

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

**2015/16 – 2017/18
SERVICE PLAN**

February 2015



For more information on the British Columbia Ministry of International Trade and Minister Responsible for Asia Pacific Strategy and Multiculturalism, see Ministry Contact Information on Page 15 or contact:

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Minister Accountability Statement



The *Ministry of International Trade and Minister Responsible for Asia Pacific Strategy and Multiculturalism 2015/16 - 2017/18 Service Plan* was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. I am accountable for the basis on which the plan has been prepared.

Teresa Wat

Honourable Teresa Wat
Minister of International Trade and Minister Responsible for Asia Pacific Strategy and
Multiculturalism
February 03, 2015

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Purpose of the Ministry

The [Ministry of International Trade and Minister Responsible for Asia Pacific Strategy and Multiculturalism](#) pursues strategic opportunities to promote British Columbia internationally as a preferred place to invest and do business. This is done by delivering services that accelerate British Columbia's exports, attract strategic investments including international offices, develop international partnerships, increase awareness of B.C.'s competitive advantages, negotiate trade agreements and deliver venture capital programs. The ministry also promotes the benefits of B.C.'s diverse cultures and connects communities with services to eliminate racism and foster the full and free participation of all British Columbians in the economic, social, cultural and political life of British Columbia.

These efforts promote economic prosperity in communities across the province while simultaneously positioning the province for long-term growth and creating jobs for British Columbians.

Specifically, the ministry works to:

- open and expand priority markets for B.C. goods and services, particularly in Asia, Europe and the United States, and engage B.C. exporters in new opportunities;
- attract strategic investments to B.C.'s priority sectors;
- leverage investment capital programs (venture capital and infrastructure) to support a competitive business environment; and
- promote the value of diversity and inclusiveness in B.C. communities.

Strategic Direction and Context

Strategic Direction

The [Canada Starts Here: The BC Jobs Plan](#) is government's strategy for gaining access to Asian and other priority markets to open doors for B.C. businesses and, as such, guides the work of this ministry. The recently updated plan has a renewed focus on cross-sector areas including international trade, manufacturing, small business and Aboriginal peoples and First Nations. These areas work together to help drive economic growth and job creation across the eight priority sectors of the plan, which include forestry, tourism, technology, mining and energy, natural gas, agrifoods, transportation and international education.

In her June 10, 2014 [mandate letter](#), Premier Christy Clark provided strategic direction to the Honourable Teresa Wat, Minister of International Trade, which forms the basis for the ministry's strategic priorities. By pursuing these priorities, the ministry stimulates growth in B.C.'s economy that creates long-term, well-paying jobs that strengthen families and communities.

The ministry is committed to implementing the [Taxpayer Accountability Principles](#) to ensure the standards of fiscal responsibility and transparency are adhered to by the ministry and the agencies and boards for which the ministry is responsible.

Strategic Context

The Economic Forecast Council expects British Columbia's real GDP to grow by 2.6 per cent in 2015 and 2.8 per cent in 2016. Downside risks to BC's economic outlook include the potential for a slowdown in domestic and US activity, ongoing fragility in Europe, and slower than anticipated Asian demand. Additional risks include a fluctuating Canadian dollar and weak inflation, in part due to lower oil prices.

It is in this strategic context that the ministry supports trade and investment as key drivers of job growth and economic development. Strategic investment attraction grows important sectors like liquefied natural gas, mining, and technology. Expanding our export potential allows B.C. businesses to increase the value and quantity of their exported goods and services and, in turn, create new jobs for British Columbians.

As of 2013, exports to China had increased to \$6.6 billion, while exports to India reached \$468 million, an increase of 252 per cent since 2004. Other markets are emerging as important destinations for B.C. exports, notably Southeast Asian Nations (ASEAN). B.C. is uniquely positioned to serve as North America's premier Asia Pacific gateway to some of the largest investors and active export markets in the world.

Realizing those opportunities will require direct, sustained and meaningful engagement to ensure investors and businesses choose B.C. as their preferred place to do business. B.C. faces increasingly strong competition from other jurisdictions, which can be very aggressive and well resourced. B.C. has to become more innovative and strategically rethink its approach in order to maintain and grow opportunities for B.C. businesses.

Promoting B.C.'s strengths in key markets and building relationships with industry and government partners – domestic and international – advances our economic interests. B.C.'s trade and investment representatives, including B.C.'s Special Representative in Asia, are strategically located in key markets throughout Asia, Europe and the United States.

Reducing or eliminating trade and investment barriers in other markets provides greater economic opportunities for the province's businesses, workers and investors. The ministry advances 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. The ministry also works to strengthen regional trade and commercial relationships with other provinces and the rest of Canada, notably through our work on modernizing the Agreement on Internal Trade.

Access to venture capital is critical to B.C.'s competitiveness. Venture capital investment activity in Canada has been very strong, with \$2 billion of venture capital invested nationally in 2013 of which B.C. captured \$478 million, or 24 per cent, of the total. Venture Capital and Investment Capital programs are important strategies for attracting innovation, new business and expansions in British Columbia.

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 cultural bridges

that support 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.

Goals, Objectives, Strategies and Performance Measures

The Goals of the ministry are aligned with government's priorities and the Minister's mandate letter, as provided by Premier Christy Clark. They also demonstrate government's Taxpayer Accountabilities Principles by focusing government's international efforts to advance B.C.'s economic interests in key sectors and to leverage the advantages of our cultural ties throughout priority markets.

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

This goal is shared with the Ministry of Job, Tourism and Skills Training, which is leading *Canada Starts Here: The BC Jobs Plan*, government's strategy to a secure and prosperous future for all British Columbians. This goal supports B.C. 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 priority markets for B.C. goods and services, particularly in Asia

Strategies

- Promote B.C. internationally and expand markets in key sectors — including forestry, tourism, technology, mining and energy, natural gas, agrifoods, transportation and international education — by capitalizing on our recently doubled international trade and investment representative presence and deploying dedicated sector and market staff both domestically and in overseas offices.
- Provide B.C. exporters with services, information and in-market assistance to help them expand exports, enter new markets and achieve their export goals.
- Reduce barriers to trade and investment by advancing B.C.'s priorities in international and domestic trade negotiations and reducing or eliminating protectionist measures in other jurisdictions through engagement and, where necessary, more formal means.
- Examine the strategies and best practices of other international and sub-national trade and investment organizations, for example Australia, and develop and implement recommendations from the most successful strategies.

Performance Measure 1: Total number of international business agreements facilitated by ministry programs

| Performance Measure | 2014/15 Forecast | 2015/16 Target | 2016/17 Target | 2017/18 Target |
|--|------------------|----------------|---------------------|---------------------|
| Total number of international business agreements facilitated by ministry programs | 120 | 120 | Maintain or improve | Maintain or improve |

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

Discussion

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 supports the conclusion of international business agreements by connecting B.C. businesses and institutions to qualified international prospects, supporting key international trade events, organizing and supporting inbound and outbound missions to target markets, providing information necessary to conclude agreements, assisting parties to work with all levels of government in B.C. and Canada, and providing other services tailored to the needs of the parties. In 2013/14, the ministry facilitated 230 international business agreements with a financial value of \$875M. Examples of agreements facilitated by the ministry may be found on our [website](#). The Special Representative of B.C. in Asia also supports the conclusion of business agreements by strengthening the province's government-to-government relationships in Asia.

Objective 1.2: Attract increased investment to B.C.’s priority sectors

Strategies

- Identify strategic investments and, working closely with the Ministry of Jobs, Tourism and Skills Training and other ministries, support successful outcomes from investment opportunities.
- Encourage reinvestment from companies that have previously invested in B.C.
- Attract investments, including international offices, to B.C. in order to strengthen our key sectors and industries.
- Work with the federal government and private-sector partners to implement the International Head Office Attraction Strategy that will make B.C. the first choice for Asian companies looking to locate head offices in North America.
- Facilitate positive investment decisions by identifying potential obstacles to investment, developing strategies and delivering timely solutions for clients considering B.C. as an investment location.

Performance Measure 2: Foreign direct investment facilitated by ministry programs

| Performance Measure | 2014/15 Forecast | 2015/16 Target | 2016/17 Target | 2017/18 Target |
|--|------------------|----------------|---------------------|---------------------|
| Total value of foreign investment facilitated by ministry programs | \$750 million | \$800 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: Forecast for 2014/15 reflects external variability of global foreign investment (FDI) activity and extended timeframes for conversion of investment leads into FDI.

Discussion

Foreign investment helps B.C. grow its industries, create jobs and secure a position of strength in the global economy. B.C. has fostered a highly competitive and open investment climate and has included strong investment provisions in trade agreements to show investors that B.C. is a desirable and secure place to do business. The ministry attracts foreign investment to B.C. by marketing the province's competitive advantages and world-class business environment and targeting potential investors through our international office network. In 2013/14, the ministry facilitated 86 individual investments with a total value of \$2.46B – this includes \$1.6B in LNG-related investment and \$865M in other sectors. The ministry also undertakes activities focused specifically on attracting investment to B.C. and encouraging companies to locate their head offices here, for example through marketing campaigns, key market public relations and a suite of services for potential investors. These services include providing detailed information on B.C.'s business climate, facilitating site tours, supporting connections with business services suppliers and providing assistance with accessing federal, provincial and local government incentive and support programs.

Performance Measure 3: National and international offices locating in British Columbia

| Performance Measure | 2014/15 Forecast | 2015/16 Target | 2016/17 Target | 2017/18 Target |
|--|------------------|-------------------------|---------------------|---------------------|
| Total number of national and international offices that locate in B.C. annually as a result of the ministry's assistance | 15 Offices | 15 Offices ¹ | 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.

¹ This number is exclusive of the work being led under the Head Office attraction program, which is focussed on attracting 5 major Asian head offices.

Discussion

Attracting foreign offices to B.C. creates direct and indirect economic benefits, including creating jobs, increasing contributions to the tax base, growing demand for business services such as accounting, legal, advertising and real estate leasing, and raising national and international awareness of the fact that B.C. is one of the most competitive business jurisdictions in North America. Moreover, businesses are generally more likely to reinvest in a location once they have an established office location and these investments often create proportionately more jobs. In 2013/14 the ministry assisted in the opening of 23 international offices in B.C.

Foreign office attraction also helps strengthen B.C.'s sectors by creating industry clusters that attract other complementary businesses. As new offices locate to B.C., other companies that are a part of, or are looking to enter the supply chain, will locate nearby. Finally, the growth of clusters helps to grow an increasingly skilled workforce that leads to higher paying jobs and greater productivity.

Objective 1.3: Leverage investment capital programs (venture capital and infrastructure) to support a competitive business environment

Strategies

- Continue to deliver the Small Business Venture Capital Tax Credit program to facilitate access to investment capital for small businesses in B.C.
- Complete venture capital review and implement findings through the development of a multi-year action plan.
- Target venture capital programs and policy to support the *Technology and Innovation Strategy* including the expansion of “anchor” technology companies that drive job creation and innovation.

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

- Support capacity-building across B.C. through the development, 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.
- Work to integrate multicultural festivals and events with in-bound trade and investment missions to highlight the strong cultural ties that connect B.C. to our overseas business partners.

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

Strategies

- Fulfil the requirements and objectives established in the *BC Multiculturalism Act*, which includes developing the annual report on Multiculturalism and supporting the Multicultural Advisory Council in its public engagement and advisory role to the Minister.
- Provide support to B.C. communities to deliver locally led anti-racism and multiculturalism projects.
- Promote awareness and understanding of cultural diversity in B.C. through public education, including online resources and community events.
- Implement legacy projects to support the apology for historical wrongs committed against British Columbia's Chinese Canadian community, which includes working with the Ministry of Education as they develop the new Asian and South Asian curriculum.

Performance Measure 4: Number of participants engaged in the EmbraceBC network

| Performance Measure | 2014/15 Forecast | 2015/16 Target | 2016/17 Target | 2017/18 Target |
|--|------------------|---------------------|---------------------|---------------------|
| Number of participants engaged in the EmbraceBC network to promote multiculturalism and challenge racism | 340 | Maintain or improve | Maintain or improve | Maintain or improve |

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

Discussion

This measure is an indication of the growing strength of province wide infrastructure designed to continually challenge racism and promote multiculturalism in B.C. It measures the number of organizations and individuals who are utilizing the EmbraceBC Network, a community network of resources, advice and information to improve social outcomes for their community.

Resource Summary

| Core Business Area | 2014/15 Restated Estimates ¹ | 2015/16 Estimates | 2016/17 Plan | 2017/18 Plan |
|--|---|----------------------|-----------------|-----------------|
| Operating Expenses (\$000) | | | | |
| International Trade and Investment | 10,522 | 22,338 | 22,349 | 22,376 |
| International Strategy and Competitiveness | 4,132 | 5,538 | 5,542 | 5,552 |
| Multiculturalism | 625 | 1,628 | 1,628 | 1,631 |
| Transfers to Crown Corporations and Agencies | 17,300 | 17,300 | 17,300 | 17,300 |
| Executive and Support Services | 1,717 | 1,717 | 1,717 | 1,717 |
| Total | 34,296 | 48,521 | 48,536 | 48,576 |
| Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000) | | | | |
| Executive and Support Services | 1 | 1 | 1 | 1 |
| Total | 1 | 1 | 1 | 1 |

¹For comparative purposes, amounts shown for 2014/15 have been restated to be consistent with the presentation of the 2015/16 Estimates.

*Further information on program funding and vote recoveries is available in the [Estimates and Supplement to the Estimates](#).

Appendices

Appendix A: Ministry Contact Information

Minister

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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

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

This Crown Corporation 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 \(BCRCF\)](http://www.bcrf.ca/bcrf) (www.bcrf.ca/bcrf)

This subsidiary of the BC Immigrant Investment Fund invests in venture capital funds that focus on four key sectors: information technology, digital media, clean technology and life sciences.

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

This Crown Corporation 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 \(MAC\)](http://www.embracebc.ca/embracebc/multiculturalism/multicultural_advisory_council)

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

This council 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](#).

[Legacy Initiatives Advisory Council](http://www.embracebc.ca/embracebc/community/apology_for_historical_wrongs)

(http://www.embracebc.ca/embracebc/community/apology_for_historical_wrongs)

This council works with Chinese Canadian communities and other key partners to support and advise government and ensure that the legacy projects recommended in the Chinese Historical Wrongs Consultation Final Report are successfully implemented and are known and communicated throughout the province.