

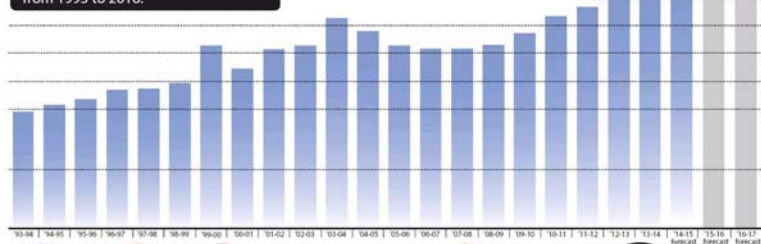
\$64,690,000,000

What B.C. owes, in a personal sense

Twenty years ago, B.C.'s indebtedness amounted to just over \$2,000 (adjusted to 2003 dollars) a person.* As the bar shows, that amount grew greatly through the 1990s and is once again surging.

Each resident's share

Vertical bars track changing per-capita levels of taxpayers-supported debt from 1993 to 2016.



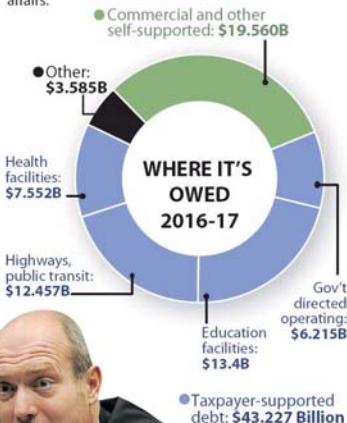
NEW DEMOCRAT

LIBERAL

*Taxpayer-supported debt
Source: B.C. Ministry of Finance

Slicing up the debt burden

The province owes money for all kinds of things, from long-term loans and guarantees to financing for public transit. This is known as taxpayer-supported debt. Self-supported debt rests mainly on Crown corporations, which look after their own affairs.



VANCOUVER SUN

PROVINCIAL BUDGET | INFRASTRUCTURE

Victoria taps taxpayers to fund projects

\$20.6 billion over three years earmarked for hospitals, roads, schools and transit

MATTHEW ROBINSON

VANCOUVER SUN

Victoria plans to dig deep into taxpayers' pockets to help pay for \$20.6 billion in capital infrastructure projects over the next three years.

The cash is earmarked for hospitals, schools, roads and other infrastructure, and about \$12 billion of it is taxpayer-supported, Finance Minister Mike de Jong said in Tuesday's budget speech.

"We do borrow," de Jong said, shortly after boasting that his government's "prudent and disciplined" actions have meant that British Columbians didn't run up a grocery tab then ask their kids to pay it off.

"Today, on the strength of our balanced operating budgets, we borrow only to build," he added.

Most of that spending — a record level of investment, the minister claimed — will go to previously announced projects, but the budget included a sprinkling of new announcements.

About \$8.6 billion in spending is self-supported and will go toward BC Hydro, B.C. Lottery Corporation, Insurance Corp. of B.C., and Liquor Distribution Board projects, among others.



Funding for the Evergreen rapid transit line and other projects was announced in Tuesday's budget.

Jim Brander, a professor at the University of B.C.'s Sauder School of Business, explained the difference between the two types of debt.

"If the government contributes money to BC Hydro to build a new dam ... we sort of don't worry about it. We know we can generate a lot of revenue off that dam," Brander said.

"Things like schools, hospitals,

roads — assuming we're not charging tolls — those things are all taxpayer-supported debt."

About \$3.1 billion of all that cash will help drive the province's transportation infrastructure. The province earmarked \$31 million in funding this and next year for the planning of the \$3.5-billion George Massey Tunnel replacement project, but that interim cash will be spent only if

a business case passes Treasury Board scrutiny, according to the government's fiscal plan.

Newly announced projects include changes to Highway 1 from Monte Creek to Pritchard and a widening of Highway 97 in Kelowna. Cash for the Evergreen rapid transit line, work on the Cariboo Connector and a rebuilt Fort Nelson River Bridge are also among the budget items.

Federal Infrastructure Minister Amarjeet Sohi told reporters last week his government had yet to tell Victoria how much federal money would be injected into the province and that question mark appeared in the provincial plan for transportation spending.

"Over the coming months, B.C. will continue to work with federal and municipal governments to identify priorities," read a line in the fiscal plan, suggesting the transportation plans could shift with news from Ottawa.

Cash for the Centre for Mental Health and Addictions in Coquitlam is among some \$2.9 billion in capital expenditures dedicated in the budget to health projects. Much of the remaining cash will go to a new patient care tower at the Penticton Regional Hospital, a new acute care centre at Children's and Women's Hospital in Vancouver, new hospitals in Courtenay and Campbell River, a clinical services building at Royal Inland Hospital in Kamloops and a specialized mental health services centre at Vancouver General Hospital.

About \$1.7 billion will be spent on K-12 schools. New elementary schools are planned in Coquitlam and Fort St. John and a secondary school is slated for Surrey.

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