

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

**2017/18 – 2019/20  
SERVICE PLAN**

**February 2017**



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## Minister Accountability Statement



The *Ministry of International Trade and Responsible for Asia Pacific Strategy and Multiculturalism 2017/18 - 2019/20 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, flowing style.

Honourable Teresa Wat  
Minister of International Trade and  
Responsible for Asia Pacific Strategy and Multiculturalism  
February 21, 2017

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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 achieved 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 to 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 exports. 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 and services to various markets, particularly in Asia.

Premier Christy Clark's [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 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 (EFC) expects British Columbia's real GDP to grow by 2.3 per cent in 2017 and 2.2 per cent in 2018. Meanwhile for Canada, the EFC projects national real GDP growth of 1.9 per cent in 2017 and 2.0 per cent in 2018. As such, B.C.'s economic growth is expected to outperform Canada in the coming years. Downside risks to B.C.'s economic outlook include the potential for a slowdown in North American economic activity, ongoing fragility in Europe, slower than anticipated Asian demand (particularly in China), and uncertainty in the outlook for the Canadian dollar.

Most indicators of B.C.'s economic performance through the first half of 2016 show strong domestic activity relative to the same period in 2015. Employment, retail sales, and housing stats data are strong, while exports are underperforming expectations.

Internally, the Ministry continues to implement a focused 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, increasing the value of investments that grow the province's sectors, and enhancing the flow of goods, services, people and ideas between B.C. 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.

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 works to eliminate barriers that restrict opportunities for B.C. goods, services and investments across Canada and in foreign markets. One instrumental way the Ministry achieves these goals is by representing the province in both national and international trade negotiations, such as the Canadian Free Trade Agreement and the recently signed Comprehensive Economic and Trade Agreement with the European Union. Open markets create economic opportunities for B.C. businesses, workers and investors, and greater choice and value for all British Columbians. The Ministry also advances B.C.'s interests in trade disputes. This is done to protect our access to external markets and ensure businesses from other jurisdictions operate fairly in B.C. The Ministry also works to strengthen regional trade and commercial relationships with other provinces through our work on 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 B.C. technology companies as one of three foundational pillars, and the [BC Tech Fund](#) is an important part of this work. Venture capital investment activity in Canada increased in 2015 by 18 per cent compared to 2014. In total, \$2.26 billion of venture capital was invested across Canada. B.C. captured \$450 million – this put B.C. in third place behind Ontario and Quebec. It remains critical for B.C. to increase the amount of available early stage capital needed to grow emerging technologies and keep industry leaders in B.C. That is why the \$100 million BC Tech Fund is so important.

B.C. is Canada's most culturally diverse province and each year we welcome close to 40,000 new immigrants to our communities. It is also home to over 200 First Nation bands. 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 through international marketing and by capitalizing on our expanded international trade and investment representative presence, which includes dedicated sector and market staff both domestically and in overseas offices.
- Connect international investors with B.C. businesses and communities—including municipalities, regional districts and First Nations—through the [Trade and Invest British Columbia](#) website.
- Provide B.C. businesses and exporters with streamlined services through B.C.'s [Export Navigator pilot](#), business-to-business opportunities through 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 reduce or eliminate 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	2016/17 Forecast	2017/18 Target	2018/19 Target	2019/20 Target
Total number of international export agreements facilitated by Ministry programs	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	160 agreements with a value in excess of \$400M

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

**Discussion**

Expanding the sale 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](#). B.C.’s Special Representative in Asia also works with B.C.’s Trade and Investment Representative offices to support export agreements in East Asia markets.

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.

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

**Strategies**

- Identify strategic investments and work closely with the Ministry of Jobs, Tourism and Skills Training and other ministries to support successful outcomes from investment opportunities.
- Support B.C.’s targeted investment attraction efforts by raising awareness of a consistent B.C. business brand internationally, and by collaborating with partners to amplify B.C. success stories and competitive advantages among key influencers.
- 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	2016/17 Forecast	2017/18 Target	2018/19 Target	2019/20 Target
Total value of foreign investment facilitated by Ministry programs	\$1.1 Billion	\$1.2 Billion	\$1.25 Billion	\$1.25 Billion <sup>1</sup>

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

<sup>1</sup> Target will be reviewed and adjusted during the 2018/19 Service Planning process. Economic uncertainty in some of B.C.'s priority markets, including Europe and the U.S., provides estimating targets three years out unpredictable.

## 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., 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 Association of Southeast Asia Nations (ASEAN) region.

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

Performance Measure	2016/17 Forecast	2017/18 Target	2018/19 Target	2019/20 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	22	25	25	25 <sup>1</sup>

**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 a storefront to be counted.

<sup>1</sup> Target will be reviewed and adjusted during the 2018/19 Service Planning process. Economic uncertainty in some of B.C.'s priority markets, e.g. in Europe and the U.S., provides estimating targets three years out difficult.

**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 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 being located in the province and then helps facilitate their move to B.C. This includes, among other things, providing them with in-depth sector information, operating costs and B.C. cost comparison information, connecting them with B.C. suppliers, and identifying appropriate industry contacts and service providers.

**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.
- Work with the BC Tech Fund manager to support the BC Renaissance Capital Fund's existing portfolio of venture capital investments which are invested in four key technology sectors: information technology, digital media, clean technology, and life sciences.

- Support the \$100 million [BC Tech Fund](#), a venture capital fund-of-funds focused on early stage (A-round) venture capital funding in B.C., which also includes work to grow a stronger venture capital system in B.C. over the longer-term.

## **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.

### **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	2016/17 Forecast	2017/18 Target	2018/19 Target	2019/20 Target
Number of communities who have completed their annual deliverables to be an active member of the Organizing Against Racism and Hate network	32	36	40	44

**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 B.C. communities are able to identify and respond to incidents of racism and hate. Therefore, increasing the number of communities involved in OARH strengthens British Columbia’s overall ability to foster a society “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.”

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	2016/17 Restated Estimates <sup>1</sup>	2017/18 Estimates	2018/19 Plan	2019/20 Plan
<b>Operating Expenses (\$000)</b>				
International Business Development.....	19,678	22,216	22,766	22,766
International Strategy and Competitiveness .....	8,974	8,991	9,019	9,019
Corporate Initiatives and Multiculturalism.....	1,627	1,631	1,638	1,638
Transfers to Crown Corporations and Agencies .....	18,300	19,050	19,550	19,550
Executive and Support Services .....	1,712	1,712	1,717	1,717
<b>Total .....</b>	<b>50,291</b>	<b>53,600</b>	<b>54,690</b>	<b>54,690</b>
<b>Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)</b>				
Executive and Support Services.....	1	1	1	1
<b>Total .....</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>

<sup>1</sup> For comparative purposes, amounts shown for 2016/17 have been restated to be consistent with the presentation of the 2017/18 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](http://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 \(BCIIF\)](#)

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 \(BCRCF\)](#)

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 \(FII\)](#)

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 \(MAC\)](#)

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](#)

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.