

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

**2016/17 – 2018/19
SERVICE PLAN**

February 2016



For more information on the British Columbia
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Asia Pacific Strategy and Multiculturalism,
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Minister Accountability Statement



The *Ministry of International Trade and Responsible for Asia Pacific Strategy and Multiculturalism 2016/17 - 2018/19 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.

A handwritten signature in blue ink that reads "Teresa Wat". The signature is written in a cursive style and is contained within a thin blue rectangular border.

Honourable Teresa Wat
Minister of International Trade and
Responsible for Asia Pacific Strategy and Multiculturalism
February 3, 2016

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Purpose of the Ministry

The [Ministry of International Trade and 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, and increase awareness of B.C.'s competitive advantages, as well as negotiating and managing trade agreements and delivery of 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 that create jobs and grow competitiveness;
- 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.

The Ministry has an oversight role for the following Crown agencies: the [BC Immigrant Investment Fund](#) and its subsidiary the [BC Renaissance Capital Fund](#), and [Forestry Innovation Investment](#). Please see Appendix B for information on these agencies.

Strategic Direction and Context

Strategic Direction

The Ministry plays a key role in delivering on [Canada Starts Here: The BC Jobs Plan](#), a government strategic priority to increase employment, economic growth and the export of goods. The Ministry pursues a number of initiatives which support this priority, captured in the [BC Jobs Plan Trade Strategy](#), with a focus on attracting foreign investment and promoting the export of B.C. products to various markets, particularly in Asia.

Premier Christy Clark's July 30, 2015 mandate letter to the Honourable Teresa Wat, Minister of International Trade, included direction to, among others: balance the ministerial budget; work with the Ministries of Advanced Education, and Technology, Innovation and Citizens' Services to develop and present options to Cabinet on ways to improve the availability of venture capital funding in British Columbia; and develop options and present to Cabinet a strategy for increasing B.C.'s trade with India and presence in the Association of Southeast Asia Nations (ASEAN).

In addition, the Ministry will cooperate with the Ministry of Small Business and Red Tape Reduction to increase exports and expand the LNG BuyBC tool as part of the collective efforts to help businesses grow and reduce unnecessary red tape and regulation, making it easier for citizens and businesses to access British Columbia government services.

Finally, the introduction of the [Taxpayer Accountability Principles](#) (TAP) in June 2014 provided a framework to enhance greater strategic engagement between the Ministry of International Trade and its Crown corporations. The Ministry will continue to work with its Crown corporations to implement the TAP and strengthen accountability, promote cost control and support strategic alignment so that these public sector agencies can continue to be effective and efficient in their service delivery, while doing so with integrity and respect and in the best interests of taxpayers.

Strategic Context

The Economic Forecast Council expects British Columbia's real GDP to grow by 2.7 per cent in 2016 and 2.6 per cent in 2017. Downside risks to B.C.'s economic outlook include the potential for a slowdown in North American economic activity, ongoing fragility in Europe, and slower than anticipated Asian demand, particularly in China. Additional risks include uncertainty in the outlook for the Canadian dollar and weak inflation.

British Columbia's real Gross Domestic Product (GDP) increased by 2.0 per cent in 2015, following growth of 2.6 per cent in 2014. Strong retail sales growth was partly driven by increased tourism and interprovincial migration, while continued low interest rates supported housing starts growth. Despite unbalanced external demand, B.C. exports and manufacturing shipments posted notable gains. Several risks to British Columbia's economy remain, including the potential for a slowdown in domestic and US activity, ongoing fragility in Europe, and slower than anticipated Asian demand, particularly in China. Additional risks include a fluctuating Canadian dollar and weak inflation, in part due to lower oil prices.

Internally, the Ministry continues to implement a prioritized and focussed approach to investment attraction and export support that aligns with key *BC Jobs Plan* sectors. This approach was augmented in December 2015, with the release of *Raising Our Game in Asia – The BC Jobs Plan Trade Strategy*. This strategy focuses on growing the number of companies that export to Asia, increasing the value of investments that grow the Province's sectors, and enhancing the flow of goods, services, people and ideas between BC and its priority markets. This strategy further focuses the Province's in-market activities, such as business-to-business meetings and events, and leverages the strengths of our [Trade and Investment Representatives](#) and [B.C.'s Special Representative in Asia](#) to support the entry of B.C. companies into new markets and to support the development and realization of a LNG industry.

Advancing B.C.'s interests in reducing or eliminating trade and investment barriers in other markets is an ongoing priority that provides greater economic opportunities and maintains competitive advantages for the province's businesses, workers and investors. The Ministry advances B.C.'s interests in trade disputes and works with the federal government in international trade negotiations. 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 and the New West Partnership Trade Agreement.

Access to venture capital is essential for technology companies to succeed in a competitive global marketplace. The BC Tech Strategy 2016 is built on improving access to capital for BC technology companies as one of three foundational pillars, and the BC Tech Fund is an important part of this work. Overall, venture capital investment activity in Canada decreased slightly in 2014, by 5 per cent compared to 2013. In total, \$1.9 billion of venture capital was invested across Canada. Of note, B.C. captured \$554 million, or 29 per cent, of the total, which is an increase in the percentage of the total Canadian share flowing into B.C. This put B.C. in third place in Canada behind Ontario and Quebec. Despite the gain, it remains critically important for B.C. to increase the amount of early stage capital available, which is needed to grow emerging technologies and keep industry leaders in B.C.

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 this leads to greater understanding, acceptance 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 and expand international trading relationships in an increasingly globalized economy.

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 reflect the government's Taxpayer Accountability Principles by focusing government's international efforts to advance B.C.'s economic interests in key sectors and 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 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 grow markets in key *BC Jobs Plan* sectors by capitalizing on our expanded international trade and investment representative presence and deploying dedicated sector and market staff both domestically and in overseas offices.
- Provide B.C. businesses and exporters with streamlined services, business-to-business opportunities including trade shows and missions, and targeted in-market assistance to help them expand their business through exports, and enter new markets to achieve their business growth 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.
- Continuously improve the supports that help B.C. businesses grow through trade with international partners.

Performance Measure 1: Total number of international export agreements facilitated by Ministry programs

Performance Measure	2015/16 Forecast	2016/17 Target	2017/18 Target	2018/19 Target
Total number of international export agreements facilitated by Ministry programs	100 agreements with a value in excess of \$300M	125 agreements with a value in excess of \$350M	135 agreements with a value in excess of \$375M	150 agreements with a value in excess of \$375M

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

Discussion

Expanding the sales of goods and services to new markets is critical to growing B.C. businesses and keeping them here. Export agreements take the form of international purchases of B.C. goods and services and represent an agreement between two distinct business entities. The Ministry supports and facilitates international export 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., Canada, and internationally and providing other services tailored to the needs of the parties. 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.

The Ministry has focused this measure on export agreements that involve the sale of goods and services to clients outside of B.C. These agreements show the economic value that government assistance provides exporters and identifies the number of companies that are being assisted by Ministry and government programs.

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.
- Work with HQ Vancouver to attract five Asian head offices to B.C. and continue to attract other national and international offices that create jobs for British Columbians.

- 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	2015/16 Forecast	2016/17 Target	2017/18 Target	2018/19 Target
Total value of foreign investment facilitated by Ministry programs	\$1.0 Billion	\$1.1 Billion	\$1.2 Billion	\$1.25 Billion

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

Discussion

Foreign investment helps B.C. grow its industries, create and safeguard 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 trade and investment office network. 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. Examples of investments facilitated by the Ministry can be found on our [website](#). The target for investment has been increased to reflect the growth of B.C.’s trade and investment network to the ASEAN region.

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

Performance Measure	2015/16 Forecast	2016/17 Target	2017/18 Target	2018/19 Target
Total number of national and international offices that locate in B.C. annually as a result of the Ministry and HQ Vancouver’s assistance	20	22	25	25

Data Source: Ministry of International Trade and Responsible for Asia Pacific Strategy and Multiculturalism internal performance metrics tracking system. International offices must occupy a physical space such as storefront to be counted.

Discussion

Attracting foreign offices to B.C. creates direct and indirect economic benefits, including new jobs, increased contributions to the tax base, higher demand for business services such as accounting, legal, advertising and real estate leasing, and greater 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.

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.

The Ministry works directly with international companies to generate interest in locating in the province and then helps facilitate their move to B.C. This includes, among other things, providing them in-depth sector information, helping them locate the right real estate for their needs, connecting them with B.C. suppliers and assisting them with necessary permits and approvals they require from governments of all levels.

Objective 1.3: Leverage investment capital programs to support a competitive business environment

Strategies

- Continue to promote and deliver the Small Business Venture Capital Tax Credit program to facilitate access to investment capital for small businesses in B.C.

- Continue to manage \$90 million of committed capital in the BC Renaissance Capital Fund, a venture capital fund-of-funds model, aimed at attracting venture capital fund managers to B.C. Investments are committed to fund managers who make direct equity investments in companies across four key technology sectors: information technology, digital media, clean technology and life sciences.
- Implement the new \$100 million BC Tech Fund, a venture capital fund-of-funds to address the current early stage (A-round) venture capital funding gap in B.C. and support the development of a stronger venture capital system over the longer-term.
- Complete a venture capital review and implement its findings through the development of a multi-year action plan.

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 multiculturalism, anti-racism and cultural diversity.
- Provide community grants that support cultural expression and raise awareness about or enhance B.C.'s multicultural identity.
- 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 B.C. *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 projects.
- Promote awareness and understanding of cultural diversity in B.C. through public education, including online resources and community events.
- Continued implementation of B.C.'s Chinese Legacy projects commemorating the May 15, 2014 apology to the province's Chinese Community for historical wrongs.

Performance Measure 4: Organizing Against Racism and Hate Network (OARH) membership

Performance Measure	2015/16 Forecast	2016/17 Target	2017/18 Target	2018/19 Target
Number of communities who have completed their annual deliverables to be an active member of the Organizing Against Racism and Hate network	28	32	36	40

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

Discussion

The Ministry is responsible for the *Multiculturalism Act*, which includes a policy directive to “reaffirm that violence, hatred and discrimination on the basis of race, cultural heritage, religion, ethnicity, ancestry or place of origin have no place in the society of British Columbia” and “work towards building a society in British Columbia free from all forms of racism and from conflict and discrimination based on race, cultural heritage, religion, ethnicity, ancestry and place of origin.”

The Organizing Against Racism and Hate (OARH) network helps government implement that policy directive through a community partnership approach, which strives towards local solutions for local incidents. This approach allows communities to prepare for a racially motivated incident early, and before it becomes a major issue.

The OARH community membership ensures that British Columbia communities are able to identify and respond to incidents of racism and hate. Increasing the number of communities involved in OARH therefore strengthens British Columbia’s overall ability to foster a society in “in which there are no impediments to the full and free participation of all British Columbians in the economic, social, cultural and political life of British Columbia.

NB: Active members of OARH are required to hold regular community partnership meetings, monitor and record acts of racism, and have an established critical incident response protocol for racism and hate as well as a working relationship with the local police force.

Resource Summary

Core Business Area	2015/16 Restated Estimates ¹	2016/17 Estimates	2017/18 Plan	2018/19 Plan
Operating Expenses (\$000)				
International Business Development.....	19,693	19,678	19,732	19,755
International Strategy and Competitiveness	8,183	8,974	9,004	9,015
Corporate Initiatives and Multiculturalism.....	1,628	1,627	1,632	1,637
Transfers to Crown Corporations and Agencies	17,300	18,300	19,050	19,550
Executive and Support Services	1,717	1,712	1,717	1,717
Total	48,521	50,291	51,135	51,674
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)				
Executive and Support Services.....	1	1	1	1
Total	1	1	1	1

¹ For comparative purposes, amounts shown for 2015/16 have been restated to be consistent with the presentation of the 2016/17 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's Office

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

To find a specific person or program in the Ministry of International Trade and Responsible for Asia Pacific Strategy and Multiculturalism, you can use the [B.C. Government Directory](#).

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

[BC Immigrant Investment Fund \(BCIIF\)](http://bciif.ca/about-bciif) (<http://bciif.ca/about-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://bciif.ca/about-bcrf) (<http://bciif.ca/about-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/) (<http://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://www2.gov.bc.ca/gov/content/governments/multiculturalism-anti-racism/multiculturalism/mac)

(<http://www2.gov.bc.ca/gov/content/governments/multiculturalism-anti-racism/multiculturalism/mac>)

This council is a legislated body officially created in 1988 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://www2.gov.bc.ca/gov/content/governments/multiculturalism-anti-racism/chinese-legacy-bc/legacy-initiatives-advisory-council)

(<http://www2.gov.bc.ca/gov/content/governments/multiculturalism-anti-racism/chinese-legacy-bc/legacy-initiatives-advisory-council>)

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.