



Prince Edward Island Île-du-Prince-Édouard

Legislative Assembly

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Sidney MacEwen, Government House Leader

Subject: Official Opposition priorities for 2022-2023 capital budget

13 August 2021

Dear Sidney,

Please find attached the Official Opposition Priorities for 2022-2023 Capital Budget.

Thank you for the opportunity to share our caucus' priorities for the upcoming budget. As always, we look forward to working together on improving the lives of Islanders.

Sincerely,

A handwritten signature in black ink that reads "Michele Beaton".

Michele Beaton
MLA Mermaid-Stratford
Opposition House Leader

Official Opposition Priorities for 2022-2023 Capital Budget

13 August 2021

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Introduction

In the memo from the Government House Leader dated 20 July 2021, a request was made to the Official Opposition for submissions relating to the forthcoming capital budget, and that this submission to be fully costed. In this document, we have identified areas in need of investment, accompanied by background context and expenditure estimates, which are provided to the extent they can be practicably produced. In many instances, Government has greater or exclusive access to the financial information and staff resources required to accurately cost out these proposals. We have included some cost estimates where we are relatively confident in the required expenditure, but for the most part we have identified priority areas where we would like to see increased spending.

As with previous submissions, an overall priority for our caucus is that sustainability criteria be applied to all capital projects, taking into account savings accrued on lifetime expenses. Furthermore, this submission focuses on four key areas of critical concern for Islanders: healthcare, housing, education, and sustainability.

We would also note that this list of priorities is not intended to be a complete list of all the issues that Government should address. Rather, this submission provides some ideas for how Government can begin to address some of the critical issues facing Islanders.

We note the following items have been requested in past capital budget submissions but have not been actioned:

- Investment in meat processing infrastructure (abattoir);
- Investment in cold storage infrastructure (food hubs);
- New building for Summerside Harbourside Medical Centre;
- Funding for a concept design competition for mixed-occupancy complexes;
- Expedited timeline for Hillsborough Hospital replacement;
- Investments to renovate an appropriate space within the QEH for a restorative care unit;
- Funding for construction of the new high school in Stratford in the 2021-22 fiscal year;
- Start of construction of new Sherwood school in the 2021-22 fiscal year;
- \$3,000,000 investment in Housing First projects to address systemic homelessness (provincial portion of cost-shared funding leveraging federal funds available via CMHC including the Rapid Housing Initiative).

We believe Government's priorities are reflected through its spending. We are concerned that last year's capital budget revealed underspending in the areas of mental healthcare and housing at a time when these are pressing priorities for Islanders. We strongly implore Government to spend the money it has requested, especially in such critical areas. We were also disappointed that many of our questions on last year's capital budget went unanswered during debate; to that end, we would also encourage Government to be more transparent and better prepared to explain and justify its expenditure plans.

We would be happy to work with Government officials over the coming weeks to elaborate on, and determine appropriate costings for, the priorities outlined in this document.

The Official Opposition thanks Government for the opportunity to share our priorities for the upcoming 2021-2022 capital budget. As always, we look forward to working together on improving the lives of Islanders.

Improving healthcare for Islanders

Mental health campus

The construction of a new mental health campus to replace the Hillsborough Hospital has been in the works for several years. Recently, it has come to light that the project will be further delayed, with planned completion now in 2025¹. In the last two years, Government has drastically underspent the budget allocated for the mental health campus, by approximately \$8.7 million in 2019-2020 and \$9.5 million in 2020-2021. *This underspending predates the COVID-19 pandemic.*

We expect to see immediate and substantial progress on the construction of the mental health campus, and we request that Government ensure there are no further delays.

Air conditioning for Hillsborough Hospital

The Official Opposition is seriously concerned with the lack of priority that the construction of the mental health campus has been given. The continued inaction of Government means that a new facility remains years away. While Islanders wait for this new facility, we believe that immediate upgrades are needed to the Hillsborough Hospital to improve the comfort and well-being of Islanders seeking care in that facility.

We request air conditioning units for all patient areas and rooms of the Hillsborough Hospital to be installed and functional prior to May 2022.

Estimated Expenditure: \$20,000

Expansion of detox facilities

Islanders have been clear: Government must act quickly to expand our mental health and addictions services on PEI. Healthcare services must also be relevant to the communities receiving those services. Summerside has particularly acute challenges with addictions and we expect Government to address this issue through the expansion of services close to home.

We are requesting the expansion of detox services through the construction of a detox facility in Summerside.

Estimated Expenditure: \$10,000,000

¹ <https://www.cbc.ca/news/canada/prince-edward-island/pei-mental-health-campus-delays-1.6132330>

Creating space for medical homes

The implementation of medical homes and neighborhoods was promised by Premier King during his 2021 *State of the Province* address². The Official Opposition brought forward this idea under the term “rural health hubs” in its election platform and in past budget submissions. We are therefore supportive of this initiative. Medical homes or hubs have been stated as a necessary investment for recruitment of physicians. In July 2021, the CEO of Health PEI expressed that capital investments were necessary before medical homes or hubs could be implemented.

We request that Government allocate capital funds to the building or renovating of medical spaces for these homes so that their implementation will not be further delayed.

Summerside medical centre

In our 2020 capital budget submission, we requested a new building for the Summerside Harbourside Medical Centre. Important healthcare services are delivered at the existing facility; however, the facility is simply no longer appropriate for the delivery of healthcare.

Concerns we’ve heard regarding the Harbourside Medical Centre include a lack of soundproofing that allows physician-patient conversations to be heard from outside the room, a broken elevator that presents barriers for patients with mobility issues, and major leaks that lead to disruptive clinic closures.

We request the construction of a new facility to deliver the services currently being offered at the Harbourside Medical Centre. The construction of the new facility should take into account our net-zero targets and the possibility of expanding healthcare services in the future.

Estimated Expenditure: \$10,000,000, over approximately 4 years (2022-2025)

QEH restorative care unit

In our 2020 capital budget submission, the Official Opposition asked Government to renovate an appropriate space within the Queen Elizabeth Hospital for a restorative care unit, to provide much needed care and rehabilitation for patients who are awaiting space in long term care.

We request the renovation of an appropriate space within the Queen Elizabeth Hospital for a restorative care unit.

Estimated Expenditure: \$10,000,000

² <https://www.princeedwardisland.ca/en/information/2021-state-province-address>

Capital repairs for Kings County Memorial Hospital

The Kings County Memorial Hospital has been in need of maintenance renovations for years. This hospital is a pillar of our healthcare system for Islanders who live in the eastern parts of PEI.

We request that Government make the necessary capital investments to the Kings County Memorial Hospital.

Estimated Expenditure: unknown, based on need

Housing as a human right

Increase investment in public housing

We are concerned by Government's continued underspending on new housing construction.

- From 2017/18 to 2019/20, the number of owned units under the Seniors Housing Program has not changed.
- From 2017-18 to 2019-20, the number of owned units under the Family Housing Program increased from 480 to 482—an increase of 0.4%.

We are also concerned by Government's underutilization of federal funds to support the construction and acquisition of new public housing units. Government must construct new, publicly owned and managed housing that meets the needs of Island communities. New housing construction should take into account family size, mobility and accessibility, and climate considerations.

We request increased Government investment into the construction of new, net-zero-ready public housing. We also request that Government refrain from underspending on public housing in the future.

Estimated Expenditure: At least \$20,000,000 per year (2021-2022 to 2026-2027)

We request that Government appropriate capital funds for the purpose of acquiring existing units, including residential and commercial accommodations, for conversion into public housing.

Estimated Expenditure: \$5,000,000

We additionally request that Government prepare a plan establishing its long-term direction for the creation of new public housing as well as targets for public housing units as a percentage of all housing units in PEI.

Invest in Indigenous housing

Recently, the Abegweit First Nation has undertaken work to expand the availability of on-reserve housing, but more is needed. While supports for Indigenous housing needs often come primarily from the federal government, British Columbia is an example of a provincial government that has acted to address gaps in housing for Indigenous residents.

We request that Government establish provincial supports to help address the housing needs of Indigenous Islanders.

Estimated Expenditure: \$825,000 (estimated investment of \$8,250,000 over 10-year period)³

Expand shelter facilities

In the Spring 2021 sitting of the Legislative Assembly, MLA Hannah Bell's *Poverty Elimination Strategy Act* was passed. Among other things, this bill established a target for the elimination of chronic homelessness in Prince Edward Island by 2025. To achieve this target, Government must undertake important investments to ensure the availability of housing for all.

The Official Opposition believes a Housing First approach to housing is vital for ensuring the health, well-being, and dignity of Islanders, and is also important for supporting our economy. Every Islander—whether they're escaping an abusive household, aging out of care, or facing impending eviction—should have access to a roof over their head.

We request the expansion of government-funded and government-operated emergency and transitional shelter facilities in Prince Edward Island.

Estimated Expenditure: \$5,000,000 (ongoing, beginning in 2022-2023)

Net-zero demonstration projects

In order to meet the province's goal of net-zero by 2040, it will be critical that Government help Islanders upgrade our existing housing. One of the ways it can help is to create demonstration projects where local developers can learn how to convert existing buildings to net-zero, and where Islanders can see the benefits of doing so. We cannot build everything new - upgrading existing buildings to net-zero will be a critical part of how we reach carbon neutrality.

Government will need to upgrade the many buildings it manages as part of this transition, which presents an opportunity to make these necessary upgrades while educating Islanders and Island developers in the process. Government has already adopted this approach to some degree in regards to new construction with the planned construction of the new Sherwood school. Smaller developments

³ Estimated by comparing BC and PEI Indigenous population sizes with BC's Indigenous housing program fund. This estimates the creation of 25-30 social housing units, on- or off-reserve. For reference:

<https://www.bchousing.org/projects-partners/Building-BC/IHF>

such as the seniors housing at Duvar Court in Charlottetown would make good examples, while enhancing the quality of life of the residents at the same time.

We request that Government create a series of demonstration projects for converting existing buildings to net-zero while adding AC and proper ventilation.

Estimated Expenditure: \$1,000,000 (ongoing, beginning in 2022-2023)

Improve and expand seniors' housing

Seniors' housing is in desperate need of investment. According to the PEI Housing Corporation's 2019-2020 annual report, the Province owns and maintains 1,113 units—a figure that hasn't changed in years. Despite the failure to expand its units, the Seniors Housing Program has seen new applications increase from 455 in 2017/18 to 768 in 2019/20—a 68% increase.⁴ While Government has been able to assist some seniors through access to mobile rental vouchers, we recognize that it is not a substitute for the construction of new housing.

We request that Government increase the number of seniors' housing units through the construction of new, publicly owned and managed builds.

We also request that Government invest in seniors' housing maintenance and renovations, including through improved ventilation and air conditioning, so seniors can live in dignity and comfort now and into the future.

⁴ See *Prince Edward Island Housing Corporation 2019-20 Annual Report*, p. 13:
<https://docs.assembly.pe.ca/download/dms?objectId=9587aa10-0742-4984-bfc5-71d053b96345&fileName=SDH.Tivers.02232021.2019-20%20PEI%20Housing%20Corporation%20Annual%20Report.pdf>

Supporting children and families

Upgrade and expand recreation infrastructure

Play and exercise are important contributors to good mental and physical health. Island children deserve to have access to high-quality, accessible playground equipment, regardless of where they live. The community fundraising model for improving playground equipment leads to burnt-out parent volunteers and may disadvantage communities that are less wealthy.

We request that Government invest in new playground equipment or upgrade existing playground equipment at Island schools to ensure it is accessible and comparable to the most modern equipment enjoyed at other schools.

Estimated expenditure: \$1,000,000 (ongoing, beginning in 2022-2023)

Greater access to outdoor sports and recreation equipment can provide opportunities for older children and young adults to stay active and socialize. This could also include improving or expanding infrastructure such as basketball courts, walking trails, and community gardens.

We also request that Government consider improvements or expansions to outdoor recreation infrastructure.

Fulfill the promise to build new schools in Sherwood and Stratford

Sherwood and Stratford are desperately in need of new schools. It has been four years since a new Sherwood school was promised, during which time Government has failed to build a new school. Similarly, the construction of a new high school in Stratford has been repeatedly delayed.

We request that Government cease delays to the construction of the new Sherwood school and act immediately to begin work on its construction.

Estimated Expenditure: \$23,000,000 (over 4 years, beginning in 2022-2023)⁵

We request that Government expedite the construction of the new Stratford school.

Estimated Expenditure: unknown (beginning in 2022-2023)

⁵ <https://www.cbc.ca/news/canada/prince-edward-island/pei-net-zero-school-sept-2020-1.5738100>

Enhancing ventilation in Island schools

It has been widely noted that children—many of whom are not eligible to be vaccinated against COVID-19—are especially at risk of contracting the Delta variant. Good air circulation is a key factor in reducing the spread of COVID-19, and moreover, maintaining good air quality is important to general health and well-being. There are 10 Island schools without mechanical ventilation, and likely more with less than ideal air circulation which need upgrading⁶.

We applaud the Department of Education and Lifelong Learning's efforts to secure federal funding to improve ventilation⁷, and nonetheless urge provincial investment to improve ventilation in Island schools.

We request that Government increase its investment in ventilation systems for Island schools.

Estimated Expenditure: \$7,800,000⁸

Expansion of childcare facilities

The Official Opposition believes access to affordable childcare is an essential element of a strong provincial economy.

Government must ensure that it is taking the appropriate steps to support a robust childcare sector through subsidization and aggressive wage increases for early years workers. Similarly to schools, Government must ensure that PEI has the appropriate level of infrastructure to accommodate population growth and the increased demand for childcare.

Last year, the Official Opposition requested funds to implement childcare facilities in or very near hospitals on PEI. These childcare facilities would prioritize children of healthcare workers and offer extended hours that align with healthcare shifts. These facilities could also reserve spots for children of locums or visiting specialists or children of critically ill patients who are in hospital and require care.

Unions have said that the lack of childcare services for healthcare professionals has been a challenge for retention.

We request that Government invest in the creation of new facilities to provide childcare services with an immediate investment into facilities in or near PEI hospitals.

Estimated Expenditure: unknown (updated on an ongoing basis)

⁶

<https://docs.assembly.pe.ca/download/dms?objectId=1fc5e0ea-f470-4d98-a3f4-4bf570c65d18&fileName=answer-4.pdf>

⁷ <https://www.cbc.ca/news/canada/prince-edward-island/pei-air-quality-upei-faculty-association-1.6086916>

⁸ Based on Ontario ventilation investment scaled down to reflect the number of PEI schools. See <https://www.cbc.ca/news/canada/ottawa/hvac-investment-ontario-delta-schools-1.6133599>

Expanding school capacity to accommodate population growth

Prince Edward Island has seen significant population growth in recent years, and this growth is expected to continue. Some schools are already struggling with capacity issues, and without early and timely investments in necessary infrastructure like schools, students today and tomorrow will be deprived of a high-quality educational experience.

We request that Government identify and address education infrastructure needs relating to the projected increase in population growth.

We believe that school communities that are in need of capital funding are both well aware of the need and are perfectly positioned to decide where and how those capital funds should be used.

We request that Government earmark capital funds for school renovations and improvements and immediately begin to request and accept applications from school communities (principals, home and school, students, etc.) for the use of those funds.

Estimated Expenditure: unknown (updated on an ongoing basis)

Sustainable communities

Agri-voltaics demonstration project

Agri-voltaics is an emerging practice that combines growing crops or raising livestock with producing electricity from solar panels in the same field. Research is showing that agri-voltaic practices can provide benefits for agricultural production, including protecting crops and soils from wind damage, reducing moisture loss, creating beneficial micro-climates, and providing shade for livestock. Combined with the production of electricity from the solar panels, agri-voltaics is potentially a net economic benefit for farmers.⁹

A demonstration project, established in partnership with industry, academic, and federal government partners, would help determine the potential benefits and drawbacks that agri-voltaics could present within the specific agronomic and economic environments of PEI. It would also allow Island farmers to learn about the technique and how it might benefit their operations. Furthermore, it would help Government determine what policies and supports might be needed to help Island farmers adopt agri-voltaics.

Furthermore, the cost of electricity is a pressing concern among many agricultural producers and has been a primary issue in electricity rate proceedings at the Island Regulatory and Appeals Commission. Agri-voltaics could be a part of a solution to mitigate potential rises in farmers' electricity rates—in fact, with proper investment and regulatory changes, it could become a new revenue source for farmers.

We request that Government establish a demonstration project to explore the potential of agri-voltaics in Island agriculture.

Estimated Expenditure: dependant on scale of project¹⁰

⁹ Thompson, et al. (2020). Tinted Semi-Transparent Solar Panels Allow Concurrent Production of Crops and Electricity on the Same Cropland. In *Advanced Energy Materials*, 10 (2001189).
<https://doi.org/10.1002/aenm.202001189>

¹⁰ We would anticipate upfront capital costs related to installing solar panels, as well as some ongoing costs for maintenance, research, and education. This could likely be cost-shared with the federal government and other partners.

Agri-food business incubator

While Prince Edward Island has a large agricultural export sector there are opportunities to develop more value-added food products on the Island. A government-supported non-profit food business incubator could provide supports for emerging food businesses to commercialize innovative food products. These supports should be flexible to meet the changing needs of the industry, but could include skills training, process development, quality assurance, food safety, and technology adoption.¹¹

We request that Government invest in the creation of an agri-food business incubator.

Estimated Expenditure: \$10,000,000 (plus ongoing operational funding)

Federally approved food inspection facility

The lack of a federally approved food inspection facility on PEI is an ongoing hindrance for small and other Island producers seeking an export market for their products. Creating a facility where Island agri-food businesses can obtain the necessary federal food inspection requirements would help foster growth and resilience in the agricultural sector.

Such a facility would benefit a wide range of Island producers and small-scale manufacturers. It should be established as a crown agency, cooperative, or non-profit. We note that this could be established in combination with the *Agri-food business incubator* suggested above.

We request that Government invest in establishing a federally-approved food inspection facility.

Estimated Expenditure: \$3,000,000 (plus ongoing operational funding)

Expanding electric vehicle charging infrastructure

Transportation is PEI's largest source of greenhouse gas emissions, and electrifying our transportation network will play an essential role in reducing those emissions. To assist in reducing our emissions, we must expand our electric vehicle charging network and explore emerging technologies, such as vehicle-to-grid integration.

We request that Government expand the number of electric vehicle charging stations in the Province, and as part of this expansion that Government establish a vehicle-to-grid pilot program.

Estimated Expenditure: \$250,000-\$500,000 (ongoing, beginning in 2022-2023)

¹¹ For example, see the Saskatchewan Food Industry Development Centre Inc.
<https://www.foodcentre.sk.ca/about-the-food-center>

Inclusions East facility replacement

As a non-profit that supports people with intellectual or dual disabilities to ensure an enhanced quality of life, Inclusions East is undertaking projects to address the issue of its aging and over-subscribed facility which does not have the space to meet the community's needs.

After securing a portion of the finances for the needed Independent Living Centre and Training Centre Replacement, Inclusions East has taken on long-term debt. Due to a lack of an operational surplus, Inclusions East relies on fundraising to tackle the burdens of its long-term debt. Fundraising has been made particularly challenging because of COVID-19.

We request that Government eases Inclusions East's long-term debt burdens by providing capital support for its expansion projects.

Estimated expenditure: \$3,150,000¹²

Charlottetown Community Outreach Centre accessibility

The Community Outreach Centre in Charlottetown is not accessible, creating a barrier for many people with disabilities seeking support. This is particularly problematic given that people with disabilities are more likely to be in need of the supports provided by the Centre. We have been told that because the current facility is being leased on a temporary basis, Government is not investing in the necessary infrastructure to make it accessible. We do not feel this is an appropriate excuse.

We request that Government take whatever action is necessary in order to make the Community Outreach Centre in Charlottetown accessible.

Washroom and potable water stations on the Confederation Trail

Expanding the number of public washrooms and potable water stations along the Confederation Trail would make the trail more accessible for Islanders and tourists, especially those with young families or certain medical conditions. This would help improve this important piece of active transportation infrastructure for both the health and well-being of Islanders and as a tourism product. Ideally, these would be placed in sections of the trail that are distant from existing publicly accessible washrooms.

We request that Government construct additional public washrooms and potable water stations along the Confederation Trail.

Estimated Expenditure: \$250,000-\$500,000 (ongoing, beginning in 2022-2023)

¹² Approximate sum of long-term debt carried by Inclusions East as result of capital expenditure, according to the Executive Director.