

Ministry of
International Trade
and Minister Responsible for
Asia Pacific Strategy and Multiculturalism

2013/14
Annual Service Plan Report



Ministry of International Trade
and Minister Responsible for Asia Pacific Strategy and Multiculturalism

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Message from the Minister and Accountability Statement



I am pleased to present the annual report for the Ministry of International Trade and Minister Responsible for the Asia Pacific Strategy and Multiculturalism, outlining achievements and highlighting the commitments we have met during the fiscal year ending March 31, 2014.

The first full year of this new ministry has been very successful. We've worked diligently to deliver on our mandate to open and expand international markets for our goods and services; to attract investment for our province's businesses, entrepreneurs and communities; and to leverage our many family, cultural and business links to countries across the Pacific and around the world.

In late 2013, Premier Christy Clark and I led a jobs and trade mission to priority markets in Asia. Over the course of two weeks, we visited South Korea, Japan, Mainland China and Hong Kong where we met with key decision-makers to advance the development of our LNG industry. My ministry also supported trade missions led by Ministers de Jong, Thomson and Coleman.

We strengthened our government-to-government relationships with a series of agreements and MOUs and established B.C.'s first special representative in Asia. He will work in concert with our trade representatives to provide on-the-ground expertise and access to key decision makers in industry and government. B.C. currently has 11 trade and investment offices within the six priority markets as outlined in the *BC Jobs Plan* with locations in Japan, China, South Korea, India, Europe and the United States.

China has become our number two trading partner, after the United States, with exports up 15 per cent. As well, the value of shipments to India increased 45 per cent. This underscores the demand in Asia for natural resources, including LNG and wood products.

Working closely with the provinces, the federal government secured two new free trade agreements – the Canada-Europe Comprehensive Economic and Trade Agreement (CETA) and South Korea. These agreements will help British Columbia restore and then expand our market share with those economic powerhouses. Going forward, we will continue to advocate for B.C.'s interests in trade negotiations including the TPP — Trans-Pacific Partnership — and bilateral talks with Japan and India.

Here in British Columbia we are working to attract investment and venture capital to fund the projects of the future, because innovation and entrepreneurship create jobs, diversify economic activity and help keep British Columbia globally competitive. My ministry continues to work with staff at the Ministry of Jobs, Tourism and Skills Training to review the status of current *BC Jobs Plan* targets for exports and recommendations on how to increase trade opportunities.

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One of our mandates is to promote British Columbia as an attractive destination for Asian companies looking to locate head offices for their North American operations. We are accomplishing this through trade missions and our expanded international trade and investment network. So far this fiscal year we have attracted 21 offices to British Columbia, which is a significant increase over last year's total.

Over the past year our technology industry has exploded. We have welcomed world-class companies and projects to B.C., including animation leaders Industrial Light and Magic, Sony Pictures, and Imageworks. Global giant Credit Suisse chose Vancouver for its first ground-up development in North America and Microsoft announced plans to open a new Microsoft Canada Excellence Centre in Vancouver.

As Canada's most culturally diverse province, British Columbia promotes diversity and offers multicultural programs across the province. This is a priority for the ministry as it leads to greater understanding, tolerance and personal connections amongst British Columbians. More than 400 people attended the fifth annual Provincial Nesika Awards where individuals and organizations were honoured for promoting multiculturalism in B.C.

In the spring session of 2014, Parliament unanimously passed a motion to issue a meaningful apology to B.C.'s Chinese Canadians for historical wrongs committed by past provincial governments. Government reached out to seven communities through consultation forums held across the province. Approximately 1,300 people attended and over 200 written and oral submissions were made.

The *Ministry of International Trade and Ministry Responsible for the Asia Pacific Strategy and Multiculturalism 2013/14 Annual Service Plan Report* compares the actual results to the expected results identified in the *June 2013 revised Ministry's 2013/14 - 2015/16 Service Plan*. I am accountable for those results as reported.



Honourable Teresa Wat
Minister of International Trade and
Minister Responsible for the Asia Pacific Strategy and Multiculturalism

June 26, 2014

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Highlights of the Year

The [Ministry of International Trade and Ministry Responsible for Asia Pacific Strategy and Multiculturalism](#) (MIT) works to open and expand international markets for B.C. goods and services; to attract investment for our province's businesses, entrepreneurs and communities and to leverage our many family, cultural and business links to countries across the Pacific and around the world.

Key ministry accomplishments for the 2013/14 fiscal year include:

Export Development

- Advanced B.C.'s export trade activities in priority markets by providing international market and sector expertise to B.C. companies and aligning sector export development, investor services and industry stakeholders, including business associations and consulates. Through these networks, the ministry facilitated the development of over 560 new international trade opportunities, resulting in \$875 million in new exports. The value of B.C.'s goods exports increased by 6.3 per cent in 2013 compared to 2012 with increased exports to China as well as a significant 45 per cent increase in value of goods shipments to India.¹

International Trade and Investment Offices

- Continued to generate new leads and business opportunities for B.C. through the international trade and investment office network. There are currently 11 offices within the six priority markets as outlined in the *BC Jobs Plan* including locations in Japan, China, South Korea, India, Europe and the United States. Our trade and investment representatives located in these offices are sector specialists with a local understanding of the opportunities in their respective industries and a strong in-market network of contacts for B.C. to leverage for export and investment purposes.



¹ BC Stats Annual BC Origins Exports, Released May 6, 2014. <http://www.bcstats.gov.bc.ca/Files/abf58192-be2b-471f-bd16-f1f87ad1f512/ExportsAnnualData.pdf>

Establishing B.C.'s first special representative in Asia

- Established the B.C. Special Representative in Asia, to enable government and industry to have direct access to a senior B.C. government official - a critical necessity to doing business in Asia. MIT's international trade representatives work with the special representative, to strengthen business relationships and attract key Asian companies to establish their North American presence in B.C.

Trade and Investment Missions

- Coordinated the Premier's Jobs and Trade mission to China, Korea and Japan in the fall of 2013. Over 120 companies, First Nations and labour representatives and organizations and communities took part in the mission, underscoring East Asia's huge demand for natural resources, including liquefied natural gas (LNG) and wood products, and the significant investment attraction opportunities this presents for British Columbia. The ministry also supported several Ministers' missions to priority markets including China, Japan, Korea and California.



Free Trade Agreement with South Korea

- British Columbia has worked with the federal government to pursue trade negotiations within B.C.'s priority markets. On March 11, 2014, [the federal government announced](#) the conclusion of negotiations with South Korea, the first agreement for Canada with an Asian trading partner. South Korea is B.C.'s fourth largest export market, with over 50 per cent of Canada's exports to South Korea coming from B.C.

Free Trade Agreement with the European Union

- In October 2013, [Canada and the European Union \(EU\) announced](#) an agreement-in-principle to conclude the Comprehensive Economic and Trade Agreement (CETA). The ministry worked to promote B.C. priorities during the negotiations and continues to work closely with the federal government to include B.C.'s interests in the final agreement. We are also developing outreach efforts to make B.C. companies aware of new opportunities that will arise from CETA and other trade agreements.

Venture Capital Programs

- [Venture capital programs](#) supported over \$94 million in investment into B.C. small businesses in 2013/14 and \$440 million over the past five years (2009-2013). More than 2,000 tax credit certificates were issued to eligible investors to finance early-stage companies focused on research and development of technology, digital media, clean technology, community diversification, and destination tourism.

Provincial Apology for Chinese Historical Wrongs

- Minister Wat led consultation forums across the province as part of government's commitment to issue a meaningful apology to B.C.'s Chinese community for historical wrongs. This apology and legacy effort encourages reconciliation between communities and is part of the effort to create a more just and inclusive British Columbia. Government reached out to seven communities through consultation forums held across the province -- approximately 1,300 people attended and over 200 written and oral submissions were made. This spring in the B.C. Legislature, the House unanimously passed the apology motion.



Celebrating Multiculturalism

- Prepared for the 2013 Provincial Nesika Awards celebration, which took place in early April and welcomed over 400 multiculturalism champions at this flagship event. Awards are given to recognize excellence in multiculturalism within five categories – Individual, Business, Organization, Youth and Multicultural Excellence in Government.

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Minister’s Mandate Letter

Minister Teresa Wat’s [mandate letter](#) of June 10, 2013, articulates government’s expectations for the ministry. Progress that has been made towards these commitments in the 2013/14 fiscal year includes:

Commitments	2013/14 Achievements
Develop our Asian trade export strategy as outlined in <i>Strong Economy, Secure Tomorrow</i> that will include annual ministerial-level sectoral trade missions.	<p>Delivered the Premier’s mission, with over 120 companies, First Nations, labour representatives, organizations and communities participating in the 13-day mission to China, Japan and Korea Nov 21 to Dec 3, 2013.</p> <p>Coordinated Minister Wat’s mission to China, which was the most comprehensive China mission by a provincial Minister to date.</p> <p>Executed 151 inbound and outbound missions to Asia to leverage export and investment opportunities.</p> <p><i>Additional information can be found on pages 4, 7, 18, 19</i></p>
Work with Canada and the BC Business Council to attract major Asian firms to invest in B.C. and locate their North American presence in our province.	<p>Attracted 14 Asian offices to locate in B.C. in 2013/14.</p> <p>Established a trilateral steering committee with Canada and the BC Business Council to identify key strengths and drive development and implementation of a collaborative head offices attraction model.</p> <p><i>Additional information can be found on pages 4, 19</i></p>
Work with the Ministry of Jobs, Tourism and Skills Training to review the status of current <i>BC Jobs Plan</i> targets for exports and make recommendations to Cabinet on how to accelerate export opportunities.	<p>Completed a review of the <i>BC Jobs Plan</i> targets for exports and are conducting outreach to ministries and partners to identify opportunities to accelerate exports.</p> <p><i>Additional information can be found on pages 3, 6, 7, 14, 15</i></p>
Work with the Ministry of Forests, Lands and Natural Resource Operations as we approach the end of the softwood lumber agreement to ensure British Columbia’s position is understood and well represented by Canada in the upcoming negotiations.	<p>Continued to lead the province’s interests in the Softwood Lumber Agreement.</p> <p>Worked in close cooperation with the Ministry of Forests, Lands and Natural Resource Operations and with the federal Department of Foreign Affairs and Trade Development to prepare for negotiations around the Agreement’s expiry in 2015.</p> <p><i>Additional information can be found on pages 12, 19</i></p>
Work with provincial multicultural organizations to ensure they are connected to and are participating in the activities of the provincial government.	<p>The Minister held five Community Engagement Meetings across the province, in conjunction with the Multicultural Advisory Committee.</p> <p>The annual Nesika Awards nominated and awarded achievement in multiculturalism in five categories: Individual, Business, Organization, Youth, and Multiculturalism in Government.</p> <p><i>Additional information can be found on pages 8, 13, 16, 21, 22</i></p>

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Commitments	2013/14 Achievements
<p>Represent British Columbia's interests with the federal government in current and future international trade agreements discussions.</p>	<p>Participated in negotiations with Canada and other provinces to reach an agreement-in-principle with the European Union for a Comprehensive Economic and Trade Agreement.</p> <p>Supported Canada to reach the agreement-in-principle with South Korea for a free trade agreement, which was announced in March, 2014.</p> <p>Identified the province's interests for various international trade negotiations through consultations within government and the private sector, and an analysis of options.</p> <p>Advanced the province's interests and priorities to Canada during key trade negotiations (European Union, Korea, Trans Pacific Partnership, India, Japan) through written and in-person communications at all levels of government, and active participation in key negotiations.</p> <p><i>Additional information can be found on pages 3, 8, 14, 19</i></p>
<p>Examine the strategy executed by Australia to aggressively pursue Asian trade and economic development and report back to Cabinet on what B.C. can learn and implement from their successful strategy.</p>	<p>Completed a review and analysis of Australia's strategy to grow trade with Asia and identified best practice initiatives for B.C.</p> <p><i>Additional information can be found on page 14</i></p>
<p>Ensure that our multicultural programming is relevant and useful to our ethnic communities and that they are able to participate fully in the programs of our government.</p>	<p>Worked with cultural organization stakeholders to raise awareness for available EmbraceBC funding and other services, including anti-racism programming, the Safe Harbour program; inter faith bridging and anti-hate crime public education.</p> <p>Completed a review of EmbraceBC programs to concentrate resources on priority needs and allocations.</p> <p>The 2011/12 and 2012/13 Report on Multiculturalism was tabled in the Spring Legislature (<i>to be confirmed</i>).</p> <p><i>Additional information can be found on pages 8, 13, 16, 21, 22</i></p>
<p>Balance your ministerial budget in order to control spending and ensure an overall balanced budget for the province of British Columbia.</p>	<p>Supported government in achieving a balanced budget for 2013/14 by controlling the ministry budget and meeting all financial targets for the year. This was achieved by keeping spending in check across the ministry, identifying administrative efficiencies and managing staffing costs.</p> <p><i>Additional information is located in the Report on Resources section of this report on page 23</i></p>

Purpose of Ministry



The Ministry of International Trade and Ministry Responsible for Asia Pacific Strategy and Multiculturalism works to increase British Columbia's exports, develop international partnerships, increase awareness of B.C.'s competitive advantages, negotiate trade deals, deliver venture capital programs and attract investment, head offices and other business to the province. The ministry also promotes multiculturalism and engages in initiatives to eliminate racism.

These efforts promote economic prosperity in communities across the province, creating new jobs and positioning the province for long-term growth.

To accomplish this, the ministry works to:

- open and expand priority markets for B.C. goods and services, particularly in Asia, and engage B.C. exporters in new opportunities;
- attract increased investment to B.C.'s priority sectors;
- leverage investment capital programs (venture capital and infrastructure) to support a competitive business environment; and
- promote multiculturalism in B.C. communities and use it as a bridge to priority markets.

The ministry is guided by government's economic strategy, [Canada Starts Here: The BC Jobs Plan](#). Central to the *BC Jobs Plan* is the recognition that we stand on the cusp of the "Pacific Century," and that B.C. must secure its place in the Asian markets that will drive global economic growth. To achieve this, B.C. is leveraging its competitive advantages in industries that are poised to meet the needs of the world's markets, today and into the future — including natural gas, mining, forestry, tourism, technology, agri-foods, transportation (ports, marine and aerospace) and international education. The work of the ministry plays an important role in tapping into key markets and investments to grow the provincial economy, increase trade and create jobs.

Opening Markets, Growing Exports and Attracting Investment

The ministry promotes B.C.'s competitive business environment and sector strengths in key markets and builds relationships with industry and government partners — domestic and international — to advance B.C.'s economic interests. Canada starts here, in B.C., and the ministry makes sure the province's unique strategic advantage as [Canada's Pacific Gateway](#) and



www.britishcolumbia.ca provides international enterprises with strong links to the resources, skills and businesses that make B.C. an attractive place to work and invest.

its growing reputation as an attractive and competitive international trade and investment partner are well known in the global market. We undertake activities that attract investment to B.C. and encourage companies to locate their head offices here.

Rovio Entertainment, the Finland-based company behind the Angry Birds phenomenon, has chosen [Sony Pictures Imageworks in Vancouver](#), British Columbia to create an animated movie based on the best-selling app.

Trade and investment representatives are strategically located in key markets throughout Asia, Europe and the United States. They make local introductions to potential buyers, investors and other in-market partners and they help B.C. companies and communities identify investment attraction opportunities. Moreover, through international trade shows and other strategic marketing activities, B.C. showcases its products and trade opportunities to international buyers.

The ministry works to strengthen B.C.'s governmental, cultural and economic relationships with priority Asian markets like China, Japan, South Korea and India. These efforts are reinforced by [Forestry Innovation Investment](#), a Crown Corporation affiliated with the ministry that works with the forest sector to take advantage of export opportunities in key markets for forest products. At the same time, we remain committed to protecting B.C.'s current export and investment positions and working to expand our market share in large existing markets, such as the U.S. and the European Union.

In addition, we work to develop B.C.'s export economy by facilitating B.C. companies' participation at major trade events in priority sectors, supporting outbound and inbound trade missions, and linking B.C. businesses with buyers, investors, and other key partners in global markets.

The ministry leads B.C.'s efforts to reduce or eliminate trade and investment impediments in other markets to provide greater economic opportunities for the province's businesses, workers and investors. We advance B.C.'s interests with the federal government in international trade negotiations to create new opportunities in key markets like India, the Asia Pacific and Europe, and monitor the [Softwood Lumber Agreement](#) between the United States and Canada to make sure B.C.'s interests are secure throughout negotiations. We also work to strengthen regional trade and commercial relationships with Alberta and Saskatchewan through the [New West Partnership Trade Agreement](#) and the rest of Canada through the Agreement on Internal Trade.

The ministry advances B.C.'s competitiveness by strengthening companies through its Venture Capital Program (VCP). The VCP provides investors with tax incentives as a means to leverage investment in new and expanding businesses. This helps small to medium sized companies access necessary capital for business start up and expansion. These efforts are reinforced by the [BC Capital Renaissance Fund](#), a Crown Corporation (subsidiary of the [BC Immigrant Investment Fund](#)) which is affiliated with the ministry and attracts successful venture capital managers and their capital to B.C. to develop promising, innovative technology companies.

Promoting Multiculturalism

Through [EmbraceBC](#), and with leadership and advice from the [Multiculturalism Advisory Council](#), the ministry promotes multiculturalism and engages in a range of initiatives to address racism. Today, one quarter of B.C.'s population identifies as visible minorities, making B.C. the most ethnically diverse province in Canada. This diversity brings many benefits. It enriches our communities, it creates a strong social fabric and an inviting province, and it builds a cultural bridge across the Pacific that supports international pathways for connection, commerce, research and innovation.

The ministry promotes a global, multicultural perspective — where communities actively support and participate in the integration of newcomers and challenge barriers to inclusivity for all residents. We also work with provincial multicultural organizations to ensure they are connected to and are participating in the activities of the provincial government and works to ensure that B.C.'s multicultural programming is relevant to its ethnic communities and that they are able to participate fully in government programs.



The Minister of International Trade presents the annual Nesika Awards to champions of multiculturalism every year. For 2013, a new category for Multiculturalism Excellence in Government was added to the list of awards distributed.

Strategic Context

Opening Markets, Growing Exports and Attracting Investment

A key priority for government is to drive economic activity and create jobs for British Columbians through international trade and investment. The international economic environment is globally competitive and B.C. faces many challenges including a decline in trade with the U.S. - traditionally our largest trading partner, continued economic uncertainty in Europe and a growing number of competing jurisdictional trade agreements.

By pursuing trade and investment opportunities in expanding markets like the Asia Pacific, B.C. has focused business development efforts in priority markets that provide the greatest potential for British Columbia. A critical component of the ministry's mandate is to analyze best practices in international trade and investment activities. In 2013/14 the ministry completed its review of Australia's Asian trade strategies in order to maximize the effectiveness of B.C. trade initiatives.

While continued growth in Asia has experienced a recent slowdown, China's economy continues to grow. At the same time, families within the fast-growing economies of Asia continue to gain new buying power, increasing demand for goods and services. In fact, in 2011 the share of B.C. goods destined for the Pacific Rim (43 per cent of total) eclipsed those to the U.S. for the first time in the province's history and remained at 43 per cent of total goods exported in 2013. Also, exports to Mainland China increased by 15 per cent over 2012 and wood product exports to the U.S. were up by over 24 per cent.²

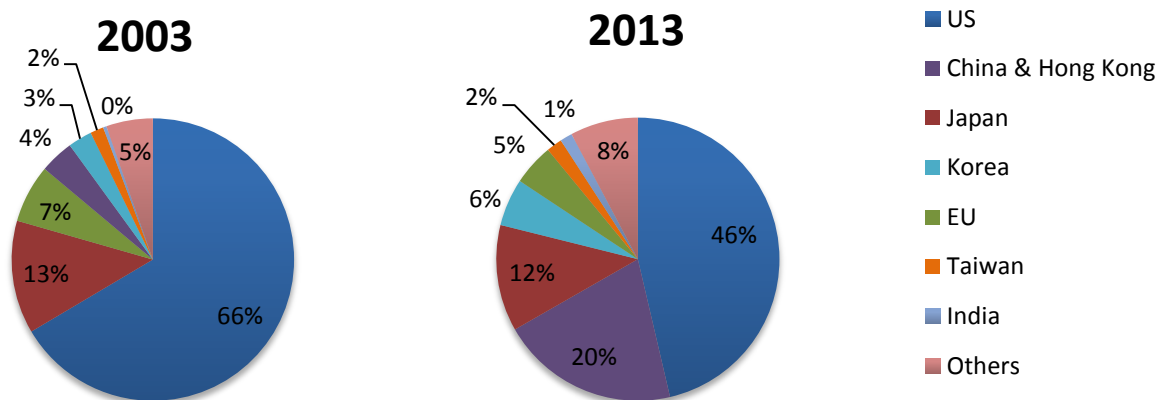


Figure 1: B.C. Goods Exports (2003, 2013)

² BC Stats Annual BC Origins Exports, Released May 6, 2014. <http://www.bcstats.gov.bc.ca/Files/abf58192-be2b-471f-bd16-f1f87ad1f512/ExportsAnnualData.pdf>

Demand for B.C.'s products is growing in other areas as well. We have made great strides in growing our provincial lumber exports to China over the past decade and, with the rise of the middle class in India, we have the same opportunity in that market. Exports to India increased by 45 per cent between 2012 and 2013 alone and by over 500 per cent since 2009. India, as one of the world's fastest growing economies, represents real growth potential for B.C. products and services including forestry, mining, agri-foods, transportation, natural gas and international education. More broadly, global investors' interest in liquefied natural gas (LNG), biomass and clean energy ventures continued to provide opportunities for new partnerships, markets and job creation across the province.

B.C. companies will benefit through Canada's international trade negotiations with priority markets. In 2013, Canada reached an agreement-in-principle for a Comprehensive Economic and Trade Agreement (CETA) with the European Union, which is expected to open up the \$2.3 trillion government procurement market to provincial suppliers. Further, in March 2014, Canada announced the conclusion of free trade negotiations with South Korea, which is expected to provide benefits to B.C. that include removing tariffs on exports of agri-foods, seafood and wine as well as liquefied natural gas (LNG) for future development. Additional opportunities for B.C. companies exist as Canada pursues more trade negotiations in the Asia Pacific region, including the Trans-Pacific Partnership, India and Japan.

"We support open trade policies that will allow B.C. companies preferential access to sell their goods and services to the European Union – the largest trading bloc in the world."

*Teresa Wat
Minister of International Trade
and Minister Responsible for
Asia Pacific Strategy and
Multiculturalism*

Attracting international investment is a key driver of economic growth and job creation for B.C. While global investment levels have fallen recently, outbound investment from fast-growing emerging economies, including those in Asia, continues to be strong. In fact, foreign direct investment (FDI) outflows from developing economies reached \$426 billion last year, representing a record 31 per cent of the global total.³ Our province's strategic location, streamlined regulations, competitive tax regime and operating costs and unparalleled quality of life have positioned B.C. to seize these global investment opportunities to create jobs and economic growth in regions across the province.

Access to venture capital is critical to B.C.'s competitiveness to ensure B.C. companies have access to funding to start or expand their businesses. Venture capital investment activity in Canada increased by 33 per cent in 2013, resulting in a 6-year high for investment activity since the financial crisis of 2008. In total, \$2 billion of venture capital was invested across Canada, with B.C. capturing \$478 million, or 24 per cent, of the total. This puts B.C. in third place in Canada behind Ontario and Quebec, and 10th among all states and provinces in North America

³ *United Nations Conference on Trade and Development (UNCTAD), World Investment Report 2013.*

(up from 21st in 2012). B.C. was second place in Canada for per capita venture capital investment—behind only Quebec.⁴ The strong investment activity in 2013 was driven in part by the largest venture capital deal in Canada, the \$165 million in financing of the Vancouver-based digital media sector company HootSuite.

In February 2014, the federal government announced that it was ending the Immigrant Investor Program, which provided funding for the BC Immigrant Investment Fund and its venture capital subsidiary, the BC Renaissance Capital Fund. The ministry is reviewing options to determine the future course of these funds.

Promoting Multiculturalism



B.C. is Canada's most culturally diverse province and each year we welcome close to 40,000 new immigrants to our communities. Promoting diversity and multicultural programs across the province is a priority for the ministry as it leads to greater understanding, tolerance and personal connections amongst British Columbians. Our deep historical, cultural and business ties with other countries are to be celebrated and provide an opportunity for B.C. to diversify markets in an increasingly globalized economy and expand international trading relationships.

⁴ *Canadian Venture Capital Association & Thomson Reuters, February 2014, Canada's Venture Capital Market in 2013.*

Report on Performance



This section includes the performance results for the key areas of the ministry's business for the full 2013/14 fiscal year as presented in the ministry's *Revised 2013/14 Service Plan*.

The Ministry of International Trade and Minister Responsible for Asia Pacific Strategy and Multiculturalism was created in June 2013. Prior to June, the majority of program areas were a part of the Ministry of Jobs, Tourism and Skills Training, with the exception of the Multiculturalism Branch, which transferred from the Ministry of Advanced Education, Innovation and Technology.

Performance Results Summary Table

A summary of the ministry's performance results:

Goal 1: British Columbia is recognized globally as a preferred place to invest and do business. <i>Details on pages 18 - 20</i>	2013/14 Target	2013/14 Actual
1.1 Open and expand markets for B.C. goods and services, particularly in Asia, and attract investment to grow B.C.'s priority sectors.		
Measure 1: Total value of foreign direct investment facilitated by ministry programs.	\$600 million	\$2.499 billion EXCEEDED
Measure 2: Total number of international business agreements facilitated by ministry programs.	65	230 EXCEEDED
Goal 2: British Columbians value diversity and inclusiveness in our communities. <i>Details on pages 21 - 22</i>	2013/14 Target	2013/14 Actual
2.3 Leverage partnerships to encourage a culture of diversity.		
Measure 3: Number of participants engaged in the EmbraceBC Network to promote multiculturalism and challenge racism.	340	341 ACHIEVED

Goals, Objectives, Strategies and Performance Results

Goal 1: British Columbia is recognized globally as a preferred place to invest and do business.

This goal is shared with the Ministry of Jobs, Tourism and Skills Training who leads the implementation of the *BC Jobs Plan*. This plan is pivotal in supporting business and industry in the creation of long term jobs and investments in the province and converting B.C.'s strengths into strategic, competitive advantages in the global economy.

Objective 1.1: Open and expand markets for B.C. goods and services, particularly in Asia, and attract investment to grow B.C.'s priority sectors.

Strategies

Key strategies over the past year:

- Promote B.C. internationally and expand markets in key sectors — including forestry, tourism, technology, mining, natural gas, agri-foods, transportation (port, marine and aerospace) and international education — by doubling our international trade and investment presence (from 2011 levels) and deploying dedicated sector staff in overseas offices.
- Implement focused business development and marketing programs in key overseas markets with a focus on Asia, including showcasing B.C.'s products, manufacturing and services through annual high-level missions, as well as trade shows and other major events.
- Connect B.C. business to international buyers to develop export markets for key *BC Jobs Plan* sectors. Enhance export opportunities by strengthening relationships with industry and government partners — both domestic and international — and by leveraging the potential of the [B.C. Business Network](#) and other trade and investment contacts at home and overseas.



Possible routes to market for B.C. LNG

- Attract investment to the province by promoting B.C.'s world-class competitive advantages, identifying key accounts and working closely with the Ministry of Jobs, Tourism and Skills Training to offer enhanced hosting capabilities and facilitating successful outcomes from investment opportunities.
- Work with private-sector partners and the federal government to implement an Asian head office strategy that will make B.C. the first choice for Asian companies looking to locate in North America.
- Reduce barriers to trade by advancing B.C.'s priorities in international trade negotiations (including the Canada-European Union free trade negotiations and free trade negotiations with India and other key trade partners), and aggressively promoting and defending B.C.'s interests by reducing or eliminating protectionist measures in other jurisdictions through engagement and, where necessary, more formal means (e.g. Softwood Lumber Agreement).
- Strengthen internal trade across Canada and the Western region through collaboration with partners on agreements including the [Trade, Investment and Labour Mobility Agreement](#), [New West Partnership Trade Agreement](#) and [Agreement on Internal Trade](#).

Performance Measure 1: Total value of foreign direct investment facilitated by ministry programs.

Performance Measure	2012/13 Actual	2013/14 Target	2013/14 Actual	2014/15 Target	2015/16 Target	2016/17 Target
Total value of foreign direct investment facilitated by ministry programs	\$4.295 billion	\$600 million	\$2.499 billion EXCEEDED	\$734 million	Maintain or Improve	Maintain or Improve

Data Source: Ministry of International Trade and Minister Responsible for Asia Pacific Strategy and Multiculturalism internal performance metrics tracking system.

Note: Actual outcomes for 2013/14 reflects external variability of global foreign direct investment activity and extended timeframes for conversion of investment leads into FDI. See discussion below.

Discussion of Results

Foreign direct investment (FDI) is a critical component of growing industries in B.C., creating jobs and securing a position of strength in the global economy. The ministry helps to attract foreign direct investment to B.C. by promoting the province's competitive advantages and world-class business environment, targeting potential investors through our international office network and outbound missions, providing hosting and other services in B.C. to inbound investment delegations, and helping sectors and communities to be ready for investment opportunities.

While the ministry works to facilitate an increase in the amount of foreign direct investment attracted to B.C., foreign investment results ultimately depend on private sector intentions and global FDI activity. Performance targets are based on a number of considerations, including

annual FDI in B.C., averaged over a number of years, and the state of the economic and investment context. As a result, there may be significant variation in actual achievements on a year-to-year basis when compared to the annual targets.

It is important to note that the time it takes to convert investment into tangible FDI results may extend over multiple fiscal years. This impacts the annual reporting of performance outcomes, with some years showing larger FDI achievements than others, despite a similar global FDI context over the same period. The target for 2014/15 recognizes anticipated growth within a multi-year average.

Performance Measure 2: Total number of international business agreements facilitated by ministry programs.

Performance Measure	2012/13 Actual	2013/14 Target	2013/14 Actual	2014/15 Target	2015/16 Target	2016/17 Target
Total number of international business agreements facilitated by ministry programs	178	65	230 EXCEEDED	120	Maintain or Improve	Maintain or Improve

Data Source: Ministry of International Trade and Minister Responsible for Asia Pacific Strategy and Multiculturalism.

Note: The 2012/13 and 2013/14 actual outcomes reflect the increase in business development activity following the doubling of the ministry’s overseas presence in 2012/13.

Discussion of Results

International business is critical to the success of companies in British Columbia’s small, open economy. Agreements take the form of international purchases of B.C. goods and services (export agreements), research and innovation partnerships and agreements between industry and government that create the environment for deeper commercial relationships between companies. The ministry provides services to support the negotiation and finalization of business agreements. This includes facilitating meetings and introductions to assist parties in working with federal, provincial and local levels of government and First Nations.

Concluding international business agreements is dependent on many factors, including private sector conditions. As the ministry’s performance target is based on a multi-year average of agreements concluded per year, there may be variation in actual achievements on a year-to-year basis. For example, this past year, the large increase in results may be attributed in part to the continued effect of the doubling of B.C.’s overseas presence in priority international markets, which took place in the previous fiscal year and continues to generate significant business development activity. The target for 2014/15 has been adjusted to recognize anticipated growth within a multi-year average.

Goal 2: British Columbians value diversity and inclusiveness in our communities.

Objective 2.1: Celebrate B.C.'s rich diversity as a source of innovation and global networking.

Strategies

Key strategies over the past year:

- Support capacity-building across B.C. through the development, mentorship and recognition of leaders in the areas of inclusive workplaces, anti-racism and cultural diversity.
- Collaborate with key business sector partners to identify and share best practices of inclusion and multiculturalism in the workplace.
- Build intercultural capacity and provide resources to workplaces in B.C. through training and other learning opportunities.

Objective 2.2: Collaborate with our communities to challenge racism and barriers to inclusivity.

Strategies

Key strategies over the past year:

- Provide B.C. communities with resources and support to effectively deliver their locally led projects to address racism and promote multiculturalism.
- Promote awareness and understanding of cultural diversity in B.C. through public education.

Objective 2.3: Leverage partnerships to encourage a culture of inclusivity.

Strategies

Key strategies over the past year:

- Develop strategic partnerships and lead innovation in multiculturalism programming and policy, ensuring the government serves, speaks to, and is accessible to the province's diverse population.
- Develop an inter-governmental community-of-practice on diversity to share tools, resources, and advice on building an inclusive public service.

- Update the Report on Multiculturalism to ensure engagement and provide measures for the public service on effective application of multiculturalism policy and practice.

Performance Measure 3: Number of participants engaged in the EmbraceBC Network to promote multiculturalism and challenge racism.

Performance Measure	2012/13 Actual	2013/14 Target	2013/14 Actual	2014/15 Target	2015/16 Target	2016/17 Target
Number of participants engaged in the EmbraceBC Network to promote multiculturalism and challenge racism.	232	340	341 ACHIEVED	TBD ¹	TBD ¹	TBD ¹

Data Source: Ministry of International Trade and Minister Responsible for Asia Pacific Strategy and Multiculturalism.

¹ As of March 31, 2014 the federal funding for EmbraceBC programs under the Canada-British Columbia Immigration Agreement ended. EmbraceBC programs are being funded for the 2014/15 fiscal year and the ministry is exploring options to source future funding.

Discussion of Results

This measure is an indication of the strength of B.C.’s multicultural infrastructure that is designed to continually challenge racism and promote diversity throughout B.C. It measures the number of organizations who are utilizing EmbraceBC programs - a community network of resources, advice and information to help improve social outcomes in B.C. communities.

In 2013/14, EmbraceBC programs reached over ten thousand individuals and organizations. Organizing Against Racism and Hate is a network that addresses racism directly and leverages strong community participation and investment through a three-year community process. Public education efforts challenge the ignorance of racism at its source and promote multiculturalism. Safe Harbour training enables a network of over 1,000 storefront businesses, institutions, agencies, and entire municipalities to celebrate our differences and help to create safer, more welcoming communities that support diversity and challenge discrimination.

EmbraceBC programs such as Organizing Against Racism and Hate (OARAH) provide information and resources that enhance the ability of B.C. communities to leverage strong community participation to promote diversity and challenge racism.

Report on Resources: Summary Table

	Estimated	Other Authorizations ¹	Total Estimated	Actual	Variance ²
Operating Expenses (\$000)					
International Trade and Investment Attraction	15,065	11,712	26,777	24,927	(1,850)
Competitiveness	1,428	0	1,428	3,308	1,880
Multiculturalism	625	0	625	806	181
Transfer to Crown Corporations and Agencies	17,300	0	17,300	17,300	0
Executive and Support Services	1,717	0	1,717	1,506	(211)
Sub-Total	36,135	11,712	47,847	47,847	0
Adjustment of Prior Year Accrual³	0	0	0	(508)	(508)
Total	36,135	11,712	47,847	47,339⁴	(508)
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)					
Executive and Support Services	1	0	1	0	(1)
Total	1	0	1	0	(1)

¹ "Other Authorizations" include Supplementary Estimates, Statutory Appropriations and Contingencies. Amounts in this column are not related to the "estimated amount" under sections 5(1) and 6(1) of the Balanced Budget and Ministerial Accountability Act for ministerial accountability for operating expenses under the Act.

Contingencies access: BC Jobs Plan \$11.712 million

² Explanations for variances greater than 5%:
International Trade and Investment Attraction: The \$26.777 million budget amount for International Trade and Investment Attraction (ITIA) Division included several branches that were moved during the fiscal year to the Competitiveness Division, resulting in a negative variance over the budget. There was an offsetting positive variance in the Competitiveness Division.

Competitiveness: \$1.428 million budget amount was for International Investment Capital Branch only. During the fiscal year, additional branches were moved from the International Trade and Investment Attraction (ITIA) Division into the Competitiveness Division, resulting in a positive variance over the budget. There is an offsetting negative variance in the ITIA Division.

Multiculturalism: After the summer 2013 Ministry re-organization, the Multiculturalism branch was realigned to include the Corporate Priorities group (2 FTEs). This overage was funded using savings realized elsewhere in the Ministry (Executive and Support Services).

Executive and Support Services: The majority of salary and operational savings realized here were applied against the Corporate Priorities and Multiculturalism group to offset overages resulting from the realignment of additional staff resources to that branch.

³ The Adjustment of Prior Year Accrual of \$0.508 million is a reversal of accruals in the previous year.

⁴ The proportion of total resources used to fund service providers is 40% of the ministry's total gross expenditures in 2013/14.

Annual Service Plan Report Appendices

Appendix A: Ministry Contact Information

Minister

Honourable Teresa Wat
Minister of International Trade and
Minister Responsible for Asia Pacific Strategy and Multiculturalism
Parliament Buildings
Victoria B.C. V8V 1X4
MIT.Minister@gov.bc.ca

Deputy Minister

Shannon Baskerville
Deputy Minister
Ministry of International Trade and
Minister Responsible for Asia Pacific Strategy and Multiculturalism
PO Box 9855
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To learn more about the numerous programs and services provided by the Ministry of International Trade and Minister Responsible for Asia Pacific Strategy and Multiculturalism, please visit www.gov.bc.ca/mit

You can also find the contact information for specific ministry units or staff members through the [B.C. Government Directory](#).

Appendix B: List of Crowns, Agencies, Boards and Commissions

List of Crowns, Agencies, Boards and Commissions

[BC Immigrant Investment Fund](http://www.bcrf.ca/bciif) (www.bcrf.ca/bciif)

The BC Immigrant Investment Fund (BCIIF) is a Crown Corporation that promotes economic development and job creation through its investments in public infrastructure projects and venture capital funds that are focused on four key technology sectors: information technology, digital media, clean technology, and life sciences.

[BC Renaissance Capital Fund](http://www.bcrf.ca/bcrf) (www.bcrf.ca/bcrf)

The BC Renaissance Capital Fund (BCRCF) is a subsidiary of the BCIIF and invests in venture capital funds that focus on four key sectors: information technology, digital media, clean technology and life sciences.

[Forestry Innovation Investment Ltd.](http://www.bcfii.ca) (www.bcfii.ca)

The Forestry Innovation Investment Ltd. (FII) is the B.C. government's market development agency for forest products. FII works closely with industry associations and other levels of government in marketing B.C. forest products around the world.

[Multicultural Advisory Council](http://www.embracebc.ca/embracebc/multiculturalism/multicultural_advisory_council)

(www.embracebc.ca/embracebc/multiculturalism/multicultural_advisory_council)

The Multicultural Advisory Council (MAC) is a legislated body officially created in 1990 to provide advice to the Minister Responsible on issues related to multiculturalism and anti-racism. The council also performs other duties and functions as specified by the Minister as set out in Section 5 (1) of the [Multiculturalism Act](#).