

Official Opposition 2021-2022 Operational Budget Priorities

6 January 2021

Table of Contents

Table of Contents	1
Introduction	2
Overview of specific requests for the 2021-2022 Operational Budget	4
BRIEFING NOTES: COVID-19 RESPONSE	5
Special Situations Fund for Lower-Income Essential Workers	5
Frontline Healthcare Worker bonus	5
Increased childcare for essential workers	5
Expansion of Student Debt Forgiveness	6
Renew the Oyster Enhancement Fund	7
BRIEFING NOTES: NON-COVID-19 REQUESTS	8
Reduce income tax paid by low-income seniors	8
Estimated cost: \$4,000,000 annually	8
Shingles vaccine for ages 60-70 years	8
Increased funding for drug formulary	8
RCW to LPN, and LPN to RN upskilling support	9
Provide and pay for online English testing for RNs and LPNs	9
Experiential Learning Fund	9
Harm reduction - safe consumption sites	10
Increase diabetes supports	11
Access to justice - Legal Aid funding	12
Increase Assured Income allowance (Islanders with Disabilities)	12
Increase funding to Agriculture Stewardship Program	13
Improve supports for renewables in agriculture	13
Soil health and carbon sequestration pilot	14
Incentive program for EV chargers	14
Vacancy Tax	15

Introduction

The Official Opposition thanks Government for the opportunity to share our priorities for the upcoming 2021-2022 operational budget. Overall, our caucus expects that social, environmental, and economic sustainability lenses be applied to all aspects of the budget. Additionally, we recognize that the COVID-19 pandemic has placed extraordinary burdens on Islanders, particularly those in marginalized communities, and we support Government's position thus far that this is not the time for fiscal restraint, though we always expect Government to be responsible and accountable in spending public money.

Below you will find the details of specific expenditures that we would like Government to include in the 2021-2022 operating budget (see the summary tables at the end of this section). However, we would also request that this budget reflect the following priorities:

Implementing a basic income

Following the final report of the Special Committee on Poverty in PEI, we feel that Government now has clear direction on how to proceed with the implementation of a basic income. Recognizing that negotiations will be ongoing with the federal government for a universal program, we nonetheless expect to see movement by the province. This could, for instance, include spending on a basic income pilot program, as outlined in the Committee's report.

Reducing class sizes

Smaller class sizes are beneficial especially for younger students and also beneficial for our teachers¹. We request that Government aim to reduce class size on PEI to a maximum student to teacher ratio (depending on grade). This approach is in place for Kindergarten classes, with student/teacher ratios of 1:15 being strongly recommended. We request that similar ratios be implemented in a step-wised approach starting with grade 1, then grade 2, then grade 3, with a maximum of 1:18 teacher to student ratio at these grades. New school expansions should take into account the need for more classrooms to accommodate the proposed ratios and to accommodate our growing student population.

Update to income cut-off and eligibility for income-tested programs

If programs that have eligibility criteria are not reviewed on an annual basis, and the cut-off income amount is low, then that criteria could result in applicants being deemed ineligible as their income increases due to review or indexing. For example, the Seniors Independence Initiative eligibility has not been updated since 2016; applicants who receive indexed federal benefits via OAS, GIS, and CPP are no longer eligible this year as their income exceeds the criteria (by \$200 in some cases), despite seniors on OAS/GIS living at home being the primary target for this program². Programs that use income cut-offs to determine eligibility should ideally be indexed annually.

¹ Evidence shows that smaller classes may benefit students from disadvantaged backgrounds most. Research also indicates a positive association of smaller class size and higher teacher satisfaction. In grades K-3, smaller class sizes of no more than 18 students per teacher showed the greatest academic achievement levels. When placed in smaller class sizes in primary grades, minority and low-income students showed the greatest gains. See Dustmann, C., N. Rajah, A. van Soest, (2003), Class Size, Education, and Wages, The Economic Journal, Volume 113, Issue 485, Pages F99–F120, <https://doi.org/10.1111/1468-0297.00101>

² See <https://www.princeedwardisland.ca/en/information/seniors-independence-initiative>

We would further expect that Government continue supporting its existing commitments, including (but not limited to):

- Strengthening mental health and addictions services for Islanders
- Expanding efforts to recruit and retain health professionals
- Implementing midwifery services
- Climate change and decarbonization programs and activities
- Implementation of an Island-wide school food program
- Significant progress on access to high-speed internet for rural Islanders
- Funding for a Literacy Strategy for PEI
- Increased core funding for Pat & The Elephant
- Support for the production of an annual Vital Signs report
- Increasing Early Childhood Educator wages
- Increasing Best Start worker salaries
- Core funding for the PEI Literacy Alliance
- Funding to complete a Climate Change Crop Study
- Increased core funding for the Agricultural Sector Council
- An Addictions Navigator position
- Dental coverage for seniors and low income Islanders

Overview of specific requests for the 2021-2022 Operational Budget

Table 1: Summary of COVID-19 related requests			
#	ITEM	2021-2022 EXPENDITURE	RECURRENCE
1	Special Situations Fund for Lower-Income Essential Workers	\$1,000,000	1 year
2	Frontline Healthcare Worker bonus	\$2,000,000	1 year
3	Increased childcare for essential workers	\$800,000	\$300,000 / year
4	Expansion of Student Debt Forgiveness	\$2,900,000	1 year
5	Renew the Oyster Enhancement Fund	\$2,000,000	1 year
	TOTAL 2021-2022 COVID-RELATED EXPENDITURES	\$8,700,000	

Table 2: Summary of Non-COVID-19 requests			
#	ITEM	2021-2022 EXPENDITURE	RECURRENCE
6	Reduce income tax paid by low-income seniors	\$4,000,000	ongoing
7	Shingles vaccine for ages 60-70 years	\$541,000	lesser amounts ongoing
8	Increased funding for drug formulary	\$2,800,000	ongoing
9	RCW to LPN, and LPN to RN upskilling support	\$365,600	ongoing
10	Provide and pay for online English testing for RNs and LPNs	\$11,000	ongoing
11	Experiential Learning Fund	\$200,000	ongoing
12	Harm reduction - safe consumption sites	\$600,000	\$400,000 / year ongoing
13	Increase diabetes supports	\$990,000	ongoing
14	Access to justice - Legal Aid funding	\$705,446	ongoing
15	Increase Assured Income allowance (Islanders with Disabilities)	\$2,160,000	ongoing
16	Increase funding to Agriculture Stewardship Program	\$412,500	ongoing
17	Improve supports for renewables in agriculture	\$2,000,000	ongoing
18	Soil health and carbon sequestration pilot	\$333,333	3 years
29	Incentive program for EV chargers	\$200,000	ongoing
20	Vacancy Tax	Revenue generating	ongoing
	TOTAL 2021-2022 EXPENDITURES	\$15,318,879	

BRIEFING NOTES: COVID-19 RESPONSE

1. *Special Situations Fund for Lower-Income Essential Workers*

Throughout the pandemic, essential workers such as grocery store employees and truckers have risked their health to deliver critical services to the public. Due to their unique circumstances, they may not be eligible for other pandemic assistance programs, or may be facing financial difficulties regardless. We propose that the Province establish a special situations fund—similar to the special situations fund that existed near the start of the public health emergency—to support lower-income essential workers. Lower-income essential workers should be able to apply directly to the program. Consideration should also be given to including other demographic groups under the fund, such as international students, who might be ineligible for other support programs, and to reviewing and replenishing the fund if demand exceeds the available funds.

Estimated cost: \$1,000,000 (one-time)

2. *Frontline Healthcare Worker bonus*

Our frontline healthcare workers have been through extraordinary challenges this past year. They experienced stress and anxiety of working on the frontlines of a global pandemic. The Official Opposition believes that these individuals deserve much more than the thankful words they've received so far. Government must begin to act on those words of appreciation by immediately working towards providing safer workplaces for our healthcare workers, better work-life balances and the supports they need to continue in such a demanding field. Throughout this pandemic, there have been several financial benefits and tax relief options for Islanders but many have not been accessible to most healthcare workers (essential worker benefit, work from home tax credit). Although a one-time financial incentive is far from what our healthcare workers deserve, we believe that it is the least we can do, in a timely manner, to say thank you in a tangible way. We request that a one-time payment of \$1,000 is made to all frontline healthcare workers in PEI.

Estimated cost: \$2,000,000 (one-time)

3. *Increased childcare for essential workers*

Finding appropriate childcare on PEI has long been a challenge for many parents and has only been exasperated by the COVID-19 pandemic. Childcare centres that offer flexible hours and days for shift workers are uncommon on PEI and this adds an even greater burden for shift workers, many of whom are essential (nurses and other healthcare workers, grocery store clerks, etc.).

We request the creation of three “essential worker” childcare centres at, or near the QEH, PCH, Western Hospital and Kings County Memorial Hospital. These centres would offer care for children aged 1 to 12 from the times of 6am to 8pm (or more) to better accommodate shifts of our essential workers. These centres would only be available to shift workers who are deemed “essential”. We request that, for children in the school system, bussing from the primary and elementary schools in the districts is provided to transport children of essential workers from their schools to the centres.

In addition we request additional funding be allocated to existing childcare centres to increase hours of operation to provide more appropriate support for shift workers.

Estimated cost:

- Refurbishing space for four dedicated childcare centres: \$500,000 (one-time)
- Additional bussing to 4 centres: \$200,000 annually
- Funding for childcare centres to increase hours of operation: \$100,000 annually over 5 years

4. Expansion of Student Debt Forgiveness

Summary

- The Province had instituted a moratorium on student loan repayment from March until September 2020, while the federal government had instituted a moratorium on students loan payment and interest accrual from April until September.
- Expansion of provincial student debt forgiveness would allow recent graduates to focus on the essentials while leaving disposable income to spend locally, reduce the potential for insolvency, and acknowledges the reality of a tough job market during an economic downturn
- **Financial cost:** \$2,900,000 in 2021-2022 (one-time)

Background

Students and recent graduates have been identified as a group particularly susceptible to the negative impacts of the COVID-19 pandemic. Students are more likely to be employed in industries hardest hit by the pandemic (such as tourism, hospital, and retail) and both students and recent graduates are more likely to be employed in low-wage jobs (which were the jobs most likely to be affected by or eliminated during the pandemic).

To stimulate the economy during the pandemic, Government should consider policy tools to increase the amount of money circulating in the local economy. One such tool is a special expansion of student debt forgiveness.

Historically, recent graduates have faced employment issues in the wake of significant economic events like recessions; these issues include broad unemployability—both because employers are less likely to onboard new employees and gaps in employment history might raise questions for employers or might encourage employers to hire graduates whose education is more recent—and lower wages than other graduate cohorts.³

Expanding debt forgiveness would have beneficial impacts for recent and indebted graduates. By reducing or eliminating the obligation to make monthly payments on their student loans, these graduates could instead focus on affording the necessities of life, saving and investing, and spending their disposable income in the local economy.

³ Cliff Halliwell. "No Shortage of Opportunity: Policy Ideas to Strengthen Canada's Labour Market in the Coming Decade". Institute for Research on Public Policy. Nov. 8, 2013. <https://irpp.org/research-studies/no-shortage-of-opportunity/>

Financial Cost

The 2016-17 annual report of the PEI Student Financial Assistance Corporation noted that in the fiscal year, \$2,896,597 in payments were made on existing student loans.^{4,5} We propose \$2,900,000 in new spending to be allocated toward debt forgiveness in the 2021-2022 fiscal year.

5. Renew the Oyster Enhancement Fund

Stakeholders have reported to us that the Oyster Enhancement Fund, which repurposed surplus oysters as stock to seed oyster beds across the province, worked really well as a response to the reduced market demand caused by COVID-19. With the pandemic continuing into 2021, markets for oysters are likely to continue to be down next year, so an additional year of this program would be beneficial.

Last year, the program was administered and financed in collaboration with the Atlantic Canada Opportunities Agency (ACOA), the P.E.I. Aquaculture Alliance, and the P.E.I. Shellfish Association, with ACOA covering 20% of the cost. We request that Government renew this program for a second year. Ideally, this structure would be maintained, and ACOA would provide 20% of the funding again. However, we feel this program is important enough that it should be renewed even if it has to be 100% funded by the Province.

Estimated cost: \$2,000,000 - \$2,500,000 (one-time)

⁴ P.E.I. Student Financial Assistance Corporation. "Annual Report 2016-17." Page 7.

<https://docs.assembly.pe.ca/download/dms?objectId=ae12ee29-6b5d-4109-a6b9-f1c6b6b65fb7&fileName=2016-17-StudentFinancialAsst-ar.pdf>

⁵ The Blue Books offer the most up-to-date financial information on the corporation, though this information is not explained or as detailed as it is in the annual report.

https://www.princeedwardisland.ca/sites/default/files/publications/volume_3_2018-2019_web.pdf

BRIEFING NOTES: NON-COVID-19 REQUESTS

6. Reduce income tax paid by low-income seniors

Many seniors' incomes are dependent on programs such as the Canadian Pension Plan (CPP), Old Age Security (OAS), and Guaranteed Income Supplement (GIS), which often leaves them with relatively low incomes and in vulnerable circumstances. Furthermore, seniors are often economically vulnerable because their cost of care can be high, and in some circumstances even exceed their income. Tax policy can be used to help seniors increase their ability to provide the necessities for living with security and dignity.

We request that Government allocate \$4,000,000 towards reducing the provincial income tax on CPP, OAS, and GIS for seniors who have no other sources of revenue. We estimate that this would reduce the income tax burden by approximately \$460 per qualifying senior⁶. Furthermore, we would encourage Government to look at eliminating this burden altogether in the future.

Estimated cost: \$4,000,000 annually

7. Shingles vaccine for ages 60-70 years

Shingles is most common in people over 50 and the risk increases with age. The implications for those who are 60 years or older are often most severe. Shingles can be incredibly painful and debilitating, and can also result in hospitalization. Shingrix is a shingles vaccine that would help keep Island seniors healthy and out of hospital. Access to this vaccine is time sensitive based on its growing demand in today's market. The investment in this Shingles vaccine will prevent a lot of pain and hardship, and the long term cost saving for our healthcare system of keeping seniors healthy, would be significant. Based on the Motion that was passed in the Legislative Assembly we request that the Shingrix vaccine be provided to Islanders aged 60-70 years of age free of cost.

The Shingrix vaccine cost a total of \$240 for both doses. There are 21,466 Islanders aged 60-70 (<https://www.princeedwardisland.ca/en/publication/pei-population-report-annual>). The estimated cost is based on the uninsured rate of approximately 35% on PEI and the adult immunization rate of approximately 30%.

Estimated cost: \$541,000 in the first year, lower in subsequent years

8. Increased funding for drug formulary

The PEI pharmacare formulary is an important support for Islanders who require essential medications and medical supplies. Over the past two years, the Official Opposition has heard from many Islanders who can not access the medications that they require. Many of these medications are provided by formularies in other provinces but are not covered on PEI.

⁶ The Parliamentary Budget Office estimates that 8,692 PEI seniors would qualify for such a measure in 2021-2022. See <https://www.pbo-dpb.gc.ca/en/blog/news/RP-2021-030-M--tax-free-seniors-benefits--exemption-impot-prestations-aux-per-sonnes-agees>

The Canadian Institute for Health Information (CIHI) reported in 2019 that PEI covered the lowest number of drugs of any Canadian province and spent the lowest dollar amount on publicly funding prescription drugs of any Canadian province.

We request that an additional \$ 2,800,000 is added to the PEI Pharmacare formulary and the Health PEI Formulary Drugs for oncology with the understanding that a similar increase will be made over the next three consecutive years to bring PEI in line with the per capita average of the other three Atlantic provinces. We request that this amount further increase over the next 5 years to bring PEI in line with the National average.

Estimated cost: \$2,800,000 annually

9. RCW to LPN, and LPN to RN upskilling support

For any RCW, LPN or RN who would like to pursue education to upskill from RCW to LPN or LPN to RN. We request that course fees are fully covered for approved applicants who sign a return for service agreement with Health PEI. The cost of a four year RN program at UPEI is approximately \$25,500 and the cost of a 2 year program at Holland College (LPN) is approximately \$11,000.

We request that up to ten LPN to RN and ten RCW to LPN applications be approved for current Health PEI employees in the 2021-2022 budget with the expectation that this may increase in future years.

Estimated cost: \$365,600 annually

10. Provide and pay for online English testing for RNs and LPNs

Currently any RN or LPN who does not identify English as their first language must complete an English language competency test to be registered on PEI. The cost of this test is \$280 and is only administered in New Brunswick or Nova Scotia. We request that any student graduating from an RN or LPN program on PEI who requires this testing have the test and associated travel costs covered by the province.

Estimated cost: \$11,000 annually

11. Experiential Learning Fund

Experiential learning opportunities are valuable for students; they provide students with skills and experience that make students more employable and increase their earning potential over time. In a time where students and young Islanders have been disproportionately affected by the COVID-19 pandemic, it's important that Government invests to support their economic success.

The UPEISU has proposed a \$200,000 per year experiential learning fund that draws on the design of New Brunswick's Student Experiential Learning Fund (SELF) and Nova Scotia's co-op programming.⁷ This fund would include wage subsidies to employers of co-op students—covering 50% of a 14\$ hourly wage—and additional subsidies for small and medium-sized enterprises, not-for-profit organizations, and companies that

⁷ UPEISU. "Expand: UPEI Student Union Policy Priorities 2020-2021". Pages 10-14.
<https://upeisu.ca/wp-content/uploads/2020/11/UPEISU-Lobby-Doc-WEB.pdf>

hire students of diverse and underrepresented backgrounds.⁸ The support of students of diverse and underrepresented backgrounds is especially important in the context of growing international student enrolment, Government's desire to retain and employ international student graduates on PEI, and Government's commitment to supporting BIPOC Islanders as signalled in the 2020-2021 provincial budget.⁹

We request that the Province adopt the recommendation of the UPEISU to implement an experiential learning fund to assist students in gaining meaningful job experience that is relevant to their studies. The experiential learning fund would also include a grant portion to assist students with costs relating to co-op opportunities, such as medical scrubs or professional attire.

Estimated cost: \$200,000 annually

12. Harm reduction - safe consumption sites

Creation of two safe consumption sites. Supervised injection sites offer a safe and hygienic environment for people to inject their previously obtained illicit drugs under supervision. The cost effectiveness of Canada's safe injection sites have been rigorously evaluated¹⁰. The results show that supervised injection sites are associated with improved health and cost savings, even with conservative estimates of efficacy.

Best evidence from cohort and modeling studies suggests that safe injection sites are associated with lower overdose mortality (88 fewer overdose deaths per 100 000 person-years [PYs]), 67% fewer ambulance calls for treating overdoses, and a decrease in HIV infections¹¹.

The Insight Safe Injection Site in Vancouver, which sees over 1,600 individuals a year, costs approximately \$ 4.1 million to operate per year, according to a St. Michael's Hospital study published in the Addiction Journal. The same study said the site will be able to save the public health system of British Columbia \$18 million because it would cost \$10,763 less per patient, per year than the typical medical interventions used to treat addiction¹².

⁸ For example, Nova Scotia provides an additional 10% subsidy to employers who hire students from diverse and underrepresented backgrounds.

⁹ See Budget Address 2020, at page 21: "*We also know that as a community we need to do better with education and awareness of race and gender and the systemic discrimination that continues in our society today. We are committed to review legislation, regulations and policies and will work with representatives of the Black, Indigenous, and People of Colour (BIPOC) community, as well as the 2SLGBTQIA+ community, to ensure their representation and voices are included as we chart our path forward.*"

<https://www.princeedwardisland.ca/sites/default/files/publications/budgetaddress2020weben.pdf>

¹⁰ Bayoumi AM, Zaric GS. The cost-effectiveness of Vancouver's supervised injection facility. CMAJ. 2008;179(11):1143-1151. doi:10.1503/cmaj.080808. Enns EA, Zaric GS, Strike CJ, Jairam JA, Kolla G, Bayoumi AM. Potential cost-effectiveness of supervised injection facilities in Toronto and Ottawa, Canada. Addiction. 2016 Mar;111(3):475-89. doi: 10.1111/add.13195. Epub 2015 Nov 30. PMID: 26616368.

¹¹ Does evidence support supervised injection sites? Jennifer Ng, Christy Sutherland, Michael R. Kolber, Canadian Family Physician, Nov 2017, 63 (11), 866.

¹² Potential cost-effectiveness of supervised injection facilities in Toronto and Ottawa, Canada – Nov. 30, 2015 by Eva A. Evans, Gregory S. Zaric, Carol J. Strike, Jennifer A. Jairam, Gillian Kolla, and Ahmed M. Bayoumi.

We request the creation of two safe injections sites on PEI. One in Charlottetown and one in Summerside. Based on the operating cost of small injection sites in other provinces we estimate a yearly operating cost of \$200,000 for each site with a one-time initial cost of \$100,000 to initiate each site. If we could reach at least 38 drug users at one of these safe injection sites, then there would be a cost-savings to our healthcare system.

Estimated cost: \$400,000 annually + \$200,000 (year 1)

13. Increase diabetes supports

To eliminate age discrimination in the provincial Insulin Pump Program (currently accessible up to age 25) and provide pumps to all Islanders in need.

Estimated cost: \$500,000 annually

Following the lead of [Yukon](#) and other provinces to varying degrees, to publicly fund advanced glucose monitoring (AGM) devices for all individuals with diabetes who would benefit.

Glucose monitors can help individuals living with type 1 diabetes to monitor their glucose levels. Diabetes Canada states that Advanced Glucose Monitoring (AGM) systems can be used to help people with diabetes stay within their target blood sugar range and prevent low blood sugar episodes. Hypoglycemia or low blood sugar can be a life-threatening complication to diabetes. In Canada, AGM systems cost \$3,000 to \$6,000 per year.

Diabetes management should always be individualized and people living with diabetes should work with their health-care team to determine the medications, devices and supplies that best support their needs. Therefore, we request that physicians would apply for coverage for AGMS or additional test strips on behalf of their patients based on their patients needs.

Estimated cost: \$300,000 annually

To introduce public coverage of off-loading devices to assist in healing a diabetic foot ulcer and reducing the risk of amputation.

In PEI, there is 1 amputation every 12 days as a result of a diabetic foot ulcer (Diabetes Canada, 2018). In 2018 there were 15,000 Islanders living with diabetes. 180 to 300 of them will have a diabetic foot ulcer and over 30 of them will have an amputation. When an ulcer leads to an amputation the patient spends on average 86 days in the hospital/ER. When an ulcer heals properly the patient spends on average 5 days in a hospital/ER/clinic. The direct cost to our healthcare system is estimated at \$4.3 million per year (Diabetes Canada, 2019).

The most important intervention for managing a persons' diabetic foot ulcer, without exception, is to redistribute pressure from the ulcer in order to minimize repetitive trauma to the area. Pressure relieving (offloading) devices are specialized products, such as casts, removable casts or specialized shoes that relieve pressure on foot ulcers to help them heal and reduce the risk of amputation.

Off-loading devices cost between \$100 to \$1,500. An amputation costs approximately \$74,000 per limb in addition to immense patient suffering. Funding for off-loading devices has the ability to save our healthcare system up to \$1.1 million each year. This translates to 15 Islanders, each year, who would be saved from the pain and trauma of having to get an amputation.

Currently, there is limited financial support for off-loading devices on PEI. We request that Government publicly fund off-loading devices to assist in healing a diabetic foot ulcer and reducing the risk of amputation.

Estimated cost: \$190,000 annually

TOTAL Diabetes supports: \$990,000 annually

14. Access to justice - Legal Aid funding

Legal aid can assist individuals and families to resolve legal and social needs, obtain access to opportunities and become full participants in the community and economy. Legal aid can also contribute to reducing inequality by breaking down the cycle of dependency and increasing resilience by assisting individuals to address recurring patterns of problems in their lives, in a diverse range of issues such as health, housing, employment, violence, education and family.

Investments into legal aid services can lead to economic growth in the community by increasing jobs, reducing work days missed due to legal problems, creating more stable housing, resolving debt issues and stimulating business activity. Studies have repeatedly shown that there is a strong return on investment from public spending on legal aid¹³.

PEI has the second lowest per capita Legal Aid spending in the country.

We request an increase of \$705,446 to the current legal aid funding with the understanding that a similar increase will be made over the next three consecutive years to be in line with the Canadian average per capita spending.

Estimated cost: \$705,446 annually

15. Increase Assured Income allowance (Islanders with Disabilities)

The federal Disability Tax Credit serves a “gatekeeping function” that can exclude people with disabilities from federal programs and services. It is therefore the responsibility of the provincial government to fill the gap and increase the financial support available, while reducing the barriers to qualification to receive benefits. An across-the-board allowance increase that acknowledges the additional costs of disability would have an immediate impact. If and when additional federal supports come on board, it could be reviewed at that time.

¹³ Return on Investment in Civil Justice Services and Programs: Selected Annotated Bibliography of Existing Research
Lisa Moore and Megan Phyper (August 2019)
<https://fcj-fcjc.org/wp-content/uploads/Return-on-Investment-in-Civil-Justice-Services-and-Programs-Selected-Annotated-Bibliography-of-Existing-Research-Lisa-Moore-and-Megan-Phyper.pdf>

There are a range of supports provided under the umbrella of AccessAbility including base financial support called Assured Income (which is effectively the same rates as social assistance)¹⁴. We request that Government increase the level of support provided through Assured Income by \$500 per month, phased in over 5 years.

Estimated cost:

For 2021-2022, assuming 1,800 Islanders in receipt of Assured Income¹⁵, a \$100/month increase = \$2,160,000 annually. Increasing each year by \$100/month, in the fifth year, this would reach \$500/month = \$10,800,000 annually.

16. Increase funding to Agriculture Stewardship Program

The Agriculture Stewardship Program provides support to agricultural producers for projects that increase environmental sustainability. Agricultural stakeholders and producers have told us that this is a good program, but that it is difficult to access because there is insufficient funding allocated to it. The program typically runs through its entire annual budget within minutes of the application intake.

Handouts tabled in the House in relation to the 2020-2021 Operational Budget show the allocation for this program is currently \$825,000. We request that Government increase this allocation by 50% in 2021-2022, and consider increasing it further in the future.

Estimated cost: \$412,500 (for a program total of \$1,237,500) annually

17. Improve supports for renewables in agriculture

There are significant opportunities to reduce greenhouse gas emissions in the province by generating and storing renewable energy on farms. Farmers have told us that they are willing and eager to participate in such programs, but that the current programs do not support farmers as well as they could. The current Solar Electric Rebate Program¹⁶, which provides a 40% rebate on PV installations, is capped at \$10,000 for farms. For many farms, this cap represents only a small portion of the total energy generation they could install.

We request that Government create a new program for supporting the installation of renewable energy generation equipment on farms. This program should be broadened to cover not only solar photovoltaics but any renewable energy technologies that either generate electricity or reduce the amount of electricity that farms use (e.g. solar water heaters, wind turbines, biogas collectors, etc.). This would allow greater flexibility for farmers to install the right mix of technologies that work for their operations. We feel that the 40% government rebate is a fair division of the costs, though we would support increasing that. However, the maximum reimbursement should be increased to at least \$40,000 to allow for the larger systems that many

¹⁴ See https://www.princeedwardisland.ca/sites/default/files/publications/3.1_description.pdf

¹⁵ 1,495 as of 31 March 2019. See

https://www.princeedwardisland.ca/sites/default/files/publications/fhs_18-19_annual_report.pdf

¹⁶ See

<https://www.princeedwardisland.ca/en/information/transportation-infrastructure-and-energy/solar-electric-rebate-program>

farms could support. An investment of \$2 million per year would support at least 50 farms per year, and would put the Province on track to see most Island farms become net-zero (or close to) in electricity within 20 years¹⁷.

Estimated cost: \$2,000,000 annually

18. Soil health and carbon sequestration pilot

Developing land, soil, and crop management practices geared toward sequestering carbon in the soil could help Island farmers to contribute to the Province's net-zero emissions goals while simultaneously improving soil health. The California (USA) Healthy Soils Program is an example of how such a program could be designed and implemented¹⁸.

We propose that Government, in partnership with agricultural producers and academic experts, develop a series of soil health and carbon sequestration research and demonstration projects, similar to the California Healthy Soils Program. The goal of these projects would be to implement various land, soil, and crop management practices in order to assess how much CO₂ equivalent they sequester and how they improve soil health, as well as the logistics and costs of implementing the practices. The immediate results of this program would be educational, promoting practices that reduce net greenhouse gas emissions while improving soil health. Furthermore, we would see this project leading to better recognition of the public service that farmers can provide in sequestering carbon, and the creation of a program that would financially compensate farmers based on the amount of carbon they sequester.

Estimated cost: approximately \$1,000,000 over three years (\$333,333 per year)

19. Incentive program for EV chargers

A relatively inexpensive way to encourage the adoption of zero-emission vehicles is to provide a purchase incentive for electric vehicle chargers. Such a program, modeled on British Columbia's CleanBC initiative¹⁹, could cover 75% of household installations (maximum of \$750) and 50% of multi-unit or commercial installations (maximum of \$4,000). The cost of the program would depend on the uptake, but should be commensurate with the number of EV sales in the province, which is currently fairly low.

Estimated cost: approximately \$200,000 per year, increasing annually (assuming 100 household and 30 multi-unit/commercial installations in the first year).

¹⁷ There were 1,353 census farms in PEI in 2016. See <https://www.princeedwardisland.ca/en/information/agriculture-and-land/agriculture-pe>

¹⁸ See briefing to the Special Committee on Climate Change, 22 October 2020. <https://docs.assembly.pe.ca/download/dms?objectId=9954ffd3-2f1d-4cb2-a8cd-e118889e9861&fileName=SCCC-22%20October%202020.pdf>

¹⁹ See <https://goelectricbc.gov.bc.ca/#rebates>

20. Vacancy Tax

The objective of a Vacancy Tax is to return empty or underutilized properties to use as long-term rental homes for people who live and work in PEI. The initiative would help relieve pressure on PEI's rental housing market as the province is in the midst of a severe housing crisis with one of the lowest rental vacancy rates and the highest rental costs in the region.

The Vacancy Tax would only apply to residential properties that were not used as a principal residence or rented for at least 180 days of the year (non-consecutive), and do not qualify for an exemption. (Possible exemptions: properties that qualify as secondary family residences such as summer cottages, separation or divorce, bankruptcy, healthcare.)²⁰

The rate of the Vacancy Tax would be 1% of a property's assessed taxable value in the previous year. The Vacancy Tax would be applied annually, with the first tax year beginning on January 1, 2022.

Estimated cost: revenue generating

²⁰ Examples from City of Vancouver. See <https://vancouver.ca/home-property-development/empty-homes-tax.aspx>
<https://torontosun.com/news/local-news/toronto-council-passes-vacant-home-tax>