\$100-150K);
 - New Stakeholder Relations Director (Mira Oreck replaced by Naveen Girn) and Managers reduced from 2 to 1 Manager (Charlotte Kingston – Chantille Viaud is now a MA and was not replaced);

2019/20 Estimates Note - Advice to the Premier

- Second Deputy Director of Communications created (George Smith) by repurposing Stakeholder Manager position with commensurate salary increase (\$90 – 110K);
- Amber Nash moved from Executive Coordinator into Director of Executive Operations and Scheduling and received increased salary commensurate with new responsibilities (\$75 – 110K). Amber had previously received a \$5000 increase in salary to reflect actual scope of duties as Coordinator of Scheduling.
- Evan Brown's job description was reviewed, and he received a \$5300 or 10% salary increase commensurate with scope of duties.

Other background:

- the total number of FTEs in the Premier's Office is 30 and has a total projected salary cost of approximately \$2.5 million.
 - In addition to the Executive Branch, the Premier's Office also houses the Correspondence Unit which has 8 FTEs. This is unchanged since Nov 2017.
- Bob Dewar is a special advisor in the PO on contract, therefore not included in FTE count and salary budget line item. Unchanged from 2018.
 - Bob Dewar's contract amount is a total of \$150,000 - \$120,000 for fees and \$30,000 for expenses. In 2018/19 the amount paid was \$138,390.

2019/20 Estimates Note - Advice to the Premier

Comparison of staffing at Premier's Office (Executive Branch) Nov 2017 – May 2019

Nov 2017	April 2018	May 2019
<i>20 FTE</i>	<i>21 FTE</i>	<i>22 FTE</i>
Geoff Meggs	Geoff Meggs	Geoff Meggs
Layne Clark	Layne Clark	Amber Hockin
Judy Cavanagh	Vanessa Geary	Vanessa Geary
Sage Aaron	Sage Aaron	Sage Aaron
Kate Van Meer Mass	Kate Van Meer Mass	Amber Nash
Mira Oreck	Mira Oreck	Naveen Girn
Sheena McConnell	Sheena McConnell	Sheena McConnell
Jen Holmwood	Jen Holmwood	Jen Holmwood
Amber Nash	Amber Nash	Jarrett Hagglund
Tamarra Wong	Debbie Wade	Debbie Wade
Bruce Fogg	Bruce Fogg	Bruce Fogg
Elizabeth Parkinson	Elizabeth Parkinson	Elizabeth Parkinson
Evan Brown	Evan Brown	Evan Brown
Romeo Tello	Erin Richards	Jennifer Dunnett
Danny Loubert	Danny Loubert	Danny Loubert
Maria Szabo	Maria Szabo	Olivia Dixon
Don Privett	Don Privett	Don Privett
Bev Crozier	Chris McLaren	Chris McLaren
Marie Della Mattia	Don Bain	Don Bain
Bob Dewar	Charlotte Kingston	Charlotte Kingston
	Chantille Viaud	George Smith
		Jon Robinson

2019/20 Estimates Note - Advice to the Premier

Title: Staff changes in the Deputy Minister's Office (DMO)

Issue: A number of staffing changes have taken place

Response:

- Staff changes were made to better resource the government's priorities.
- Formerly, there were 12 staff in the DMO; there are now 13 staff, plus one on s.22 and another on secondment.
- Salary costs for DMO were \$2,286,569 on March 31, 2019; costs on March 31, 2018 were \$1,756,568 (a lower amount, partly due to impact of election).

Background/Status:

- The Deputy Minister of Intergovernmental Relations has moved out of the DMO and is fully within the IGR Secretariat.
- Christine Kennedy is now an Associate Deputy Minister (formerly an Assistant Deputy Minister), and her work on key cross-government and economic issues is supported by 3 Executive Directors of Policy and Co-ordination – Amy Miller, Selena Basi and Paul Squires. Allison Witter is the Director of the Wild Salmon Secretariat, with a term ending in June 2020.
- Eric Kristianson, ADM, moved from GCPE to assist on key strategic priorities.
- Elizabeth MacMillan, ADM, moved from Cabinet Operations to the DMO, then on to a secondment with the Transportation Investment Corporation, with a focus on external relations.
- To support government's work on reconciliation, Suzanne Christensen, ADM, moved to the Ministry of Indigenous Relations and Reconciliation.
- Three Directors also moved from the DMO – Jon Robinson to the Premier's Office, Stephanie Papik to EMBC and Leila Farmer to GCPE.
- Keira Higgins, Executive Administrative Co-ordinator, is s.22 . Her position is back-filled by Alison Wensink; Alison's position is back-filled by Amanda Shortt. Leslie Loubert is a Clerk 11 s.22

Branches

- Bobbi Plecas is the new DM of IGRS.
- Alex MacLennan, ADM, is now the Deputy Cabinet Secretary

Contact:

Don Wright, DM

2019/20 Estimates Note - Advice to the Premier

Current staff – DMO

1. Don Wright, Deputy Minister
2. Christine Kennedy, Associate Deputy Ministry
3. Amy Miller, Executive Director, Policy and Co-ordination
4. Selena Basi, Executive Director, Policy and Co-ordination
5. Paul Squires, Executive Director, Policy and Co-ordination
6. Allison Witter, Director, Wild Salmon Secretariat (TA)
7. Eric Kristianson, Assistant Deputy Minister
8. Shelley Canitz, Executive Director, Corporate Initiatives
9. Jackie Hendry, Director, Executive Operations
10. Alison Wensink, Executive Administrative Co-ordinator
11. Amanda Shortt, Executive Administrative Co-ordinator
12. Eleanor Mulloy, Executive Administrative Assistant
13. Leslie Loubert, Administrative Assistant

Elizabeth MacMillan – secondment to Transportation Investment Corporation

Keira Higgins – ^{s.22}

MINISTER ADVISORY NOTE
APRIL 12, 2019

ISSUE: EXECUTIVE SEVERANCE

ADVICE AND RECOMMENDED RESPONSE:

- During the 2018/19 fiscal year, several executives departed the public service and received a severance settlement.
- Total cost of executive severances paid in 2018/19 (as of March 4, 2019): **\$2.57M**
- Severance amounts for senior executives, including Deputy Ministers and Associate Deputy Ministers, are specifically set out in the *Employment Termination Standards of the Public Sector Employers Act*.
- Also, as provided in the *Employment Termination Standards*, severances for all other public service employees, including Assistant Deputy Ministers, are determined based on common law factors, including age and years of service.

CURRENT STATUS:

- In 2018/19 (as of March 4, 2019), total excluded severance costs across government were **\$6.8M**.

KEY FACTS REGARDING THE ISSUE:

- As of October 1, 2018, the Executive Compensation Guidelines were revised which resulted in the executive holdback being rolled into the base salary. As a result, holdbacks from April 1, 2018 to September 30, 2018 were paid out in a lump sum payment in October 2018.
- The table below outlines the costs of executive severance paid during the fiscal year 2018/19 (as of March 4, 2019):

Name	Total Severance Paid	Details
Wilf Bangert Assistant Deputy Minister FLNRO & Rural Development	\$ 286,176	18 months' salary and benefits plus \$7,984 executive holdback
Sandra Carroll Deputy Minister Tourism, Arts and Culture	\$ 401,041	18 months' salary and benefits
Jacquie Dawes Deputy Minister Municipal Affairs and Housing	\$ 427,235	18 months' salary and benefits

Jamie Hammond Assistant Deputy Minister Jobs, Trade & Technology	\$ 197,848	13.5 months' salary and benefits
Lynne Patricia Holt Executive Lead Finance	\$ 138,678	12 months' salary and benefits
Brian T. Krieger Assistant Deputy Minister Jobs, Trade & Technology	\$ 261,600	18 months' salary and benefits plus \$7,350 executive holdback
John Mazure Assistant Deputy Minister Attorney General	\$ 263,771	18 months' salary and benefits plus \$7,500 executive holdback
Robert Mingay Assistant Deputy Minister Jobs, Trade & Technology	\$ 187,145	13 months' salary and benefits
Tim R. Sheldan Deputy Minister FLNRO & Rural Development	\$ 407,556	16 months' salary and benefits plus \$6,060 executive holdback
TOTAL	\$ 2,571,050	

CONTACT: LORI FISCHER
PHONE: 778-698-4115

2019/20 ESTIMATES NOTE – Advice to the Premier

Title: Executive Assistants in Constituency Offices

Issue: Executive Assistants (EAs) working out of Minister's Constituency Offices.

Response:

- There are a total of 22 Executive Assistants – 1 for each Minister's Office, 1 attached to a Minister of State (Trade), and 1 in the PO (Evan Brown is also an EA but different role). AEST currently has two EAs (no MA). EDUC currently has two MAs and no EA.
- Of the 22, four are currently based in Victoria: FIN, AG, JTT, and one of the AEST EAs. The rest are working outside of Victoria.
- EAs are working out of Minister's Constituency Offices so they can provide appropriate policy, outreach and logistics support within the Minister's Office and ensure the necessary preparation for and follow-up from Minister meetings with community stakeholders and governmental partners takes place.
- There is a clear differentiation between the work of political staff and the casework of Constituency Assistants.
- Like all political staff, EAs do the political work of the Minister. This includes addressing government work from the Ministry and political inquiries that find their way into the Constituency Offices.
- The role of Constituency Assistants is to provide support to constituents, including undertaking casework, and liaising with constituents.
- EAs report to the Senior Ministerial Assistant. Ministers, in their capacity as MLAs, oversee the work of the Cas. Together the Minister and Senior MA ensure coordination and appropriate delineation of roles at the constituency level.

Background/Status:

- The Opposition Caucus sent out a news release on Friday, January 25 suggesting government had spent \$127,000 to renovate Minister's Constituency Offices for Executive Assistants (EA).
- This figure is inaccurate and appears to be based on an FOI that shows Minister Conroy's office incurred a \$6,770 expense to renovate her Constituency Office for her EA because of the sensitive and confidential nature of files handled by MCFD. The Opposition appears to have multiplied \$6,770 by the number of EAs (there currently 20 EAs) to come up with their estimated cost.
- Minister Conroy's office was, however, an exceptional case due to the sensitive personal files involved with her Ministry.

- Based on calls to Minister's Constituency Offices, it is estimated the total cost to move EAs into Constituency Offices was under \$12,000 (ie/ after MCFD, the next highest cost was JTT where \$644 was spent on furniture. Many offices spent less than \$100).
- Costs for moving EAs into Constituency Offices included office materials and equipment such as desks, computers, phones and phone lines. In most cases, renovations were not required.
- As with MAs, the costs related to EAs are paid out of Ministry budgets – not Constituency Office budgets. Ministries pay ongoing phone and internet bills to support the EAs' work.
- The cost of moving the Premier's EA into his Constituency Office was minimal for basic office equipment, such as a computer and cell phone. More recently a new desk chair was purchased.

Contacts:

Vanessa Geary, Executive Director, Operations and Strategic Initiatives

Tim Howlett, Executive Director, Strategic Issues, GCPE

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Withheld pursuant to/removed as

s.14

2019/20 ESTIMATES NOTE – Advice to the Premier

Title: 2019 World Junior Hockey Championship (WJHC)

Issue: Premier Horgan attended 5 games at the World Junior Hockey Championship in Victoria and Vancouver on behalf of the Province to show the Province's support for the tournament. Admittance was through VIP passes provided by the tournament.

Response:

- The Province, through the Ministry of Tourism, Arts and Culture, was a key supporter of the tournament which was held in Victoria and Vancouver.
- A limited number of VIP passes to the games were provided to Premier and Minister so that the Province could show support.
- The passes were not available to the general public and had no commercial value.
- Prior to the Premier accepting the passes, Paul Fraser, Conflict of Interest Commissioner, s.13
- The Premier attend 5 games (see below) s.13

Background/Status:

- The 2019 World Junior Hockey Championship tournament was held in Victoria and Vancouver between December 26, 2018 and January 5, 2019.
- The Province, through the Ministry of Tourism, Arts and Culture, committed several million dollars in both direct and indirect support to the World Junior Hockey Championship tournament (ie/ surplus guarantee, event grant, province wide sports development programs).
- An incidental result of the negotiations was that the Ministry of Tourism, Arts and Culture received a limited number of VIP passes to the games.

CONFIDENTIAL

- The Premier also participated in the Welcome Video that played at the games and attended the Tournament Kick Off Conference.
- Games attended by Premier:

Wednesday December 26th 7:30pm

World Juniors Preliminary Game (Finland vs Sweden)

Save On Foods Memorial Arena

Saturday December 29th 7:30pm

World Juniors Preliminary Game (Sweden vs USA)

Save On Foods Memorial Arena

Monday December 31st 7:30pm

World Juniors Preliminary Game (USA vs Finland)

Save On Foods Memorial Arena

Saturday January 5th 1pm & 5pm

World Juniors Bronze Medal Game

Rogers Arena, Vancouver

*Minister Beare also attending and handing out the award for player of the game.

World Juniors Gold Medal Game

Rogers Arena, Vancouver

*Minister Beare also attending and handing out the award for player of the game.

Contacts:

Vanessa Geary, Executive Director, Operations and Strategic Initiatives

Amber Nash, Director of Executive Operations and Scheduling

2019/20 Estimates Note - Advice to the Premier

Title: Freedom of Information Requests – Office of the Premier

Response:

- During FY2018/2019 Office of the Premier has responded to 748 FOI requests (an increase of 336 from previous fiscal). 736 have been responded to on time, 12 went overdue. On time percentage is 98.4% - the highest among all Ministries.

Background/Status:

Previous Issue:

No records responses pertaining to FOI requests for all sent emails, by month

In the fall 2017, there were 'no records' responses by 5 staff in the Office of the Premier:

DMO:

- s.22 'no records' in August and September
- – 'no records' in July, August, September and October
- 'no records' in September, October and November,

PO:

- s.22 – 'no records' in July, August, September and October
- s.22 – 'no records' in July, August, September, October and November

These emails were restored and responses were sent to the applicant.

s.22

:

- s.22 s NRR for July and August 2017 were part of the restore project
- There were no sent emails for that period, hence nothing to be restored as government IDIR and email were not active until September 2017.
- s.22
- s.22 sent emails for September, October and November of 2017 were restored and responses were provided to the applicant.

2019/20 Estimates Note - Advice to the Premier

No Records Response OOP-2018-86671:

Wording of request:

The record of cell phone calls, and the cell phone text messages between Langford Mayor Stewart Young and the Premier pertaining to the homeless campers at Goldstream Provincial Park, who previously camped at Saanich's Regina Park, and Saanich's Rudd Park, including any messages pertaining to potential crimes committed by the homeless campers residing at Goldstream Provincial Park and any calls and messages involving the Provincial Government, the City of Langford, BC Parks, and MLA for Langford Juan de Fuca, John Horgan, pertaining to the homeless campers at Goldstream Provincial Park. (Date Range for Record Search: From 09/18/2018 To 09/20/2018) Date Format is MM/DD/YYYY

Office of the Premier provided a "no records response" as the Premier's Executive Assistant confirmed that any phone calls, messages with the Mayor would have taken place on the Premier's M.L.A. cell phone as that is the number the Mayor has for the Premier.

Government email accounts

- All staff have received training on the need to use government email accounts for government business.

TRAINING:

Training to date:

FOI Overview:

- August 1, 2017 to Geoff Meggs and staff by David Curtis, ADM, CIRMO and Chad Hoskins, ED, IAO

IM117 Training Sessions: comprehensive Information Management training module for all government employees, focusing on Privacy, Access and Records Management.

- September 21, 2017 - MO staff
- September 29, 2017 - Office of the Premier staff
- October 18, 2017 - MO staff (possibly some OOP staff)
- October 19, 2017 - MO staff (possibly some OOP staff)
- October 25, 2017 - MO staff (possibly some OOP staff)
- November 16, 2017 - MO staff (possibly some OOP staff)
- December 6, 2017
 - Parliamentary Secretaries/ Legislative Assistants
- December 15, 2017 - Office of the Premier Exec, DMO and VCO staff
- February 23, 2018 - Office of the Premier Exec, DMO and VCO staff
- February 26, 2018 - MO staff

2019/20 Estimates Note - Advice to the Premier

- April 19, 2018 – MO staff
- May 3, 2018 – MO staff/ One OOP staff

FOI Training:

- February 9, 2018
 - Office of the Premier Executive Branch/VCO

FOI and Records Management Training:

- February 16, 2018
 - Office of the Premier DMO, Correspondence, IGRS

Upcoming Training:

- Office of the Premier is scheduling an Email/ Records Management Training session for all staff for early June 2019.
- Office of the Premier is scheduling a session to train all staff on the updated IM117 for early June 2019.
- Office of the Premier is working with PSA to schedule all MO staff on the updated IM117 to be completed prior to mid July 2019

Contact: Jackie Hendry – 250 952-0527
Director of Executive Operations, Deputy Minister's Office, Office of the Premier.

2018/19 Estimates Note - Advice to the Premier

Title: Freedom of Information Requests – Section 43: Power to Authorize a Public Body to Disregard Requests.

Issue:

(from GCPE to IAO)

- In May, 2018, applicant made numerous cross government request which would have resulted in government to create 850 individual requests resulting in more than \$2 million to process.
- Applicant agreed to abandon the requests in April 2019 yet submitted more requests resulting in another 615 files to be created that would cost up to \$1.5 million to process.
- In 2018/19 this applicant submitted nearly 5,000 FOI requests, or approximately 65% of all general requests received by government. The estimated cost of processing these requests is more than 14 million.
- Government has asked the Office of the Information and Privacy Commissioner for the authority to disregard these requests seeking information on personal email accounts.

Background/Status:

Currently, OOP has 27 FOI requests on hold for:

Provide copies of all e-mails received from [27 specified emails] (including cc's and bcc's) for the following [61 specified individuals]: (Date Range for Record Search: From 07/17/2017 To 03/08/2019)

- 2 requests have a date range of **07/17/2017 to 03/07/2019**
- The remaining 25 requests have a date range of **07/17/2017 to 03/08/2019**
- These requests are on hold pending S. 43 of FOIPPA.
- Section 43: *If the head of a public body asks, the Information and Privacy Commissioner may authorize the public body to disregard requests under section 5 or section 29 that*
 - a. *Would reasonably interfere with the operations of the public body because of the repetitious or systematic nature of the requests, or*
 - b. *Are frivolous or vexatious*

Previously, OOP had 37 requests under review with the OIPC but subsequently withdrawn for:

All emails sent to or received from [specified email], including cc's and bcc's.

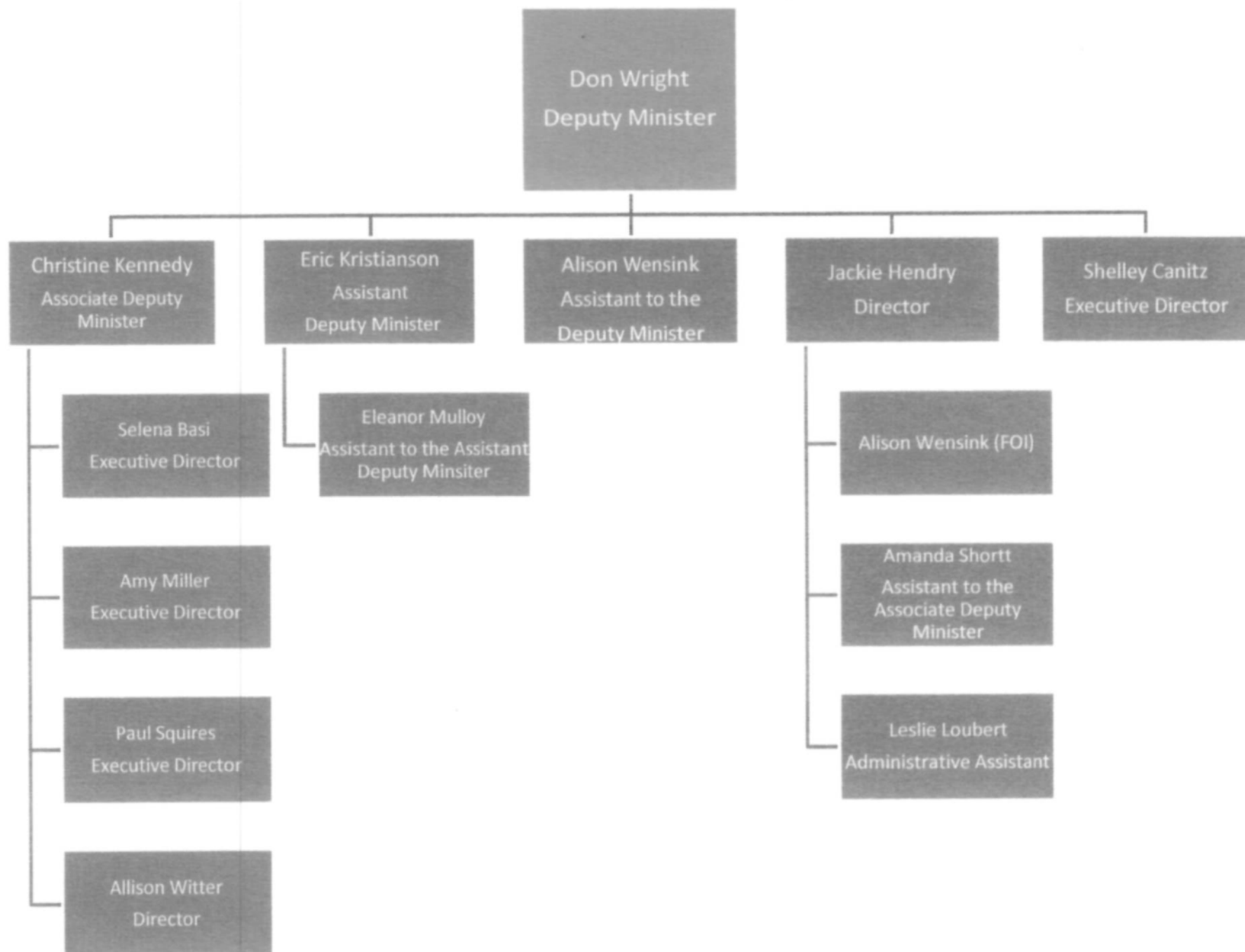
- Where **[specified email]** can be swapped with the list of emails above per request, depending on the date range block.

2018/19 Estimates Note - Advice to the Premier

- Requests were received in the following date-range blocks:
 - 1 request: 07/18/2017 To: 05/15/2018
 - 9 requests: 08/01/2017 to: 08/31/2017
 - 27 requests: 07/18/2017 To: 07/31/2017

Contact: Jackie Hendry – 250 952-0527
Director of Executive Operations, Deputy Minister's Office, Office of the Premier.

Current Functional Relationship – May 2019



14 staff (including one or s.22

2019/20 ESTIMATES NOTE**Public Inquiry into Money
Laundering****KEY MESSAGES:**

- The inquiry is a key component of government's actions to combat money laundering in British Columbia.
- It will have significant authority to investigate money laundering across a number of provincial sectors and the regulatory agencies responsible for overseeing them.
- The inquiry will also examine barriers to effective law enforcement.
- The inquiry has a broad scope because that's what is necessary to ensure the public receives a full picture of how money laundering has been allowed to flourish in British Columbia.
- Justice Austin Cullen has extensive background as a jurist and as a prosecutor.
- The Commissioner will be required to review and take into account the investigations and reports already concluded, so it will not be starting from scratch.
- Based on the work of past commissions, we believe the timelines of an interim report within 18 months and a final report within two years are achievable.

If asked about obtaining cabinet information and documents

- Commissions of inquiry have broad powers to obtain information and compel witnesses to attend and answer questions.
- In principle, that could extend to Cabinet information, to the extent it is consistent with the terms of reference of the inquiry.
- We expect that the Commissioner would carefully weigh whether to compel such information or documents.

FINANCES:

- The cost of the inquiry is estimated at \$10.7 million.
- The figure will be refined further as the Commissioner develops his budget and hires staff.
- Previous inquiries' costs were as follows:
 - Davies inquiry (2007-2009) – \$3.29 million
 - Braidwood inquiry (2008-2010) – \$5.29 million
 - Oppal inquiry (2010-2012) – \$9.89 million
- This inquiry is expected to cost somewhat more than previous inquiries due to the broad scope of the subject matter. For example, it may be necessary for the Commissioner to hire forensic accountants or staff with background in complex financial transactions.

2019/20 Estimates Note - Advice to the Premier

Title: Rationale for revised exclusion process in the ALR

The *Agriculture Land Commission Amendment Act* outlines an exclusion process that requires that owner initiated exclusion applications be submitted to the ALC only by local governments, First Nations governments, the province to encourage these types of applications to be done as part of a thoughtful land use planning process in order to further limit speculation on farmland and to protect the ALR.

These changes are based on the recommendations of the ALC Revitalization Committee

Background/Status:

- This change is intended to reduce small but steady attrition of the ALR and relieves workload pressure on the commission that results from numerous individual exclusion applications submitted each year, half of which are refused.
- Over the last 30 plus years the ALR has been seen as a 'multiple use zone' rather than an agriculture land reserve. Exclusion applications were submitted without considering the agricultural functionality of the remaining parcels, and consideration of how the exclusion may impact the overall integrity of remaining land meant to be reserved for agriculture. There has also been a growing trend in the purchase of ALR land for speculative purposes; whereby purchasers acquire ALR land for future development opportunities, rather than farming. Changes to the exclusion process signals that the ALR is an intact agriculture zone now and into the future; a zone that individuals can't easily opt out of to pursue other development opportunities.
- Exclusions from the ALR are best considered in the context of comprehensive land planning exercises such as a local government official community plans, provincial land use plans or first nation planning exercises. Planning exercises and outcomes provide a long term vision for land use within a community. Such plans can guide where specific ALR parcels are removed or not. It makes sense for local governments, first nations governments or the Province to be the ones making exclusion applications more often than not. The past 'one off' approach where the commission receives individual exclusion applications has not been efficient or effective in maintaining the size and continuity of the ALR – which farmers require to farm.

2019/20 Estimates Note - Advice to the Premier

- The change is consistent with ALC/ALR Revitalization Committee's interim report outlining immediate legislative changes necessary to support the ALR and ALC.



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Agriculture Programs Supporting B.C. Indigenous Communities & Businesses

Indigenous Focused Agriculture Programs

Program/Service	Organization	Description
<u>Indigenous Agricultural Development Program</u>	B.C. Ministry of Agriculture	Provides cost-share funding for Indigenous communities assess the feasibility of their agriculture opportunities and engage the community (up to \$5,000), and receiving coaching and specialized business planning services (up to \$10,000). The Indigenous Business Agrologist, in partnership with the Regional Agrologists, also works with Indigenous communities in identifying and implementing agricultural development opportunities. They provide advisory, technical support and referral services.
<u>Indigenous Pathfinder service</u>	Agriculture and Agri-Foods Canada	The Indigenous Pathfinder is a one-on-one service which connects Indigenous Peoples with AAFC staff who will listen to project ideas and suggest next steps, discuss available agriculture-related programs, services and funding, provide referrals to an industry, trade or scientific expert and make connections with other federal, provincial and territorial support across the country to help move the idea or project to reality.
<u>Indigenous Agriculture and Food Systems Initiative</u>	Agriculture and Agri-Foods Canada	Supports Indigenous communities and entrepreneurs who are ready to launch agriculture and food systems projects and others who want to build their capacity to participate in the Canadian agriculture and agri-food sector.
<u>Knowledge Transfer Events</u>	B.C. Ministry of Agriculture	Provides funding for indigenous knowledge transfer events to support for peer learning, educational training and relationship building opportunities. Funding of up to \$5,000 per event provided through the Strategic Outreach Initiative.
<u>First Nations Food Systems in Remote Communities</u>	First Nations Health Authority	Supports the creation, expansion, and improvement of small-scale community gardens and other initiatives centered on First Nations Culture and driven by community demand to improve food security. Administered by Heart & Stroke Foundation and managed by AgriFirst Canada, the project currently works with 73 indigenous communities in BC.
<u>AgriDiversity Program</u>	Agriculture and Agri-Foods Canada	Helps under-represented groups such as Indigenous Peoples to fully participate in Canadian agriculture and focuses on skill and leadership development, entrepreneurial and business capacity, facilitating the sharing of industry experience, and incorporating more diverse views into the sector. The funding is typically focused on national organizations with a maximum of \$200,000 per year (\$1,000,000 over 5 years).
<u>Agri-Food Futures Fund</u>	Investment Agriculture Foundation	Project-based cost-shared funding program to support emerging sectors including aboriginal agriculture. Eligible projects address gaps in skills, business development, technology adaption and transfer, pre-commercialization exploration.
<u>Tsawwassen Farm School</u>	Tsawwassen First Nation & Kwantlen Polytechnic University	10-month training program integrates sustainable agriculture and traditional indigenous food system. Provides a minimum of 350 hours of practicum crop production and post-harvest experience with incubator farm opportunities available after the program.

Agriculture Programs Supporting B.C. Indigenous Communities & Businesses

Agriculture Programs open to Indigenous individuals and businesses

Program/Service	Organization	Description
<u>Environmental Farm Plan</u>	B.C. Ministry of Agriculture	Indigenous individual or business that are operating and agricultural operation on band, reserve or treaty lands can access cost-share funding for Environmental Farm Plan and Beneficial Management Practices programs
<u>Agri-Skills Workshops, Webinars & Resources</u>	B.C. Ministry of Agriculture	Educational workshops and online training on business management and technical skills to help new and existing farmers protect and grow their investments
<u>Canada-BC Agri-Innovation Program</u>	B.C. Ministry of Agriculture	Provides cost-shared funding to support promising new products, practices, processes and technologies that have the potential to generate a benefit to the agriculture sector
<u>B.C. Lean for Food Processors</u>	B.C. Ministry of Agriculture	Provides cost-shared funding to support food processors to make more informed decisions, optimize operating procedures, improve production capacity, labour productivity and strengthen their business.
<u>Buy BC Partnership Program</u>	B.C. Ministry of Agriculture	Provides cost-shared funding and a recognizable Buy BC logo to help B.C.'s agrifood and seafood sector market their products and increase sales within B.C.
<u>B.C. Agrifood & Seafood Market Development</u>	B.C. Ministry of Agriculture	Provides funding to support B.C.-based businesses to develop marketing skills, purchase market research, create marketing plans and expand export sales. Must have annual revenues of at least \$30k for most recent 2 years.
<u>Advance Payments Program</u>	Agriculture and Agri-Food Canada	Loan guarantee program which provides agricultural producers with easy access to low-interest cash advances. Producers can access up to \$400,000 per program year.
<u>On-Farm Food Safety & Post-Farm Food Safety</u>	B.C. Ministry of Agriculture	Cost-shared program to support on-farm and post-farm agrifood businesses to encourage implementation of food safety standards and certification programs address current and evolving requirements of consumers, markets and governments
<u>Traceability Adoption Program</u>	B.C. Ministry of Agriculture	Cost-shared program to support B.C. agrifood and seafood businesses to increase awareness and implementation of traceability systems, practices, infrastructure and technologies
<u>Farm Adaptation Innovator Program</u>	B.C. Ministry of Agriculture	Supports collaborative research, demonstration, and knowledge-sharing to promote adoption of effective farm practices, approaches and technologies to support farm-level adaptation to climate change

Agriculture Programs Supporting B.C. Indigenous Communities & Businesses

Other Indigenous Focused Business and Economic Development Programs

Program/Service	Organization	Description
<u>First Citizens Fund</u>	Aboriginal Business Loan Program	Supports seven program areas: Business Loans, Business Services & Centres, Elders Transportation, Student Bursaries, Friendship Centres, Heritage, Language and Culture. Nations Trust Company (ANTCO) delivers the Aboriginal Business Loan Program in partnership with four Aboriginal Capital Corporations located throughout B.C. The loan offers a 40% differed contribution grant with a lifetime maximum for individuals is \$75,000 and \$225,000 for communities
<u>BC Rural Dividend</u>	B.C. Ministry of Forests, Lands, Natural Resource Operations and Rural Development	Program assists small, rural indigenous communities to obtain funding for community capacity building, workforce development, community and economic development and business sector development. There are 3 categories: Project Development (up to \$10,000), Single Applicant (up to \$100,000) and Partnerships (\$500,000).
<u>Community Opportunity Readiness Program</u>	Indigenous and Northern Affairs Canada	Support financial needs of indigenous communities to pursue economic opportunities and attract private sector funding (including planning, negotiations, legal, land surveys, appraisals) and community economic infrastructure development related to business development.
<u>Economic Diversification Infrastructure</u>	Northern Development Trust (NDIT)	Supports Indigenous communities in central and northern B.C. to develop infrastructure projects to strengthen the local economy by providing grant funding up to \$250,000 (to maximum of 70% of the project costs). also provides up to \$10,000 in grant funding for Capital Investment Analysis to develop a comprehensive business case for a major building or infrastructure project.
<u>Community Development Program & Environment Grants</u>	Columbia Basin Trust (CBT)	Supports indigenous communities in the Columbia Basin region to obtain funding for capital projects and community-based research and planning projects such as feasibility studies, impact assessments, business planning, environmental ecosystems, climate adaptation and water projects.
<u>Economic Infrastructure and Innovation Program</u>	Island Coastal Economic Trust (ICET)	Supports indigenous communities in the Island Coastal trust region to develop infrastructure and innovation projects in targeted sectors, with non-repayable matching funding contributions of up to a maximum of \$400,000. Trust also provides up to \$30,000 in readiness support for economic and sector development strategies to attract investment and/or increase sector productivity and/or grow business opportunities.
<u>Direct Support to Build Capacity</u>	New Relationship Trust	Funding support for education, Governance Capacity, Language & Culture, Youth & Elders, and Economic Development. Direct support funding is a maximum of \$25,000 per project to individual First Nations and a maximum of \$50,000 per project is available to groups of three First Nations who are collaborating on a capacity building initiative.
<u>Strategic Partnerships Initiative</u>	Indigenous and Northern Affairs Canada	Increase economic development opportunities for Aboriginal communities and businesses by promoting partnerships between federal and non-federal partners in priority sectors of the economy

Agriculture Programs Supporting B.C. Indigenous Communities & Businesses

<u>Entrepreneur and Community Equity Matching Initiative</u>	New Relationship Trust	Assists BC Aboriginal Entrepreneurs with equity-matching funds up to \$5,000 to modernize or expand a business in BC. Program is delivered through aboriginal financial institutions: All Nations Trust Company, Nuu-chah-nulth Economic Development Corporation, Tale'awtxw Aboriginal Capital Corporation, Tribal Resource Investment Corporation (TRICORP), Community Futures Development Corporation of Central Interior First Nations, Stolo Community Futures Development Corporation, Native Fishing Association
<u>Business loans</u>	Community Futures	Offers loans to entrepreneurs up to \$150,000, designed to help growth for First Nations entrepreneurs. Programs run through Community Futures Development Corporation of Central Interior First Nations, Stolo Community Futures, <u>Nuu-chah-nulth Economic Development Corporation (NEDC)</u>
<u>Business Development Loans</u>	TRICORP	Flexible financial assistance, Personal and flexible service delivery, Applications are reviewed on their own merit, Business and financial advisory services, Managerial and technical advise, Employer Benefit Loans, Workstations for research
<u>Business Loan & Advisory Services</u>	All Nations Trust Company	Business loans for development, expansion, modernization and acquisition of business projects. Programs also include business and marketing plan assistance and referrals to programs and services.
<u>Aboriginal Business and Entrepreneurship Skills Training (BEST)</u>	Ministry of Advanced Education	Provides a 12-part training series at no charge to participants in Indigenous communities across B.C. The training series takes people through the steps of building a business, from market research to developing a business plan. It is run in partnership with Community Futures and several First Nations development corporations.
<u>First Nations 10-year Grant</u>	Indigenous Services Canada	Funding mechanism that aims to provide increased flexibility and predictability to First Nation governments to address their local needs and priorities.
<u>Pacific Integrated Commercial Fisheries Initiative (PICFI)</u>	Fisheries and Oceans Canada	The Pacific Integrated Commercial Fisheries Initiative (PICFI) was launched in 2007. It was designed to increase First Nations' access to the commercial fisheries in British Columbia (BC) by developing common and transparent rules that apply to all participants and improving the management of the commercial fisheries through greater collaboration among stakeholders.

PROGRAMS AND SERVICES FOR B.C. AGRIFOOD PRODUCERS

The governments of B.C. and Canada as well as local organizations and institutions provide B.C. producers with various resources to support business planning, financing and skill development opportunities that encourage success in the agriculture industry. Several of the listed programs are supported through the Canadian Agricultural Partnership.

ASSISTANCE, INFORMATION AND RESOURCES

- **Advisory Services** connects prospective or established farmers with an Agrologist at the Ministry of Agriculture for advice, technical support, and referral services. Contact agriservicebc@gov.bc.ca to get in touch with an Agrologist today.
- **Agriculture Management Institute's (AMI) tool "Making a case for growing new crops"** is an online calculator that takes into consideration input costs, yield measurements (bushels, cwt, kg, etc.), budget plans and expected yields to provide producers with a baseline plan of what producing the crop will cost. <http://takeanewapproach.ca/growingnewcrops/#/>
- **B.C. Farmland Lease Workbook** helps guide potential lessors and lessees in developing a lease agreement. https://www2.gov.bc.ca/assets/gov/farming-natural-resources-and-industry/agriculture-and-seafood/farm-management/farm-business-management/farmland_lease_workbook_final.pdf
- **B.C. Good Agricultural Practices Guides** provides a whole-farm approach covering all aspects of food safety of crop and livestock production. <https://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/food-safety/good-agricultural-practices>
- **B.C. Guide for Agricultural Lease Agreements** this guide provides basic information on leasing, along with sample leases and web links to lease documents online to get started. https://www2.gov.bc.ca/assets/gov/farming-natural-resources-and-industry/agriculture-and-seafood/farm-management/farm-business-management/first-nations-agriculture/guide_for_agriculture_lease_agreements_bc.pdf
- **BC Institute of Agrologists** have over 1,300 practicing Agrologists, who are professionals in areas including agriculture, food production, environment and resource management. Find an Agrologist: <https://www.bcia.com/about-bcia/find-an-agrologist>
- **B.C. Land Matching Program** provides land matching and business support services to new farmers looking for land to farm as well as landowners interested in finding someone to farm their land. <https://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/programs/land-matching>
- **Canadian Association of Farm Advisors** helps family farm businesses solve their unique challenges. <https://www.cafanet.ca/advisor-listing/>
- **Enterprise budgets** provide information on production costs and returns to quickly evaluate a farm business. <https://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/business-market-development/agrifood-business-management/running-a-farm-business/enterprise-budgets>
- **Farm Diversification through Agri-Tourism Guidebook** provides step-by-step guidance to farmers who are interested in engaging in agri-tourism. https://www2.gov.bc.ca/assets/gov/farming-natural-resources-and-industry/agriculture-and-seafood/farm-management/farm-business-management/business-planning-guides/agritourism_guide_2017.pdf
- **Farm Management Canada** provides business management information, webinars, tools and resources to position Canada's farmers for success. <https://fmc-gac.com/what-are-you-looking-for/>

- **Growing Your Farm Enterprise** is a supplemental guide that has tips on how to grow a farm business once established.
<https://www2.gov.bc.ca/assets/gov/farming-natural-resources-and-industry/agriculture-and-seafood/farm-management/farm-business-management/growingyourfarm.pdf>
- **Production Guides** provide production, pest management and best practices on crop production. Check out the Animal Production Guides for business and health requirements, practices and standards for livestock production.
<https://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/animals-and-crops/crop-production/crop-production-guides>

FUNDING PROGRAMS

- **B.C. Agri-Business Planning Program** provides specialized business planning support to enable existing B.C. producers and processors to make more informed decisions or complete disaster recovery planning. Eligible applicants can access up to \$5,000 for individuals and \$30,000 for groups for business planning services from a Qualified Business Consultant.
<https://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/programs/agri-business-planning-program>
- **Canada-BC Agri-Innovation Program** is designed to accelerate the pace of innovation to enhance the sector's competitiveness, sustainability, productivity and resiliency. The program provides cost-shared funding to support the development and adoption of promising new products, practices, processes and technologies.
<https://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/programs/canada-bc-agri-innovation>
- **Environmental Farm Plan and Beneficial Management Practices Programs** support existing farm operations to complete agri-environmental risk assessments and provide cost-shared project funding to increase agricultural sustainability.
<https://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/programs/environmental-farm-plan>
- **Farm Adaptation Innovator Program** supports collaborative research, demonstration, and knowledge-sharing to promote adoption of effective farm practices, approaches and technologies to support farm-level adaptation to climate change.
<https://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/programs/farm-adaptation-innovator-program>
- **Traceability Adoption Program** supports B.C. agrifood and seafood businesses to increase awareness and implementation of traceability systems, practices, infrastructure and technologies.
<https://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/programs/traceability-knowledge-transfer>
- **BC Agricultural Production Insurance Program** helps producers manage their risk of crop losses caused by hail, spring frost, excessive rain, flooding, drought, etc. To learn more about the benefits of buying production insurance coverage:
<https://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/programs/production-insurance>
- **Agriculture and Agri-Food Canada** offers a number of programs and services that provide support to Canadian businesses.
<http://www.agr.gc.ca/eng/programs-and-services/?id=1362151577626>
Programs of potential interests include:
 - **Agriculture Youth Jobs Initiative** is a cost-share opportunity for farm operators to provide internships for post-secondary graduates and high school students interested in working in the agriculture industry.
 - **Canadian Agriculture Loans Act** is a program designed to help increase the availability of loans to farmers and agricultural co-operatives.
 - **Advances Payments Program (APP)** is a federal loan guarantee program which provides agricultural producers with easy access to low-interest cash advances. Call their offices directly to inquire about adding additional products to the rates list.
 - **AgriStability** protects agricultural producers against declines in their net farming income due to market conditions, production loss or increased costs of production. Payments are made if a producer's current year margin falls more than 30% below their reference margin.
 - **AgriInvest** helps manage small income declines, and provides support for investments to mitigate risks or improve market income

For more information on Government-led events, programs, resources or services available to support agrifood producers, please visit:
<https://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/programs> or contact AgriServiceBC@gov.bc.ca

Child Care Spaces

Highlights:

In QP on May 1, the opposition stated that government was falling short on its promise to create 22,000 new licensed spaces over three years.

- They also stated that they had helped to create 30,000 new spaces over the last ten years, where the current government only created 3,000 since May 2017. They also issued an open letter on the same day.

Contrast:

- The opposition's record – or lack thereof - on creating childcare spaces is clear.
- In the first 10 months of our space creation program, we've directly supported the creation of 4,300 new licensed spaces.
- It took them 4 years to create that many.
- And they still won't make child care a priority.
- The opposition continues to fight our plan to add child care spaces and provide relief for families every step of the way.
- It's clear they wouldn't take action to help families access quality, affordable child care.
- They are out of touch with the needs of BC families and BC businesses who have been calling for years for affordable, accessible childcare.
- They would cancel our child care investments and make child care more expensive and harder to access.

Solution:

- Too many parents are waiting for affordable, quality child care spaces.
- Unlike the opposition – we're focused on fixing that.
- We are supporting the creation of 22,000 new spaces over three years.
- **Since July 2018, we've already approved funding for 4,300 licensed spaces and more projects are being approved each week.**
- With the pace set over the past ten months, we have already exceeded our Year 1 target of 3,635 new spaces for B.C. families.
- We have set aggressive space-creation targets because we're trying to fix a problem that was left to fester and grow for more than a decade.
- Our spaces programs have existed less than a year and we're already seeing success.
- We're also working hard to make child care more affordable for families and are addressing the ECE shortage.
- This issue wasn't created overnight, and it won't be fixed overnight.
- There's more work to do – and we will continue to fight for families every step of the way.

If asked about the opposition claim to have created 30,000 new spaces over 10 years.

- The member knows that that's not true.
- The 30,000 number he is quoting were not new spaces created by government.
- It took them 4 years to create 4,312 new spaces.
- We created that many in the first 10 months of our space creation program.

Quotes

‘I can tell you how many child care spaces we have right now in B.C. We have one full-time, 24-hour-a-day space for every child in B.C. By law, child care is now, and always has been, universal and 24-7.’ (MLA Chilliwack-Kent, Feb. 15, 2018)

“I find it strange that the government...ignores the cries of an infant leaving its parent, who has to go to work, and the sadness of a parent who would rather stay home with their new baby for a while.” (MLA Chilliwack-Kent, Feb. 15, 2018)

Background:

- In Question Period on Wednesday May 1, the opposition stated that government was failing B.C. families and falling short on its promise to create 22,000 new licensed spaces over three years.
- At the same time, they stated that they had helped to create 30,000 new spaces over the last ten years, where the current government has only created around 3,000 since May 2017. They also issued an open letter on the same day.
- The numbers used in these questions are not direct comparisons: the 30,000 is the number of new spaces that are receiving Child Care Operating Funding. These are not necessarily created with the support of government funding, and may be privately funded. By comparison, the 3,000 new spaces are being created with the help of funding through the Childcare BC New Spaces Fund or the Start-Up Grants program.
- For a direct comparison, the previous Child Care Major Capital Program funded:
 - Nov. 17, 2014: 1,006 new spaces
 - June 5, 2015: 1,488 new spaces
 - June 1, 2016: 1,818 new spaces
- In addition, funding was announced by the current government for 3,806 spaces in December 2017 under the Child Care Major Capital Program. The call for applications for this funding was under the previous government in early 2017.
- As of May 3, 2019, government has approved approximately 4,300 new licensed child care spaces for funding.
- The opposition critic has regularly spoken about the lack of spaces that have been created under Childcare BC, attributing the shortage of spaces to a lack of supports for the child care sector.
- During estimates, the critic raised the following space-creation concerns:
 - If government is spending \$221 million over three years for new spaces, that's about \$73 million per year. But through the press releases that the government has issued so far, they've only announced about \$7.5 million to create 1,600 spaces.
 - In this fiscal year, the minister set a target of 115,000 licensed funded spaces. This would require 7,000 to 9,000 spaces in this fiscal year.
 - In the service plan, it uses the number 108,000 as the baseline. In the performance report of that same time period, it uses the figure of

106,000, which would suggest that instead of having a target of 7,000 spaces this year, it should have a target of 9,000 incremental spaces.

○ What is the target is for this year: 7,000 or 9,000 spaces?

- He may ask ministers how government plans to actually meet its child care goals if the ministry now needs to fund 19,000 spaces over two years. Breaking that number down means the ministry needs to fund 791 spaces every month.
- Improving access to child care is one of the key pillars under Childcare BC. Under Budget 2018, the Province committed \$237 million over three years to support the creation of 22,000 new licensed child care spaces.
- 2018-19 is a shorter year due to the fact that the space-creation programs under Childcare BC did not launch until June and July. The Ministry's goal is to fund up to 2,700 new child care spaces – and an additional 875 through start-up grants in 2018-19; that's a total provincial target of 3,635 new spaces for B.C. families. Since July 2018, the Province has already approved funding for 3,900 new licensed spaces – with more being approved every week.
- In June 2018, the ministry announced the Start-Up Grant program to help unlicensed child care providers with the cost of becoming licensed. Through this program, providers are eligible for up to \$4,000 to become a Family Child Care provider (seven licensed spaces) or up to \$4,500 to become an In-Home Multi-Age care provider (eight licensed spaces) if they are a certified Early Childhood Educator. To date, the program has funded about 1,920 licensed spaces – with a target of 1,460 net new spaces.
- In July 2018, the Province launched the Childcare BC New Spaces Fund to support the creation of new licensed child care spaces. Under this program, the ministry has moved to a continuous intake process, which allows providers to apply for funding at any time during the year. Providers are eligible for up to \$1 million to create new spaces, either by building a new facility or expanding an existing facility. To date, the Province has provided funding to help child care providers create approx. 2,000 new licensed spaces.
- The ministry has also invested \$13.7 million from its Early Learning and Child Care Agreement with the Government of Canada to create the Community Child Care Space Creation Program in partnership with UBCM. The results of this partnership will be announced in April 2019.
- In addition to the space-creation programs, the ministry launched the Childcare BC Maintenance Fund in June 2018. This program provides support to providers who need to carry out essential repairs at their facilities – or relocate their operations altogether – to maintain licensing standards.

Information Management Act

KEY MESSAGES

- Documenting the business and decisions of government is important to transparency and access to information for British Columbians.
- It is something this government takes very seriously and it is why the act – the Information Management Amendment Act – is so important to how we manage our records.
- Amendments to improve the act, included the requirement to document government decisions and increase oversight powers of the Chief Records Officer were brought into force on March 31, 2019.
- As we review opportunities to improve transparency and access to information, we will work to find ways to improve how we track information while still protecting privacy.

KEY POINTS AND BACKGROUND

- The IMA came into force by regulation on May 10, 2016.
- The IMA replaced the eighty-year old *Document Disposal Act* as government's primary information management law and its primary goals were to:
 - transition government to the digital storage and management of information;
 - establishing a Digital Archives and requiring the archiving of information in digital form (subject to reasonable exceptions); and
 - establish a Chief Records Officer (CRO) to approve information retention schedules, manage the Digital Archives and promote effective information management across government.
- The *Information Management [Documenting Government Decisions] Amendment Act* received Royal Assent on March 16, 2017.

- This act amended the *Information Management Act* (IMA) by:
 - enshrining a legislated “Documenting Government Decisions”; and
 - increasing the oversight powers of the Chief Records Officer (CRO).
- The new and amended provisions of the IMA came into force by Order in Council on March 31, 2019.

BRIEFING NOTE

Amendments to Information Management Act

Briefing Note

What:

An Order in Council will bring new and amended provisions of the Information Management Act into force on March 31, 2019.

Executive Summary:

On July 5, 2018, the Minister of Citizens' Services made a submission to the Priorities and Accountability Committee that outlined three key streams of work towards her mandate to "improve FOI rules to provide greater public accountability".

A fundamental component of one of those streams of work is an Order in Council (OIC) that will bring into force Bill 6-2017. The OIC is designed to bring the Bill into force on March 31, 2019.

Background:

Bill 6-2017 received Royal Assent on March 16, 2017, but was not brought into force at that time. Bill 6-2017 amended the Information Management Act (IMA) to:

- add a requirement to document government decisions;*
- clarify and expand the authorities of the Chief Records Officer (CRO); and*
- require the CRO to prepare an annual report and require that report to be tabled in the Legislative Assembly.*

The IMA applies to ministries and to 41 non-ministry government bodies. The IMA sets out requirements for the appropriate management of information throughout

BRIEFING NOTE

Amendments to Information Management Act

its lifecycle, beginning at creation and ending with destruction or permanent archiving.

Good information management practices are the foundation of good governance, access to information, and the protection of privacy and confidentiality. Record creation is one of the most important processes in information management. Creating adequate records is a matter of transparency and accountability.

The new requirement will not mean that public servants or elected officials must create a record of every action or decision. The new requirement allows ministries and government bodies to identify their key lines of business and ensure employees are supported in creating the right records at the right time to document important decisions.

The amendments also enable strong oversight and consistent information management practices across government, reinforcing government's role as a trusted steward of information.

In preparation for bringing the Bill into force, the Ministry has also undertaken:

- *Comprehensive policy development.*
- *Preparation of legally-binding directives and guidelines to be issued by government's CRO.*
- *Extensive consultation, training, and education and awareness activities with ministries and government bodies.*
- *Identification of a "champion" in every ministry and government body.*

Recommendations:

For information only.

STATUS OF DAVID LOUKIDELIS RECOMMENDATIONS (sorted by STATUS CATEGORY)

1 of 7

	Loukidelis Recommendation (Summarized)	Status	Actions
1	Devise and implement a plan to ensure that during any future data migrations, email accounts are backed up as recommended by Commissioner Denham (i.e., on hourly, daily, and monthly schedules).	Complete	Complete: CITZ has documented and implemented a process with HPAS and will monitor future data migrations.
5	IAO should ensure it continues to watch for cases where it has reason to believe records should exist, yet none are produced to it. In such instances, IAO should rapidly escalate the matter to obtain appropriate direction. This should ideally come from the deputy minister for the ministry involved (or her or his immediate delegate). Government should create policy to govern such cases.	Complete	Complete: Escalation process involving the DMO, IAO and CRO is documented and in place. Where necessary the CRO will advise the Minister of Finance.
	Enhance training for political staff in ministers' offices and make it mandatory, and refreshed at least every two years. Loukidelis set out a detailed set of considerations for this training.	Complete	Complete: Mandatory training for staff in Ministers' Offices every two years is in place and has been completed for this year.
11	Create new guidance materials for political staff in ministers' offices on interpreting requests and searching for records, to ensure that existing (and new) ministerial staff have a proper understanding of what is expected of them. The guidance should also address constituency records of the minister in her or his role as a member of the Legislative Assembly and help staff understand that personal email accounts are not to be used for government business.	Complete	Complete: Guidelines for Ministers' Office staff are complete, distributed, and incorporated into training material.
12	Provide the same enhanced training and new guidance materials to staff in the Premier's Office. Loukidelis notes that this should be done as soon as practicable.	Complete	Complete: Training of Premier's Office staff complete and new guidance materials have been distributed and incorporated into training material.
13	Require political staff in ministers' offices to certify in writing that they are aware of their responsibilities under FIPPA, including the duty to assist, and are aware of applicable records management policies and rules, particularly those relating to transitory records.	Complete	Complete: Staff in Ministers' Offices have signed attestations after completing training.
24	Provide interim guidance to all public servants on records management and freedom of information issues addressed in the Commissioner's investigation report. This includes, duty to assist, search for records, interpreting requests and the transitory records policy. Government should at the earliest opportunity broadcast to all public servants a written reminder, and supportive guidance, on these two issues.	Complete	Complete: Deputy Minister to the Premier issued interim guidance to all public servants respecting transitory records and the duty to assist on December 16, 2015.

STATUS OF DAVID LOUKIDELIS RECOMMENDATIONS (sorted by STATUS CATEGORY)

2 of 7

	Loukidelis Recommendation (Summarized)	Status	Actions
27	All ministerial staff should be required to have access and privacy training, along with a records management aspect. The training should use the integrated records management and freedom of information module recommended above. The Premier's office should be responsible for ensuring that all staff complete the training in a timely way. Staff should be required to repeat the training at least every two years.	Complete	Complete: Ministers' Office staff have completed training.
3	Ensure that all ministries have the expert resources in-house necessary to ensure every reasonable effort is made to locate records in response to access requests.	Complete	Complete: FOI Liaison Officers established in all DM offices to oversee FOI requests in Ministers' Offices. Liaison Officers have received training.
6	Where an executive branch office does not have responsive records due to ordinary-course records management, IAO should explain why that is so. Government should publish information about how records management is handled as between ministries, ministers' offices and the Premier's office.	Complete	Complete: "No records response" process is documented and implemented. Complete: Information on how records management is handled in government has been published online with the new CIRMO "Central Agency" page.
4	Improve training materials and guidance resources to provide better education and support for front-line staff searching for records. This should include clearly stating the objectives of the duty to assist an applicant, and outline practical search and retrieval steps.	Complete	Complete: Training and guidance material for all staff, including Ministers' offices and DMO FOI liaisons is complete.
26	A single set of materials should be prepared for freedom of information training courses and the duty to assist and transitory records portions should be substantially improved. The duty to assist portion should relate to searches for records and also interpretation of requests.	Complete	Complete: Guidance materials to support mandatory training for all staff, including in Ministers' Offices and Premier's Office is complete and has been incorporated into training.

	Loukidelis Recommendation (Summarized)	Status	Actions
20	<p>Ensure that the information management advisory committee established under the Information Management Act has an advisory mandate to ensure that government information management policies and practices continue to meet accepted good practice, and improve over time, as technologies and government programs evolve.</p> <p>To help ensure public confidence in the committee's work, government should ensure that it includes experts from outside government who have expertise in records management, archives and government administration.</p>	Complete	<p>Complete: ToR have been drafted and approved by the CRO.</p> <p>A Committee with external membership has been established to review and provide advice to the CRO on policy and practice improvement.</p>
25	<p>Some level of records management training should be mandatory for all employees. A key focus should be on transitory records policy, with practical guidance on the topic. Essential areas for training are management of email and draft records. The Government Records Service has a number of useful guides on email management and draft records on its website and these could be incorporated into the training materials. This is also, nonetheless, an opportune time for the Government Records Service to revamp existing materials in light of the Information Management Act. This training should be an online orientation module for new employees. Existing employees should also be required to complete the module.</p>	Complete	<p>Complete: Mandatory training for staff in Ministers' Offices and Premier's Office is complete.</p> <p>A new mandatory training module titled IM117 - Information Management: Protection of Privacy, Access to Information and Records Management has been rolled out to government. All employees must complete this course before March 2017 unless an extension is granted by their ADM.</p>
19	<p>Consider introducing a general legislative duty to document, with detailed supporting policy.</p>	Complete	<p>Complete: a requirement to document government decisions has been added to IMA rather than FOIPPA as part of Bill 6 2017.</p>

STATUS OF DAVID LOUKIDELIS RECOMMENDATIONS (sorted by STATUS CATEGORY)

	Loukidelis Recommendation (Summarized)	Status	Actions
	Give serious consideration to introducing legislation, consistent with s. 53 of the Alberta Freedom of Information and Protection of Privacy Act, that would give the Information and Privacy Commissioner authority to investigate alleged unauthorized destruction of records.	Complete	Complete: A similar authority was given to the CRO under the IMA as part of Bill 6 2017.
7	Government should issue a rule prohibiting anyone from triple deleting emails. It should also configure its email system so that the contents of the recover deleted items folders in all mailboxes are, as recommended by Commissioner Denham, retained for 31 days, not 14 days.	Complete	Complete: Premier has prohibited triple-deletion of emails. Complete: MTICS has reconfigured the "Recover Deleted Items" folder settings to ensure mailbox content is retained for over 31 days.
9	Change the process for handling access requests in ministers' offices (similar to the process in place in the Premier's Office). Loukidelis set out a detailed set of considerations respecting this process, including authority for Information Access Operations to, without notice, gain access to ministerial office files for the purpose of ensuring that all responsive records have been identified and produced to IAO.	Complete	Complete: New process for handling FOI requests in Ministers' Offices has been established, with a DMO FOI liaison officer overseeing the process. Complete: s.14

	Loukidelis Recommendation (Summarized)	Status	Actions
14	<p>Provide the same right of access by IAO to gain access to files held by the Office of the Premier for the purpose of ensuring that all responsive records have been identified and produced to IAO.</p> <p>Also require political staff in the Premier's Office to certify in writing that they are aware of their responsibilities under FIPPA, including the duty to assist, and are aware of applicable records management policies and rules, particularly those relating to transitory records.</p>	Complete	<p>Complete: Staff in the Premier's Office have signed attestations after completing training.</p> <p>Complete: s.14</p>
23	<p>The IM Advisory Committee should have a web presence through GRS. Practice review reports, and committee input, should be published.</p> <p>The committee should be required to report annually to the minister, who should make each report publicly available, such as by tabling it in the Legislative Assembly.</p>	Complete	<p>Complete: GovTogetherBC is being used to carry out public consultation on information schedules.</p> <p>Complete: The CRO will be given authority under IMA to prepare an annual report for the Minister, who would table it in the Legislative Assembly.</p>
22	<p>Ensure that GRS establishes a program of regular (and spot) review of information management practices in individual ministries. GRS staff would examine the practices of a ministry and make any necessary recommendations for improvement.</p> <p>Each report should be provided to the information management advisory committee for review and any recommendations. The committee should also be mandated to ensure that these practice reviews inform ongoing practice improvement.</p>	Complete	<p>Complete: Develop TOR and governance process for the advisory committee.</p> <p>Complete: Amendments to IMA to broaden the scope of the compliance program to government bodies (Spring 2017).</p> <p>Complete: CRO to establish an information management compliance program (based on existing privacy compliance program).</p>

	Loukidelis Recommendation (Summarized)	Status	Actions
2	Resist any notion that all emails should be kept, or that they should all be kept in order to be vetted by archivists or records managers, who would decide which to keep. Instead, ensure that government’s transitory records policy is appropriate, understood by all, and implemented by all.	Partially Addressed	<p>Complete: Transitory Records Guideline for Ministers’ Office staff complete, distributed, and incorporated into training material.</p> <p>In Progress: Guidelines for all staff are under development.</p> <p>Pending: Update transitory records policy based on changes to current transitory records schedule. Records schedule currently under development.</p>

STATUS OF DAVID LOUKIDELIS RECOMMENDATIONS (sorted by STATUS CATEGORY)

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	Loukidelis Recommendation (Summarized)	Status	Actions
16	Update guidance on transitory records to support the new transitory records policy. The Government Records Service should also regularly review and update guidance to keep abreast of new issues, new types of information and new information systems in government. Updates should be informed by users' experience, through an effective feedback loop to inform guidance on transitory records.	In Progress	<p>In Progress: Expand current process for obtaining client feedback on records management policy and guidance using @Work intranet site.</p> <p>Pending: Update guidance based on changes to transitory records policy (see 15).</p>
8	Work with Commissioner Denham and with Microsoft to ensure that all mailbox content, including deleted emails, is preserved for 13 months for legal purposes.	In Progress	<p>In Progress: MTICS is preparing a cost estimate for implementing the solution for the Minister of Finance's decision.</p> <p>Pending: Consultation with the Commissioner.</p>
21	Ensure that the chief records officer under the Information Management Act establishes guidance on information management systems in order to assist ministries in achieving early compliance with their Information Management Act duties. Guidance should also be established on the steps heads should take to ensure compliance with information schedules.	In Progress	<p>In Progress: CRO to issue guidance on appropriate information management systems and steps government bodies should take to comply with information schedules.</p>
15	Significantly update and enhance corporate policy on transitory records, especially as it pertains to emails. It should include a purpose statement recognizing the need for government to create records of key activities and decisions and retain them in accordance with its records management system.	Pending	<p>Pending: Update transitory records policy based on changes to current transitory records schedule. Records schedule currently under development.</p>
18	<p>Make such policy and practice changes as are necessary to ensure that any employee appointed under the Public Service Act who destroys a record, or directs or assists anyone else in doing so, with the intent to evade a request for access to the record is subject to discipline up to and including dismissal for cause.</p> <p>Government should also give serious consideration to introducing legislation, consistent with s. 92(1) of the Alberta Freedom of Information and Protection of Privacy Act, that would make it an offence to wilfully destroy a record, or direct or assist anyone else in doing so, with the intent to evade a request for access to the record.</p>	Pending	<p>Pending: s.12; s.13</p> <p>Pending: Existing policy provides for disciplinary action where a record is inappropriately disposed of. This will be further clarified to speak specifically about situations where this is done with the intent to evade an FOI request.</p>

Ministry of Social Development and Poverty Reduction
 Date: Mar. 5, 2018 UPDATED: February 1, 2019
 Minister: Hon. Shane Simpson

Overdose & Cheque Issue Day

ADVICE AND RECOMMENDED RESPONSE:

- Assistance cheques are issued at the end of the month. This timing works best for most people that is when they make their rent and utility payments.
- We have looked at staggering cheque issue days throughout the month. Certainly, there are strong opinions on either side, however, there is no consensus and we need to consider the unintended consequences of any changes.
- The biggest concern we hear is that this may only change the timing of overdose deaths, but not the overall number.
- There are also concerns that people may have more difficulty making month end payments such as rent and utilities.
- It's important to remember that the vast majority of people receiving assistance are not dealing with addictions, and we have to consider everyone when looking at changes to the system.
- While there are concerns, and they are complex, we are looking at the effect of changing cheque dates.
- Staff in my ministry have been working closely with researchers at UBC who are studying the impact of different payment options.
- The findings are expected this summer. We look forward to those results as they will help us determine how we can move forward based on what is best for the people receiving support.

If asked about First Responders

- We know first responders face increased pressures around income assistance cheque day.
- We're already working with our partners, people with lived experience and experts to better understand how we can best support people at risk of overdose during this time.
- If there are changes we can make to support people, we'll make them.
- But we know we need to move carefully.

BACKGROUND:

On April 10, 2019 MLA Thornthwaite introduced the Welfare Payment System Reflection Act, that would change the distribution of income assistance cheques in an effort to help reduce the strain on emergency services.

February 7, 2019: The coroner released a report on Illicit Drug Overdose Deaths in 2018. The report notes that more fatal overdoses occurred during the days following income assistance payment (Wed-Sun) than all other days in 2018. The 2017 report noted the same trend.

Fatal Illicit Drug Overdoses per Day by Income Assistance Payment Week, 2018^[3,4]

	Jan	Feb	Mar	Apr	May	Jun*	Jul*	Aug	Sep	Oct	Nov	Dec	Avg
Income Assistance Payment Week (Wed-Sun)	5.4	5.8	6.8	5.4	5.0	2.8	8.0	4.2	6.2	4.2	4.6	4.4	5.2
All other days of the month	4.0	3.2	4.8	4.4	3.4	3.8	4.2	3.8	4.0	3.4	3.8	3.5	3.9
Total	4.2	3.7	5.2	4.5	3.6	3.6	4.8	3.8	4.4	3.5	4.0	3.6	4.1

*Includes overdose deaths on July 1, 2018 which falls on the Sunday after income assistance payment date (June 27, 2018). †Does not include July 1, 2018.

February 22, 2018: Constable Del Manak of the Victoria Police Department wrote to Deputy Minister Sheila Taylor asking her to consider staggering assistance cheque issue dates as a way to reduce the number of overdoses associated with cheque issue day.

May 20, 2018, the BC Centre on Substance Use released an interim report presenting the preliminary findings from the Impact of Alternative Social Assistance Disbursement on drug-related Harm Study.

- Overall, the study found some evidence that there may be potential for changes that could moderate or reduce the drug-related harm linked to synchronized once-monthly payments. However, further analyses are needed to confirm or refute these associations.
- The results also highlighted the complex nature of income assistance systems and the need to carefully consider the impacts of changing disbursement.
- The peer reviewed analysis, along with a community impact report, is anticipated to be completed by mid- to late 2019.
- One of the researchers involved in the BCCSU study, Dr. Lindsey Richardson, wrote a June 18, 2018 editorial in the Vancouver Sun about the potential harmful side effects of changing disbursement days as well as additional potential reforms to the social assistance system.
- Among other concerns, Dr. Richardson states: "The scheduling of income-assistance payments toward the end of the month puts money in people's pockets at a time when it's needed for bills and rent that come due at the beginning of the month. Changing this could leave people short. Additionally, there are fears that people who have money when others don't might be targeted and subject to serious threats of violence."

Previous research suggests that staggering cheque days may change the timing of serious events but not necessarily the number of serious events. While this would reduce the pressure on first responders around payment issue day, there is a risk that they may miss overdoses and deaths may go up. With the current system they know to look for clients that are overdosing during cheque issue week. They can also prepare for it.

There could also potentially be human rights issues from imposing a payment schedule on people with substance use disorders.

There have been several media stories linking cheque delivery day or "Welfare Wednesday" with a spike in drug overdose deaths in B.C., particularly in the DTES. These stories reflect an increase in overdose deaths in the province.

The ministry is working with Professor Lindsey Richardson from the Department of Sociology at UBC to study the impact of changing the distribution of income assistance cheques in Vancouver (DTES). The study (*The Impact of Alternative Social Assistance Disbursement on Drug-related Harm*) started in 2016 and results are expected in fall 2018. The study is testing two scenarios:

- changing the timing of the release of cheques so they are not all issued on the same day, and
- changing both the timing and frequency of cheques.

The ministry relies on MIS for the cheque run. It is an old system with limited flexibility to produce off-cycle cheques. The ministry can, and does, administer amounts throughout the month for clients who require assistance with budgeting funds.

Most people (especially those on TA) use the majority of their funds to pay for shelter and other bills. These payments coincide with the current cheque issue schedule and allow clients to pay rent and bills close to the time they receive their assistance payments. Changing this timing would require careful analysis on potential negative impacts to people. There could also potentially be human rights issues from imposing a payment schedule on people who face addiction issues.

At this time, the ministry provides several options for recipients of assistance including:

- Receiving direct deposit. Close to 80% of people on assistance use this method.
- Have their rent cheque go directly to their landlord.
- Receive smaller payments throughout the month.

Illicit Drug Overdose Deaths by Health Authority, 2008-2018^[3,4,7]

HA	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Interior	22	35	37	38	31	54	47	64	168	244	232
Fraser	65	58	86	115	104	106	126	208	334	488	501
Vancouver Coastal	47	69	52	81	72	95	119	161	278	449	434
Vancouver Island	43	33	23	44	45	59	55	71	162	241	234
Northern	6	6	13	16	18	19	21	25	51	65	88
BC	183	201	211	294	270	333	368	529	993	1,487	1,489

Actions to Date on the Overdose Crisis:

- Created the Ministry of Mental Health and Addictions to lead government's response and find solutions.
- Invested \$322 million over three years as part of an immediate and integrated response to the overdose crisis.
- In December 2017, announced the new Overdose Emergency Response Centre:
- The Centre will work provincially, regionally and locally to mobilize resources within our communities to take urgent local action to intervene quickly with life-saving measures on the ground and proactive treatment and support.
- The community action teams will:
 - Expand community-based harm reduction services.
 - Increase the availability of naloxone.

- Address the unsafe drug supply.
- Proactively support people at risk of overdoses by intervening early to provide services like treatment and housing.

On Feb. 22 Constable Del Manak sent the following letter to Deputy Minister Sheila Taylor

We are writing to inquire if the Ministry is willing to discuss with us the potential of distributing Income Assistance cheques at different dates throughout individual months as opposed to the current practice of issuing cheques on a single date each month.

The current system of distributing Income Assistance cheques on a single date each month has, for many years, had an impact on police services as well as our public safety partner agencies.

Unfortunately, some individuals who receive Income Assistance payments are struggling with issues of severe substance use and/or mental health challenges. Each month, police and other emergency service and social service agencies, including hospital emergency rooms, observe a noticeable spike in calls for service related to illicit drug induced behaviours, overdoses, and other social order concerns immediately following the distribution of Income Assistance cheques. This spike taxes emergency service resources, many of whom are already operating at or beyond capacity.

Our hope is that a model of cheque distribution across more dates in any one month would help reduce the impact on existing resources and the costs of providing services in a number of areas. We recognize that there may be complexities and costs associated with a change of this type within the Ministry. However, it may be the case that there are efficiencies and cost savings at the larger social welfare system level when the impact on all partners and government operated or funded agencies is considered.

One option would be to consider a time limited trial period in a single operating area in order to allow for a proper pre/post implementation analysis of overall impact both within the Ministry and among emergency service and health partners.

Hara Report Estimates Note

Ministry of Transportation and Infrastructure

ISSUE

Date: May 10, 2019

- To ensure that the taxi industry remains viable with the introduction of ride hailing in B.C., the ministry contracted with Hara and Associates to provide recommendations to modernize the industry for the future.

ADVICE AND RECOMMENDED RESPONSE

Passenger Transportation Branch

- October 2017 - Hara Associates was contracted in for \$165,000 to draft a report and engage stakeholder groups, including the taxi industry, designated local governments, Treaty First Nations, as well as representatives of business, tourism, accessibility advocates, and the Office of the Seniors' Advocate. Dr. Hara's draft report was submitted in February 2018 at a cost of \$164,950.
- July 2018 - the Hara Associates contract was amended from \$165,000 by \$26,000 to \$191,000 to prepare and present a technical briefing to the media accompanying the release of the report. Also provided were three briefing notes on Transportation Network Companies (TNC) Engagement Approaches, IT costs and Designing Insurance Products at a cost of \$25,072.
- November 2018 - the Hara Associates contract was amended from \$191,000 by \$11,400 to \$202,400 to brief the Minister and senior staff regarding legislation announcement and program at a cost of \$9,950.
- January 2019 - the Hara Associates contract was amended from \$202,400 by \$40,000 to \$242,400 to provide taxi industry research, consultation and report.
- April 2019 - the Hara Associates contract was amended from \$242,400 by \$8,000 to \$250,400.
- There is currently \$26,429 remaining in this contract.

Passenger Transportation Board

- November 2018 - the Passenger Transportation Board contracted Hara Associates for \$25,000. There is \$636 remaining in this contract.
- January 2019 - the Passenger Transportation Board contracted Hara Associates for \$22,000. There is \$30 remaining in this contract.
- Dr. Hara continues to work with the ministry to consult with stakeholders and make recommendation regarding the issuance of plate to passenger directed vehicles and the potential change of identifiers in accordance with the new legislation as well as the use and determination of per-trip fees. Dr. Hara is currently retained to consult on regulations, and deliverable for the remainder to July 31, 2019 and continues to work for the ministry.

BACKGROUND

- As a response to Dr. Hara's recommendations, the Passenger Transportation Board (PT Board) has allowed existing Passenger Transportation Licensees a one-time opportunity to increase their number of taxi vehicles (plates) by 15%.
- The PT Board approved 89 of the 90 applications received which allows for:
 - 434 new taxis across B.C., 305 of which are in Metro Vancouver
 - To date, 212 out of the 434 vehicles have been activated
- PT Board decisions were issued to applicants between Oct 24/2018 and Jan 2/2019:
 - All conventional taxis must be activated within 3 months and all wheelchair accessible taxis must be activated within 6 months from the PT Board decision date, unless otherwise ordered by the Board.
 - Some licensees have applied to the Passenger Transportation Board for an extension to the activation period mainly due to a lack of cameras available.

If asked about Dr. Hara's contract:

- In January 2018, public hearings were held by the Standing Committee on Crown Corporations specific to ride hailing services. The Committee released their report, including 32 recommendations on February 15, 2018.
- Dr Hara's current contract balance with the ministry is \$26,429. He is researching and making recommendation on vehicle identifiers and per-trip fees. There is a contract to provide advice to the Branch and the Board.
- Recommendations from Dr Hara's report were considered in the drafting of the new *Passenger Transportation Amendment Act*, which received royal assent in November 2019.
- The following is a summary of the full list of potential improvements Dr. Hara offered to the ministry for consideration:
 - Establishing provincial authority to issue chauffeur permits for taxis, especially in regions where municipalities do not issue them.
 - Replacing the requirement for a Class 4 commercial driver permit with the Class 5 permit held by most B.C. drivers.
 - Allowing the licence for a given taxi to be filled by separate day and night shift vehicles. This will eliminate taxi shortages during shift changes when drivers must take their taxis to a meeting point to switch drivers.
 - Using kilometers driven as a basis for insuring part-time taxis.
 - Allowing taxi companies to charge less than the meter-rate for requests made through apps.
 - Requiring taxi companies to report trip data electronically, with appropriate protection for personal privacy.
 - Regulatory Standards for Taxi Apps. Considerations include how fares are displayed to customers, shielding of personal information, accommodation of hearing and vision impairment, and accommodation of service animals. The present efforts of the Passenger Transportation (PT) Board are acknowledged.

PROGRAM CONTACT

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Bill 55 Passenger Transportation Amendment Act Implementation Estimates Note

Ministry of Transportation and Infrastructure

Date: May 9, 2019

ISSUE

- Consumers and industry have expressed a strong desire for more choice and innovation when it comes to commercial ride hail service.

ADVICE AND RECOMMENDED RESPONSE

- Budget 2019/20 provides an additional \$3,000,000 to support policy and regulatory development, compliance and enforcement of safety standards and the provision of robust information to support good decision making.

Ride Hail Budget	3 Year Plan		
	2019/20	2020/21	2021/22
CVSE	0.622	0.622	0.622
PT Board	0.074	0.074	0.074
PT Branch	1.477	1.477	1.477
IMB	0.827	0.827	0.827
Total	3.000	3.000	3.000

If asked about length of implementation of commercial ride hail in B.C.:

- Government is committed to modernizing the industry and also addressing the concerns of the taxi industry and other stakeholders. A comprehensive consultation was conducted with the taxi industry, local governments, consumer and business interest groups to ensure a fair and comprehensive framework could be developed.
- Government received recommendations from the Select Standing Committee on Crown Corporations and Dr. Dan Hara's report, *Modernizing Taxi Regulations*. These recommendations allowed government to implement milestone legislation that develops or allows ride hailing that is right for B.C.
- Cities and countries that failed to move carefully when they brought in ride hailing have experienced safety issues, unpredictable prices and unstable access to services. We learned from other jurisdictions across North America who told us to pay attention to impacts such as traffic congestion, increased fuel emissions, affordability and accessibility for all riders.
- This is a complex regulatory environment that had overlapping or duplicative requirements. It was necessary to enact amendments to eight statutes to modernize the industry. We've created a framework for ride hailing that is fair for workers and businesses, fair for customers and safe for everyone.
- Passage of the legislation is just one step to implementing these services. Development of a complex set of regulations is another important milestone that we are working on now, along with ICBC's work to develop a modern insurance product. This work—and working with the industry to ensure they are aware of the new rules—is critical to support the implementation of ride hailing in this province later this year.

BACKGROUND

- Bill 55—the *Passenger Transportation Amendment Act* (2018)—was introduced in November 2018, to allow ride hailing companies to enter the B.C. market in the fall of this year.
- The legislation puts safety first. For example, changes—once in force—will close the gap on the current regime by requiring all drivers of passenger-directed vehicles to complete criminal and driver record checks no matter where they operate in the province.
- The legislation also establishes increased penalties for taxi and ride hailing companies working outside the law, with administrative penalties up to \$50,000 against licensees who do not comply with the Act, regulations or licence terms and conditions. Substantial increases will also apply to those convicted of an offence under the Act: Corporations who operate without a license could, for example, receive a fine of up to \$100,000.
- In addition the legislation will enable:
 - ICBC to develop a modern insurance product for ride hailing available in September 2019.
 - A new data-driven approach to improve taxi service and ride hailing opportunities, particularly at high-demand locations and peak times, by strengthening the Passenger Transportation Board's authority to determine fares, vehicle supply and operating areas.
 - A new fee structure, including a potential per-trip fee to fund more accessible options for people with disabilities.

PROGRAM CONTACT

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Illegal Rideshare Estimates Note

Ministry of Transportation and Infrastructure

ISSUE

Date: May 8, 2019

- There are six known illegal commercial ride-hailing services operating in Metro Vancouver through Chinese language social media.

ADVICE AND RECOMMENDED RESPONSE

- The safety of the travelling public has been, and will remain, our number one priority.
- The *Passenger Transportation Act* requires any vehicle operated by a person who charges or collects compensation for transporting passengers in B.C. to have a passenger transportation licence and meet all safety requirements.
- By using these apps, passengers are making the choice to ride in improperly insured vehicles with drivers who are operating illegally without proper licensing, vehicle safety inspection and who have not undergone a criminal record check.
- The Passenger Transportation Branch – with local enforcement partners – continues to investigate these services. Drivers are subject to violation tickets of \$1150 each time they are caught operating without a licence.
- Drivers also risk being uninsured in an accident if they breach their insurance contract by operating with the improper class of insurance.

If asked about illegal rideshare enforcement in B.C.:

- We are aware that several companies operating under the names Longmao, Udi Kuaiche (U Drop), RaccoonGo, GoKabu, Dingdang Carpool, and AO Rideshare have developed ridesourcing apps. These companies recruit drivers to operate their personal vehicles as commercial passenger directed vehicles in the Lower Mainland.
- The Passenger Transportation Branch has been investigating these unlicensed companies for almost one year and have partnered with the City of Richmond, City of Vancouver and the local police agencies.
- It is important to note that it is the driver and vehicle that are operating illegally, not the app provider, so it is the driver that is subject to all fines and penalties.
- As of May 2019, 47 violation tickets have been issued to drivers and 38 cease and desist orders have been issued to registered owners of illegal ride-hail vehicles.
- The fine for drivers found operating without a passenger transportation licence is \$1,150.

BACKGROUND

- It is not illegal to connect passengers with unlicensed vehicles via an app or any other method. It is the vehicle and driver that are operating illegally.
- The supply of passenger directed vehicles has been regulated to ensure that the services, including accessible taxis, remain viable, safe and available to the public.

- Drivers must hold a valid Class 4 (restricted) driver's licence and must have a police background check; each vehicle must be registered for commercial purposes, insured under the appropriate rate class and have a regular government approved safety inspection.
- In some municipalities, drivers must hold a chauffeur permit issued by the municipality, and operators and vehicles must be locally licensed as a business.
- Ride-hail companies have not applied for licences to operate in B.C.

PROGRAM CONTACT

Michele Jaggi-Smith, Executive Director and Registrar, Passenger Transportation Branch
Transportation Policy and Programs Department – Cell: 250 217-6135

Burlington Northern Santa Fe (BNSF) Rail Corridor Estimates Note

Ministry of Transportation and Infrastructure

Date: May 9, 2019

ISSUE

- Surrey and White Rock have a long-held desire to have the BNSF tracks in Surrey and White Rock relocated from the waterfront to an inland location.

ADVICE AND RECOMMENDED RESPONSE

- We recognize the importance of this issue to Surrey and White Rock, and their desire to improve railway safety in their communities.
- The BNSF is a federally regulated railway that falls under the safety oversight of Transport Canada. All railway safety considerations – including the proposal to relocate the BNSF rail corridor – reside with Transport Canada.
- Minister Trevena has previously raised the intended proposal to relocate the BNSF rail corridor with the federal Transport Minister, Marc Garneau on several occasions.
- The Province has worked with the communities to identify potential provincial and/or federal funding programs that may be available to improve rail safety.
- Transport Canada convened a June 2018 stakeholder meeting to discuss the BNSF corridor – including rail safety. BNSF has since led two exercises with communities and agencies to ensure emergency response, including a table-top and response exercise near White Rock as part of BNSF's Spill Contingency Plan (in March 2019), and an emergency response exercise held in Bellingham (in August 2018).
- Our government is very interested in exploring clean and efficient transportation solutions that improve travel and tourism, expand economic opportunity and strengthen trade relations with our U.S. partners, including high speed rail.
- A Washington-State led business case analysis of high speed rail, which is examining factors such as system development, corridor and station options, stakeholder consultation, delivery methods, ridership, cost and financing is due June 30th. The Ministry of Jobs, Trade and Technology contributed \$300k to this study.
- Governor Inslee has proposed a subsequent phase of study to explore governance models for a multi-jurisdictional transportation authority for a high-speed rail corridor. The Province committed to contribute an additional \$300k if this work proceeds.
- Consideration is not being given to relocating the BNSF rail line as part of the Washington-State led high-speed rail studies, as Washington State Department of Transportation has advised that the proposed ultra-high-speed rail service could not operate on a shared corridor with freight trains.
- BNSF rail relocation was canvassed during Ministry of Transportation and Infrastructure estimates, and Minister Trevena indicated that, while this remains a federal issue, she would be prepared to meet with MLA Redies and the Mayors of White Rock and Surrey on this issue.

BACKGROUND

- White Rock and Surrey propose to study the relocation of the BNSF rail corridor from the waterfront to an inland corridor to eliminate train-related proximity issues for residents. About 15 kilometres of BNSF track runs through Surrey, with another four kilometres in White Rock. The cities want to relocate the line due to concerns over an increase in the number and size of freight and passenger trains through the communities. Ten to fifteen trains pass through Surrey and White Rock daily.
- The Mayors of Surrey and White Rock wrote the Minister seeking \$300k in provincial funding support for a study to determine relocation alignments for the BNSF corridor. The study is estimated to cost \$900k, with funding requested from the federal government (\$300k), the Province (\$300k), and the remainder from the cities.
- In January 2018, the Minister wrote the Mayors of Surrey and White Rock, indicating that rail safety associated with the federally regulated BNSF railway resides with Transport Canada, and that the Ministry was unable to provide funding for the proposed study at this time. The Minister responded to subsequent correspondence from the Mayor of White Rock in June 2018, re-iterating that the issue of rail safety associated with BNSF resides with Transport Canada.
- On March 26, 2019, in response to an e-mail from MLA Redies to Premier Horgan, Minister Trevena provided an update on a series of actions stemming from a June 28th Transport Canada-led meeting on BNSF (see below), and re-iterated that the BNSF line is a federally regulated railway, and that oversight of rail safety on the BNSF corridor resides with Transport Canada.
- On June 28, 2018, Transport Canada convened a meeting with BNSF and key stakeholders to discuss rail safety along the corridor, including: transportation of dangerous goods; operations and equipment; train speeds; trespassing; track structure; safety management; natural hazards and risks.
- In addition to representation from senior Headquarters and Regional Transport Canada staff and senior BNSF officials, participants included: the Semiahmoo First Nation (legal counsel); Surrey-White Rock MLA Tracey Redies; South Surrey-White Rock MP Gordie Hogg; Surrey Council (Judy Villeneuve) and staff; White Rock Mayor (Wayne Baldwin); Vancouver Fraser Port Authority staff; and TRAN Policy and Programs ADM Deborah Bowman, as an observer.
- At that meeting, Transport Canada staff advised that the BNSF corridor has a comparable safety record to others in B.C., and that the risk level for the BNSF corridor is no different from CN and CP corridors in the Lower Mainland.

- Key actions stemming from the meeting were as follows:

Item	Proponent for action	To be contacted by proponent
Distribution of Coastal Flood Strategy	City of Surrey	Other government departments
Contact information for BNSF Rail Police	BNSF	Surrey, White Rock, SFN
Table-top exercise of DG incident at Crescent Beach	Surrey / BNSF	Others as appropriate
Emergency response exercise - August 2018	BNSF (SFN incorrectly identified earlier as lead)	Others as appropriate
Prospect for a grade separation at Crescent Beach	Surrey	BNSF
Fencing at Crescent Beach: Surrey lease from BNSF and intrusion on street parking	Surrey	BNSF
Prospect for macro scale regional rail study	Hogg / Redies	various

- In March 2019, BNSF conducted a tabletop and response exercise near White Rock, BC as part of the railway's Spill Contingency Plan for the province. These exercises are designed to ensure that BNSF, first responders, agencies, first nations and contractors have trained together and can minimize and mitigate the impacts in the unlikely case of a potential oil spill. Attendees included BC Ministry of Environment and Climate Change, Semiahmoo First Nation (SFN), Canadian Coast Guard, Surrey and White Rock Fire Departments, Western Canada Marine Response Corporation (WCMRC) and Nucor Environmental Solutions. During the first day of the training, participants tested the components of the Spill Contingency Plan and practiced building a response team. On the second day, participants worked through the scenario again at a training location and response organizations deployed an oil containment boom as part of the simulated emergency.
- **Other updates:** **1)** On August 28, 2018, four representatives from the BC Ministry of Environment and Climate Change Strategy, along with representatives from Transport Canada, SFN and others attended a one-day BNSF/Washington State led emergency response exercise in Bellingham on a theoretical spill of crude oil into the marine environment, which migrated into Canadian waters, including Boundary Bay. **2)** BNSF and Surrey continue to look at fencing at Crescent Beach, and are currently finalizing a fencing alignment prior to executing a lease; **3)** BNSF and Surrey staff continue to explore potential options for a grade separation at Crescent Beach; and, **4)** A BNSF police constable has continued to reach out to the municipalities and First Nations, and provided information to his counterparts.

PROGRAM CONTACT

Bob Steele, Director, Inter-Jurisdictional Programs, Policy and Programs Department,
Cell: (250) 920-6023

George Massey Crossing Project

Estimates Note

Ministry of Transportation and Infrastructure

ISSUE

Date: May 9, 2019

- George Massey Crossing – Immediate Safety Improvements, Interim Traffic Congestion Relief Improvements and Design of New Crossing.

ADVICE AND RECOMMENDED RESPONSE

- The extensive technical review by independent engineering expert Stan Cowdell confirmed there are better options that could provide benefits at a far lower cost than the previous 10-lane bridge.
- In December 2018, the province committed to a business case for a long-term solution and tender-ready interim improvements to help relieve traffic congestion by fall 2020.
- The Ministry has been actively engaging the region on the GMC project since January 2019, including 10 municipalities, 12 First Nations, TransLink and Metro Vancouver.
- In April 2019, the Metro Vancouver Board endorsed regional goals and objectives for the new crossing. These goals and objectives were developed by the Ministry through the consultation described above.
- The project team now will work closely with the new Metro Vancouver Task Force, established by the Metro Vancouver Board, to develop and select a crossing solution. Public consultation is anticipated to take place in late 2019.
- We are committed to developing a fair and affordable solution without making drivers pay unfair tolls.

BACKGROUND

- The immediate safety improvements of the tunnel (\$40M) that were announced by the Minister on December 2018 are underway. Roadwork will begin this summer. These improvements will include improved LED lighting (\$17M), fire and safety upgrades (\$12M), drainage improvements and resurfacing (\$11M). These improvements will be completed by end of summer 2020.
- The development of the new George Massey Crossing remains on schedule. The key milestones committed by the Minister are:
 - Spring 2019 - Phase 1: confirm regional goals and objectives (complete)
 - Fall 2019 - Phase 2: shortlist of crossing options
 - Fall 2020 - Phase 3: release business case for new crossing.
- A total of 33 meetings have been held as part of Phase 1 to date. Initial meetings will be complete by mid May.
- Metro Vancouver has established a Phase 2 Task Force that will work with the Province to develop and evaluate crossing options. The project team will also

continue to consult with all relevant First Nations, local governments and other stakeholders.

- In addition, the planning of the interim traffic congestion relief improvements with TransLink, Metro Vancouver, Delta, Richmond and Tsawwassen First Nation is underway and scheduled to be tender-ready by fall 2020. This will likely include improvements to access and interchanges on both the Richmond and Delta sides of the tunnel.
- The request for proposals is scheduled for release in mid-May. The budget is \$2M, which is a subset of the total planning budget.

PROGRAM CONTACT

Lina Halwani, George Massey Crossing Project Director, SCR – 604-527-2170

George Massey Tunnel Replacement Project – Termination & Review Estimates Note

Ministry of Transportation and Infrastructure

ISSUE

Date: May 7, 2019

- Termination and Review of George Massey Tunnel Replacement Project (GMTRP)

ADVICE AND RECOMMENDED RESPONSE

- We've heard the concerns raised by Metro Vancouver and many residents about the idea of building a 10-lane bridge to replace the George Massey Tunnel, and the costs associated with such a large project.
- We need to find a solution for the George Massey crossing, as congestion and issues with safety along this corridor must be addressed.
- GMTRP has been put on hold and the design/build/finance/operate P3 procurement has been cancelled.
- The Province engaged Stan Cowdell as the lead for the Independent Technical Review (ITR) of the George Massey crossing in the broader context of regional transportation planning and the Mayors' Council vision.
- On December 17, 2018, government publicly released the ITR that found that the 10-lane bridge project did not fully address a number of key considerations like community alignment, livability and cost.
- One of the recommendations in the review is for the new crossing to better align with regional transit and transportation priorities.
- The Province will work with Metro Vancouver and all other regional stakeholders to ensure a replacement of the Massey Tunnel is integrated with the regional network in a way that is consistent with regional objectives.

BACKGROUND

- GMTRP development, planning and procurement were initiated in 2012.
- The preferred concept was a new bridge (eight lanes plus two transit lanes) and upgrades on Highway 99 built to current seismic and traffic safety standards.
- The Province, through the Transportation Investment Corporation initiated the procurement process for a 30-year design, build, partially finance, operate, maintain and rehabilitate public-private partnership in fall 2016.
- Financial and technical submissions were received in April 2017.
- Questions have been raised about the proposed bridge, such as: how the improvements fit within the regional context; the need for 10-lane capacity; tunnel vs. bridge; magnitude of connecting infrastructure, etc.
- In response to these questions, the Province conducted an ITR to find a solution to safety and congestion issues faced by commuters, commercial drivers and first responders at the tunnel.
- The ITR was completed in September 2018 and supplied to the Minister of Transportation and Infrastructure.

- The review, released to the public in December 2018, found that the previously proposed 10-lane bridge did not address a number of key considerations. In addition, the review found that:
 - A smaller six to eight lane bridge would accommodate the majority of traffic predicted by 2045;

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- Retrofitting the existing tunnel to use in tandem with a new crossing may be possible;
- The existing shoulder bus lanes work well and could be expanded as necessary;
- Highway improvements are equally important to reducing congestion; and,
- A realignment could further reduce the project's scale, complexity and cost.
- The total cost of the ITR was \$1 million which included both the work of Mr. Cowdell, specialized work on traffic analysis, and safety, seismic and congestion issues, as well as a review of previous information.
- Engineering and environmental work completed for the original project is expected to be utilized regardless of which option is chosen.
- Next steps include engaging with communities to determine project goals that will align with regional plans.

PROGRAM CONTACT

Sean Nacey, Director, Metro Vancouver Major Projects, (250) 213-6672

Mid-Coast Ferry Service – Route 28

Estimates Note

Ministry of Transportation and Infrastructure

ISSUE

Date: May 7, 2019

- The launch of the new mid-coast service.

ADVICE AND RECOMMENDED RESPONSE

- BC Ferries has confirmed that the vessel will be ready for full summer service this year.
- Due to the delay in launching the new service BC Ferries is extending the summer season this year to run from June 3 to October 10, 2019.
- While the ministry was not directly involved in the refit of the vessel, we understand that the vessel is very suitable to operate on this route and will provide a comparable level of service to the other Northern vessels, the Expedition and the Adventure.
- The ministry provided BC Ferries with \$15 million in 2016/17 to support the purchase and refit of the vessel as well as operate the service.

BACKGROUND

- The Northern Sea Wolf was scheduled to begin service on the new mid-coast ferry route in the summer of 2018 but that did not occur as modifications to the vessel took longer than expected.
- BC Ferries has confirmed that the vessel has now passed its sea trials and crew training. Transport Canada testing and dock fits will occur throughout May.
- BC Ferries has informed the ministry that on approximately May 18, the vessel will assume Mid-Coast connector service from the Nimpkish and will begin the direct service between Bella Coola and Port Hardy on June 3.
- The Northern Sea Wolf will provide direct service 5 days per week between Port Hardy and Bella Coola during the peak season. It will also provide the year-round connector service between Bella Coola, Ocean Falls, Shearwater and Bella Bella.
- The extended peak season this year will add an additional 10 sailings at the beginning and 8 sailings at the end of the season. The Coastal Ferry Services Contract stipulates that the peak season service will normally run from mid-June to the end of September.

PROGRAM CONTACT

Kirk Handrahan, Executive Director, Marine Branch, 778 974-5301 – cell: 250 882-0246

Coastal Ferries Review Estimates Note

Ministry of Transportation and Infrastructure

ISSUE

Date: May 7, 2019

- Cost and government's response to the coastal ferries review report (Redlin Report).

ADVICE AND RECOMMENDED RESPONSE

- Mr. Redlin's review was to make sure that government and ferry users are receiving maximum value for their contributions and the company is acting in the public interest.
- The ministry announced several actions that government will be taking in response to the report.
- Restoring services that were cut by the previous government was an important first step while we work towards a longer-term vision for ferry services.
- The ministry will be looking at how we can better integrate ferry services with the broader transportation network, and how to best address the changing transportation needs of communities.
- There are many recommendations for BC Ferries to consider and we trust that they will consider Mr. Redlin's recommendations and act swiftly and accordingly where there is opportunity to make the service better for people.
- The review cost approximately \$330,000 inclusive of all fees for technical expertise, research, analysis and travel. The ministry covered the cost through its existing budget allocation.

BACKGROUND

- Government's announcement of the review indicated that total costs were expected to be \$250,000. The actual cost of the review was approximately \$330,000, which is \$80,000 higher than estimated.
- As the work began in January 2017, some of the costs of the review were covered in the 2017/18 budget, with the remainder in the 2018/19 budget.
- Mr. Redlin's agreement specified a maximum compensation of \$100,000 with an hourly rate of \$110.00. Mr. Redlin was not eligible to participate in employer health or benefit programs, including the public service pension plan, disability or group life insurance.
- Mr. Redlin received approximately \$86,000 to conduct the review, with consultants and support funding totaling nearly an additional \$250,000 (MNP \$193,000, Ken Cameron \$19,000, Eric Doherty \$3,300, Anna Vorobyoro \$22,000 and \$10,000 for travel).

PROGRAM CONTACT

Kirk Handrahan, Executive Director, Marine Branch
250 952-0678 – cell: 250 882-0246

Increase in Coastal Ferry Services Estimates Note

Ministry of Transportation and Infrastructure

Date: May 7, 2019

ISSUE

- Restoring services as part of government's response to the Redlin review

ADVICE AND RECOMMENDED RESPONSE

- The first action that we took in response to the Redlin report was to restore the ferry services requested by local Ferry Advisory Committees.
- Government increased service on 10 ferry routes that were cut in 2014 by the previous government - restoring a 2,700 additional round trips.
- Government will be increasing its annual funding to BC Ferries by \$5.8 million to reflect the increase in services.
- This year's budget announcement does not reflect this additional funding commitment as negotiations with BC Ferries were still in progress as Budget 2019 decisions were being finalized and the associated costs were not yet known.
- The contract with BC Ferries has been amended for this year to include the cost of the additional services in 2019/20, some of which began on April 1, 2019. We expect all the additional services to be in place in 2020.

BACKGROUND

- The additional 2,700 additional round trips will be provided on the following 10 routes:

Crofton - Vesuvius
Earls Cove - Saltery Bay
Horseshoe Bay - Bowen Island
Port Hardy - Mid Coast - Prince Rupert
Haida Gwaii - Prince Rupert
Powell River - Texada Island
Nanaimo Harbour - Gabriola Island
Campbell River - Quadra Island
Quadra Island - Cortes Island
Skidegate - Alliford Bay

PROGRAM CONTACT

Kirk Handrahan, Executive Director, Marine Branch
250 952-0678 – cell: 250 882-0246

ADVICE TO MINISTER

CONFIDENTIAL ISSUES NOTE

Ministry: Transportation and Infrastructure

Date: May 28, 2019

Minister Responsible: Claire Trevena

Highway 1 Kamloops to Alberta: Illecillewaet post- award debrief

ADVICE AND RECOMMENDED RESPONSE:

- The Illecillewaet four-laning project will make this segment of the Highway 1 corridor safer, allowing people to travel more safely and efficiently.
- Following a fair and open bidding process the contract has been awarded to Emil Anderson Construction, and work is expected to get underway next month.
- A third party debrief is currently being carried out by Partnerships BC with all companies that bid on the work, to determine cost pressures companies are facing that led to bids being higher than anticipated.
- This process will help the ministry confirm challenges related to delivering the project, as we are always looking for opportunities to improve our procurement and construction processes.

If asked if the results of this report will be shared with industry:

- The debrief requests that all bidders voluntarily participate in a third-party review regarding the pricing their company submitted.
- The information received from these reviews will not be shared with industry, so we don't compromise the fair and open bidding process for future work.
- The ministry appreciates the willingness of all bidders, as we continually work to improve our procurement process.

If asked about higher costs being attributed to the CBA:

- We know costs of construction are influenced by many factors including the costs of materials and the supply of labour.
- That said, Community Benefits Agreements provide opportunities for young people, women and Indigenous peoples in the skilled workforce, and ensures effective apprenticeship and training programs.

If asked: Doesn't the tender document a company submits provide a reasonable level of detail to support their overall bid?

- A company's submission contains the pricing for each aspect of the work specified in the contract.
- No additional information from the bidder is required to explain the specific pricing in their submission.
- We are continually working to improve our procurement process, and the ongoing third party debrief will help determine factors that led to bids being higher than anticipated.

If asked: If the bids were all way higher than expected, why not due your due diligence with consultants and then re-tender, as opposed to spending \$22 million more dollars for reasons you don't apparently know?

- The current hot construction market is adding costs to projects throughout the province.
- Re-tendering the project would not provide lower bids, and would result in further delays and additional costs.
- Accelerating improvements on the Trans-Canada Highway to the Alberta border is a high priority for this government.

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BACKGROUND REGARDING THE ISSUE:

On Feb. 11, 2019 a tender was issued for project to improve safety and capacity on the Trans-Canada Highway. The project will widen two kilometres of Highway 1, approximately 42 kilometres east of Revelstoke. The brake-check area will be expanded to accommodate up to 15 trucks at once from the current five-truck capacity. Acceleration and deceleration lanes will be added to improve safety for trucks entering or leaving the brake check.

High Tender Bids

Bids received for the tender issued for construction of the Illecillewaet four-laning project all came in over budget, ranging from approximately 30 percent to 50 percent higher than what was anticipated. Following Treasury Board approval of a funding increase, the contract was awarded to Emil Anderson Construction on May 16, 2019.

Funding Increase

Due to the higher than anticipated bids, the ministry requested Treasury Board approval for a funding increase of \$22.3M. This increased the total estimated project to \$85.2 million, which is cost-shared with the Government of Canada contributing up to \$15.5 million and the Province

ADVICE TO MINISTER

providing the remaining \$69.7 million.

Review of Bid Submissions

Following the contract award on May 16, the ministry engaged the services of Partnerships BC to conduct debriefs with all proponents that submitted bids for Illecillewaet. This is being done to determine what variables caused the higher than anticipated bids for the project. The process will help the ministry identify challenges related to delivering the project, and identify ways to mitigate these challenges in the future. The review team consists of two Partnerships BC representatives and one independent consultant. It is expected to take approximately three weeks to conduct the engagement and complete the report.

Communications contact: Jamie Weiss Public Affairs Officer – 250-356-0825
Program area contact: Jennifer Fraser – 250-828-4298

Minister's Office	Program Area	ADM	Comm. Dir
	JF		

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s.13 ; s.16 ; s.17

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s.13 ; s.16

Supplementary Info for Budget Estimates

Topic: Amendments to the BC Labour Code – Health Sector Implications

Background

- The *BC Labour Relations Code* defines the rights and obligations that apply to unionized employees. In February 2018 a three-person panel was appointed to review the Code and recommend amendments to modernize and strengthen the legislation.
- Recommendations from the review included amendments to several sections of the code, including broadening successorship provisions to include re-tendering of contracts.
- The *Labour Relations Code Amendment Act* (Bill 30) was introduced in the Legislature on April 30. Concurrently, legislative changes through *The Health Sector Statutes Repeal Act* (Bill 47) are underway which also impact the successorship provisions in the contracted health sector. Bill 47 was introduced in November 2018 and is intended to come into force on July 1, 2019.
- Bill 47 repeals Bills 29 and 94 and conjunction with Bill 30 restores the application of Sections 35 and 38 of the labour relations code to the contracted health sector.
 - Section 35: If a collective agreement is in force when a business changes hands, it continues to bind the new employer.
 - Section 38: The Labour Relations Board may declare a common employer where operations are under common control/direction and engaged in related activities.

Budgetary impact of changes to successorship/labour code changes in health sector

- There is no immediate financial impact to the Labour Code amendments.
- The restoration of successorship rights means that contracted staff who are unionized will preserve their bargaining rights and wages may be negotiated up over time.
- Contracts historically susceptible to contract flipping are long-term care contracts with private operators.
- It is challenging to estimate how much the labour cost increases will be, as contracted support workers in the health sector are not easily quantifiable.
- During consultations for the Bill 47 summary report, health authorities gave FTE counts for contracts totalling 11,854.
- The HEU reports they represent 12,212 members who work in the contracted support sector.
 - 3,866 HEU members in the contracted sector at acute care sites
 - 8,346 HEU members in the contracted sector at long-term care sites

2019/20 ESTIMATES NOTE**Trans Mountain Expansion
and Heavy Oil Litigation****KEY MESSAGES:**

- The proposed Trans Mountain Pipeline expansion (TMX), if approved, will expand the existing Trans Mountain Pipeline between Edmonton, Alberta and Burnaby, British Columbia. This expansion will nearly triple the pipeline's capacity to ship oil. This oil would then be loaded onto tankers at the Westridge Marine Terminal for transit to the US and Asia.
- TMX is an interprovincial project, subject to federal review by the National Energy Board (NEB) and federal Cabinet (Governor in Council or GiC).
- In May 2016, the NEB recommended approval of TMX, subject to satisfaction of 157 conditions. The GiC issued an Order in Council approving TMX in November 2016, subject to the 157 conditions imposed by the NEB approval.
- The former provincial Ministers of Environment and Natural Gas Development issued the provincial Environmental Assessment Certificate (EAC) on January 10, 2017, subject to 37 conditions.
- However, in August 2018 the Federal Court of Appeal found that the NEB, in reviewing Trans Mountain's application for a Certificate of Public Convenience and Necessity (CPCN), had unjustifiably excluded the project-related marine shipping from the scope of the "designated project". The Court also found that Canada failed to meaningfully engaged with indigenous applications. The Order in Council approving TMX was quashed rendering the CPCN a nullity.
- The GiC directed the NEB to undertake a reconsideration of the effects of project-related marine shipping and to produce a Reconsideration Report. As with the original TMX Certificate hearings, BC participated as an intervenor in the NEB's reconsideration process.
- On February 22, 2019, the NEB released its Reconsideration Report recommending that the GIC approve TMX.

- The GiC will consider the NEB's Reconsideration Report, in conjunction with the outcomes of the additional First Nations consultation currently underway, and decide whether to approve TMX again and, by Order in Council, order the NEB to issue a new CPCN for the project or to dismiss Trans Mountain's application.
- There continue to be court challenges in relation to TMX and the EAC.

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FINANCES:

- Estimates – Fiscal Year Ending March 31, 2020 - Vote 15 – Ministry Operations Pages 45-47

STATISTICS:

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s.14 ; s.17

- Progress towards 114,000 units – *Note #14 – New Supply–Getting to 114,000 units*
- Modular housing – approval process, supports, issues in Nanaimo and Maple Ridge – *Note #12 – Responding to Homelessness and Public Encampments and #98 - Province’s Statutory Immunity*
- Renters rebates/ renters supports – *Note #23 – Rent Assistance in the Private Market and #95 - Renters Rebate*

2019/20 Estimates Note - Advice to the Premier

Title: **Alternate Sources of Gasoline**

Response:

- The majority of retail locations in British Columbia are owned by large petroleum companies that own and operate the entire value chain. Additional data would need to be gathered to ascertain the ability to “break into” that value chain to benefit British Columbians.
- The information below is meant to identify the potential areas that could be “broken into” and the challenges/benefits for each.

Background/Status:

s.13; s.16; s.17

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STATEMENT

For Immediate Release
2019AG0051-001064
May 24, 2019

Ministry of Attorney General

Attorney General's statement on decision from B.C. Court of Appeal

VICTORIA – David Eby, Attorney General, has issued the following statement in response to the judgment by the British Columbia Court of Appeal on B.C.'s reference case:

"We thank the B.C. Court of Appeal for considering this reference. Our government said from the outset that we would stand up for British Columbia's environment, economy and coast. Thousands of jobs and billions of dollars in economic activity would be put at risk by a diluted bitumen spill.

"While we are disappointed with the decision, our courts have an important role to play in upholding the rule of law. That is why we referred this question to the courts in the first place.

"Our government always said this case would likely be heard before the Supreme Court. In fact, we asked the federal government to join us in a joint reference to the Supreme Court of Canada.

"We continue to believe that we have the authority and the responsibility to defend our environment and economy, so we will exercise our right to appeal to the Supreme Court of Canada."

Contact:

Ministry of Attorney General
Media Relations
778 678-1572

Connect with the Province of B.C. at: news.gov.bc.ca/connect

2019/20 ESTIMATES NOTE***Heavy Oil/Dilbit Reference*****KEY MESSAGES:**

- The Province asked the BC Court of Appeal whether it can constitutionally require permits to bring Heavy Oil/Dilbit into BC through federally-regulated pipelines and rail.
- The Court of Appeal said “no” on the grounds that heavy oil only is in British Columbia as part of interprovincial transport.

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Contact: Gareth Morley	Tel: 250-952-7644	Mobile: s.17
		s.17

FINANCES:

- Expenses will be lawyer's fee and travel to Ottawa

CROSS REFERENCE: (if necessary) – to be completed by Estimates Coordination Team

- **Note ##** – Note title
- Note numbers will be added after the binder is complete

Contact: Gareth Morley	Tel: 250-952-7644	Mobile: s.17 s.17
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**2019/20 ESTIMATES NOTE
ADVICE TO MINISTER**

Gas Prices – Background Note

Response:

- People in BC are frustrated with gas prices that have sky-rocketed with no clear explanation.
- One of our key concerns has been the fact that refining margins in BC are twice as high as the Canadian average.
- There is a lack of transparency when it comes to how oil companies set their pricing. In the last few months, prices in Greater Vancouver have increased by 40 cents. *(Kent Group Analytics)*
- We've asked the BCUC to investigate why this is the case and to call oil companies to explain the high prices consumers face.
- I also spoke to the Prime Minister and asked him to look at increasing the flow of gasoline to BC in the existing pipeline. We're pleased he said he would ask federal officials to look into it.

Background

On refining margins

- The NEB recently confirmed that the gas companies' margins for marketing and refining in B.C. are the highest of any province in Canada. Their May 15th Market Snapshot notes that in April:
 - The cost of crude oil: averages 51 cents per litre in Vancouver, or 10 per cent below the Canadian average.
 - Refining costs: averages 52.1 cents per litre in Vancouver, or about double the national average. This includes all the expenses involved in bringing crude from a wellhead to a refinery, and then completing the refining process.
 - Marketing margin: averages 10.5 cents per litre, about 69 per cent higher than the rest of Canada. This includes all costs for getting the refined product to the consumer, including transportation, marketing and profit.

**2019/20 ESTIMATES NOTE
ADVICE TO MINISTER**

BCUC Inquiry into gas prices

- On May 20th, the Province released the Terms of Reference for the BCUC's investigation of gas prices.
- The BCUC is to provide an interim report by June 20th and a final report on August 30th.
- Through the review's terms of reference, the BCUC has been asked to:
 - examine the market factors that affect wholesale and retail prices in British Columbia;
 - investigate gasoline price fluctuations, including the extent of possible competition concerns, such as price fixing and gouging;
 - explain the difference in refining margins between British Columbia and the rest of Canada, including why in recent months refining margins for Vancouver were more than double the Canadian average;
 - explain the difference in retail margins between British Columbia and the rest of Canada, as well as regional difference within British Columbia; and
 - review the potential of regulatory measures used in other jurisdictions across Canada and North America to enhance transparency about how prices are determined.

Why have you excluded impacts of taxes on gasoline from BCUC review?

- There is no uncertainty about the value of gasoline taxes. The Ministry of Finance publishes a regular bulletin outlining taxes by region.
- We know for example that the carbon tax equates to about 8.89 cents/L (about 6.6 cents/L brought in by old government).
- In fact the old government raised gasoline taxes by 15 cents. The new government has raised them by 2 cents.
- We know exactly how much gas taxes have gone up.
- Recently the carbon tax has gone up 1 cent, while prices in Greater Vancouver have gone up 40 cents.
- We don't know why the oil and gas companies have made such huge increases, without any justification.

**2019/20 ESTIMATES NOTE
ADVICE TO MINISTER**

On Gasoline taxes:

- Gasoline taxes include a federal excise tax of 10 c/L, a Dedicated Motor Fuel Tax for BC Transportation Authority of 6.75 c/L, a Provincial Motor Fuel Tax of 7.75c/L. The Carbon Tax is 8.89 c/L.
- In the Capital Regional District, there is an additional dedicated motor fuel tax dedicated to regional transit of 5.5c/L.
- In the lower mainland:
 - 17 cents (Dedicated Motor Fuel Tax – TransLink) are devoted to TransLink and the rate is decided by the Mayors' Council. [note: this will increase by 1.5 cents July 1st]
 - 6.75 cents (Dedicated Motor Fuel Tax – BC Transportation Financing Authority) provides more than 60% of revenues for the BC Transportation Financing Authority
 - 1.75 cents (Motor Fuel Tax) goes towards general revenues. This is 6 cents lower than other regions.
- Under the old government, carbon tax on gasoline increased from 0 to 6.67 cents/Litre and the dedicated motor fuel tax that supports TransLink increased from 9 cents/litre to 17 cents/litre.
- UBC Business Professor, Werner Antweiler on Opposition's plan to rebate some portion of gas taxes: "wouldn't really change the prices, but it would boost the profits of the oil companies and it would do absolutely nothing for consumers." (CBC, April 26, 2019)

On Trans Mountain Expansion impact gas prices:

- The whole point of the Trans Mountain Expansion is to carry diluted bitumen to foreign markets, not provide refined gas to BC.
- In fact, Trans Mountain told the National Energy Board that refined product shipments will not increase as a result of the expansion.
- The core economic study used by the company to justify the project was conducted by Muse Stancil and filed with the NEB found:

"Muse has been advised by Trans Mountain to assume that refined product shipments are approximately 7,950 m³/d (50 kb/d), and that **refined product shipments will not increase as a result of TMEP.**"

(Market Prospects and Benefits Analysis of the Trans Mountain Expansion Project for Trans Mountain Pipeline (ULC) Sep 2015)

**2019/20 ESTIMATES NOTE
ADVICE TO MINISTER**

- The Chief Economist for the NEB recently explained to the Globe and Mail that the pipeline expansion could actually raise gas prices:

The expansion, if built, would increase the pipeline's capacity to deliver gasoline to the Lower Mainland, he said. But it would also allow Canadian producers greater access to world markets for their oil, which could push domestic prices higher.

"There are two forces going in the opposite direction," he said. "How it will net out, we're not sure yet." (May 15, 2019)

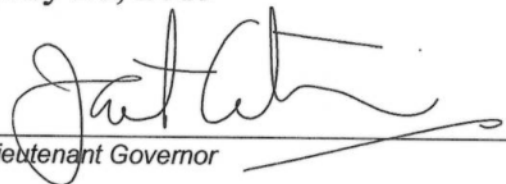
PROVINCE OF BRITISH COLUMBIA

ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. 254

, Approved and Ordered

May 21, 2019


Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that the attached order, British Columbia Utilities Commission Inquiry Respecting Gasoline and Diesel Prices, is made.


Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: Utilities Commission Act, R.S.B.C. 1996, c. 473, s. 5

Other: _____

BRITISH COLUMBIA UTILITIES COMMISSION INQUIRY RESPECTING GASOLINE AND DIESEL PRICES

Definitions

1 In this order:

“Act” means the *Utilities Commission Act*;

“gasoline and diesel” includes the components of gasoline and diesel;

“refining margin” means the difference between the amount a refiner pays for crude oil and other components and the amount the refiner charges its customers for gasoline and diesel;

“retail margin” means the difference between the amount a retailer pays for gasoline and diesel and the amount the retailer charges its customers for gasoline and diesel, excluding taxes.

Referral to commission

2 By this order, the Lieutenant Governor in Council, under section 5 (1) of the Act, requests that the commission advise the Lieutenant Governor in Council respecting gasoline and diesel prices in British Columbia in accordance with the terms of reference set out in section 3 of this order.

Terms of reference

3 (1) Subject to subsection (2), the terms of reference, in accordance with which the commission must inquire into the matter referred to it by section 2, are as follows:

(a) the commission must advise on the factors influencing gasoline and diesel prices since 2015 and the mechanisms the Province could use to moderate price fluctuations and increases;

(b) without limiting paragraph (a), the commission must inquire into the following:

(i) the differences, if any, in refining margins among British Columbia and other jurisdictions in Canada and the reasons for any differences;

(ii) the differences, if any, in retail margins among British Columbia and other jurisdictions in Canada, and among different regions in British Columbia, and the reasons for any differences;

(iii) factors that have contributed to the increases in gasoline and diesel prices, both retail and wholesale, including, without limitation,

(A) the access of refineries in British Columbia to crude oil supply and other components,

(B) the amount of gasoline and diesel stored in British Columbia for sale in British Columbia,

(C) usage of refinery and pipeline capacity,

(D) wholesale and retail market sizes and demand,

(E) methods of distribution of gasoline and diesel to retailers, and

(F) seasonal variations in supply and demand;

- (iv) the extent to which gasoline and diesel price changes have been determined by competition and the extent to which those changes have been determined by other factors;
 - (v) measures used in other jurisdictions in Canada and North America to enhance transparency about how gasoline and diesel prices are determined.
- (2) The commission may not inquire into the effects of Provincial enactments or policy on gasoline and diesel prices in British Columbia.
- (3) Further terms of reference for the inquiry are as follows:
 - (a) the commission may exercise all of its powers under the Act that the commission considers necessary to conduct the inquiry;
 - (b) the commission must submit to the Minister of Jobs, Trade and Technology a final report describing the results of the inquiry and including its advice no later than August 30, 2019.

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Withheld pursuant to/removed as

s.14

RESPONDING TO HOMELESSNESS AND PUBLIC ENCAMPMENTS

ISSUE

- Increasing homelessness and public encampments

RECOMMENDED RESPONSE

- Homelessness and public encampments demonstrate the severity of the housing crisis across the province and its impact on people of all ages.
- Our government understands the urgency of this issue, which is why we took immediate action through our Rapid Response to Homelessness modular supportive housing program.
- We are taking a coordinated, cross-ministry approach to prevent and respond to homelessness and encampments quickly, and to get people the supports they need to move on with their lives.
- We are also creating thousands of new affordable homes through our \$7 billion investment and 30-Point-Plan.
- Budget 2019 includes 200 additional units of temporary and permanent modular supportive housing as well as actions to address homelessness and the underlying issues through the Poverty Reduction Strategy, led by the Ministry of Social Development and Poverty Reduction.

KEY CONSIDERATIONS

- **Homeless Count:** The first B.C.-wide homeless count in 2018 showed more than 7,600 people without shelter on a given night – likely an undercount. Indigenous people had significantly high numbers in some communities. Budget 2019 includes funding for the 2020 homeless count.
- **Housing:** The Rapid Response to Homelessness modular housing program is fully subscribed at more than 2,000 units in 22 communities. More than 700 people have already moved in who were homeless or at risk of homelessness. Budget 2019 includes 100 new units of temporary and 100 new units of permanent modular supportive housing to address homelessness.



Ministry of
Municipal Affairs
and Housing

2019/20 Estimates Note

Honourable Selina Robinson

Date: April 25, 2019

- **Housing:** The Building BC: Supportive Housing Fund will invest \$1.2 billion over 10 years to build 2,500 units of supportive housing in partnership with non-profits.
- **Homelessness Action Plan:** The Ministry of Social Development and Poverty Reduction will implement the Homelessness Action Plan in coordination with the Ministry of Municipal Affairs and Housing (MAH) and BC Housing. MAH will maintain oversight over BC Housing, and continue to fund housing and support services.

CONTACT: Greg Steves, ADM, Office of Housing and Construction Standards, 250 361-7145

NEW SUPPLY – GETTING TO 114,000 UNITS

ISSUE

- Status of the government's commitment to building 114,000 units of housing.

RECOMMENDED RESPONSE

- **With *Budget 2017 Update* and *Budget 2018*, we are moving ahead to directly fund investments in 36,700 new units of housing over that 10-year period, from affordable rentals, to supportive housing for key groups, to student housing.**
- **Of this target, 13,065 units are BC Housing's and are complete, under construction, or in the approvals process. The remaining 5,630 are student housing units that are in construction or in the approvals stage, for a total of 18,695 or 50% of 36,700.**
- **The remaining 77,000 new units of housing will be market driven through initiatives like the new HousingHub that will work with community partners; by enabling local government to pursue rental-only zoning in their municipalities; and through encouraging increased density along new rapid transit lines.**
- ***Budget 2019* includes the first steps towards the Homelessness Action Plan which includes funding for an additional 200 units of supportive housing for individuals experiencing homelessness.**

KEY CONSIDERATIONS

- *Budget 2017 Update* housing units completed and under construction:
 - *Rapid Response to Homelessness*: 1,813 of 2,000 targeted new units of modular housing in over 20 communities.
 - *Affordable Rental Housing*: 394 of 1700 targeted units.
- *Budget 2018* housing units completed and under construction:
 - *Deepening Affordability*: 1,545 of 4,900 targeted units from pre-2017 programs with increased funding to improve affordability for units that would have been much less financially viable for clients.
 - *Supportive Housing Fund*: 502 of 2,500 targeted units of supported housing for the homeless or those at risk.



2019/20 Estimates Note

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April 25, 2019

- *Community Housing Fund*: 201 of 14,350 targeted rental units for the missing middle at or just below market rates.
- *Women's Transition Housing Fund*: 72 of 1,500 targeted units of transitional housing for women and children fleeing abuse.
- *Indigenous Housing Fund*: 0 of 1,750 targeted homes built in partnerships with Indigenous groups. (1,157 in the planning stages.)
- Student Housing: 1,663 units of student housing, of which 3,000 are to be self-funded by post-secondary institutions.
- Other initiatives to reach the target of 114,000 units over 10 years:
 1. **HousingHub**: This new office is funded through repurposing of funds from the former BC HOME Program, and a principle is operating and/or construction subsidies will not be provided – only short term interim construction financing. Seven HousingHub projects totalling 998 units are in construction or approvals stages as of February 28, 2019:
 - Surrey - 429 owner-occupied units
 - Port Moody – 229 rental units
 - Kelowna – 194 rental units in two projects
 - North Vancouver – 58 rental units
 - Colwood – 48 rental units
 - Squamish – 40 rental units
 2. **Rental Zoning**: Local governments will be empowered with this new tool which will encourage the construction of new rental units.
 - This legislation was given Royal Assent and provides local governments with new authority to zone for residential rental tenure and enact zoning bylaws that require that new housing in residential areas be developed as rental units and ensure that existing areas of rental housing are preserved as such.
 3. **Rapid Transit Corridors**: The government is working with municipalities where large scale transit projects are being cost-shared with the Province, to encourage higher housing density around transit stations, beginning with the Broadway Line, where construction will begin soon. A "Supportive Policies Agreement" to facilitate affordable housing and density has been struck between TransLink with the City of Vancouver that includes this goal.

Attachment: Appendix 1 – Building B.C. Update (April 15, 2019)

CONTACT: Greg Steves, ADM, Office of Housing and Constructions Standards, 250 361-7145



Ministry of
Municipal Affairs
and Housing

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Appendix 1 – Building B.C. Update (April 15, 2019)

<i>Budget 2017 Update and Budget 2018 Programs + Post-Secondary Self-Funded & Partnerships (Advanced Education & Skills Training)</i>		Target # Units	Project Development Phase <i>as at April 15, 2019</i>				Total
			Complete	Under Construction	Initiated*	Other Proposed*	
1	Affordable Rental Housing	1,700	71	323	s.13; s.17		
2	Rapid Response to Homelessness	2,000	1376	437			
3	Deepening Affordability	4,900	305	1,240			
4	Community Housing Fund	14,350	-	201			
5	Supportive Housing Fund	2,500	358	144			
6	Women's Transition Housing Fund	1,500	72	-			
7	Indigenous Housing Fund	1,750	-	-			
8	Student Housing (AEST Taxpayer Debt)	5,000	-	533			
9	Student Housing (AEST Partnerships)	3,000	-	1,130			
Total – April 15, 2019		36,700	2,182	4,008			
HousingHub**		N/A	-	76			

* **Initiated** – project has been approved by BC Housing or AEST and is in the design/permitting/pre-construction phase. s.13; s.17

****Housing Hub**: Note that the United Church projects are now included in the Community Housing Fund since they received a grant.

RENT ASSISTANCE IN THE PRIVATE MARKET – SENIORS AND FAMILIES

ISSUE

- Enhancements to rent assistance programs – RAP and SAFER.

RECOMMENDED RESPONSE

- Enhancements to rent assistance programs came into effect on September 1, 2018.
- This is a result of expanding the eligibility requirements and increasing benefits under the Rental Assistance Program (RAP) and Shelter Aid for Elderly Renters (SAFER) program.
- Enhancements to both programs included increasing the maximum rent ceiling and adding a third rental zone.
- As a result of these changes, over 3,200 new households are expected to be eligible for rental assistance and over 32,000 existing low-income seniors and working families will see their benefits increase.
- Under RAP, the maximum gross household income increased from \$35,000 to \$40,000 and the average monthly subsidy increased by approximately \$30, from \$401 in Q1 to \$431 in Q4.
- The SAFER program enhancement increased the average monthly subsidy by \$26, from \$188 in Q1 to \$214 in Q4.

KEY CONSIDERATIONS

Rental Assistance Program

- The Rental Assistance Program (RAP) is aimed at helping working families earning less than \$40,000 a year with cash assistance to help with their monthly rent payments in the private market.
- Families are reimbursed part of the difference between 30 per cent of their total income and their monthly rent, based on a sliding scale that gives more money to those with the least income.
- Assistance is calculated using household size, income, rent and where a family lives. Regardless of actual rent, assistance is calculated based on amounts up to a maximum rent level.



2019/20 Estimates Note

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Date: April 30, 2019

- Eligible households can receive benefits under RAP and still be registered for housing through The Housing Registry.
- As of March 31, 2019, there were 9,276 households receiving RAP with an average monthly subsidy of \$431.

Shelter Aid for Elderly Renters

- The Shelter Aid for Elderly Renters (SAFER) program provides rent supplements in the private market to low-income seniors (aged 60+) including singles, couples and individuals sharing accommodation.
- Eligible households can receive benefits under SAFER and still be registered for housing through The Housing Registry.
- As of March 31, 2019, there were 24,218 households receiving SAFER with an average monthly subsidy of \$214.

CONTACT: Shayne Ramsay, CEO, BC Housing, 604 970-1605



RENTERS REBATE

ISSUE

- Government has not yet met its commitment to deliver an annual renter's rebate of \$400 per rental household to improve rental affordability

RECOMMENDED RESPONSE

- **Consistent with the Premier's statements, government will address the renter's rebate commitment.**
- **As per the recent announcement, government is also taking action to address the 23 recommendations by the Rental Housing Task Force, which will also be of benefit to renters.**
- **Government has implemented many other initiatives aimed at helping renters, including: increased funding of \$46M/yr. for the Rental Assistant Program and Shelter Aid For Elderly Renters, capping rent increases to the rate of inflation, ending most forms of fixed-term tenancies, and increases to social assistance rates.**

KEY CONSIDERATIONS

- The renter's rebate is an unfulfilled commitment for several reasons:^{s.13}
s.13
- There are currently no B.C. programs offering universal rent assistance benefits. BC Housing administers rent assistance programs to assist low-income British Columbians who rent in the private market through the Rental Assistance Program (RAP) and the Shelter Aid for Elderly Renters (SAFER) program. Budget 2018 enhanced these programs at an incremental cost of \$46 million/yr.



2019/20 Estimates Note

Honourable Selina Robinson

Date: February 8, 2019

- The 2017 election platform referred to a 'refundable' renters rebate, implying it would be implemented through the tax system rather than as a spending program¹.

s.13

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s.12; s.13

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CONTACT: Greg Steves, ADM, Office of Housing and Construction Standards, 250 361-7145

s.13



2019/20 Estimates Note

Honourable Selina Robinson

Date: February 8, 2019

Attachment 1: ^{s.12; s.13; s.17}

- According to the 2016 Census, there are 599,360 renter households in British Columbia. ^{s.12; s.13; s.17}
 - ^{s.12; s.13; s.17}
- One standard measure for housing affordability is the percentage of a person's gross income paid to rent each month. Generally, 30 per cent of income paid as rent is considered affordable. Renters paying more than 50 per cent are considered at risk of homelessness. ^{s.12; s.13; s.17}
 -
-

PROVINCE'S STATUTORY IMMUNITY

ISSUE

- The Province's legal authority to establish emergency temporary supportive housing on land for people experiencing homelessness, in situations where Province believes it is in the public interest to develop the land notwithstanding local government by-laws that restrict or do not permit the proposed use.

RECOMMENDED RESPONSE

- **Under Sec. 14(2) of the *Interpretation Act*, the Province can take a leadership role in ensuring crucial supportive housing is built for vulnerable people.**
- **This has been done in places such as Maple Ridge and Nanaimo, where a lack of affordable housing and much-needed supports resulted in significant numbers of people staying in homeless encampments and shelters.**
- **We continue to work in partnership with municipalities across the province to address community housing needs.**
- **The Province also works with local service providers, fire and law enforcement and community groups to respond to any concerns or questions about the housing.**
- **For all permanent housing options, the intent is that communities will be consulted through the standard process.**

KEY CONSIDERATIONS

- While the Province prefers to operate in a manner that respects local land use planning authority, on occasion the Province has found it necessary to rely on its statutory immunity from the application of laws relating to the use or development of land (section 14(2) of the *Interpretation Act*). This statutory immunity also extends to agents of the government such as BC Housing.
- Section 14(2) of the *Interpretation Act* states: "Government bound by enactments; exception: 14(1) - Unless it specifically provides otherwise, an enactment is binding on the government; 14 2) Despite subsection (1), an enactment that would bind or affect the government in the use or development of land, or in the planning, construction, alteration, servicing, maintenance or use of

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Date: April 30, 2019

improvements, as defined in the Assessment Act, does not bind or affect the government."

- The term "crown immunity" is a much broader power and has been displaced in B.C. by a narrower "statutory immunity" found in the *Interpretation Act*. The term "paramountcy" does not apply.
- The *Local Government Act* does not address statutory immunity. It sets the framework for municipalities to exist and operate, including permissible uses of land. This has been a point of confusion for some, including media.
- Recent housing projects in which statutory immunity was used to establish needed social housing include:
 - **Kamloops:** At the request of the City of Kamloops to expedite the process, in August 2018 statutory immunity was used to create a 55-unit temporary supportive housing project at 777 Mission Flats.
 - **Newcastle, Nanaimo:** In October 2018, the Province purchased land at 250 Terminal Avenue to house 80 people experiencing homelessness at a downtown encampment set to close by court order in temporary modular workforce supportive housing. Statutory immunity was used for this project with consultation, cooperation and agreement from the City of Nanaimo.
 - **Royal Crescent, Maple Ridge:** In March 2018, the Province purchased land at 22534, 22548 and 22556 Royal Crescent to build 53 temporary modular housing units for those struggling with homelessness. The Royal Crescent project opened in October 2018. BC Housing and partners transitioned 25 people from the Anita Place camp into this housing. The site is temporary and will operate for up to three years.
 - **Burnett Street, Maple Ridge:** The Province purchased 11749/11761 Burnett Street in January 2018 for the purpose of building 51 new supportive housing units and relocating up to 40 shelter beds. In May 2018, Maple Ridge Council defeated first reading of a rezoning application, 5-2. In March 2019, the Province announced it would move ahead to build temporary modular housing on the site for people experiencing homelessness and that once the city identified an alternate site for the modular it would be moved there and seniors housing would be developed permanently at Burnett.

CONTACT: Greg Steves, ADM, Office of Housing and Construction Standards, 250 361-7145

BC Hydro Estimates Note

West Kelowna Transmission Project

BC Hydro is planning to strengthen and reinforce the transmission network serving the communities of West Kelowna and Peachland, which are currently served by one 138 kilovolt (kV) transmission line. The existing transmission line into the area has provided reliable power to communities for decades.

Key Facts

- BC Hydro is planning to strengthen and reinforce the existing transmission network providing clean, reliable power to the communities of West Kelowna and Peachland.
- In November 2016, a leading alternative was identified. It involves building a new transmission line from Westbank Substation to Nicola Substation using primarily a different route than the existing transmission line.
- Since the leading alternative was identified in 2016, the updated cost estimate to build the new transmission line has increased and is higher than expected.
- Given the cost increases, it is prudent that BC Hydro review the cost estimates and relook at all alternatives available to it to continue to deliver clean, reliable electricity to West Kelowna and Peachland.
 - A new project alternative is being reviewed that would improve the resiliency of the existing line to minimize the risk of outages resulting from forest fires and geotechnical events.
- Taking the time to thoroughly plan projects is a key component of BC Hydro's project lifecycle process.
- By taking the time to do this work, BC Hydro will ensure a cost-effective solution that will continue to deliver clean, reliable electricity to local communities and help keep rates low for its customers.

Key Questions

1. Is the project cancelled?

- No, BC Hydro is continuing to move forward with the West Kelowna Transmission Project and it is part of BC Hydro's 10-Year Capital Plan.
- By taking the time to review the alternatives and investigate a new alternative, BC Hydro can ensure that an appropriate solution is chosen that balances the needs of the community and help keep rates low for its customers.

2. Why didn't BC Hydro look at the existing transmission line earlier?

- When the project was announced in February 2015, BC Hydro studied three alternatives to build a new secondary transmission line.
- Since then, the cost estimate has increased and it's prudent for BC Hydro to relook at all alternatives, including a newly identified alternative, to continue to deliver clean, reliable electricity to West Kelowna and Peachland.

3. Does this mean a new transmission line will not be built?

- The new secondary transmission line alternatives are still being considered. BC Hydro understands that redundancy is a priority for the communities.
- BC Hydro has started work on a new alternative that looks to improve the resiliency of the existing transmission line that serves West Kelowna and Peachland to minimize the risk of outages resulting from forest fires and geotechnical events.
- This work will help inform BC Hydro's decision on the preferred alternative.

4. Does this affect the 2025 in-service date?

- At this point, BC Hydro hasn't determined how this will impact the in-service date.
- Once a decision on the preferred alternative has been made, the in-service date will be updated.

Background

- The West Kelowna area is supplied by a single 80 km radial 138 kilovolt transmission line connected from the Nicola Substation to a single 138/25 kilovolt substation, Westbank Substation. The Westbank Substation has no interties to any other substations, and there is no local generation in the West Kelowna area. Consequently, if the radial transmission line becomes out of service, the Westbank Substation will lose supply resulting in an outage to all 22,000 customers.

- On October 1, 2014, a pole top fire on the transmission line highlighted the risk of serving Westbank Substation by a radial line, as nearly 22,000 customers were without power for a nine hour period.
- Following this outage, BC Hydro re-prioritized the need to increase reliability for this area, based on the following drivers:
 - The risk of outages resulting from lightning, equipment failure, forest fires, geotechnical events (landslides, avalanche);
 - The large number of customers served by a single (radial) transmission line; and
 - The challenge of restoring power on the existing transmission line resulting from its 80 km length, remote location and rough terrain.

BC Hydro Estimates Note

Independent Power Producers (IPPs)

BC Hydro is taking steps to help keep IPP costs low for its customers while ensuring it can meet future energy needs.

Key Facts

- BC Hydro began purchasing electricity from independent power producers in the mid-1980s. Over time, the number of commitments and cost of energy have increased dramatically.
- As of March 2019, BC Hydro had over 130 electricity purchase agreements with IPPs, which represents over \$51 billion in future energy purchase commitments.
- IPPs currently make up about 25 per cent of BC Hydro's electricity supply on the integrated system and about 29 per cent of total planned costs.
- Current prices for the energy from IPPs are significantly higher than the cost of generation from BC Hydro's heritage assets – like the W.A.C. Bennett or Mica dams – and Site C, as well as projected domestic and export market price forecasts.
- The average cost of heritage generation is estimated to be \$33 (2018\$) per megawatt hour. In comparison, the cost of IPP energy is about \$100 (2018\$) per megawatt hour on average.
- Total annual costs for IPP energy are forecast to increase from \$1.4 billion in fiscal 2019 to \$1.7 billion by fiscal 2024. These forecast costs are primarily associated with existing electricity purchase agreements, and because the terms of these agreements are already set, their associated costs are largely prescribed. That is, BC Hydro's forecast increases in costs for IPP energy are primarily driven by commitments under existing agreements.

Keeping Costs Low

- BC Hydro is taking steps to help keep IPP costs low for its customers while ensuring it can meet future energy needs.
- As an outcome of the Comprehensive Review, the Standing Offer and Micro Standing Offer Program were suspended indefinitely in February 2019. BC Hydro is

not accepting any new applications and is not issuing any new electricity purchase agreements through this program (other than five specific projects that are part of Impact Benefits Agreements for First Nations with BC Hydro and/or mature projects that have significant First Nations involvement). Of these five excepted projects, one new electricity purchase agreement has been executed.

- Government and BC Hydro have worked together to develop a biomass energy strategy. The Comprehensive Review identified two components of the strategy:
 - The Biomass Energy Program, which will be managed by BC Hydro and covers seven biomass projects with electricity purchase agreements set to expire prior to March 2022; and
 - The Biofuel Development Program through which government will work the forestry sector to advance the development of biofuel, such as renewable natural gas and bio-crude.
- Under the Biomass Energy Program, BC Hydro will offer contracts to the seven biomass energy producers with electricity purchase agreements due to expire prior to March 2022. This is a transitional measure to allow time for the forestry sector to develop and implement new products that aligns with the sector's diversification and competitiveness goals, as well as certain environmental and socio-economic priorities of government. The prices and volumes of the biomass energy to be acquired by BC Hydro as part of this program will be lower relative to current contracts.
- BC Hydro's forecast increases to our cost of energy are primarily driven by increasing IPP energy costs under existing agreements. BC Hydro is not acquiring new resources from IPPs, with the exception of a small number of new First Nations energy projects and some EPA renewals, such as new contracts under the Biomass Energy Program. The forecast increase in IPP energy costs from fiscal 2019 to fiscal 2021 is in large part due lower than expected deliveries in fiscal 2019, combined with pre-determined factors, including price escalation terms and other terms in existing EPAs, and new IPP projects from existing EPAs reaching commercial operation.
- BC Hydro is looking for opportunities to continue prudent management of costs for projects not yet built, through terminations, downsizing and deferrals.

- For example, from Fiscal 2014 to Fiscal 2015, 14 electricity purchase agreements were terminated, 11 agreements were deferred and 2 agreements were downsized and/or deferred, for a reduction in cost commitment of approximately \$2.1 billion.
 - Since fiscal 2015, BC Hydro has terminated an additional three electricity purchase agreements and has not renewed three other agreements that expired.
- BC Hydro is renewing existing hydroelectric electricity purchase agreements at lower prices than those paid for under the original contracts.
 - Since fiscal 2016, BC Hydro has renewed six run-of-river hydroelectricity purchase agreements and one storage hydro agreement. Four of the run-of-river hydro agreements have been accepted by the BCUC as being in the public interest. The remaining two run-of-river hydro agreements and the storage hydro agreement are the subject of an application that is currently being reviewed by the BCUC.
- BC Hydro does not have any active programs for the procurement of new energy resources from IPPs. Other than electricity purchase agreement renewals, the only expected new agreements are for a small number of new First Nations energy projects.

Key Questions

1. How much is BC Hydro paying IPPs?

- BC Hydro's forecast increases to cost of energy from IPPs are primarily driven by increasing costs under existing agreements. BC Hydro is not acquiring new resources from IPPs, with the exception of a small number of new First Nations energy projects and some electricity purchase agreement renewals, such as new contracts under the Biomass Energy Program.
- In fiscal 2019, BC Hydro purchases from IPPs totalled approximately \$1.4 billion. Costs were lower than expected because deliveries were lower than historic averages due to low water and wind conditions, combined with operational issues at some facilities. For both fiscal 2020 and fiscal 2021, BC Hydro has forecast approximately \$1.6 billion in purchases from IPPs.
- The forecast increase in IPP energy costs from fiscal 2019 to fiscal 2021 is in large part due lower than expected deliveries in fiscal 2019, combined with pre-

determined factors, such as price escalation terms, and new IPP projects from existing electricity purchase agreements reaching commercial operation.

- Current prices for the energy from IPPs are significantly higher than the cost of generation from BC Hydro's heritage assets – like the W.A.C. Bennett or Mica dams – and Site C, as well as projected domestic and export market price forecasts.
- The cost of IPP energy is about \$100 per megawatt hour on average. However, electricity purchase agreement renewals are being achieved at significantly lower prices.

2. Isn't the cost of certain renewable technologies decreasing?

- BC Hydro does not have any active programs for the procurement of new energy resources from IPPs. Other than electricity purchase agreement renewals, the only expected new agreements are for a small number of new First Nations energy projects.
- Although the cost of new renewable generation technologies, especially wind and solar, has been decreasing, this does not impact BC Hydro's existing electricity purchase agreements with IPPs.
- In B.C. today, large scale wind farms have better economics than large scale solar plants due to the relatively poor solar resource in B.C. Solar costs are projected to decrease more rapidly than wind in the future, so solar may be cost competitive with wind in B.C. in the 2030+ timeframe.
- The cost of wind energy generally is expected to be higher in B.C. than in Alberta. In Alberta, wind plants can be built in areas that have very good wind resources but also low construction costs. In BC, similar wind resources are typically found in more complex terrain which results in higher construction costs.

3. If costs are so high, why is BC Hydro renewing contacts with IPPs?

- BC Hydro's forecast energy costs are primarily associated with existing electricity purchase agreements, and because the terms of these agreements are already set, the forecast costs for these agreements are largely prescribed. That is, BC Hydro's forecast increases in costs for IPP energy are primarily driven by commitments under existing agreements.
- BC Hydro has been pursuing the renewal of expiring electricity purchase agreements where it has been cost-effective to do so. BC Hydro's key principle in

renewal negotiations has been to reduce near-term costs while maintaining cost-effective options for long-term need. BC Hydro is committed to ensure that energy prices for IPPs are cost-effective and in the best interest of ratepayers.

- As is required under the *Utilities Commission Act*, these renewed electricity purchase agreements have been filed with the BCUC for acceptance to ensure that they are in the public interest.
- Under the Biomass Energy Program, stemming from the Comprehensive Review, BC Hydro will also be offering contracts to seven biomass energy producers with electricity purchase agreements due to expire prior to March 2022. The prices and volumes of the energy to be acquired by BC Hydro under this program will be lower relative to the current contracts.

4. Does BC Hydro pay biomass IPPs to not generate power?

- BC Hydro pays biomass IPPs to be available to generate electricity at all times in order to have these resources available as stable and reliable sources of power.
- BC Hydro's contracts with biomass generating facilities allow BC Hydro to reduce generation at the biomass facility and pay less at certain times, like during the late spring run-off period, when there is an abundance of hydroelectricity available. This saves ratepayers money.

5. What is the future of BC Hydro's relationship with Clean Energy BC?

- In October 2015, the provincial government and BC Hydro signed a memorandum of understanding with the Clean Energy Association of British Columbia that supported continued collaboration to deliver clean, reliable and affordable electricity to British Columbians.
- The Memorandum of Understanding expired in December 2017. Although the parties have not renewed the MOU, discussions have taken place involving the provincial government, Clean Energy BC and BC Hydro in relation to various clean and renewable energy initiatives within the province.

Background

- As of March 2019, BC Hydro had over 130 electricity purchase agreements with IPPs, which represents over \$51 billion in future energy purchase commitments:
 - 123 are electricity purchase agreements for projects that have achieved commercial operation, representing approximately 21,500 gigawatt hours per

- year of contracted energy to both the integrated and the non-integrated system.
- 8 are electricity purchase agreements for projects that are in various stages of development, representing approximately 460 gigawatt hours per year of contracted energy.
- IPPs develop and operate projects such as:
 - **Run-of-River:** using part of natural stream flows and natural elevation changes along the course of a river to generate electricity.
 - **Biomass:** using organic waste from saw mills and pulp mills to generate heat, steam and electricity.
 - **Wind:** converting the energy from wind into electricity.
 - **Solar:** converting the energy from sunlight into electricity.
- Run-of-River projects are the most common in B.C. – with about over 70 projects selling power to BC Hydro.
 - Most of these can only be relied on during the spring freshet. The freshet is the snowmelt period from May to July. BC Hydro has historically had an oversupply of power during these months, which has resulted in the excess energy being sold on the market at very low prices.
- IPPs help BC Hydro meet the requirements under the *Clean Energy Act*. The *Clean Energy Act* requires that at least 93% of British Columbia's electricity be generated from clean or renewable resources. It also requires BC Hydro to be self-sufficient, which means that BC Hydro must make long term plans so that it does not need to rely on other jurisdictions for power at essential times.

BC Hydro Estimates Note

Review of BC Hydro's Purchases from Independent Power Producers (IPPs)

As part of the comprehensive review of BC Hydro, an independent report found that BC Hydro purchased too much energy with the wrong profile at too high a price from independent power producers, at the direction of the previous government.

Key Facts

- As part of the Comprehensive Review of BC Hydro, the Province commissioned an independent report reviewing BC Hydro's purchase of power from IPPs.
- The Report found that BC Hydro purchased too much power with the wrong profile at too high a cost from IPPs, all at the direction of the previous government.
- The Report estimates that this will cost BC Hydro customers about \$16.2 billion over 20 years – or \$808 million annually.
 - \$808 million annually works out to \$200 per year or \$4,000 over the next 20 years for the average residential customer.
- The consultant estimates that these IPP contracts have already cost BC Hydro customers \$3.2 billion.
- The Report asserts that, starting in the early 2000s, the previous government directed BC Hydro's energy planning process and manufactured an urgent need for BC Hydro to acquire 8,500 gigawatt hours per year of energy, despite contrary advice from BC Hydro and the Ministry.
 - In 2002, a move to clean power and energy self-sufficiency was expressed in the Province's 2002 Energy Plan. This direction was further clarified with the 2007 Energy Plan – Vision for Clean Energy Leadership and the 2010 *Clean Energy Act*.
 - The Report states that by providing clear direction to BC Hydro not to increase its own generating capacity and not to rely on imported power to achieve government's goal of self-sufficiency, BC Hydro was forced to go to market for power from IPPs in B.C. to meet this false need for new energy.

- According to the Report, government direction led BC Hydro to issue multiple calls for power that resulted in 105 contracts with IPPs since 2002, representing future financial commitments of over \$47 billion. The Report finds that:
 - The demand for energy volumes (that was not actually required) and price signalling presented to the market drove prices higher.
 - Many of the long-term electricity purchase agreements lock BC Hydro into paying \$100 per megawatt hour or more, when power generated by BC Hydro's heritage assets costs only \$33 per megawatt hour and market value is often \$25 per megawatt hour or less.
- The Report highlights that most of this money has left and continues to leave British Columbia. Last year, an estimated 81% of payments to IPPs flowed to companies controlled outside of B.C.
- The Report also notes the power purchased was under the wrong energy profile for BC Hydro's needs, as a large number of contracts are with run-of-river projects. The Report points out that most of these projects can be relied on only during the spring freshet – when there is an abundance of water available in BC Hydro's reservoirs due to snowmelt and market prices are low.
- The Report makes five key recommendations:
 - Ensure prices paid to IPPs reflect the real market value.
 - Eliminate the self-sufficiency mandate.
 - Restore the full oversight role of the BC Utilities Commission.
 - Improve transparency on the cost of energy procurement.
 - Terminate the Standing Offer Program.
- Through the comprehensive review of BC Hydro, government looked at energy procurement and will take the following steps to keep BC Hydro's rates affordable for everyone.
 - Indefinitely suspending the Standing Offer Program.

- Acquiring a lower volume of biomass energy at a lower price from facilities with existing electricity purchase agreements due to expire prior to March 31, 2022, as compared to their existing contracts.

Key Questions

1. What does the independent Report conclude?

- The Report found that BC Hydro purchased too much power with the wrong profile at too high a cost from IPPs, all at the direction of the previous government.
- The Report estimates that this will cost BC Hydro customers about \$16.2 billion over 20 years – or \$808 million annually. \$808 million annually works out to \$200 per year or \$4,000 over the next 20 years for the average residential customer.
- The Report asserts that, starting in the early 2000s, the previous government manufactured an urgent need for BC Hydro to acquire 8,500 gigawatt hours per year of energy, despite advice from BC Hydro and the Ministry that a material energy market shift was occurring in 2009.

2. How much have IPPs cost British Columbians according to the Report?

- The consultant estimates that these IPP contracts have already cost BC Hydro customers \$3.2 billion.
- The consultant estimates that, over 20 years, contracts signed with IPPs under direction from the previous government will cost BC Hydro customers about \$16.2 billion – or \$808 million annually. That's \$200 per year or \$4,000 over the next 20 years for the average residential customer.

3. Can BC Hydro just cancel these contracts?

- Terminating a contract without cause has potential implications, financial and otherwise. Breaking existing electricity purchase agreements would result in a significant cost to ratepayers beyond the cost of honouring these agreements.

4. According to the Report, how did this happen?

- Beginning in 2002, the previous government directed BC Hydro's energy planning process with their 2002 Energy Plan, the 2007 Energy Plan and the 2010 Clean Energy Act.
- The Report states that by providing a clear direction to BC Hydro not to increase its own generating capacity and not to rely on imported power to achieve government's

goal of self-sufficiency, government created a false need for more energy that forced BC Hydro to go to market for power from IPPs.

5. The Report finds that BC Hydro purchased energy with the wrong profile. What does that mean?

- A large number of contracts are with run-of-river projects. Most of these projects can be relied on only during the spring freshet – when there is an abundance of water available in BC Hydro's reservoirs due to snowmelt. As a result, these projects deliver energy when BC Hydro's customer load is at its lowest, when BC Hydro already has more than enough energy, and when market prices for surplus energy are at their lowest.
- In addition, the Report suggests there is little prospect of B.C. being market competitive at this time with intermittent resources like wind and solar (which generate power only when the wind is blowing or the sun is shining) – and B.C. should delay such projects until there is a change in the market.

6. With all of this power, does BC Hydro still need Site C?

- The Report found that BC Hydro purchased too much power with the wrong profile at too high a cost from IPPs, all at the direction of the previous government.
- The Report notes that hydroelectric generation is B.C.'s strength.
- BC Hydro's dams are flexible resources that provide clean electricity, and can be ramped up and down as necessary.
- Large hydroelectric dams like Site C enable the firming of incremental power required for resources like wind and solar power.
- Site C is being built to meet the energy needs of British Columbia for the next century and beyond.

7. How does government respond to Clean Energy BC's rebuttal Report that claims the IPP Review Report was inaccurate?

- Clean Energy BC's response draws conclusions about BC Hydro surplus sales activity from data that does not isolate BC Hydro's activities from other parties. For example:

- While Clean Energy BC implies the data reflects BC Hydro's surplus sales activities, the data includes other parties' activities (such as Powerex trade activity) that have nothing to do with sales of BC Hydro's system surplus.
- The data is from transmission usage and shows net volumes of exports and imports of BC Hydro, Powerex trade activity, and other third parties who use the transmission system.
- No conclusions about BC Hydro surplus sales should be drawn from this data.
- Clean Energy BC also claims that the Mid-C price is irrelevant to new IPP projects.
 - Mid-C is the value of energy in the market to which BC Hydro generally exports and is relevant if BC Hydro is buying energy it does not need.
 - The Report assumed that BC Hydro pays an average of \$125 per megawatt hour through contracts signed with IPPs since 2009, while export market price forecasts are forecast to be \$23 - \$41 per megawatt hour between 2019 and 2033.
 - The Report author is suggesting that the evaluation of these contracts should have considered the difference between the contract price and the market value of the energy.

8. How does government respond to Clean Energy BC's rebuttal analysis that claims the Report was political?

- As part of the comprehensive review of BC Hydro, government took a closer look at how BC Hydro procures energy and the contracts it has with independent power producers.
- To do this, my office commissioned an independent Report to inform the review.
- The Report's author was commissioned for this review because of his experience and skill in assessing markets and transactions, as well as his impartiality – he's served several governments in his nearly four decades of public service.

Background: the Author of the Report

- The report was by Ken Davidson and was released on February 13, 2019.

- Mr. Davidson holds a BSc in pure mathematics and is qualified as a professional accountant. He is a commercial banker by trade, specializing in restructuring and asset realization transactions.
- Mr. Davidson worked as Director in Provincial Treasury and Treasury Board Staff from 1989 to 1997. He created the Program Evaluation function in Treasury Board and managed that function for four years. In this role, Mr. Davidson reported directly to the Deputy and the Minister and was charged with investigating and bringing to resolution, issues and concerns raised by Cabinet.
- Mr. Davidson has been a consultant in private practice since 1997 and has been recognized on Master Standing Offers maintained by numerous provincial ministries as a qualified consultant in areas including Procurement and Contracting Advisory Services, Strategic Planning, Program Evaluation, Business Process Improvement and Negotiations and Evaluation.

CARBON TAX

Key Messages

- B.C.'s carbon tax puts a price on carbon, encouraging individuals, businesses and industry to use less fossil fuels and reduce greenhouse gas emissions.
- As of April 1st, 2019, the carbon tax rate sits at \$40 per tonne. The tax rate will increase on April 1st of each year by \$5 per tonne until it reaches the federally-mandated rate of \$50 per tonne in 2021.
- The carbon tax sends a consistent price signal, ensures those who produce emissions pay for them, and makes clean energy alternatives more economically attractive.
- We are committed to fighting carbon pollution in a way that puts people first - that's why we enhanced the climate action tax credit in Budget 2019 to provide carbon tax relief for low- and moderate-income British Columbians.
- We're providing incentives to homeowners to make their homes more energy-efficient, and to encourage British Columbians to make the switch to a Zero Emission Vehicle.
- The revenues generated from carbon tax increases will also:
 - support emissions-intense industry transition to a low-carbon economy; and
 - support new green initiatives to grow innovation and investment.

Background:

- Budget 2019 forecasts carbon tax revenue to increase over the three-year fiscal plan (\$1.7 billion for 2019/20, \$1.97 billion for 2020/21, \$2.2 billion for 2021/22). Some stakeholder might wonder CleanBC programs will make a difference if the B.C. government still plans for carbon tax revenue to increase.
- The carbon tax was implemented on July 1, 2008 and applies to the purchase and use of fuels in B.C. It covers about 70% of provincial emissions.
- The tax was introduced at \$10/tonne in 2008 and increased \$5 each year until it reached the final scheduled increase at \$30/tonne in 2012.
- In 2013, Government committed to freezing the carbon tax at \$30 per tonne for five years.
- On April 1, 2019 the carbon tax increased to \$40 per tonne.
- In 2008-2017, revenues from the carbon tax were used mostly to lower personal and corporate incomes taxes. In 2018, the government changed the use of revenues to include support for clean investments that achieve additional emission reductions, including the CleanBC program for industry, and provide rebates for low and middle income British Columbians.
- The carbon tax puts a price on carbon emissions to:
 - Encourage individuals and businesses to use less fossil fuels and/or switch to low-carbon fuels and more efficient equipment to reduce their greenhouse gas emissions;
 - Send a consistent long-term price signal so that businesses and individuals have certainty planning their investments into the future;
 - Ensure those who produce emissions pay for them; and
 - Make clean energy alternatives economically attractive.
- Analysis suggests that the increase in the carbon tax to \$50/tonne will result in 1.8 megatonne (Mt) reductions in greenhouse gas emissions by 2030. The CleanBC program for industry is projected to contribute an additional 2.5 Mt reductions in greenhouse gas emissions by 2030.
- Analysis indicates the economic impact of British Columbia's carbon tax varies by industry, and some industries are more impacted than others.
- As part of the Pan-Canadian Framework on Clean Growth and Climate Change, Canada announced a federal carbon price beginning in 2018:
 - For jurisdictions with an explicit price-based system, the carbon price should start at a minimum of \$10 per tonne in 2018 and rise by \$10 per year to \$50 per tonne in 2022. BC is on track to reach \$50 per tonne a year early, in 2021.
 - Provinces with cap-and-trade need (i) a 2030 emissions-reduction target equal to or greater than Canada's 30 percent reduction target below 2005 levels and (ii) declining (more stringent) annual caps to at least 2022 that correspond, at a minimum, to the projected emissions reductions resulting from the carbon price that year in price-based systems.
 - Canada has recently announced a lower carbon price will be imposed on emissions-intensive trade-exposed (EITE) industries in jurisdictions that do not have a carbon pricing system in place. Previously, large EITE industries were to have no price

applied to 70% of their emissions. This has been increased to 80-90% depending on sector.

- The overall Federal approach will be reviewed by early 2022 to ensure that it is effective and to confirm future price increases. An interim report will be completed in 2020 which will be reviewed and assessed by First Ministers.

Intervention in court cases:

- British Columbia is supporting federal climate action legislation by intervening in court actions in the Saskatchewan and Ontario courts of appeal.
- The Saskatchewan and Ontario governments have challenged the federal government's authority to pass its greenhouse gas pollution pricing act, which would establish a minimum national pollution pricing system.

Communications Contact: Craig Chambers – ENV GCPE - 250-387-5798

Program Area Contact: Neil Dobson

Ministry of Environment and Climate Change Strategy, April 5, 2019

CleanBC

Key Messages

- To put British Columbia on a path to a cleaner, better future, Budget 2019 invests \$902 million over three years for CleanBC programming — making B.C. the leader in Canada in tackling climate change and protecting our clean air, land and water.
- CleanBC will make cleaner options more convenient, available, and affordable.
- That's why we're helping with the upfront costs that come with home improvements and zero emission vehicles – so people can benefit from the lower gas and heating bills over the long run.
- Over time, it will change how we get around, how we work, and how we heat our homes - making things better and more affordable for people while reducing air pollution.
- Our strength is our people. And we believe everyone in British Columbia will come together to create a better, more balanced, and cleaner province for today and tomorrow.

Background:

On Dec. 5, 2018, the Province announced the CleanBC plan to plan to cut air pollution, boost the economy, and make life better for people.

The Ministry's 2019/20 operating budget is \$242.994 million. This represents a net increase from 2018/19 of \$63.652 million, or 35.5%, from the 2018/19 budget.

\$55.9M of the increase is related to new dedicated funding for the CleanBC program for Industry
This program includes:

- an industrial incentive that reduces carbon tax costs for operations based on their emissions intensity compared to world-leading emissions benchmarks.

- an investment of carbon tax revenue that will be directed to emission reduction projects to help make our traditional industries cleaner and stronger.

The \$902 million committed over three years for CleanBC programming includes \$354 million in operating funding, \$299 million for programs in development, and \$26 million in capital investments to help people and businesses reduce pollution. It also includes \$223 million over three years to increase the climate action tax credit in 2019, 2020 and 2021.

The \$299 million over three years for programs in development is funded through contingencies, consistent with government's commitment in the CleanBC plan to roll out new programs as they are developed.

Highlights of the CleanBC plan:

- Launching a standard to make all new car sales be zero-emission vehicles by 2040, with a supporting plan to make them more available, convenient and affordable.
- Retrofitting B.C.'s stock of 51,000 publicly owned/funded social housing units, to make these homes less polluting, more energy efficient and more affordable.
- Making every new building “net-zero energy ready” by the year 2032.
- Improving fuel standards to cut carbon pollution and make our air cleaner.
- Seeking new strategies and technologies for making public transportation and transit cleaner and more affordable.
- Launching new training programs so that more people in B.C. have the skills to develop, build and maintain clean tech and equipment, across sectors.
- The initiatives will get B.C. 75% of the way to its climate goals – the remaining 25% will come through initiatives like better use of waste, community design and planning, and further manufacturing and industrial electrification.

The plan was informed by public consultation. In July 2018, Government released three intentions papers and invited public input on clean transportation, clean and efficient buildings, and a clean-growth program for industry. It received several written submissions and a few hundred online comments.

Additional intentions papers will be released in 2019, with public input invited.

The Province has set new legislated targets of a 40% reduction in carbon emissions from 2007 levels by 2030, and a 60% reduction from 2007 levels by 2040. The existing target of an 80% reduction in emissions by 2050 remains.

The strategy will build on work already underway to drive sustainable economic growth with cleaner energy and fewer emissions. It is integrated with the B.C. energy roadmap and other economic initiatives, like the #BCTech Strategy and the Emerging Economy Task Force and rural economic development strategy.

Climate action is an important component of the Confidence and Supply Agreement with the B.C. Green Party caucus.

Communications Contact: Craig Chambers – ENV GCPE – 250-387-5798

Program Area Contact: Neil Dobson

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Withheld pursuant to/removed as

s.13 ; s.14 ; s.16

CleanBC Industrial Incentive Program

Key Messages

- We know that a healthier, cleaner environment and a strong economy go hand in hand.
- That's why our CleanBC plan puts our province on the path to a cleaner, better future – with a low-carbon economy that creates opportunities for all while protecting our clean air, land and water.
- B.C. industries have been on the path to adopting cleaner fuels, improved energy efficiency and the use of innovative technology. We know we can go further in the years ahead.
- Our government will support this change through our CleanBC Program for Industry.
- As part of the program, we are introducing the CleanBC Industrial Incentive Program, which will reduce carbon tax costs for operations meeting emissions benchmarks.
- Large industrial operations can apply for a share of carbon taxes they've paid over and above a \$30 per tonne threshold.
- This provides an incentive for our large industrial operations to invest in cleaner operations while maintaining competitiveness in a global economy.
- The low-carbon economy we can build together will bring opportunities across the province, so people can live and work in the communities they call home.

If asked what the emissions benchmarks are:

- This is the first year of the program, and benchmarks are being established. Funds are available through an application process this year.
- Starting with the 2019 reporting year, benchmarks will be in place for each sector. Operations that meet the eligibility threshold will receive incentives based on how close they are to the performance benchmark.

If asked what incentives are available for small/medium sized operations:

- This program is being developed as part of phase 1 of CleanBC and only applies to large industrial operations.
- We are currently exploring strategies to support small/medium businesses invest in cleaner operations while reducing their emissions as part of phase 2 of CleanBC.
- For small and medium-sized businesses looking to increase their energy efficiency, incentives are available right now through the CleanBC Better Buildings program – both for commercial renovations and new construction.
- Details are available at betterbuildings.ca

Background:

Budget 2019 included \$168 million over three years for the CleanBC Program for Industry. Of the \$56 million available in fiscal 2018, approximately \$12.5 million will be allocated to the program's CleanBC Fund for Industry. Approximately \$37.5 million is available for the CleanBC Industrial Incentive Program. The remainder is allocated to program start up and administration costs, which are predicted to be higher in the first year as the ministry works to establish benchmarks for each sector.

In 2018, B.C.'s \$30 carbon tax rate was raised to \$35 per tonne, and it is set to increase by \$5 every year until 2021. As the price of carbon rises, the CleanBC Program for Industry will support competitiveness and facilitate emission reductions using revenues from the carbon tax that industry pays above \$30 per tonne carbon dioxide equivalent (CO₂e).

The CleanBC Industrial Incentive Program (CIIP) is part of the CleanBC Program for Industry, which applies to large industrial operations that report their emissions under the Greenhouse Gas Industrial Reporting and Control Act (GGIRCA).

The CIIP helps cleaner industrial operations across the province by reducing carbon-tax costs for facilities near world-leading emissions benchmarks.

The program is designed for B.C.'s regulated large industrial operations, such as pulp and paper mills, natural gas operations, refineries, and large mines.

2018 Reporting Year:

The first year of CIIP will be a transition year for the program, allowing time for further program design, including developing greenhouse gas (GHG) emissions benchmarks for interested sectors.

In the transition year, all eligible industrial operations will receive 100% percent of their carbon tax paid in 2018, minus start-up and administrative costs for the program. The Incentive Program represents 75% of the industry program funding of \$56 million and will go to each facility based on the amount of carbon tax paid. The remainder will be used to support reduction projects through the Industry Fund using a competitive process.

Operators must submit a CIIP application form by June 30, 2019. As part of the application, information about the operation's energy use, emissions, and production is required.

2019 Reporting Year and Onwards: Benchmark in Effect:

Starting with the 2019 reporting year (information due on May 31, 2020), benchmarks will be in place. These benchmarks will consider assessments of world-leading emission performance for a given product or activity (tonnes CO₂e per unit of production/activity). In addition, an eligibility threshold will be set for each product or activity. Facilities that meet the eligibility threshold will receive incentives based on how close they are to the benchmark.

Eligibility Criteria

An industrial operation may be eligible to apply for CIIP if it:

- Has GHG emissions greater than 10,000 tonnes of CO₂e excluding carbon dioxide emissions from Schedule C biomass as defined in the Greenhouse Gas Emission Reporting Regulation

GCPE ENV – CONFIDENTIAL ISSUES NOTE

- Reports emissions under Greenhouse Gas Industrial Reporting and Control Act and has not been *excluded from CIIP.
- GHG emissions must have been reported in the 2017 reporting year (by May 31, 2018) to be eligible for the CIIP this year.

*NOTE: Certain sectors including landfills, waste processing, electricity generation, natural gas distribution have been excluded from CIIP.

Communications Contact: Craig Chambers – ENV GCPE - 250-387-5798

Program Area Contact: Adria Fradley

Questions and Answers

1. What industrial operations are eligible for the CleanBC Industrial Incentive Program?

- The program is designed for B.C.'s regulated large industrial operations, such as pulp and paper mills, natural gas operations, refineries, and large mines.
- By providing incentives to lower emissions, B.C.'s industries and workers will thrive, and companies will remain competitive in a global market.

2. Why are electricity generation and natural gas distribution operations not eligible?

- The program is designed for to help larger operations remain competitive in a global market.
- Due to low competition, the carbon tax doesn't place electricity generation and natural gas distribution operations at any disadvantage.

3. Why are waste processing facilities not eligible?

- Waste processing facilities have lower carbon tax payments than the province's large regulated industrial operations.

4. Why aren't landfills eligible?

- In order to provide incentive payments, the ministry has to be able to benchmark the emissions.
- Unfortunately at this time, landfill emissions are difficult to benchmark.

5. Will these ineligible operations be considered for the program in the future?

- Yes, ineligible operations will be considered at future date once the benchmarks for the program have been established.

6. What about small and medium-sized businesses? Can they benefit from this program?

- This program is being developed as part of phase 1 of CleanBC and only applies to large industrial operations.
- We are currently exploring strategies to support small/medium businesses invest in cleaner operations while reducing their emissions as part of phase 2 of CleanBC.
- For small and medium-sized businesses looking to increase their energy efficiency, incentives are available right now through the CleanBC Better Buildings program – both for commercial renovations and new construction.
- Details are available at betterbuildings.ca

7. By allowing all industrial operators to apply during the incentive year, aren't you rewarding the heavier polluters?

- We know that BC is uniquely positioned as a destination and a supplier for industry looking to drive low-carbon economic growth and opportunities.
- We want to make sure BC businesses can seize these opportunities and support good jobs.
- This program will help BC businesses become the cleanest operators in their sector while remaining competitive with businesses in other jurisdictions.

8. How much funding has been provided for this program?

- I'm proud to say that CleanBC was fully funded through Budget 2019.
- We provided \$168 million over three years for the CleanBC Program for Industry.
- For year one, the CleanBC program for industry is fully funded at \$56 million.
- That investment supports \$37.5 million for the Incentive Program, \$12.5 million for the Industry Fund and \$6 million for start-up and year one administration.

9. CleanBC was designed with the Green Caucus – do they support this program?

- Working together to meet our climate targets is one for the reasons our relationship is so strong with the Green Caucus.
- This program is an important one in CleanBC, and it will help us support a low carbon economy.
- We're committed to continuing to work with the Green Caucus on these shared priorities.

BC Infrastructure Benefits Inc. Financials

Estimates Note - Updated

Ministry of Transportation and Infrastructure

Date: May 15, 2019

ISSUE

- BC Infrastructure Benefits Inc. (BCIB) is a taxpayer-supported crown in its start-up phase with a small number of inaugural projects to be undertaken in 2019/20.

ADVICE AND RECOMMENDED RESPONSE

- BCIB and the Allied Infrastructure and Related Construction Council (AIRCC) signed the Community Benefits Agreement (CBA) which sets out key goals to ensure individuals, communities and businesses have full and fair opportunity to participate in the benefits of a project.
- BCIB will manage the CBA and, for select projects, be the employer of the workforce for the construction of infrastructure projects in accordance with the terms and conditions of the CBA.
- BCIB will prioritize hiring of British Columbians, apprentices and workers traditionally under-represented in the construction trades – Indigenous peoples, women and youth. The focus of BCIB through the CBA is to provide good-paying jobs to workers on key public sector infrastructure projects, optimizing opportunities to grow BC's skilled labour workforce and making sure these projects are built safely, efficiently, economically and without interruption (no strikes/lockouts). BCIB will prioritize safety and a respectful, harassment-free workplace and all workers will take cultural competency training.

s.13; s.17

BACKGROUND

s.13; s.17

s.13; s.17

- The projects currently approved to utilize the CBA included in *Budget 2019* are the Pattullo Bridge Replacement Project and ^{s.13; s.17} of the Highway 1 Kamloops to Alberta Four-Laning program.

s.13; s.17

- Broadway Subway Project has since been added and the impact to BCIB will be reflected in subsequent forecasts.

PROGRAM CONTACT

Carol Bishop, Executive Director, Crown Agencies, Finance and Management Services
250-216-9978

APPROVALS:

Carol Bishop, ED, Crown Agencies May 15, 2019

Ministry of Finance
BRIEFING DOCUMENT

To: Lori Wanamaker
Deputy Minister of Finance

Date Requested: May 27, 2019
Date Required: May 27, 2019

Initiated by: Richard Purnell
Executive Director
Tax Policy Branch

Date Prepared: May 27, 2019

Ministry Contact: Shauna Sundher
Strategic Advisor
Tax Policy Branch

Phone Number: (778) 698-9051
Email: Shauna.Sundher@gov.bc.ca

Cliff #:

TITLE: Highest and Best Use and triple-net leases

PURPOSE:
(X) FOR INFORMATION

COMMENTS:

DATE PREPARED: May 27, 2019

TITLE: Highest and Best Use and triple-net leases

ISSUE: Triple-net leases can lead to businesses paying for large and unexpected property tax increases.

BACKGROUND/DISCUSSION:

Triple-net leases are a common type of lease agreement for commercial tenants in B.C. A triple-net lease means the tenant is responsible not only for paying rent to the landlord, but also for maintenance fees and property taxes. The owner benefits from any rise in property value while the tenant faces an increased tax bill and does not gain from the increase in property value.

Triple-net leases work well for both landlords and tenants when property values remain relatively constant over time. However, when there are significant increases in a property's value relative to neighbouring properties, a triple-net lease passes the associated tax increase to the tenant, which can be difficult for businesses to adjust to.

This is a transitional issue. The property's appreciation reflects its market value and accompanying potential for development. Over the long-term, it is in the public interest to have the property developed in the most efficient way possible, but the tenant may need some time to make new plans.

Factors that can affect a property's value in the short-term include:

- Highest and Best Use (HBU) valuation;
- Zoning changes;
- Densification efforts;
- Transportation development; and
- Market activity, etc.

Modern assessment systems (including BC Assessment) consider the highest and best use (HBU) of a property when determining its valuation. While the HBU of a property can be for future development, it reflects the property's market value today based on what a purchaser would pay for future development potential. HBU is not a BC Assessment-derived concept; it is used across many jurisdictions in Canada and internationally. ^{s.16}

s.16

s.13

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Page 37 of 74 to/à Page 38 of 74

Withheld pursuant to/removed as

s.12 ; s.13

2019/20 Estimates Debate

Ministry of Forests, Lands, Natural Resource Operations and Rural Development

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Issue: Wildfire Recovery on the Ground - Cariboo Region

(This note consolidates information set out in 5 underlying Estimates Notes for wildfire complexes in the Cariboo Region)

Recommended Response:

s.13

Key Facts:

- **Fireguard – 2,597 km** of 7,280 km (35%) has been rehabilitated to prevent erosion, address terrain hazards, protect watercourses, and prevent spread of invasive plants. Works will continue, starting in the spring of 2019.
- **Timber salvage:** 2.37million m³ of damaged timber salvage has been authorised, of which 1.56 million m³ has been delivered to regional processing facilities.
- **Reforestation:**
 - 783,000 trees were planted in burned areas in 2018.
 - 18.43 million trees to be planted During 2019
 - 27.7 million trees planned for planting in 2020
- **Range fencing:** 259 km of 1,337 km of range fencing was replaced in 2018 with work on the remainder starting in the spring 2019
- **Investments:**
 - \$837,000 has been invested in projects ranging from satellite imagery for timber salvage, wildlife management and reforestation, to wildlife assessment and emergency management planning for remote Indigenous communities.
 - The Forest Enhancement Society of B.C. has allocated \$46.5M to multi-year wildfire mitigation projects within the region's Wildfire Urban Interface areas, while \$65M is committed to supporting ongoing reforestation of burned areas under the Forest Carbon Initiative.
 - \$9M has been invested in post-wildfire agriculture sector recovery
 - Recreation Sites and Trails has invested \$96,000 in repair of recreation assets with total damage estimated at \$230,000

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Ministry of Forests, Lands, Natural Resource Operations and Rural Development

Date Prepared: March 19, 2019

Ministry Executive Sponsor:

Gerry MacDougall, A/Assistant Deputy Minister

Phone: 250-267-8999

Alternate Contact for Issue:

Michael Pedersen

Phone: 250-398-4355

BRIEFING NOTE FOR INFORMATION

DATE: April 30, 2019

PREPARED FOR: Honourable Doug Donaldson, Minister of Forests, Lands, Natural Resource Operations and Rural Development

ISSUE: Meeting with Land Title and Survey Authority Board Chair and CEO

BACKGROUND:

- The Land Title and Survey Authority (LTSA) was established as an independent authority to manage the province's land title and survey systems.
- While independent from government, the LTSA operates under the *Land Title and Survey Authority Act* and must meet the obligations set out in an operating agreement with the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD).
- The LTSA and FLNRORD executive hold regular semi-annual meetings to discuss matters of mutual interest.
- Ms. Janice Comeau, Board Chair and provincial nominee, Ms. Connie Fair, Chief Executive Officer, and Mr. Craig Johnston, VP Policy and Legal Services will attend the May 6th, 2019 meeting on behalf of the LTSA.

DISCUSSION:

The meeting agenda prepared by the LTSA (Appendix 1) covers the items outlined below:

Kamloops Office Move - Status

In October 2018, the LTSA informed the Minister of the LTSA's planned relocation of the Kamloops Land Title Office and the records currently stored at this location. Concerns have been raised by Indigenous Peoples and various stakeholder groups (i.e. local governments, lawyers, registry agents, members of the public) regarding the planned relocation of records from Kamloops to Victoria. Indigenous Peoples, stakeholders and members of the public have asked for the relocation to be stopped and for proper consultation to occur. To assist LTSA in their reconciliation and engagement efforts with First Nations, FLNRORD has offered to provide LTSA Executive a First Nations presentation by Sean Addie of FLNRORD. s.16

s.16

The LTSA will provide the Minister with an update on the status of the relocation of the historic records and the office move and their current engagement with Indigenous Peoples and stakeholders.

Part 10.1 Land Title Act – regulation

The LTSA has several improvements to the electronic filing system underway to improve efficiency and consistency of services and the LTSA's electronic relationship with its customers. Legislative changes were required to fully implement a streamlined electronic filing system and amendments to Part 10.1 of the *Land Title Act* to enable streamlined electronic filing were passed in October 2018. The LTSA would like these amendments brought into force (by regulation) in November 2019. The Ministry will require information from the LTSA (e.g. timing rationale, communications plan) to support the development of the Order in Council required to bring Part 10.1 of the *Land Title Act* into force.

Condo and Strata Assignment Integrity Register

The LTSA worked with the Ministry of Finance (FIN) in support of the Condo and Strata Assignment Integrity Registry (CSAIR). CSAIR requires the registration of assignments of condo and strata pre-

sales agreements in a registry operated by the LTSA. The first quarterly reports were due to be reported through the Registry by April 30, 2019.

Land Ownership Transparency Register

The LTSA and FLNRORD have worked jointly with FIN staff to support the development of a new statute, the Land Ownership Transparency Act (LOTA), which creates a framework for disclosure requirements to identify the actual owners of properties in BC to prevent tax evasion and non-compliance with regulations. Bill 23, 2019 *Land Ownership Transparency Act* was introduced for first reading on April 2, 2019. The Bill introduces new roles and responsibilities for the LTSA and requires the LTSA to build and operate a new Land Ownership Transparency Register.

Property Transfer Deferment

Currently FIN sends paper copies of *Land Tax Deferment Act* (LTDA) agreements and notices of satisfaction to the LTSA. The agreements are then registered as a charge on title and notices of satisfaction cancel the charge where deferred taxes have been paid. The LTSA and FIN have been collaborating on how best to take advantage of new electronic filing opportunities that will become available once the amended Part 10.1 electronic filing provisions are brought into force and system upgrades are in place to enable automated examination and registration of LTDA charges.

Upcoming Five-Year Review

The Operating Agreement between the Province and the LTSA establishes that the parties are required to appoint an independent management consultant to conduct a performance review every five years. The performance review will consider the performance of the LTSA and province in collaborating and/or cooperating on efforts related to their business interactions primarily described in the Operating Agreement. This includes a review of the obligations, rights and processes relevant to both the province and the LTSA. The next five year review will cover the period of January 2015 to January 2020. The Ministry will need to work with the LTSA to jointly develop a Terms of Reference for the review and appoint a jointly agreed to consultant to conduct the review.

Board of Directors Update

The LTSA will provide an update on three recent appointments to the Board of Directors nominated by the Province, the Association of BC Land Surveyors and the Union of BC Municipalities. It will also be noted that the term for Ms. Janice Comeau, current Board Chair and one of the Province's nominated representatives on the LTSA Board of Directors will expire on March 31, 2020. Ms. Comeau will have served three terms and will not be eligible for reappointment. As such, the Province will be required to submit a list of 3 – 5 names to the LTSA's Board of Directors which then selects a candidate. Further, the LTSA Board of Directors will need to appoint a new chair.

MINISTRY RESPONSE:

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Attachment(s):

- Appendix 1: May 6 Meeting Agenda
- Appendix 2: Land Title and Survey Authority Act – term sheet
- Appendix 3: Operating Agreement – term sheet

PREPARED BY:

Kelly Vijandre
Senior Policy Advisor
Lands Branch
(778) 974-5848

REVIEWED BY:

	Initials	Date
DM		
Associate DM		
DMO		
ADM	CS	May 2, 2019
Program Dir/Mgr.	MP	April 30, 2019



**Land Title and Survey Authority (LTSA)
Ministry of Forests, Lands, Natural Resource Operations
and Rural Development (FLNRORD)**

**Monday, May 6, 2018 – 10:15 to 11:00 am
Minister's Office, Room 248 Parliament Buildings**

AGENDA

1. Kamloops Office Move - status

2. LTSA Activities:

- i. Section 10.1 *Land Title Act* - regulations
- ii. Condo and Strata Assignment Integrity Register
- iii. Land Ownership Transparency Registry
- iv. Property Transfer Deferment
- v. Upcoming Five-Year Review for the period Jan 2010 to Jan 2020

3. Support Material:

- i. Land Title and Survey Authority Act – term sheet
- ii. Operating Agreement – term sheet

4. Board of Directors Update

- i. New Members:
 1. Robert Simmons - nominee of the Province
 2. Bronwyn Denton – nominee of the Association of BC Land Surveyors
 3. Richard Walton – nominee of Union of BC Municipalities
- ii. Janice Comeau, Chair – Term ending
- iii. In Camera meeting with Board Chair

Attendees

Land Title and Survey Authority of British Columbia

- Janice Comeau, Chair, LTSA Board of Directors
- Connie Fair, President and CEO
- Craig Johnston, VP, Policy and Legal Services



Term Sheet - *Land Title and Survey Authority Act (SBC 2004, c. 66)*

The *Land Title and Survey Authority Act* (the "Act") received Royal Assent on October 21, 2004 and was in force as of January 20, 2005.

Authority Established

The Act established the Land Title and Survey Authority of British Columbia (the "Authority") as a not-for-profit corporation without share capital, independent of the Province. The Authority is not an agent of government unless expressly provided for, and consists of a board of directors appointed under the Act.

Purpose of the Authority

The purposes of the Authority are to manage, operate and maintain the land title and survey systems of British Columbia, to facilitate the execution of Crown grants under the direction of government, and to carry on other activities related to the land title and survey systems.

Board of Directors

The board consists of 11 directors, selected by the directors from stakeholder nominees, with:

- 2 directors selected from the nominees of each of the Province of British Columbia, the Law Society of British Columbia, and the Association of British Columbia Land Surveyors; and
- 1 director selected from the nominees of each of the British Columbia Real Estate Association, the British Columbia Association of Professional Registry Agents, the First Nations Summit, the Society of Notaries Public of British Columbia, and the Union of BC Municipalities.

The directors are responsible for managing the business of the Authority, and must act:

- honestly and in good faith with respect to the best interests of the Authority;
- with reasonable care, diligence and skill; and
- in accordance with the Act and its regulations and bylaws of the board.

The directors have established bylaws that:

- set rules for their conduct, nominations, appointments, remuneration and reimbursement;
- govern destruction of the documents under the *Land Title Act*;
- set fees payable to the Authority;
- establish a complaints procedure; and
- define the required skills and experience profile of directors.

Fees

- The Authority is wholly funded from revenues generated through its customers fees. The board may not set or increase base fees or service charges except in accordance with the provisions of the operating agreement.

Approval by a commissioner, jointly appointed by the Authority and the Province, is required for:

- any new base fees or increases above a specified amount; and
- any new service charges to the Province or a government body and any subsequent increases, where they are not agreed to by the Province or the government body.



Term Sheet - *Land Title and Survey Authority Act* (SBC 2004, c. 66)

Records

The Authority must keep specific corporate records at its head office. As well, the Authority must make public at no charge its bylaws and amendments to them, its operating agreement and any amendments to it, and its most recent annual report and business plan.

Land Title and Survey records

The Province transferred to the Authority the ownership of the records of the land title and survey systems. All land title records must remain on deposit in the land title office (or another location approved by the board), and may only be destroyed if a duplicate exists, the document has no significant historical value, and the destruction is authorized by a bylaw of the board.

Annual General Meeting, Annual Report and Business Plan

The Authority must hold an annual general meeting to consider its annual report. The annual report is to include audited financial statements for the last fiscal year, a report on any changes to fees, a list of current directors, a list of performance objectives and a report respecting achievement of them, any amendments made to the operating agreement or bylaws, and the results of board and board committee meetings. Each year the Authority must prepare and make public a three year business plan.

Appointment of Chief Executive Officer, Surveyor General and Other Employees

The CEO is appointed by the board. The Act and the board define the CEO's duties. The CEO appoints the Surveyor General and other officers and employees of the Authority.

Financial and Performance Audits

The fiscal year of the Authority runs from April 1 to March 31. The Act provides for:

- annual independent financial audits; and
- a requirement that the financial statements and auditor's report be made public within 5 months of the end of the fiscal year end (i.e. by September).

New Assurance Fund

Amendments to the *Land Title Act* established a new assurance fund for the Authority in a manner that mirrors the Province's existing assurance fund. No action may be brought against the Authority's assurance fund as a result of acts that occurred before the new fund was established.

Appointment of Administrator

The Minister may appoint an Administrator in accordance with the operating agreement or if there are no directors of the Authority. On the appointment of an Administrator any directors then serving cease to hold office.



Term Sheet - Operating Agreement between the Province of BC and the Land Title and Survey Authority of British Columbia

The Land Title and Survey Authority of British Columbia (the "LTSA") operates in accordance with the Land Title and Survey Enactments and an Operating Agreement with the Province. The Operating Agreement, as restated June 15, 2015, establishes the conditions on the Province and on the LTSA in respect of maintenance of British Columbia's land title and survey systems. Along with the LTSA Act, the Operating Agreement also establishes specific accountability requirements on the LTSA for its management and operation of British Columbia's land title and survey systems including scheduled reviews of performance.

Term

The term of the Operating Agreement is to January 20, 2065, and is renewable.

Obligations of the Parties

The parties are required to maintain a collaborative working relationship in respect of ongoing business interactions and service delivery and to each designate a person as its primary contact for all issues and communications. Any public announcement or communication made by a party about issues related to the Operating Agreement or the LTSA Act must be arranged in consultation with the other party before the announcement or communication is made.

The Province must provide reasonable notice and consult with the LTSA in respect of any changes to the Land Title and Survey Enactments that may impact the operations of the LTSA in its ownership and operation of the land title and survey systems in British Columbia, and will give 60 days' notice as to any changes to the statutory fees payable to the Province.

The LTSA is required to operate the land title and survey systems in a manner which ensures its average processing times for the following matters meets the following performance targets:

- for Land Title Act instruments - does not exceed 6 business days;
- for Crown grants - does not exceed 21 days; and
- for Land Act surveys - does not exceed 21 business days.

The Authority must manage records in accordance with the Land Title and Survey Enactments and all other applicable enactments.

Performance Reviews

The parties are required to appoint an independent management consultant to conduct a performance review every 5 years, and to meet every 10 years to review the sufficiency of revenues to the LTSA. The cost of this review is to be shared and either party may make the results public.

Customer Fees and Payments to the Province

The LTSA is required to administer its regulated fee structure in compliance with the LTSA Act and the Operating Agreement.



Term Sheet - Operating Agreement between the Province of BC and the Land Title and Survey Authority of British Columbia

LTSA is funded from amounts it charges to customers for its services. The LTSA may establish, adjust and change fees established for statutory and administrative services in accordance with the LTSA Act and the Operating Agreement.

The LTSA is required to ensure that the amounts it charges for its services are justifiable and reasonable. Base Fees (as defined in the Operating Agreement) may be increased annually by an amount up to the increase in CPI or by a greater amount with the Commissioner's approval. The criteria for appointing the Commissioner and the Commissioner's decision criteria are set out in schedules to the Agreement.

Where the Province has established a corresponding fee for a service described in statute, the LTSA collects and remits the statutory fee to the Province in accordance with the Payment Management Agreement. The LTSA is required to, upon reasonable notice, provide the Province access to the books and records related to such collections and payments.

Not for Profit Authority

The LTSA must not be operated for profit. The LTSA must use all earnings in excess of the operating expenses of the LTSA to: add or improve services in accordance with its purposes; fund or maintain reserves; fund capital expenditures; repay debt or reduce base fees.

Default, Remedies and Termination

The events of default include failure to meet material conditions of the Agreement, financial insolvency and lack of performance. Notice and remedy provisions are provided. The Province may elect to waive an event of default, appoint an administrator, or terminate the Agreement.

Appointment of Administrator

The Minister may appoint an Administrator after an event of default which has not been remedied within the time provided or which cannot be remedied. The Administrator's powers include being able to enter upon the Authority's premises, to preserve, protect and maintain the LTSA's property, and to carry on the operations of the LTSA.

Dispute Resolution

Disputes may be referred to the Ministry's Assistant Deputy Minister and to the LTSA's Chief Executive Officer; after 14 days unresolved disputes will be referred to an arbitrator.

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Issue: Kamloops Land Title Office and Document Relocation

Recommend Response:

s.13

Key Facts:

- The current Kamloops LTO facility is 10,000 square feet, which exceeds the LTSA's space needs by two thirds.
- Relocating the LTO to a more appropriately sized facility will result in a cost savings for the LTSA of about 50% over current space costs (i.e. approx. \$181,000 in annual lease costs).
- There is currently space in the Victoria LTO to house all of the paper records that will be received from the Kamloops LTO, as such no costs will be incurred to update/expand the existing vault to accommodate the records.
- Most land title documents and survey plans from 1990 onwards are currently available online through the LTSA's customer portal (myLTSA), while records prior to 1990 are only available from a LTO directly or through the LTSA's Scan on Demand service.
- Going forward, if an individual in the Kamloops LTO area requires access to a paper document moved to the Victoria LTO, they can order the document electronically via the LTSA's Scan on Demand service similar to both other land title regions.

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- The target fulfillment time for a Scan on Demand request is one half a business day during LTSA business hours.
- The public will not face any additional/higher costs for using the Scan on Demand service than would have been incurred to access/copy records physically available in Kamloops LTO.

Date Prepared/Revised: March 28, 2019

Ministry Executive Sponsor:

Name: Bonnie Ruscheinski

Phone: 778-974-5870

Alternate Contact for Issue:

Name: Michelle Porter

Phone: 778-677-1005

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Ministry of Forests, Lands, Natural Resource Operations and Rural Development

Speaking Points Regarding LTSA Kamloops Office Move Prepared by the LTSA for MFLNRORD – March 27, 2019

ISSUE	RESPONSE
New Kamloops office	s.13
Closing Kamloops office	s.13

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s.13

Decline of # employees in KAM

s.13

Relocation of vault records to VIC

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	s.13
Access to vault records once they are moved	

QUESTIONS AND ANSWERS:

1. Is the Kamloops office closing?

s.13

2. Why and when is the Kamloops office moving?

s.13

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3. Will there be any layoffs as a result of this move?

s.13

4. Why are the hardcopy and microfilm records being relocated?

s.13

Key Messages

- The LTSA is seeking a long term tenancy in a modern and secure office location in Kamloops. This move will reduce Kamloops office costs by about 50%.
- As hardcopy and microfilm records will be relocated to the Victoria land title office, there will no longer be space required for registry agents. Registry agents have been directly informed about this change. As a result, LTSA space requirements will drop to about a third of what they are now.
- Kamloops office will be familiarizing Victoria land title office staff and the conservation team with records. The conservationists will preserve records requiring attention, and the records will be stored in a state of the art climate-controlled facility with fire suppression. These records will have their own designated area within the Atrium vault, similar to the Prince George and Prince Rupert records that were moved a few years ago from New Westminster.
- Electronic images of land title records can be retrieved using myLTSA Search Services, and the Scan on Demand service will assist with retrieving non-imaged records regardless of their location. This service supports the Land Title Division's move to a single work queue that spreads work from all offices equally across the Division.

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Issue: Softwood Lumber Trade Case

Recommended Response:

s.13; s.16

If asked about the impact of duties on B.C. companies

- Early 2018 saw strong demand and supply shortages that kept lumber prices high, allowing exporters to pass on most of the duties to U.S. customers.
- s.13; s.16
-

If asked about the uptake of federal package in B.C.

- s.13; s.16
-

If asked about the implications of log export policies

- s.13; s.16
-

If asked about why we have not settled

- s.13; s.16
-

If asked about preference for type of settlement agreement

- s.13; s.16
-

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Key Facts:

Litigation

- On December 7, 2017, the U.S. International Trade Commission (ITC) ruled that softwood lumber imports from Canada have materially injured the U.S. industry.
- The U.S. Department of Commerce published the countervailing and antidumping duty orders on January 3, 2018, marking the end of the investigation. Combined duties average 20%.
- As of the end of 2018, countervailing and anti-dumping duties collected by the U.S. on lumber shipments from B.C. are estimated to be \$1.1 billion.
- Cash deposits will be held in trust by the U.S. pending the first administrative review and conclusion of all appeals.

Appeals

- The NAFTA panel in the injury case held the first hearing on the injury appeal on May 7, 2019. Canada presented a strong case that the U.S. industry has not been injured by the importation of softwood lumber products from Canada.
- Deputy Minister John Allan and a senior staff member attended the hearing and met with Canadian Embassy officials and the National Association of Home Builders.

• s.16

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- The WTO panel for the AD appeal issued their report on April 9, 2019. The panel found the U.S. anti-dumping duties have been calculated improperly. However, the panel ruled in favour of the U.S. on the “zeroing” issue,^{s.13; s.16}

s.13; s.16

In the past, this

method was condemned by the WTO appellate body.

• s.16

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Administrative Reviews

• s.16

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Date Prepared/Revised: May 10, 2019

Ministry Executive Sponsor:

Name: Jim Schafthuisen

Phone: 250-828-4625

Alternate Contact for Issue:

Name: Jennifer Burleigh

Phone: 778-974-2430

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INFORMATION NOTE

DATE: May 13, 2019
PREPARED FOR: BC Premiers Office
ISSUE: Post Wildfire Fish Passage Mitigation for Thompson Steelhead and Salmon in the Bonaparte River Watershed

BACKGROUND:

- The 2017 Elephant Hill Wildfire (191,000 ha) burned a significant portion of the Bonaparte River watershed.
- The Bonaparte watershed supports approximately 20% of the spawning and rearing habitat for endangered steelhead in the Thompson Okanagan Region.
- The Province is working collaboratively with Indigenous communities impacted by the Elephant Hill Wildfire, to guide wildfire recovery consistent with UNDRIP and the BC Chief Forester's planning guidance.
- Despite collaborative efforts to mitigate anticipated post wildfire high stream flows, sedimentation and erosion, a fishway on the Bonaparte River (the "fishway") has been partially destroyed, rendering it impassable to steelhead and salmon.
- The fishway was constructed jointly by the Province and the Department of Fisheries and Oceans (DFO) in the 1980s to facilitate passage of salmon and Steelhead around Bonaparte Falls. This fishway is 3 km upstream of the confluence of the Bonaparte and Thompson rivers and increases the length of accessible habitat to ~100km.
- Steelhead spawning and rearing habitat has been adversely impacted by large and sustained sediment volumes from the wildfire, particularly in areas below the fishway to the confluence with the Thompson River.
- Repair operations, led by DFO, had been underway with completion scheduled for winter 2018/19. However, the Province was recently notified that the fishway will not be functional for the 2019 Steelhead run, and may be inoperable for up to 3 years. Steelhead run up the fishway in late April and early May; whereas salmon migrate through the fishway in the fall.

DISCUSSION:

In April 2019, the Province partnered with Bonaparte Indian Band (BIB) to engage in assisted migration of steelhead past the fishway into the upper portions of the Bonaparte River. Operations consist of catching steelhead staging at the mouth of the Bonaparte River and transporting fish upstream by truck. Operations are ongoing.

The collaborative work was preceded by a steelhead ceremony, which was conducted at the mouth of the river by Bonaparte elders and attended by FLNRORD and Bonaparte fisheries staff.

Operations to date have been successful. Based on the estimated spawning population forecast for the Bonaparte watershed, the number of transported steelhead amounts to 24% of the forecasted population. Converting to eggs, about 78,000 steelhead eggs have been transported, amounting to

about 27% of the forecasted egg deposition that would have otherwise occurred if the fishway was operable.

Immediate repair of the fishway is not feasible due to engineering constraints and unfavorable streamflow conditions. Re-establishing the fishway is a long-term objective being pursued by DFO, the Province and BIB.

NEXT STEPS:

- Staff will continue collaborating with BIB to assist migration of steelhead within the expected steelhead staging window and as river conditions allow.
- Work with DFO and Bonaparte Indian Band to plan for repair of the Bonaparte Fishway.
- Concurrently plan for an inoperable fishway with DFO and Bonaparte Indian Band to address fall-run salmon.
- Continue collaborating with indigenous communities within the Elephant Hill Wildfire Area to assess watershed and riparian restoration opportunities.

PREPARED BY:

Eric Valdal
Lead, Integrated Stewardship
Thompson-Okanagan Region
(250) 318-8340

REVIEWED BY:

	Initials	Date
DM		
Associate DM		
DMO		
ADM	PR	May 15/19
Program Dir/Mgr.		

Title: UN Declaration Legislation

- Our government is moving forward on reconciliation, in partnership with Indigenous peoples, through government-to-government relationships with Indigenous Nations.
- We have made reconciliation with Indigenous peoples a cross-government priority – we are working in every sector, together with Indigenous peoples, to build healthy communities and create shared prosperity that benefits all British Columbians.
- This is important legislation and it needs to be done in the right way.
- In this year's Throne Speech, we reinforced the commitment to co-develop legislation with the First Nations Leadership Council to implement the UN Declaration into provincial law.
- B.C. will be the first province in Canada to introduce such legislation, which will establish the UN Declaration as the foundation that guides our joint reconciliation efforts with Indigenous partners.

If needed re FNLC concerns about the spring session

• s.16

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Background/Status:

- In the Joint First Nations Leadership Council/Province of B.C. "Concrete Actions: Transforming Laws, Policies, Processes and Structures" document, the Ministry of Indigenous Relations and Reconciliation has committed to:
 - "endeavour that no later than Fall 2019, legislation will be in place establishing the UN Declaration on the Rights of Indigenous Peoples as a legislative foundation supporting a provincial action plan forward to engage in reconciliation activities with First Nations Leadership Council and BC First Nations."
 - This includes "reviewing and aligning provincial laws and policies with the UN Declaration and to respect Indigenous rights."

2019/20 Estimates Note - Advice to the Premier

- The provincial legislation is proposed to be similar to the federal private members bill C-262, sponsored by NDP MP Romeo Saganash — who was also part of an international team that helped craft the declaration.
- The federal bill C-262, which passed in the House of Commons on May 30, 2018 and is now at second reading before the Senate, aims to ensure Canada's laws are in harmony with the United Nations Declaration on the Rights of Indigenous Peoples. The proposed federal legislation provides for consistency of laws with the UN Declaration, the development and implementation of a national action plan, and an annual reporting mechanism. It is expected that the new legislation will be introduced in the legislature in 2019.

March 27, 2019

Government Communications and Public Engagement Message Guide

Moving Forward on Reconciliation with Indigenous Peoples

B.C. Government message

Headline Message:

"Our government is moving forward on reconciliation to make life better for everyone in B.C."

Top line messages:

- Our government is moving forward on reconciliation, in partnership with Indigenous peoples, to make life better for everyone in B.C.
- We must make right the injustices of the past, which continue to affect the lives of generations of Indigenous peoples.
- Together with Indigenous peoples, we are doing the hard work to help build healthier communities and create shared prosperity that benefits all British Columbians.
- Every person in B.C. has a role to play in reconciliation, to understand our shared history, and work together to heal and build a better future.

Supporting Messages:

- Reconciliation is about people. It is a matter of basic human rights and access to the standard of living that all British Columbians should enjoy.
- Indigenous peoples have lived on this land for time immemorial, and our government honours and respects the Indigenous rights that come from this history.

Action government is taking to move towards meaningful reconciliation:

- Our government has made reconciliation with Indigenous peoples a cross-government priority – every B.C. cabinet minister shares this mandate.
- With Indigenous peoples, we are working to revitalize environmental assessment, improve child welfare legislation, bring Indigenous learning into our classrooms, incorporate traditional knowledge into resource decision-making and revitalize languages.
- This is just the beginning – reconciliation is a continuous and ongoing commitment to engaging as partners in ways that respect the right of Indigenous peoples to determine their own future.
- We are working together in partnership with Indigenous peoples to address important issues, like housing, emergency and wildfire management, community-based solutions to support children and families, and waiving tuition for young people who have been in government care.
- Together we are moving toward a better future for all British Columbians.

Questions & Answers:

Does free, prior and informed consent mean First Nations can stop resource development projects – is it a veto?

- Free, prior and informed consent means First Nations are part of the decision making process in their territories.
- It means First Nations are involved as plans are made about new or changed activity on the land.
- These rights have been clearly established in court, and government cannot ignore that.
- Free, prior and informed consent means that instead of fighting over projects in court for years, industry, First Nations and government work together.
- This means certainty and predictability for industry and our economy.
- This means creating good, family-supporting jobs and unlocking the prosperity of our province for all British Columbians.

Does recognizing Indigenous rights mean First Nations will appropriate private land?

- The B.C. treaty negotiations process has always been guided by the principle that private property is not on the negotiation table, except on a willing-buyer, willing-seller basis.
- Our approach is to work with Indigenous peoples to reconcile Aboriginal rights and title in ways that balance the interests of all British Columbians.
- We make every effort to resolve any potential claims in collaboration with Indigenous people outside of court, to ensure we are upholding the interests of all British Columbians.
- Resolving issues proactively so that such matters are not decided by the courts is one reason we are committed to a modern treaty process.

Why is government putting more emphasis on First Nations' rights and benefits than those of average British Columbians, when many people are struggling?

- Everyone in British Columbia will benefit if we move forward with reconciliation together.
- Our government has a legal and constitutional responsibility to ensure human rights of all British Columbians are upheld – including aboriginal rights explicitly protected in the constitution
- The human rights of Indigenous peoples and the human rights of non-Indigenous British Columbians is not an either-or proposition.
- Real reconciliation and real progress recognizes everyone's rights and works towards a province where we don't rely on long expensive court battles or protests to solve our problems and there's shared prosperity that benefits all British Columbians.

2019/20 Estimates Note Advice to the Premier

Ministry: Ministry of Jobs, Trade and Technology
Minister Responsible: Hon. Bruce Ralston

Title: Business Council of B.C. Low Carbon Industrial Strategy

Revised: May 28, 2019

Issue: Current Status of the Business Council of B.C. Low Carbon Industrial Strategy (LCIS) Work

Response:

- A Memorandum Of Understanding was signed in November 2018 between the Government of B.C. and Business Council of British Columbia (BCBC) to collaborate on the Low Carbon Industrial Strategy (Strategy) and to deliver a full report with recommendations to Government.
- Ministries are working with BCBC to analyze and interpret data from various industry sectors to gain a better understanding of how Government can nurture industry growth, competitiveness and greenhouse gas reduction.
- Phase 1 (foundational analysis) is currently being finalized. Government and Industry anticipate Phase 2 (policy analysis) will start this summer.
- This work will support Government's goals of unlocking B.C.'s full economic potential, transitioning to a low-carbon economy and establishing B.C. as a world leader.

Background/Status:

- Government and BCBC signed the MOU in November 2018 to support implementation of CleanBC.
- The purpose of the MOU is to improve the competitive position of key provincial industries while building BC's low carbon brand domestically and globally. It has four broad activity areas:
 - Branding
 - Business Investment
 - Regulatory Functions
 - Technology, Innovation and Infrastructure
- The work is divided in to two phases.
- Phase One (January 2019 to June 2019) consists of financial cost modelling as well greenhouse gas intensity modelling.
 - The objective of the financial models is to determine the impact government policy decisions have on existing operations and potential new investment compared to jointly identified competing jurisdictions.

2019/20 Estimates Note Advice to the Premier

Ministry: Ministry of Jobs, Trade and Technology
Minister Responsible: Hon. Bruce Ralston

- The objective of the GHG models is to determine the relative GHG intensity of BC's industries relative to its main competitors.
 - Staff are currently in the final stages of the financial and GHG modelling work that will come forward for consideration by a joint Government-Industry executive committee.
- Phase Two (June 2019 to October 2019) consists of applying results and analysis of from Phase One to generate policy ideas to improve B.C.'s competitiveness as well as move further towards a low-carbon future.
 - Government and industry technical experts are currently developing potential initiatives for additional assessment.
 - Proposals will be vetted by a joint governance committee and a short list generated for action over the summer.
 - The outcome from summer work will be included as part of the joint report to Government under the MOU.
- The initiative has built analytical capacity within Government to better understand competitive challenges for B.C. industries. It will also position Government well to build this capability going forward.
- The process has also enabled Government to build a stronger working relationship with the BCBC and industry stakeholders to address joint challenges.

Contact:

Scott Barillaro

Executive
Project Director

Strategic Investments 778 584-7277
Office

<p>ESTIMATES NOTE (2019)</p> <p>Confidential</p> <p>Ministry of Environment and Climate Change Strategy</p> <p>Date: February 2019</p>	<p>CleanBC Program for Industry</p>
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KEY FACTS

CleanBC Program for Industry:

- This program is designed to reduce carbon leakage and support industry's transition to cleaner, lower-emitting operations through two initiatives:
 - Industrial Incentive Initiative issues payments to operations meeting world-leading emissions benchmarks.
 - CleanBC Industry Fund invests directly into emission-reduction projects.
- Carbon leakage affects the economy and does not reduce global GHG emissions.
- Open to industrial reporters that emit over 10,000 carbon equivalent tonnes per year (tCO₂e/year) and pay carbon tax.
- Funded by the incremental carbon tax industries pay over \$30 per tonne carbon dioxide equivalent (t/CO₂e).
- Modelling estimates program could reduce emissions by 2.5 million tCO₂e/year by 2030.
- Will operate a transition year in 2019/20 to establish benchmarks and systems.
- Budget during transition year is \$56 million:
 - Administrative costs will be funded from Program budget.
 - Incentive distributes 75% of transition year remainder: \$42 million
 - Fund distributes 25% of transition year remainder: \$14 million

CleanBC Industrial Incentive Initiative:

- This initiative reduces carbon-tax costs for operations meeting world leading emissions benchmarks.
- Payments to reporting operations calculated based on their emissions intensity compared to benchmarks:
 - Ministry to set world leading benchmarks based on independent third-party report.
 - Benchmarks to be set by Fall 2019 and in place by January 2020.
 - Benchmarks may be set for both products and activities.
- During 2019/20, payments will be issued to every operator regardless of their emission intensity, and proportional to their 2018 carbon taxes paid.

CleanBC Industry Fund:

- This fund will support industry's transition to cleaner operations by investing carbon tax revenues directly into eligible emission-reduction projects.
- Employs a two-step competitive process to assess project proposals:
 1. Expression of Interest (EOI) stage will screen eligible projects and applicants; successful EOIs will be invited to submit detailed proposal.
 2. Project Proposal stage will assess and rank projects according to evaluation criteria; highest ranked projects will be selected for funding.
- Proponents required to enter into funding agreements with the Province.

Contact: Jeremy Hewitt, Assistant Deputy Minister
 Climate Action Secretariat, (250) 387-1134

MEMO FOR BC GOVERNMENT STAFF: Caribou Draft Section 11 & Draft Partnership Agreement Engagement Update – March 28, 2019

Recent Updates:

Public engagement has begun for the draft Conservation Agreement (referred to as the Section 11 Agreement) and draft Partnership Agreement for the recovery of Southern Mountain Caribou.

Community engagement sessions will be taking place in impacted communities across the province, starting with the Peace region. The Provincial Caribou Recovery Engagement Portal includes dates for community engagement sessions and will continue to be updated as information becomes available.

- The Province of British Columbia (BC) recently negotiated a draft Conservation Agreement (referred to as the Section 11 Agreement) with the Federal Government;
- BC negotiated a draft Partnership Agreement with the Federal Government, West Moberly First Nations and Saluteau First Nations;
- The Recovery Program launched public engagement for the two aforementioned agreements (<https://engage.gov.bc.ca/caribou>); and,
- Published the Caribou Recovery Program website and interactive map (<https://gov.bc.ca/caribou>).

Information for the Public:

- Map
- Conservation (S.11) Agreement overview
- Partnership Agreement overview
- Agreements FAQs
- Program overview
- Summary presentation

Contact Information:

For general inquiries, please direct people to the public website (gov.bc.ca/caribou) and engage.gov.bc.ca/caribou site.

Email enquiries can be directed to caribou.recovery@gov.bc.ca and their question will be directed to the appropriate person.

FrontCounter enquiries:, please give them the phone numbers noted below:

Northeast

FSJ & Dawson Creek: Joelle Scheck (250 787-3393), Darcy Peel (778 220-3449) or Russ Laroche (250 551-3925)

Skeena/Omineca

Mackenzie, Vanderhoof, Valemount & Skeena: Heather Wiebe (778 916-4005)

Prince George: Hillary Morgan (250-565-6187)

MEMO FOR BC GOVERNMENT STAFF: Caribou Draft Section 11 & Draft Partnership Agreement Engagement Update – March 28, 2019

Alternates: Russ Laroche (250 551-3925) or Darcy Peel (778 220-3449)

South

Kootenays: Russ Laroche (250 551-3925) or Leo DeGroot (250 354-6341)

Kamloops: Darcy Peel (778 220-3449)

Staying Informed:

To receive the monthly *Caribou Tracks Newsletter* (provides recent news and updates related to the Recovery Program), please send an email to Christine, Caribou Tracks Coordinator, asking to be added to the distribution list.

Media Protocol:

Media inquiries are to be directed to GCPE: 250 356-7506

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