

Ministry of Finance

2020/21 Annual Service Plan Report



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Minister's Accountability Statement



The *Ministry of Finance 2020/21 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2020/21 – 2022/23 Service Plan* created in February 2020. I am accountable for those results as reported.

A handwritten signature in blue ink, appearing to read 'S. Robison', enclosed in a thin black rectangular box.

Honourable Selina Robison
Minister of Finance
August 9, 2021

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Letter from the Minister

I am pleased to present this report on the Ministry of Finance 2020/21 Service Plan. It comes as we begin to move forward from one of the most challenging years in the history of the province.

Over the past 16 months, B.C.'s strong economic foundation and fiscal prudence helped ensure that our government was able to make the decisions needed to help people and businesses through the pandemic. The way that our province has come through this challenge together is a testament to the tireless work of people right across government to ensure that people and businesses had the support they needed. This pandemic has certainly reminded us that we are stronger when we work together.

From day one, our government has had people's backs. Our pandemic response will see over \$10 billion invested to save lives and livelihoods. In the past year, the Ministry of Finance demonstrated a commitment to the people of our province both through the delivery of financial support to individuals and families and through the coordination of cross-government commitments in the COVID-19 Action Plan and the Stronger BC Recovery Plan.

The ministry's pandemic response programs provided tax-free relief to millions of people through the B.C. Recovery Benefit and the B.C. Emergency Benefit for Workers. Government incentivized employment recovery through a refundable tax credit for businesses that hired or rehired employees. A temporary rebate on PST for select machinery and equipment will continue to make it easier for businesses to adapt and fuel growth in the coming year.

In 2020, the ministry moved quickly with broad and fast relief by delaying or deferring taxes for business and reduced commercial property taxes. Government adapted, responding to new needs as they emerged. Our efforts became more targeted as the unequal recovery took hold in 2021, and we continued to support sectors that were affected by the restrictions needed to ensure health and safety.

The global pandemic created a global recession. B.C. fared better than most but still saw the economy shrink by 3.8 percent in 2020. Our strong economic foundation and fiscal prudence helped us through the pandemic and allowed B.C. to make investments that will help us lead the nation when it comes to economic recovery. We were well positioned at the start of this pandemic and remain so now as we plot a path to return to balanced budgets

Agriculture, business services, our diverse resource sector, and innovative areas like bio tech and clean tech are bright spots in a B.C. economy that experts predict will lead the way when it comes to recovery.

However, we know that not everyone is able to return to how it used to be. The divisions and inequities that we faced before the pandemic are still there and have deepened in some cases. Generation-defining challenges like climate change and lasting and meaningful reconciliation are still before us.

This government's strategic direction remains focused on making life more affordable for people, providing the services that people and businesses count on, investing in good paying jobs close to home, and protecting our environment by investing in a clean-energy future.

We move forward with hope, optimism, and the recognition that we have the responsibility to build back from one of the most difficult years in the history of our province in a way that will create opportunities for the people of our province in the years ahead.



Honourable Selina Robinson
Minister of Finance
August 9, 2021

Parliamentary Secretary's Statement

Our communities are stronger when all of us, in our diverse range of gender, race, class, sexual orientation, disability and ability, can reach our full potential.

While we are making progress towards ensuring equity for all people in B.C., systemic barriers still exist, which the COVID-19 global pandemic has highlighted and amplified.

For those who were already disadvantaged and marginalized, the impacts of COVID-19 have been even more difficult.

B.C. took immediate action to help people, businesses and communities and to ensure families, young people and those who are the most vulnerable are supported in the months and years ahead.

We have heard concerns from many social agencies that domestic and sexual violence have increased during the pandemic – both in frequency and severity. For Indigenous women and girls, non-binary people and those with disabilities, the incidents of violence are even greater.

It is for this reason that, in collaboration with the Ministry of Public Safety and Solicitor General, we have made significant investments to assist more community-based sexual assault response services throughout the Province.

This funding, along with ongoing investments for services such as counselling, outreach and crisis support for women and children who face violence, and investments in transition and safe homes, second stage housing and affordable housing spaces ensure people are getting the assistance they need.

We are also making significant investments in childcare, supporting families across the province, including those rebuilding their lives following the pandemic and those leaving violence. We know these investments are the key to giving parents, especially women, the opportunity to fully participate in the workplace.

As of 2021, B.C. has funded nearly 26,000 new licensed child care spaces, which has been the fastest creation of spaces in B.C.'s history. At the heart of each one of these spaces is a child and a family. They are the future of our communities and they deserve our support.

These important investments in childcare, along with training for good paying jobs, increasing the minimum wage, and eliminating the liquor server wage, also help us address the gender pay gap that still exists. In addition, we are in the midst of developing our plan to close the pay gap and are looking at other jurisdictions and what has worked well at achieving equal pay objectives.

All our policy and budget decisions are reviewed through a Gender-Based Analysis Plus (GBA+) lens. GBA+ is an analytical tool to assess the real or potential effects of our budgets, policies, programs and initiatives on diverse groups of people.

The BC Public Service, which is responsible for core government, also recognizes the importance of ensuring equity in both hiring and advancement of all employees. This includes

working to ensure diverse voices are heard. Women on public sector boards increased to more than 51 per cent at the end of 2020/21, which is a more than 23 per cent increase from 2017/18.

The COVID-19 pandemic has been a huge blow to many, especially women, who are over-represented in the sectors hardest hit by the pandemic. While we see many people and businesses regain their footing, it's vital that all people – especially those who already face disadvantages – are given the best possible opportunity to move forward.

This work is an essential foundation for a future where all people can reach their full potential. I am very grateful for the many partners, advocates and leaders who are helping to advance this important objective through social change and supporting those who most need our help.



Grace Lore, MLA
Parliamentary Secretary for Gender Equity
August 9, 2021

Purpose of the Annual Service Plan Report

The Annual Service Plan Report is designed to meet the requirements of the [Budget Transparency and Accountability Act](#) (BTAA), which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, the Minister is required to report on the actual results of the Ministry's performance related to the forecasted targets documented in the previous year's Service Plan.

Purpose of the Ministry

The Ministry of Finance plays a central role in managing government's fiscal, financial and taxation policies. Key responsibilities of the ministry include:

- Developing forecasts of the provincial economy; developing and monitoring government's capital plan and three-year fiscal plan; and managing significant risks and opportunities relating to the plan.
- Policy development with respect to provincial taxes.
- Oversight for government's financial, procurement and administrative governance as well as banking, corporate accounting, insurance, risk and debt management services.
- Performance and financial management audits of ministry, agency and Crown corporation programs and functions to help improve efficiency and ensure governance, management and control systems are operating effectively.
- Policy development for financial services, capital markets, pension plans, mortgage broker sectors, real estate services and societies.
- Providing policy advice with respect to federal-provincial fiscal arrangements and developments.
- Identifying and collecting amounts owed to the government in relation to statutes the ministry directly administers, as well as statutes administered by other ministries.
- Oversight of governance, corporate accountability and appointments to all Crown corporations, agencies, boards and commissions.
- Lead cross-government action to end gender-based violence, close the gender pay gap, and ensure gender equity is reflected in all budgets, policies, and programs.
- Oversight of strategic coordination of bargaining and labour relations, total compensation planning and human resource management for the broader public sector.
- Oversight of the responsibilities of the B.C. Steward of the Canada Pension Plan and the Canada Pension Plan Investment Board and the B.C. Government Partner of the jointly trusted public sector pension plans in B.C.
- Providing support to public infrastructure projects that are being developed through Community Benefits Agreements.
- Operation of the [Government House](#) and accountability for the [BC Securities Commission](#), the [BC Financial Services Authority](#), [BC Infrastructure Benefits, Infrastructure BC](#), and the [Real Estate Council of BC](#). As of November 26, 2020, the Minister of Finance is also responsible and accountable for [BC Assessment Authority](#), [BC Lottery Corporation](#) and [Liquor Distribution Branch](#).

Strategic Direction

The strategic direction set by Government in 2017, and expanded upon in Minister Carole James's 2017 [Mandate Letter](#) shaped the goals, objectives, performance measures and financial plan outlined in the 2020/21 Ministry of Finance [Service Plan](#) and the actual results reported on in this annual report.

The global COVID-19 pandemic resulted in many shifts in priorities, structures and operations across the public sector. Any changes to Ministry of Finance goals, objectives, performance measures or financial plan to align with the strategic direction established by Government in late 2020 are presented in the 2021/22 Service Plan.

Operating Environment

Across government, ministries have been resilient in working towards government's commitments during the COVID-19 pandemic. Our government has identified five foundational principles to guide each ministry's work: putting people first, lasting and meaningful reconciliation, equity and anti-racism, a better future through fighting climate change, and a strong, sustainable economy that works for everyone.

British Columbia's economy declined in 2020, as the negative impacts from the COVID-19 pandemic pushed economies all over the world into deep recessions. B.C.'s real GDP contraction of 3.8 per cent was the fourth smallest among provinces (behind Prince Edward Island, Nova Scotia, and New Brunswick). The decline in B.C.'s real GDP was almost entirely driven by service-producing industries, while goods-producing industries had modest declines. Output in the arts, entertainment and recreation, accommodation and food services and transportation were some of the main drivers of the decrease in the service sector. In B.C.'s goods producing sector declines in manufacturing and natural resources were partially offset by increases in the construction sector. Employment in B.C. decreased by 6.6 per cent in 2020. However, wages and salaries remained relatively stable compared to 2019 as low wage workers accounted for the majority of job losses. Retail trade increased by 1.3 per cent in 2020, while consumer prices increased by 0.8 per cent. Residential construction activity slowed but remained relatively strong, with housing starts declining in 2020 after experiencing all-time highs in 2019. In contrast, after declining for three consecutive years home sales reached record levels in late 2020. On the external front, global international trade experienced significant disruptions as the pandemic unfolded. B.C.'s international merchandise exports contracted in 2020 reflecting a combination of weaker global demand and lower commodity prices.

Pandemic Response

The Ministry of Finance has been committed to helping the people of British Columbia throughout the pandemic by providing services and relief to citizens and businesses. Over the past year, the Ministry has supported the B.C. Government's commitments with the COVID-19 Action Plan and the StrongerBC Recovery Plan that will greatly help in strengthening the province's economy.

The Ministry supported Treasury Board decision-making which led to \$7 billion in supplementary estimates for pandemic contingencies, ensuring funding was available for critical services, financial supports, and economic recovery.

To help individuals during the pandemic, the Ministry developed and implemented the BC Emergency Benefit for Workers (BCEBW), an urgent new program that delivered over \$642 million to support individuals whose ability to work was affected by the pandemic. The Ministry also implemented a temporary increase to the BC Climate Action Tax Credit in July of 2020. The BC Recovery Benefit (BCRB) was also implemented during the pandemic and administered \$1.3 billion to financially support B.C. residents.

To support businesses during the pandemic the Ministry implemented an on average 25 per cent cut in commercial property taxes, worked with the federal government to provide commercial rent assistance, and created a commercial tenancy eviction ban. To help support economic recovery the Ministry implemented the PST Rebate on Select Machinery and Equipment and the Increased Employment Incentive.

The Ministry developed and implemented several other supports to individuals and businesses, including: a one-time Climate Action Tax Credit enhancement; a delay to the scheduled increase of the carbon tax rate and other Budget 2020 tax measures to April 1, 2021; and the extension of tax filing and payment deadlines for the employer health tax, provincial sales tax, municipal and regional district tax on short-term accommodation, tobacco tax, motor fuel tax, and carbon tax.

Support was also provided to the Premier's negotiation of \$2 billion in federal funding under the Safe Restart Agreement, providing relief to health care, child care, vulnerable British Columbians, local governments and public transit. Ministry discussions with the federal Department of Finance regarding health care costs supported the federal decision to allocate to B.C. a \$542 million top-up to the Canada Health Transfer and \$135 million for its vaccination program. The Ministry negotiated an agreement for \$371 million in federal funding relating to the Essential Workers Support Fund; with this funding, the Ministry administered the Temporary Pandemic Pay program, which provided support to front-line workers in B.C.'s health care system, social services and corrections. The Ministry also supported the Ministry of Energy, Mines and Low Carbon Innovation in its negotiation of \$120 million in federal funding to support cleaning up oil and gas sites.

Furthermore, the Ministry was able to successfully obtain funding on behalf of government, despite added difficulties of unprecedented volatility in the capital and money markets. A substantial amount of \$11.8 billion was raised, with funding costs being lower than any other province. The responsible and effective bond issuance supported the necessary funding of the COVID Relief Fund, the Transportation Finance Corp., BC Hydro and other innumerable Consolidated Revenue Fund (CRF) draws for government's operating and capital expenditures.

Despite the economic impacts of the pandemic, the province is continuing to be well positioned towards a healthy restart of the economy. The Ministry is working closely with other ministries to accomplish our government's plan to improve the lives of British Columbians in a post-pandemic world.

Report on Performance: Goals, Objectives, Measures and Targets

Goal 1: Sound and transparent management of government’s finances

The ministry is responsible for achieving government’s goal of balancing the needs and priorities of British Columbians within a balanced fiscal plan. This includes management of government’s fiscal plan, oversight of financial monitoring and reporting, and administration of the province’s tax system.

Objective 1.1: Effective management of government’s fiscal plan

The government’s ability to achieve a sustainable fiscal environment relies on the development and maintenance of a prudent and resilient fiscal plan. The ministry plays a critical role in overseeing the fiscal plan and works closely with provincial ministries and other public sector partners to ensure that government’s annual and three-year revenue, operating and capital expenditure targets are met, and government priorities are reflected. In addition, the ministry leads negotiations with the federal government on major federal transfers.

Key Highlights

- Supported government’s response to the COVID-19 pandemic with analysis and estimates of appropriations needed to support families, individuals, and businesses to withstand and recover from the pandemic’s impacts. This included development of Vote 53 Contingencies which provided an additional \$1 billion of net spending appropriation for the Province to support cost-share arrangements for municipal and transit funding; and additional Supplementary Estimates of \$2 billion for Pandemic Contingencies which was passed on December 17, 2020, increasing the total amount of Pandemic Contingencies to \$7 billion.
- Successfully completed the Province’s \$14.4 billion long-term borrowing program for 2020/21 to ensure funding was available to meet unprecedented essential service and capital requirements during the pandemic outbreak.
- Managed and forecasted cashflows into and out of the consolidated revenue fund in the amount of over \$150 billion dollars. Also, managed the Province’s central deposit program of \$2.5 billion, which represents deposits from the public sector and are used to minimize borrowing by the Province.
- Planned and participated in virtual investor relation venues led by the Minister of Finance and staff as travel was restricted due to the pandemic.

Performance Measure(s)	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
1.1 Balanced Budget ¹	(\$321)	\$227	(\$5,468)	\$179M ¹	\$374M ¹

Data source: *British Columbia Budget and Fiscal Plan 2021/22 – 2023/24*

¹The targets for this performance measure were changed in the [2021/22 Service Plan](#) to reflect new budget targets.

Discussion of Results

The Province's fiscal plan, including the fiscal results for 2020/21, was impacted by the unprecedented COVID-19 pandemic. The Balanced Budget performance measure for 2020/21 could not be achieved in the pandemic context, and *Budget 2021* implemented a process which included fiscal guardrails to help maintain fiscal discipline and guide government's decision-making while B.C. continued to manage its response to the pandemic and prepare for recovery. These guardrails included: year-over-year declining deficits, targeted spending criteria, increased prudence levels, the use of time-limited Pandemic and Recovery Contingencies, 'Best in Class' debt metrics, and transparent and timely reporting.

Objective 1.2: Accountable, efficient and transparent financial and program management across government

Key Highlights

- Ministry of Finance prepared quarterly reports in accordance with statutory requirements, incorporating an appropriate amount of prudence relative to the private sector outlook, and provided enhanced reporting on pandemic-related spending during the 2020/21 fiscal year. In addition to the legislated reports, the ministry issued an economic and fiscal update in July 2020 to provide timely and transparent reporting of the effects of the pandemic on Province's fiscal plan.
- Supported the public service in delivering governments equity and anti racism foundational principles through GBA+ training and enhanced tools.
- Continued with the structured approach to keep Government's Core Policy current, relevant and responsive to change.
- Continued to deliver a risk-based data-centric compliance model to strengthen internal controls, build financial capacity, mitigate financial risk and improve program outcomes in Government.
- Developed tools and awareness for fraud identification process and prepared to expand these tools and deliver training in 2021/2022.
- Continued to deliver the 5-year Strategic Plan for Internal Audit focused on reducing risk in Government and enhancing value for British Columbians. Additionally, implemented an IT Audit Strategy and prepared to extend the approved Audit Plan into 2021/2022.
- Consolidated and released financial results for each quarter of fiscal 2020/21 supporting Government's transparency and accountability to the public.

Performance Measure(s)	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
1.2 Audit opinion provided by the Office of the Auditor General ¹	Qualified but positive audit opinion from the Auditor General	<i>Public Accounts</i> in accordance with GAAP	Qualified but positive audit opinion from the Auditor General	<i>Public Accounts</i> in accordance with GAAP	<i>Public Accounts</i> in accordance with GAAP

¹Data source: Release of *Public Accounts*.

Discussion of Results

The [2020/21 Public Accounts](#) were released on July 28, 2021.

Objective 1.3: Responsive, fair and effective revenue, tax and benefit administration

Key Highlights

- Worked with citizens, clients, stakeholders and other jurisdictions to ensure tax, revenue and benefit programs are effectively administered, including compliance and enforcement activities.
- Helped improve and promote citizen-centred tax information and education to ensure individuals and businesses fully understand the benefits to which they are entitled, their financial obligations and to ensure everyone pays their fair share of taxes.
- Continued to implement new technology and process improvements to the tax administration system that improves the citizen experience, increases engagement with clients, enhances self-service options, including access to benefits and enable effective compliance and enforcement activities.
- Completion of the Revenue Services Transition Project and successful repatriation of revenue management and IM/IT services previously managed under contract back into government.

Performance Measure(s)	2018/19 Baseline	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
1.3a Percentage of on-time payments ¹	97.75%	97.84%	Upward Trend	97.75%	Upward Trend	Upward Trend
1.3b Cost to collect one dollar of tax revenue ¹	\$0.0059	\$0.0054	Downward Trend	\$0.0062	Downward Trend	Downward Trend
1.3c Accounts receivable as a percentage of total tax revenue ¹	1.43%	3.07%	Downward Trend	4.15%	Downward Trend	Downward Trend

¹Data source: Revenue Division Information Systems

Discussion of Results

1.3a: Percentage of on-time payments

In 2020/21, there was a slight increase in late and delinquent tax payments, resulting in a small decrease in the percentage of on-time payments.

1.3b: Cost to collect one dollar

In 2020/21, Ministry shifted its efforts away from most audit and debt collection activities as a result of the COVID-19 pandemic. This shift reduced incremental revenue and together with an increase in the Revenue Division's budget to deliver pandemic programs such as the BC Emergency Benefit for Workers (BCEBW) and the BC Recovery Benefit Program (BCRBP) resulted in an increase in the cost to collect each dollar of tax revenue.

1.3c: Accounts receivable as a percentage of tax revenue

In 2020/2021, the Ministry shifted its efforts away from most debt collection activities as a result of the COVID-19 pandemic. In addition, there was a slight increase in late and delinquent tax payments. Together, these resulted in an increase in the accounts receivables as a percentage of tax revenue.

Goal 2: Strong, sustainable and innovative economy

The ministry has a critical role in helping to make B.C.'s tax system fair for all citizens, bringing the housing market back into balance, supporting a robust regulatory environment and making B.C.'s tax system fair for all citizens.

Objective 2.1: A modern, progressive and fair tax system and a robust regulatory environment

A tax system that is perceived by British Columbians to be fair increases their confidence in government. Furthermore, the Province's ability to support a strong economy depends on a regulatory environment that is benchmarked nationally and internationally. Jurisdictions with competitive tax regimes and regulatory frameworks are successful in attracting and retaining personal and business investment.

Key Highlights

- Supported government's Covid-19 Action Plan and the StrongerBC Recovery plan through a suite of tax and other measures.
- Ensured financial services and real estate regulatory frameworks are efficient and effective and protect the public interest.
- Continued to work with other provinces and territories to establish standards for capital market regulation that protects and supports B.C.'s interests and ensures the province's securities industry is not negatively impacted.
- Expanded data analytics capacity in the Ministry to support evidence-based decision making, particularly in the development of tax policy.

Performance Measure(s)	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
2.1a Provincial ranking of corporate income tax rates ¹	4th Lowest	Remain in lowest four	4 th Lowest	Remain in lowest four	Remain in lowest four
2.1b Provincial ranking of personal income tax rates for bottom bracket ¹	2nd Lowest	Remain in lowest two	2 nd Lowest	Remain in lowest two	Remain in lowest two
2.1c Provincial ranking of personal income tax rates for second lowest bracket ¹	Lowest	Remain lowest	Lowest	Remain lowest	Remain lowest

Data source: Published legislation and budgets from all 10 provinces.

Discussion of Results

2.1a: Provincial ranking of corporate income tax rates

The measure of the provincial ranking of corporate income tax rates compares the general corporate income tax rate in British Columbia, as of March 31 each year, to those of other provinces in Canada. The targets reflect Government’s commitment to maintaining a competitive tax environment that fosters economic growth by encouraging business investment and promoting a business-friendly environment.

As of March 31, 2021, British Columbia was tied for the fourth lowest corporate income tax rate among provinces in Canada, meeting the target for 2020/21

2.1b and 2.1c: Provincial ranking of personal income tax rates for bottom (2.1b) and second lowest (2.1c) brackets

The two measures of the provincial ranking of personal income tax rates compare British Columbia’s personal income tax rates for the bottom two tax brackets, as of March 31 each year, with those of the other nine provinces. These targets demonstrate Government’s commitment to maintaining low tax rates for individuals and families living and working in British Columbia.

In 2020/2021, British Columbia met or exceeded all three performance targets, providing fair and competitive income tax rates for businesses, individuals and families.

Objective 2.2: A fair and transparent housing market

Key Highlights

- Continued to implement the ministry’s commitments in Government’s Homes for BC: a 30-Point Plan for Housing.
- Worked with the Real Estate Council of BC and the BC Financial Services Authority to prepare for the transition to a single regulator for the B.C. real estate industry, including development of enabling legislation.
- Strengthened consumer protection in B.C.’s real estate market through oversight of real state licensees and addressing unlicensed and illegal real estate activity including money laundering.

- Monitored effects of the speculation and vacancy tax, and the foreign buyers' tax to ensure desired results are achieved.
- Worked with federal government and the B.C. financial services regulators to address money laundering.

Performance Measure(s)	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
2.2 Residential sales-to-new listing ratio ¹	54%	Ratio between 40% and 60%	65%	Ratio between 40% and 60%	Ratio between 40% and 60%

Data source: Haver Analytics/Canadian Real Estate Association.

¹ The data used for this measure are for the calendar year that ends in the stated fiscal year (e.g. 2020 calendar year data are used for 2020/21).

Discussion of Results

This measure is the ratio between the number of housing unit sales and the number of new listings entering the market annually in the Province on average. In general, a ratio between 40 per cent and 60 per cent indicates a balanced market in which prices are likely to grow at a moderate pace. The residential sales-to-new-listing ratio in B.C. was 65 per cent in 2020, slightly outside the target range of 40 per cent to 60 per cent. During the pandemic, resilient higher-wage employment, low interest rates, and increased demand for larger dwellings by remote workers fuelled housing demand. As such, home sales increased by 21.5 per cent in 2020 compared to 2019, after declining for three consecutive years. The average sale price of residential properties in B.C. increased by 11.6 per cent in 2020 compared to the previous year.

The B.C. housing market and its stability is affected by a multitude of factors (including the low interest rates implemented following the pandemic), only some of which are influenced by Ministry policies.

Objective 2.3: Effective oversight of public sector organizations

Key Highlights

- Continue to ensure that GBA+ is effectively implemented through training and being responsive to the public service's needs in terms of resources and tools.
- The ministry continued to engage with public sector organizations to analyze and identify key financial risks in order to support Treasury Board in carrying out its oversight responsibilities related to financial requests of public sector organizations and matters with financial implications across the Government Reporting Entity.
- Establishment of the Governing in the Public Interest Certificate Program for appointees to Public Sector Organizations.

Performance Measure(s)	2017/18 Baseline	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
2.3 Women make up a minimum of 50% of government-appointed members on public sector organization boards ¹	41.5%	50.15%	50%	51.3%	50%	50%

¹Data source: Internal Ministry data.

Discussion of Results

One way to measure the effectiveness of government’s oversight of public sector organizations is by tracking how representative boards are of the diversity of B.C., as strong boards that reflect the diversity of B.C. will help achieve effective and citizen-centred governance. To support strong boards that reflect the diversity of the province, proactive measures have been taken to recruit women, visible minorities, Indigenous Peoples, persons with disabilities, persons of diverse sexual orientation, gender identity or expression (LGBTQ2S+), and others who may contribute to the diversity in public sector board appointments. The proportion of men and women appointed by government to public sector organizations was a starting point to begin measuring progress. As of the end of 2020/21, women made up 51.3% of government-appointed members on public sector organization boards, exceeding the target of 50%. Since the establishment of this performance measure in the 2020/21 Service Plan, the Ministry of Finance has initiated a robust system to track the diversity of appointees and progress is being made. Public appointees are supported in their governance work through Governing in the Public Interest Certificate Training.

Objective 2.4: Provide support to all ministries in the delivery of community benefits on public infrastructure projects.

Key Highlights

- Supported Government’s community benefits objectives through the development of the Community Benefits Framework policy, which ensures public infrastructure spending delivers more opportunities for apprenticeship completions and training, increased opportunities for Indigenous peoples, women and other equity seeking groups, good paying jobs, improved access for local business and workers, and consideration of environmentally beneficial practices.
- Encouraged and supported the delivery of community benefits across ministries on select projects and collected data on community benefits objectives.
- Ensured regular reporting of community benefits objectives to demonstrate the progress of the Community Benefits Framework policy.

Discussion of Results

Progress on the Community Benefits Framework development continued in 2020/21 with foundational components of the overall framework drafted. This includes proposed processes to integrate community benefits in the capital planning process.

A group of policy ministries was established in 2020/21 to review the community benefits objectives, the intended outcomes and how to measure them. This initial work will help shape the development of the performance management framework including corporate reporting on performance measures for the Community Benefits Framework, as well as a performance measure for future service plans.

Financial Report

Financial Summary

	Estimated	Other Authorizations ¹	Total Estimated	Actual	Variance
Operating Expenses (\$000)					
Treasury Board Staff	6,847	211	7,058	7,348	290
Office of the Comptroller General	21,636	0	21,636	20,839	(797)
Treasury	1	0	1	0	(1)
Revenue Division	183,088	51,536	234,624	240,525	5,901
Policy and Legislation	7,379	10,369	17,748	18,340	592
Public Sector Employers' Council Secretariat	16,787	0	16,787	16,601	(186)
Crown Agencies and Board Resourcing Office	1,436	0	1,436	2,104	668
Executive and Support Services	30,317	0	30,317	23,849	(6,468)
Crown Agencies Secretariat	0	2,716	2,716	2,716	0
Assessment Services	0	1	1	1	0
Assessment Policy and Support	0	574	574	461	(113)
Housing Priority Initiatives Special Account	456,289	195,578	651,867	651,867	0
Insurance and Risk Management Account	4,573	1,561	6,134	6,134	0
Provincial Home Acquisition Wind Up Special Account	10	0	10	0	(10)
Financial Administration Act	0	690,629	690,629	690,629	0
Sub-total	728,363	953,174	1,681,537	1,681,414	(123)
Insurance and Risk Management Account Prior Year Accrual ²	0	0	0	(2)	(2)
Other Adjustments of Prior Year Accrual ²	0	0	0	(675)	(675)
Total	728,363	953,174	1,681,537	1,680,737	(800)
Ministry Capital Expenditures (\$000)					
Executive and Support Services ³	133	0	133	23	(110)
Total	133	0	133	23	(110)

	Estimated	Other Authorizations ¹	Total Estimated	Actual	Variance
Other Financing Transactions (\$000)					
Reconstruction Loan Portfolio (Homeowner Protection Act Loan Program)					
Receipts	(2,000)	0	(2,000)	(2,984)	(984)
Disbursements	5	0	5	0	(5)
Net Cash Requirements (Source)	(1,995)	0	(1,995)	(2,984)	(989)
Student Aid BC Loan Program					
Receipts	(115,000)	0	(115,000)	(114,156)	844
Disbursements	230,000	0	230,000	183,555	(46,445)
Net Cash Requirements (Source)	115,000	0	115,000	69,399	(45,601)
International Fuel Tax Agreement Motor Fuel Tax Act					
Receipts	(16,000)	0	(16,000)	(15,604)	396
Disbursements	5,000	1,081	6,081	6,081	0
Net Cash Requirements (Source)	(11,000)	1,081	(9,919)	(9,523)	396
Land Tax Deferment Act					
Receipts	(75,000)	0	(75,000)	(127,424)	(52,424)
Disbursements	310,000	0	310,000	298,325	(11,675)
Net Cash Requirements (Source)	235,000	0	235,000	170,901	(64,099)
Improvement District Loans (Local Government Act)					
Receipts	(1,300)	0	(1,300)	(1,881)	(581)
Disbursements	1,800	0	1,800	1,590	(210)
Net Cash Requirements (Source)	500	0	500	(291)	(791)
Total Receipts	(209,300)	0	(209,300)	(262,049)	(52,749)
Total Disbursements	546,805	1,081	547,886	489,551	(58,335)
Total Net Cash Requirements (Source)	337,505	1,081	338,586	227,502	(111,084)

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. In 2020/21, other authorizations included:

- Statutory appropriation under section 26(2) of the *Financial Administration Act* for costs related to funding provided to reflect ministry allocation for ratified collective agreements, as of March 31, 2021, under the Sustainable Services Negotiating Mandate (\$357.855 million) and for Temporary Pandemic Pay (\$332.774 million).
- Statutory appropriation under section 9.7(3) of the *Special Accounts Appropriation and Control Act* to fund the ongoing decampment strategy and related hotel purchases (\$195.578 million).

- Approved funding from the Contingencies (All Ministries) and New Programs Vote (\$55.086 million) consisting of \$31.658 million for the extension of the ESIT Advanced Solutions for Revenue Services, \$6.200 million for the Core Regulatory Suite Project, \$4.471 million for the administration of tax measures, \$4.236 million for the repatriation and transition of Revenue Services, \$3.830 million for the establishment of the BC Financial Services Authority, \$2.566 million for the Revenue Services Transition Project, \$1.575 million for the ICBC Autoplan Care Enhancement Project and \$0.550 million for resourcing costs.
- Approved funding from the Contingencies (All Ministries): Pandemic Response and Economic Recovery Vote (\$8.605 million) consisting of \$8.090 million for implementing and administering the B.C. Recovery Benefit Program and \$0.515 million for COVID-19 Action Plan administration costs.
- Crown Agencies Secretariat reorganization and related budget transfers from the Ministry of Attorney General (\$1.141 million).
- Assessment Policy Support and Assessment Services reorganization and related budget transfers from the Ministry of Municipal Affairs (\$0.575 million).

² The Adjustment of Prior Year Accrual of \$0.677 million is a reversal of accruals in the previous year.

³ Capital budget is used to purchase assets on a needs basis.

Appendix A: Government Communications and Public Engagement

Purpose of the Organization

Government Communications and Public Engagement (GCPE) provides centralized communications management and services for government. The mandate of GCPE is to ensure British Columbians are informed about programs, policies and services that affect them – and to communicate essential features and changes in these areas through traditional communication practices, direct engagement and online services.

Key Highlights

- In 2020/21, GCPE informed British Columbians on public health guidance and vaccination programs through multiple campaigns.
- The WorkBC and StrongerBC information campaigns connected people, workers, and business.
- Parents and students were informed about changes to enhance school safety for in-class learning during the pandemic.
- Livestreams of the daily COVID-19 and government announcements kept British Columbians informed and safe.
- Teams adapted processes to physical distancing guidelines to remain effective, deliver services and remain connected to media.
- GCPE continued to expand translation of materials, including the following languages: Arabic, Chinese, French, Hindi, Japanese, Korean, Persian, Punjabi, Spanish Tagalog, Urdu and Vietnamese to ensure important government information reached all British Columbians.

Financial Summary

(\$000s)	2019/20 Actual	2020/21 Budget ¹	2020/21 Actual ¹
Revenues	0,000	0,000	0,000
Expenses	33,432	28,326	39,677
Net Income	(33,432)	(28,326)	(39,677)

¹ The 2020/21 Budget and Actual includes Supplementary Estimates, Statutory Appropriations and Contingencies of \$11,351M.

Appendix B: Public Sector Employers' Council Secretariat

Purpose of the Organization

The Public Sector Employers' Council Secretariat (PSEC Secretariat) supports government in providing strategic direction in human resource management and labour relations, including the administration, development and implementation of labour relations policies for the broader provincial public sector.

The PSEC Secretariat also supports the Minister of Finance in directing employers to create compensation plans for excluded and executive employees. The PSEC Secretariat represents government in its role as a partner in four B.C. jointly trustee public sector pension plans¹, working with other partners to ensure plan sustainability, monitor risk exposure and provide policy advice to both government and public sector employers, and the B.C. Canada Pension Plan Steward, working with representatives with the provinces and territories to ensure the long term sustainability of the Canada Pension Plan. The central agency's authority is contained in the [Public Sector Employers Act](#). The authority related to the B.C. jointly trustee public sector pension plans is based on the [Public Sector Pension Plans Act](#), the joint trust agreements, and the *B.C. Government Pension Plan Partner Governance Framework*. The authority related to the Canada Pension Plan is based on the *Federal Income Tax Act* (<https://laws-lois.justice.gc.ca/eng/acts/I-3.3/>) and the *B.C. Steward: Canada Pension Plan and Canada Pension Plan Investment Board Stewardship Framework*.

Employers' Associations

The mandates and purposes of employers' associations include coordinating compensation, benefit administration, bargaining and labour relations within their respective sectors, as outlined in [sections 6 and 7 of the Public Sector Employers Act](#). There are six public sector employers' associations:

- [British Columbia Public School Employers' Association \(BCPSEA\)](#)
- [Community Social Services Employers' Association \(CSSEA\)](#)
- [Crown Corporations Employers' Association \(CCEA\)](#)
- [Health Employers Association of British Columbia \(HEABC\)](#)
- [Post-Secondary Employers' Association \(PSEA\)](#)
- [University Public Sector Employers' Association \(UPSEA\)](#)

BCPSEA, CSSEA, HEABC, and PSEA serve as the accredited employer bargaining agents for their respective sectors and their funding is provided by the PSEC Secretariat. CCEA and UPSEA play a coordination and information-sharing role but do not serve as bargaining agents for their member-employers.

¹ The four pension plans contained in the *Public Sector Pension Plans Act* are: College Pension Plan, Municipal Pension Plan, Public Service Pension Plan, and Teachers' Pension Plan. For more information see [PensionsBC.ca](https://pensionsbc.ca)

Key Highlights

- Substantially completed bargaining under the 2019 Sustainable Services Negotiating Mandate with 99% of employees covered by collective agreements and only five outstanding agreements yet to be settled.
- Consulted with employers' associations, line ministries and unions in preparation for developing the next bargaining mandate in advance of the expiry of the majority of agreements between April 1 and June 30, 2022.
- Implemented the executive compensation freeze policy for executive-level employees for the 2020/21 performance year that took effect on August 31, 2020.
- The PSEC Secretariat supported public sector employers on issues of coordination and workforce response strategies related to the COVID-19 pandemic.
- Completed plan redesign across all four jointly trustee public sector pension plans, which improved equity in the benefits and contributions for members and employers, improved long-term sustainability of the plans, and better aligned benefits with how members use them.
- Completed the triennial review of the Canada Pension Plan, resulting in assurance of the long-term sustainability of the plan and no recommendations for changes in benefits or contributions.

Financial Summary

(\$000s)	2019/20 Actual	2020/21 Budget	2020/21 Actual
Revenues	0,000	0,000	0,000
Expenses	16,790	16,787	16,601
Net Income	(16,790)	(16,787)	(16,601)

Appendix C: Public Service Agency

Purpose of the Organization

The BC Public Service Agency (Agency) provides human resource leadership, expertise, services and programs that contribute to better business performance of ministries and government as a whole.

Key Highlights

- Supported the health and safety of BC Public Service employees during the COVID-19 pandemic, while supporting ministries to ensure uninterrupted service to British Columbians. This included facilitating widespread adoption of remote work practices where operationally feasible, along with implementation of workplace safety measures consistent with WorkSafeBC and Provincial Health Officer requirements in every government workplace.
- Delivery of the Corporate Plan for the BC Public Service in September 2020, setting out commitments to ensure British Columbians have the talented, trusted and modern public service workforce needed to meet their expectations.
- Release of *Where We All Belong*, the new Diversity and Inclusion Strategy for the BC Public Service and supporting resources to ensure the public service is inclusive and reflective of the population it serves.
- Continued implementation of the Public Interest Disclosure Act and supporting measures to further strengthen the ethical framework for the BC Public Service.

Financial Summary

(\$000s)	2019/20 Actual	2020/21 Budget	2020/21 Actual
Revenues	0,000	0,000	0,000
Expenses	134,654	124,084	106,427
Net Income	(134,803)^{1,2}	(124,084)	(100,824)^{1,2}

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.

² The Adjustment of Prior Year Accrual of \$0.149 million (Fiscal 2019/20) and \$5.603 million (Fiscal 2020/21) are reversal of accruals in the previous year.

Appendix D: Agencies, Boards, Commissions and Tribunals

As of November 26, 2020, the Minister of Finance is responsible and accountable for the following:

Crown Corporations

- BC Assessment Authority: www.bcassessment.ca
- BC Financial Services Authority: www.bcfsa.ca
- BC Infrastructure Benefits: www.bcib.ca
- BC Lottery Corporation: www.bclc.com
- BC Securities Commission: www.bcsc.bc.ca
- Infrastructure BC: www.infrastructurebc.com
- Real Estate Council of British Columbia: www.recbc.ca
- Real Estate Foundation of British Columbia: www.refbc.com

Other Key Organizations

- British Columbia Investment Management Corporation (BCI): www.bci.ca
- Credit Union Deposit Insurance Corporation: www.cudicbc.ca
- Insurance Council of British Columbia: www.insurancecouncilofbc.com
- Liquor Distribution Branch: www.bcldb.com