

B.C. belt tightens further on April 1 [CA-BC] ^[1]

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EXCERPTS:

On April Fool's Day, the B.C. Liberal government will begin kicking the poor off welfare, MLAs will swallow a five per cent pay cut, and the province's 7,800 doctors will escalate their job action.

The impact of the changes likely will not be numbed by the increased availability of liquor throughout the province on April 2.

Michael Prince, a political scientist at the University of Victoria, said dramatic changes to welfare rolls combined with many other cuts across several ministries and crown corporations will start to play out.

"It's a pretty sad April Fool's joke," said Prince. The aggregate impact of the job and service cuts and cost-saving measures has so far been an issue mostly for public sector workers and unions, added Prince.

But now, several of the cross-ministry cuts to programs and services will touch individuals and families and launch a more populist, grassroots movement against the government.

"The next stage in this will be the voice of citizens and I think that will be very powerful."

Prince predicts the backlash from ordinary British Columbians "as they live the cuts" will be so strong that the Liberal's approval rating will nosedive to the 30 per cent range this year.

That flies in the face of an Ipsos-Reid poll this week that said the Liberal's approval rating -- 70 per cent last September -- has bottomed out at 45 per cent.

"It's the death of 1,000 cuts scenario," said Prince. "The genie comes out of the bottle now and the cuts will take on facets of their own."

The overhaul of the welfare system will reduce benefits, make it more difficult to claim welfare and place new limits and cost-saving restrictions on many of the 240,000 British Columbians who receive social assistance. The government's plan is to reduce the welfare rolls by 38,000 over three years, at a savings of \$580 million.

Poverty activists have long said the changes will deal a devastating blow to the poor.

"If there's any validity for the dire predictions -- possible linkages such as more suicides, increased family abuse, crime -- on April 1 we'll see that scenario start to unfold. We'll have to watch and observe for the subsequent effect and ripple effect for families and communities," said Prince.

The first real indicator over the next few weeks and months will be housing, said Prince. People unable to cope with a significant reduction to their income assistance may be unable to pay their rent. The ripple effect will likely start with people turning to emergency assistance, food shelters and maybe people being evicted and sleeping on the streets in the months to come, said Prince.

Prince points out this is just the beginning of three years of possible cuts. He said it will be interesting to see if the Liberal government has the political stomach to stick to its plan and whether the economy rebounds and money pours back into government coffers.

"So far their stance has been it's a three-year plan, and we understand it's not pleasant. But now we're going to see what that really means in human terms," said Prince.

PROVINCIAL GOVERNMENT CHANGES

Under the welfare changes to begin April 1:

- Employable British Columbians can claim welfare only for two years of every five -- after which they will be denied assistance.
- There is a new three-week waiting period before welfare benefits kick in, during which time the applicant is expected to look for a job.
- New welfare rates will mean a cut in benefits of between \$50 and \$100 a month for single parents, employable couples and recipients between 55 and 64.
- The earnings exemption that topped up welfare benefits will be eliminated for most British Columbians. Under the current system,

welfare recipients can earn an extra \$100 a month by working. Other revenue streams to bring in a little extra cash also are being eliminated. People with significant disabilities will continue to receive the earning exemption.

- Welfare eligibility will be tougher, particularly for families. Under the current system, families with assets of \$5,500 or less are eligible for assistance. Now only those with \$2,500 in assets and cash are eligible.
- Single mothers are expected to seek work when their children reach age three, reduced from age seven.
- It will be tougher for welfare recipients to receive a child-care subsidy.
- Crisis grants for food, shelter and clothing will face specific new limits. Welfare recipients will be allowed a grant of \$20 per month for food, \$100 a year for clothes and one month's rent for shelter.
- Students can no longer receive both welfare and student assistance.

Other random changes to take effect April 1 include:

- The B.C. Human Rights Commission budget will be slashed by about one-third, to \$3.1 million from \$4.6 million. The commission predicts one-third of its 47 workers can expect to lose their jobs.
- Legal aid will no longer be available to people making complaints to the B.C. Human Rights Commission, for a savings of up to \$500,000.
- Small businesses will pay 4.5 per cent tax on the first \$300,000 of taxable income instead of 13.5 per cent after the government in its budget increased the threshold at which small business pays income tax to \$300,000 from \$100,000.
- Collective agreements for nurses and paramedicals and other support workers worth \$377 million will kick in.
- The base salary of MLAs, \$72,100, will be reduced by five per cent to \$68,495 and will be frozen at that level for three years.
- Travelling Canadians start paying a \$24 round-trip fee for beefed-up airport and aircraft security under a federal government initiative, the Airline Travellers Security Charge.
- B.C. Hydro has spent about \$2.5 million in preventive maintenance to prepare its facilities and exempt staff in case its 4,200 unionized staff go on strike after their contracts expire April 1.
- The Victoria office of the B.C. Coroner's Service is slated to close. The regional coroner's offices in Victoria and Nanaimo are being merged, with Nanaimo becoming the main office serving Vancouver Island.

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