



Outdoor Recreation Council of British Columbia

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To: The Select Standing Committee on Finance & Government Services

SUBMISSION RE THE URGENT NEED TO INCREASE THE OPERATING BUDGET OF BC PARKS

The Outdoor Recreation Council recommends that the Operating Budget of BC Parks be significantly increased for the 2018/19 fiscal year and for subsequent years until it approaches a level which would be adequate for the responsible management and maintenance of BC's vast Provincial Parks system. This submission describes how the Operating Budget of BC Parks has progressively declined in recent years in spite of additional parks and protected areas being added to the system during the period. In this submission we have not addressed the capital budget for BC Parks.

The Outdoor Recreation Council

The Outdoor Recreation Council (the Council) is an umbrella organization whose primary purpose is to advocate for public outdoor recreation in BC. The Council's membership consists of, first, the 20 or so provincial organizations which represent the principal forms of outdoor recreation in the Province, such as hiking and mountaineering, back country horse riding, quad and dirt bike riding and canoeing. Additionally it includes more than 30 local and regional outdoor recreation groups throughout the Province, including several "Friends of" various BC Parks. Its membership does not include those parks and recreation groups whose main function is to provide sports facilities in municipalities and which belong to the BC Recreation & Parks Association.

Other important issues being addressed by the Council at this time include exploring ways to improve public access to private forest lands and, as a member of the Canadian Trails Federation, advocating for the funding for trails throughout Canada to improve the linking of communities and the fitness of Canadians.

In addition to the members of the Council which have an obvious interest in the Provincial Parks, such as naturalists, kayakers and hikers, families of the Council's motorized groups are frequent users of the parks for camping, even though comparatively few of the parks are available for motorized use as such. In advocating for outdoor recreation, the Council is constantly making efforts to improve the ability of BC's Provincial Parks to provide not only for the recreation needs of BC's residents but also to encourage visitors to BC to visit the parks.

The vital importance of BC Parks for the BC economy and the fitness of BC residents

British Columbia has the third largest parks system in North America, after Canada's National Parks and the United States' National Park Service, yet it operates on shoestring. In fact its operating budget has been **decreasing** in nominal dollar terms for many years. The Provincial Parks are one of the most important attractions for tourists visiting the Province. As an essential magnet for tourists from the U.S. and elsewhere, it is imperative that they be adequately funded.

The following statement is posted on the BC Parks website:

“In 2010, BC Parks worked with the Canadian Parks Council to measure the economic benefits of parks and contributed to the report, [“The Economic Impact of Canada’s National, Provincial and Territorial Parks in 2009”](#) (prepared by The Outspan Group Inc., published July 2011). This report shows that:

- The \$47 million in operating and capital expenditures (excludes amortization) by BC Parks and Park Facilities Operators (PFOs) led to \$394 million in expenditures by visitors. In other words, every one dollar invested in the protected areas system generates \$8.42 in visitor spending on food, entertainment, transportation and other goods and services.*
- Provincial park-related spending generated over \$28 million in tax revenues (sales and production taxes only, does not include income tax effects), returning 60 per cent of BC Parks’ capital and operating expenditures.*
- The combined economic impact of this spending is a \$392 million boost to GDP and over 5,200 full-time jobs.”*

The Council suggests that any additional funding for BC Parks will result in similar economic benefits.

Explaining the BC Parks Operating Budget

When considering the funding of BC Parks it is important to understand how the agency’s Operating Budget is allocated (BC Parks also has an annual capital budget). As detailed in the Annual Reports posted on the BC Parks website, the Operating Budget primarily finances the following:

- Salary, benefits and travel of BC Parks personnel - \$15.6 million in 2014/15
- Goods and services (i.e. infrastructure maintenance) - \$2.6 million in 2014/15
- Fuel management, mountain pine beetle, etc. – Zero in 2014/15

However, the Operating Budget is also required to provide for the amortization of capital costs in the parks (which are added to annually) and to make up any deficiencies in the revenue due to the Park Facilities Operators (PFOs) under the terms of their contracts for managing the campsites in the so-called “front country” of the parks. Both these elements tend to increase year by year, resulting in a **progressive reduction** in the effective Operating Budget available to staff the BC Parks agency and maintain the parks system. As a result the effective Operating Budget shown below is the residual amount available for salaries, etc.

The following is an example of a typical year and is based on the figures published for 2014/15. The figures for 2015/16 have not yet been posted.

BC Parks Operating Budget 2014/15 (Note 1)	\$31.8 million
Less: Amortization of Capital Costs (Note 2)	<u>(\$7.9 million)</u>
BC Parks actual “cash” budget i.e. net of amortization	\$23.9 million
Less Contract Services	
Net Deficiency Payments to PFOs (Note 3)	(\$4.6 million)
Payments for non-bundled parks	<u>(\$1.1million)</u>
Effective Operating Budget (Note 4)	<u>\$18.2 million</u>

Notes to table

1. The BC Parks Operating Budget is equivalent to the line item for BC Parks in the annual Estimates published by the Ministry of Finance. It has varied between \$31 million and \$33 million for the eight years from 2006/07 to 2014/15. The line item was \$31.158 million in the 2016/17 Estimates.
2. Amortization of capital costs increased from \$5.6 million in 2006/07 to \$7.9 million in 2014/15 as a result of BC Parks’ capital expenditures over the period.
3. The Park Facilities Operators (PFOs) receive most of their income directly from the public in the form of campsite fees, etc. Under the terms of their contracts, BC Parks is required to make up any deficiencies in their contract income. Net deficiency payments to PFOs increased from \$3.8 million in 2006/07 to \$4.6 million in 2014/15
4. The combination of a fairly constant budgetary amount, i.e. varying between \$31 million and \$33 million over the eight years from 2006/07 to 2014/15, and progressive increases in amortization of capital costs and net deficiency payments to PFOs, resulted in a progressive **decrease** in the effective Operating Budget for BC Parks from \$21.4 million in 2006/07 to \$18.2 million in 2014/15. The effect of inflation reduced the purchasing power of the effective Operating Budget even further.

The BC Parks Future Strategy and its impact on the 2017/18 budget

The introduction of the BC Parks Future Strategy in November 2016 brought about a long overdue and very welcome increase in the funding for BC Parks for some specific projects. The additional funding was directed specifically at three programs: recruitment and training of additional Park Rangers, the construction of new campsites and the establishment of the BC Parks Foundation to raise private funding for the Provincial Parks. Hence the line item in the 2017/18 Estimates was \$49.266 million net, an increase from \$31.158 million in 2016/17. However the additional funding of approximately \$18 million was specifically to provide for two of the elements of the Futures Strategy, i.e. \$8 million for the 2017/18 portion of the Park Ranger recruitment program (with an additional \$18 million to be allocated in 2018/19 and 2019/20), and \$10 million to establish the BC Parks Foundation. **The amount of the operational funding was not increased.**

Problems arising from insufficient funding

Beyond the desperate shortage of Park Rangers and the urgent need to increase the availability of campsites within and outside the Provincial Parks, both of which have been addressed by the BC Parks Future Strategy, the long term shortfall in operational funding for BC Parks has led to some serious and almost insurmountable problems. A lack of adequate maintenance has resulted in a steady deterioration of the infrastructure in the parks. Sadly it has fallen to non-government organizations such as the “Friends of” various Provincial Parks to raise funds for restoring infrastructure such as bridges and trails, some of which have become dangerous and a potential liability.

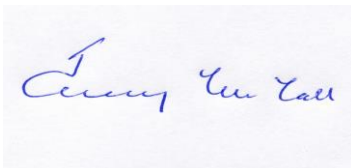
Additionally the agency has been unable to fulfill its commitment to developing management plans for the many parks in the system which still do not have plans. An example of this is the absence of a management plan for Pinecone-Burke Provincial Park, located on Vancouver’s doorstep. With a management plan in place, this park could provide a valuable destination for the many residents of the Lower Mainland who are presently swamping some of the more established parks, such as Garibaldi, thanks to the widespread use of social media. Other staff shortages include inadequate numbers of conservation specialists to oversee protection of parks’ natural environments. The South Coast Region has only one conservation specialist responsible for over 100 Provincial Parks and protected areas. Lack of available staff time has delayed completion of an important Invasive Plant Management Strategy for Cypress Provincial Park.

Recommendation

Restoring an adequate level of funding for the BC Parks Operating Budget is absolutely critical if the staffing of the agency and the maintenance of the system is not to decline further. The Council recommends that, as a minimum, the basic amount of the Operating Budget, i.e. excluding the anticipated 2018/19 Park Ranger increment, be increased by at least 10% from recent levels of approximately \$31 million, and that a commitment be made to increase it by at least 5% annually thereafter. It is high time to significantly invest in the economic and fitness benefits for which BC Parks were once recognized and to manage and maintain our Provincial Parks to a world class standard, which the BC Government is constantly and proudly promoting them to be.

In closing, the Council wishes to emphasize that this submission was prepared using publically available data and independently from BC Parks. We also wish to commend the staff of BC Parks who have for some years been obliged to carry out their mandate with very limited resources.

For the Board



Jeremy McCall
Executive Director

Copies to:

The Honourable John Horgan, Premier of British Columbia
The Honourable George Heyman, BC Minister of the Environment
The Honourable Carole James, BC Minister of Finance
Elders Council for Parks in British Columbia
Outdoor Recreation Council Directors
Members of the Outdoor Recreation Council