

Ministry of Finance

2022/23
Annual Service Plan Report

August 2023



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Minister's Accountability Statement



The Ministry of Finance 2022/23 Annual Service Plan Report compares the Ministry's actual results to the expected results identified in the 2022/23 – 2024/25 Service Plan published in 2022. I am accountable for those results as reported.

A handwritten signature in black ink that reads "Katrine Conroy". The signature is fluid and cursive, with the first name and last name clearly distinguishable.

Honourable Katrine Conroy

Minister of Finance and Minister responsible for the Columbia Basin Trust, Columbia Power Corporation, and the Columbia River Treaty
August 17, 2023

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Letter from the Minister

As British Columbia's Minister of Finance, I am pleased to present the 2022/23 Annual Service Plan Report, which reflects the hard work and dedication of Ministry of Finance staff and people throughout B.C.

While B.C. remains an economic leader in Canada, the past year has been a challenge for many people. Global inflation is squeezing household budgets, and it's getting harder for people to afford the things they need. Our government responded by taking action to lower costs and deliver financial supports for the people of British Columbia. We made important investments to build up communities, enhance public health care, and build more homes, faster.

In Budget 2022, we made the choices needed to build a stronger B.C. and make life better for people, by investing in our economic, environmental and social strengths.

We supported bold actions to fight climate change and protect people and communities from climate-related disasters, saved families thousands by reducing childcare costs, invested to grow an inclusive and sustainable economy, and continued to strengthen the public services people rely on.

We supported growing communities through major infrastructure investments in schools, highways, hospitals and other capital projects that support good-paying jobs and a high-quality of life in our communities.

As we look ahead, British Columbia continues to be in a strong position to support people through new global challenges. We're building on our work to deliver more homes people need, protect rental housing, and make sure homes are for people, not speculators. We're continuing to lower costs for people by expanding supports like the BC Family Benefit, and introducing free contraception for everyone in B.C. We're making important investments to build up communities and enhance our public health care.

We will continue to invest in people and remain committed to strong fiscal transparency and accountability as we work towards a future that works for everyone.



Honourable Katrine Conroy
Minister of Finance
August 17, 2023

Purpose of the Annual Service Plan Report

This annual service plan report has been developed 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 stated in the service plan for the reported year.

Strategic Direction

The strategic direction set by Government in 2020 and Minister Selina Robinson's [2020 Mandate Letter](#) shaped the goals, objectives, performance measures and financial plan outlined in the [Ministry of Finance 2022/23 – 2024/25 Service Plan](#) and the actual results reported on in this annual report.

Purpose of the Ministry

The Ministry of Finance is responsible for developing and implementing the core financial functions of the Government of British Columbia. Key functions of the ministry include economic, fiscal, and financial policy, revenue and tax administration, budgeting and forecasting, accounting, investment planning, debt management, banking services, security and risk management, and internal audit and compliance monitoring. The ministry is also responsible for the province's revenue, tax and benefit administration and is committed to ensuring gender equity is reflected in government budgets, policies, and programs.

The Ministry of Finance carries out all activities related to the coordination of public spending, including the preparation of the province's annual budget, three-year fiscal plan, estimates and quarterly reports. The ministry plays a key role in providing professional, well-informed advice to Treasury Board and Cabinet to support other ministries, crowns, agencies, and boards in delivering services to citizens of British Columbia and helping government achieve its priorities and commitments.

The Minister of Finance is accountable for ensuring that their responsibilities are fulfilled both within their portfolio and with respect to the authorities assigned through legislation. In particular, the Minister has direct responsibility for a number of acts as well as fiscal and tax policy relating to other acts that are under the responsibility of other ministers.

The Minister is accountable for several agencies:

- BC Public Service Agency
- Crown Agencies Secretariat
- Government Communications and Public Engagement
- Public Sector Employers' Council

The Minister is also accountable for the following crown agencies:

- BC Assessment
- BC Financial Services Authority
- BC Infrastructure Benefits
- Infrastructure BC
- BC Lottery Corporation
- BC Securities Commission
- Columbia Basin Trust
- Columbia Power Corporation

Operating Environment

On December 7, 2022, the Honourable Katrine Conroy was appointed as the Minister of Finance and Minister Responsible for the Columbia Basin Trust, Columbia Power Corporation, and the Columbia River Treaty. At the same time, Kelli Paddon was appointed as Parliamentary Secretary for Gender Equity.

Across government and with leadership from the Ministry of Finance, ministries have been working towards government's *Budget 2022* commitments to build a stronger B.C. and make life better for people, by investing in B.C.'s economic, environmental and social strengths, while supporting British Columbians in a period of recovery from the COVID-19 pandemic.

After rebounding rapidly in 2021, British Columbia's economy saw slower but still strong growth in 2022. B.C.'s real GDP growth of 3.6 percent last year was the fourth highest among provinces (tied with Ontario) and grew at the same pace as the national average, following growth of 6.2 percent in 2021. Growth in B.C.'s real GDP was mostly supported by service-producing industries such as transportation and warehousing, accommodation and food services, and professional, scientific and technical services. Goods-producing industries also experienced growth led by construction.

While B.C.'s recovery broadened in 2022, it remained uneven as sectors such as transportation and warehousing; accommodation and food services; and arts, entertainment and recreation have yet to fully recover to pre-pandemic levels. On the external front, B.C.'s international merchandise exports grew by 20.4 percent, boosted by strong commodity prices in the first half of 2022.

Government revenues in 2022/23 were higher than budget estimates resulting in a significant improvement in British Columbia's fiscal position, with an operating surplus and a lower debt balance. Last year, prices rose dramatically as strong demand for goods and services was met with lingering supply-chain challenges and high prices for global commodities following Russia's invasion of Ukraine. The Bank of Canada raised interest rates sharply to contain inflationary pressure.

Overall, the Ministry of Finance assisted other ministries to address new and ongoing challenges including global inflation and the continued recovery from the COVID-19 pandemic.

Report on Performance: Goals, Objectives, and Results

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

Objective 1.1: Effective management of government's fiscal plan

The ministry plays a critical role in overseeing the development of 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, while achieving government's priorities.

Key results

- Prepared the annual Budget and Fiscal Plan, Estimates and quarterly reports in accordance with statutory requirements, prudent relative to the private sector outlook. The ministry also continued to provide enhanced reporting on pandemic-related and flood recovery spending during the 2022/23 fiscal year.
- Managed the province's relationship with rating agencies. British Columbia maintains its strong credit rating which ranks as highest among the other provinces.
- Managed cash and debt issuance to minimize borrowing requirements and debt service costs. For example, the Ministry of Finance managed the Province's Central Deposit Program of \$2.9 billion which represents deposits from the public sector and are used to minimize borrowing by the province.

Summary of progress made in 2022/23

The province's fiscal results for 2022/23 exceeded budget targets due in part to better-than-expected economic recovery in 2021 and 2022. This resulted in significant revenue improvement which allowed government to fund additional priorities through supplementary estimates¹. The fiscal framework and guardrails that guide government budget planning have supported government to address near-term needs of British Columbians while balancing long-term fiscal sustainability.

The province's borrowing program was completed as set out in the fiscal plan by accessing the lowest cost debt available from the domestic and offshore capital markets, while managing interest rate and foreign currency risks, among others.

¹ Supplementary Estimates grant approval for one-time expenditures to cover additional spending on items that were unknown at budget time. Supplementary Estimates are presented to the Legislative Assembly to be voted on and passed as supplementary Supply Acts.

Performance measure(s) and related discussion

Performance Measure	2021/22 Actual	2022/23 Target	2022/23 Actual
1.1 Meet or exceed current year budget targets as set out in government's fiscal plan ¹	\$1,306M	(\$5,461M)	\$704M

Data source: British Columbia Budget and Fiscal Plan

¹PM 1.1 targets for 2023/24 and 2024/25 were stated in the 2022/23 service plan as (\$4,182M) and (\$3,181M), respectively.

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

The ministry is accountable, efficient and transparent for the use of public funds and assists the public sector to do the same. The government's financial control framework guides ministry and public sector activities in areas such as procurement and spending and is monitored through account reconciliation and quarterly budget approvals.

Key results

- Ensured treasury, risk management and security services aligned with related policies and supported the requirements of government and public sector clients.
- Produced the province's first "BC Environmental Social Governance (ESG) Summary Report."
- Completed the Annual Corporate Risks Report for the Deputy Minister's Council.
- Prepared the annual Public Accounts in accordance with generally accepted accounting principles (GAAP) including the implementation of five new Canadian public sector accounting standards, and updated government's Core Policy and Procedures Manual to include new Public Sector Account Standards which support the reporting of Public Accounts in accordance with GAAP.
- Developed audit tools and techniques to support ministry teams, mature programs, mitigate financial risks, and meet directives of Treasury Board.

Summary of progress made in 2022/23

Release of the "BC ESG Summary Report" was a milestone by profiling the province's significant ESG credentials for the financial community, stakeholders and the public. The report explains how ESG is incorporated into government policies, programs and capital projects.

Performance measure(s) and related discussion

Performance Measure	2021/22 Actual	2022/23 Target	2022/23 Actual
1.2 Audit opinion provided by the Office of the Auditor General ¹	<i>Public Accounts</i> in accordance with GAAP	<i>Public Accounts</i> in accordance with GAAP	<i>Public Accounts</i> in accordance with GAAP

Data source: Release of *Public Accounts*.

¹This performance measure was not carried forward in the latest service plan. For more details on forward-looking planning information, including the performance measure and current targets for 2023/24 – 2025/26, please see the latest service plan on the [BC Budget website](#).

This measure is an indication of government's transparency in accounting for its finances. In preparing the Public Accounts, the ministry strives to provide an open, accurate and fair representation of the government's financial position in accordance with GAAP. To validate this position, government seeks an independent audit opinion that offers an objective assessment of its financial reporting. This measure is considered substantially achieved if the Office of the Auditor General provides a qualified but positive opinion of the Public Accounts.

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

Sound and transparent management of government finances requires individuals and businesses to understand their financial obligations and the benefits they are entitled to receive. The Ministry works with citizens, clients and other jurisdictions to ensure revenue, tax and benefit programs are fairly and effectively managed.

Key results

- Implemented the first step in the transition towards a new provincial oil and natural gas royalty framework². On September 1st, 2022, the Deep Well Royalty Program, as well as other programs, such as the Marginal Well, Ultra Marginal Well and Low Productivity Well Rate Reduction programs were eliminated.
- Concluded the development of an electronic point of sale verification and documentation system to replace the paper-based process for tax-exempt sales of tobacco and fuel made on First Nations land in B.C.
- Supported the BC Economic Recovery Plan through the administration of the Provincial Sales Tax (PST) Rebate on Select Machinery and Equipment. A total of 13,421 rebate applications were received. As of March 31, 2023, 12,039 rebates totalling \$102,894,343.12 have been paid.
- Provided the BC Affordability Credit in October 2022 and January 2023. This income-based credit was delivered by the Canada Revenue Agency with the BC climate action

² While the Ministry of Energy Mines and Low Carbon Innovation has responsibility for royalty administration, the Ministry of Finance has responsibility as royalty collector under the Petroleum and Natural Gas Royalty Act. As a result, the Ministry of Finance is responsible for the systems that process royalty payments, including the credit programs.

tax credit to approximately 85% of British Columbians to help with cost-of-living challenges.

Summary of progress made in 2022/23

The Ministry of Finance continued to work with citizens, clients, stakeholders and other jurisdictions to ensure tax, revenue and benefit programs are effectively administered, including compliance and enforcement activities.

The ministry 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.

The ministry also 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.

The ministry concluded development of a new electronic point of sale verification and documentation system which offers real-time electronic verification of eligibility for tax-exempt tobacco and fuel purchases on-reserve, providing a faster and more efficient process, and eliminating the outdated paper-based documentation system for enabling and capturing purchases.

Performance measure(s) and related discussion

Performance Measure	2018/19 Baseline	2021/22 Actual	2022/23 Target	2022/23 Actual
1.3a Percentage of on-time payments ¹	97.75%	97.43%	Upward trend	97.56%
1.3b Cost to collect one dollar of tax revenue ²	\$0.0059	\$0.0049	Downward trend	\$0.0043
1.3c Accounts receivables as a percentage of total tax revenue ²	1.43%	3.92% ³	Downward trend	3.93%

Data source: Revenue Services Division information systems.

¹This performance measure was revised in the latest service plan. For more details on forward-looking planning information, including the performance measure and current targets for 2023/24 – 2025/26, please see the latest service plan on the [BC Budget website](#).

²This performance measure was not carried forward in the latest service plan. For more details on forward-looking planning information, including the performance measure and current targets for 2023/24 – 2025/26, please see the latest service plan on the [BC Budget website](#).

³This figure was incorrectly stated in the [2021/22 service plan report](#) as 2.82%. This calculation error was identified during the preparation of the 2022/23 report and has been adjusted to the correct actual 2021/22 actual of 3.92%.

The percentage of on-time payments measure (1.3a) tracks tax payments received on or before their legislated due date. In 2022/23, there was a slight increase in late and delinquent tax payments, resulting in a small decrease in the percentage of on-time payments.

The cost to collect revenue measure (1.3b) reflects the cost incurred to collect tax amounts owed to government. In 2022/23, the Ministry continued its return to typical audit and debt collection activities, after having put many of these activities on hold as a result of the COVID-19 pandemic. This shift increased incremental revenue. In addition, economic growth led to an increase in revenue from numerous taxes. Together, these revenue increases lead to a decrease in the cost to collect each dollar of tax revenue resulted.

The accounts receivable as a percentage of total revenue measure (1.3c) reports on the success of collecting amounts owed to government and administered by the Ministry of Finance. While there was a very slight increase in the accounts receivables in 2022/23 as compared to 2021/22, the difference is not significant and is reflective of the continued audit and debt collection activities conducted by Ministry of Finance.

Goal 2: Strong, sustainable and innovative economy

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

A tax system that is fair and 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 results

- Made progress on government's StrongerBC plan in Budget 2022/23 by:
 - Extending the training tax credits, shipbuilding and ship repair industry tax credits and the scientific research and experimental development tax credit.
 - Introducing the clean buildings tax credit.
 - Removing PST from sales of used zero-emission vehicles and increasing passenger vehicle surtax threshold for new zero-emission vehicles.
- Introducing tax collection, remittance and reporting obligations for online marketplace facilitators.
- Enacted Bill 28 – Municipal Affairs Statutes (Property Taxation) Amendment Act, 2022, as an outcome of the Property Assessment Strategic Review.
- Passed new legislation to improve the province's financial regulatory framework and act on key Commission of Inquiry into Money Laundering in British Columbia recommendations.
 - The new *Mortgage Services Act* will improve regulation of mortgage brokers, lenders and administrators by replacing the former *Mortgage Brokers Act* with new, modernized legislation.

- The *Money Services Businesses Act*, will require money services businesses to register with the BC Financial Services Authority and will create greater oversight for these types of businesses.

Summary of progress made in 2022/23

A key strategy for the ministry was to “...continue to work on emerging and existing property assessment issues including the valuation of properties with development potential occupied by small businesses, non-profits and arts and cultural organizations.” Throughout 2022, Ministry of Finance staff conducted extensive consultations as well as significant research and analysis to create the framework for the development of potential relief legislation.

As a direct outcome of the Property Assessment Strategic Review, municipalities have the option to provide property tax relief to eligible commercial properties occupied by businesses paying disproportionately high property taxes due to development potential.

Performance measure(s) and related discussion

Performance Measure	2021/22 Actual	2022/23 Target	2022/23 Actual
2.1a Provincial ranking of corporate income tax rates ¹	Fourth lowest	Remain in the lowest four	Fourth lowest
2.1b Provincial ranking of personal income tax rates for bottom bracket ²	Second lowest	Remain in the lowest two	Second lowest
2.1c Provincial ranking of personal income tax rates for second lowest bracket ²	Lowest	Remain in the lowest two	Lowest

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

¹ PM 2.1 targets for 2023/24 and 2024/25 were stated in the 2022/23 service plan as remain in lowest four and remain in lowest four, respectively.

² This performance measure was revised in the latest service plan. For more details on forward-looking planning information, including the performance measure and current targets for 2023/24 – 2025/26, please see the latest service plan on the [BC Budget website](#).

The personal and corporate income tax measures reflect government’s commitment to maintaining a competitive tax environment that supports a strong and sustainable economy. The measures of the provincial income tax rates provide a comparison of B.C.’s personal income tax rates for the bottom two tax brackets, as of March 31st each year, with those of the other nine provinces. The measures of the provincial corporate income tax rate compare the small business tax rate with the other nine provinces; for the general corporate income tax rate, B.C.’s rate is fourth lowest in Canada.

Objective 2.2: A fair and transparent housing market

The B.C. housing market and broader government is affected by a multitude of factors, only some of which are influenced by ministry policies. Nevertheless, this objective signals the ministry’s intent to support fairness, transparency and balance in B.C.’s housing market.

Key results

- Expanded the speculation and vacancy tax (SVT) to six additional communities to address housing affordability in those areas.
- Announced the partial property transfer tax exemption for new purpose-built rental buildings in Budget 2023
- Strengthened consumer protection in B.C.'s real estate market by implementing a homebuyer rescission period for residential property.

Summary of progress made in 2022/23

The SVT has been expanded to including the following six additional municipalities, starting in the 2023 tax year: North Cowichan, Duncan, Ladysmith, Lake Cowichan, Lions Bay and Squamish. The expansion of the SVT will help eliminate speculative real estate practices and turn empty units into homes for people in communities facing acute housing shortages.

Performance measure(s) and related discussion

Performance Measure	2021/22 Actual	2022/23 Target	2022/23 Actual
2.2 Residential sales-to-new listing ratio ¹	77%	Ratio between 40% and 60%	53%

Data source: Haver Analytics/Canadian Real Estate Association. The data used for this measure is for the calendar year that ends in the stated fiscal year (e.g., 2022 calendar year data is used for 2022/23).

¹ This performance measure was not carried forward in the latest service plan. For more details on forward-looking planning information, including the performance measure and current targets for 2023/24 – 2025/26, please see the latest service plan on the [BC Budget website](#).

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 percent and 60 percent 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 53 percent in 2022, within the target range of 40 percent to 60 percent. The B.C. housing market and its stability is affected by a multitude of factors (including high interest rates and strong migration), only some of which are influenced by ministry policies. Nevertheless, this ratio is an important indicator of the effectiveness of measures implemented by the ministry.

Objective 2.3: Effective oversight of public sector organizations

Through the Crown Agencies Secretariat, public sector organizations are supported to operate effectively, in the public interest and aligned with government's strategic direction and priorities.

Through the Gender Equity Office, the ministry assists organizations with the use of Gender Based Analysis Plus (GBA+) to ensure that government policies, programs and services are working for all British Columbians and advances initiatives that promote inclusivity and equity.

Key results

- Provided financial oversight to three commercial public sector organizations under the responsibility of the Crown Agencies Secretariat (CAS) to ensure alignment with the government's policies and priorities.
- Recruited qualified and diverse board candidates from communities across B.C., and processed a total of 1070 new appointments, reappointments and rescindments to the boards of approximately 260 public sector organizations.
- Developed the Pay Transparency Act that will help close the gender pay gap.
- Led roundtable engagements and established a 22-member Advisory Committee to inform development of a provincial gender-based violence action plan.

Summary of progress made in 2022/23

The *Pay Transparency Act* was introduced in the legislature on March 7, 2023, and received Royal Assent on May 11, 2023. It requires employers to include wage or salary ranges on publicly advertised jobs, and prohibits B.C. employers from asking prospective employees for pay history information or punishing employees who disclose their pay to co-workers or potential job applicants. In addition, B.C. employers will gradually be required to publicly post reports on their gender pay gap under the act.

The Gender Equity Office initiated a new three-year GBA+ training plan that will improve the ability of public servants to apply GBA+ to specific work functions such as policy analysis and program design.

The Crown Agencies Secretariat continued its support of public sector organizations alignment with government priorities by hosting the annual meeting of Crown Board Chairs with the Minister of Finance to discuss Budget 2023 priorities. Additionally, they organized the Governing in the Public Interest Conference for over 300 public sector board members with the goal of supporting strong governance and leadership practices.

Performance measure(s) and related discussion

Performance Measure	2020/21 Baseline	2021/22 Actual	2022/23 Target	2022/23 Actual
2.3a Total number of current staff who have taken GBA+ training ^{1,2,3,4}		11,902 (35%)	38%	13,062 (38.5%)
2.3b Number of public sector organization board members and executive who have completed the Governing in the Public Interest Certificate training courses ^{2,5}				
• Level 1 (cumulative) ⁶	313	463	425	306
• Level 2 – Financial Management – Module 3	30 ⁷	104	180	144

¹ Data source: Public Service Agency Data

² This performance measure was not carried forward in the latest service plan. For more details on forward-looking planning information, including the performance measure and current targets for 2023/24 – 2025/26, please see the latest service plan on the [BC Budget website](#).

³ Data captures the percentage of employees (out of a total 33,938) who undertook either the Federal or Provincial GBA+ training and were employed with the BC Government as of March 31, 2023. Data excludes duplicate counts of training (i.e., if staff took a course multiple times or if they took multiple types of GBA+ courses).

⁴ Data does not include training undertaken by Crown Corporations, the Premier's Office or the Legislative Assembly.

⁵ Data source: Crown Agencies Secretariat's Agency Management System.

⁶ Governing in the Public Interest Certificate Program Level 1 includes Public Sector Organization Basics, and Your Role as Board/Tribunal Member.

⁷ Governing in the Public Interest Certificate Level 2 Financial Management was launched in September 2021. Baseline data, forecast and target for the first full year reflects an estimate based on 3 months of data.

Employee commitment to taking GBA+ training remained steady in 2022/23, with a small increase in overall participation numbers. As new, more tailored GBA+ training modules are implemented in the coming three years, the ministry expects interest and engagement in GBA+ to continue.

A certificate program called "Governing in the Public Interest" is offered to all new government appointees. In the fiscal year 2022/23, there were 386 new appointments. The target was not met due to a lower-than-expected number of new appointments. Similarly, the target for the Financial Management module was not met as it is necessary to complete the introductory modules to participate in this module.

Financial Report

Financial Summary

	Estimated (\$000)	Other Authoriz- ations ¹ (\$000)	Total Estimated (\$000)	Actual (\$000)	Variance (\$000)
Operating Expenses					
Treasury Board Staff	9,150		9,150	8,951	(199)
Office of the Comptroller General	21,799		21,799	20,451	(1,348)
Treasury	1		1		(1)
Revenue Division	212,895	46,206	259,101	270,309	11,209
Policy and Legislation	8,280		8,280	8,681	401
Public Sector Employers' Council Secretariat	17,339		17,339	16,979	(360)
Crown Agencies Secretariat	7,034		7,034	6,893	(141)
Executive and Support Services	42,349		42,349	32,788	(9,561)
Housing Priority Initiatives Special Account	785,738	1,230,050	2,015,788	2,015,788	0
Insurance and Risk Management Special Account	4,630	21,034	25,664	25,664	0
Provincial Home Acquisition Wind Up Special Account	10	52	62	62	0
Financial Administration Act	0	1,499,226	1,499,226	1,499,226	0
Sub-total	1,109,225	2,796,568	3,905,793	3,905,793	0
Adjustment of Prior Year Accrual ²	0	0	0	(43,323)	43,323
Total	1,109,225	2,796,568	3,905,793	3,862,470	43,323
Ministry Capital Expenditures					
Corporate Services	292	0	292	19	(273)
Total	292	0	292	19	(273)

	Estimated (\$000)	Other Authoriz- ations ¹ (\$000)	Total Estimated (\$000)	Actual (\$000)	Variance (\$000)
Other Financing Transactions					
Reconstruction Loan Portfolio (Homeowner Protection Act Loan Program)					
Receipts	(1,750)		(1,750)	(1,711)	39
Disbursements	0	0	0	0	0
Net Cash Requirements (Source)	(1,750)	0	(1,750)	(1,711)	39
Student Aid BC Loan Program					
Receipts	(115,000)		(115,000)	(126,768)	(11,768)
Disbursements	230,000		230,000	179,888	(50,112)
Net Cash Requirements (Source)	115,000	0	115,000	53,120	(61,880)
International Fuel Tax Agreement Motor Fuel Tax Act					
Receipts	(18,000)		(18,000)	(13,737)	4,263
Disbursements	7,000		7,000	6,975	(25)
Net Cash Requirements (Source)	(11,000)	0	(11,000)	(6,762)	4,238
Land Tax Deferment Act					
Receipts	(120,000)		(120,000)	(126,395)	(6,395)
Disbursements	300,000	66,416	366,416	366,416	0
Net Cash Requirements (Source)	180,000	66,416	246,416	240,021	(6,395)
Improvement District Loans (Local Government Act)					
Receipts	(2,000)		(2,000)	(1,191)	809
Disbursements	2,000		2,000	0	(2,000)
Net Cash Requirements (Source)	0	0	0	(1,191)	(1,191)
Total Receipts	(256,750)	0	(256,750)	(269,802)	(13,052)
Total Disbursements	539,000	66,416	605,416	553,279	(52,137)
Total Net Cash Requirements (Source)	282,250	66,416	348,666	283,477	(65,189)

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 \$(36) million is a reversal of accruals in the previous year.

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.

Governance Structure

[Government Communications and Public Engagement](#) is a central agency for all government ministries and the premier's office within the Ministry of Finance.

Key Results

- Clearly and effectively communicated critical public safety information regarding the COVID-19 pandemic and vaccines, extreme weather events and wildfires, along with information about the subsequent infrastructure impacts, funding supports and recovery efforts to British Columbians.
- Supported public communication of the priorities of and actions being taken by the new Premier and Cabinet.
- Informed people about government actions and services that can save them money, such as lowering child care fees, increasing minimum wage, and implementing cost-of-living credits.
- Ongoing communication of government's commitment to advancing meaningful reconciliation with Indigenous Peoples, including new agreements with First Nations like Blueberry River First Nation and the Tahltan Nation.
- Continued the expansion of multi-language services to reach more people in British Columbia about the work government is doing and how to access services.
- Provided advertising support for priority services for people, including:
 - COVID-19 vaccines for kids and the COVID-19 booster shot
 - The flu shot
 - WorkBC
 - ChildCareBC
 - CleanBC Better Homes retrofit options, such as heat pumps

Financial Summary

	Estimated (\$000)	Other Authoriz- ations ¹ (\$000)	Total Estimated (\$000)	Actual (\$000)	Variance (\$000)
Operating Expenses					
Government Communications and Public Engagement	28,338	13,857	42,195	42,195	0,000
Total	28,338	13,857	42,195	42,195	0,000
Capital Expenditures					
Government Communications and Public Engagement		6	6	6	
Total		6	6	6	

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.

Appendix B: BC Public Service Agency

Purpose of the Organization

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

Governance Structure

As a central agency, the PSA is responsible to the Minister of Finance as the minister responsible for the Public Service Act. The PSA is accountable to government ministries and agencies through its relationship with ministry executives.

Legislation governing the work of the PSA and for which the PSA is responsible includes:

- *Public Service Act*
- *Public Service Benefit Plan Act*
- *Public Service Labour Relations Act*

Key Results

- Successfully concluded collective agreements with key BC Public Service unions consistent with government's bargaining mandate.
- Policy and resource improvements to enable further adoption of flexible work options to increase the competitiveness of the BC Public Service as one of the province's largest employers.
- Continued implementation of the Where We All Belong, the 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.

Financial Summary

	Estimated (\$000)	Other Authoriz- ations ¹ (\$000)	Total Estimated (\$000)	Actual (\$000)	Variance (\$000)
Operating Expenses					
BC Public Service Agency	59,628	3,457	63,085	63,085	0
Benefits and Other Employment Costs	1	17,006	17,007	17,007	0
Long Term Disability Fund Special Account	68,675	45,747	114,422	114,422	0
Sub-total	128,304	66,210	194,514	194,514	0
Adjustment of Prior Year Accrual ²	0	0	0	(46)	46
Total	128,304	66,210	194,514	194,468	46
Major Capital Expenditures (Consolidated Revenue Fund) (\$000)					
BC Public Service Agency	10	0	10	3	7
Total	10	0	10	3	7

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 \$(46K) is a reversal of accruals in the previous year.

Appendix C: Crown Agencies Secretariat

Purpose of the Organization

The Crown Agencies Secretariat (CAS) supports public sector organizations to operate effectively, in the public interest, and aligned with government's strategic direction and priorities. CAS supports specific Crown agencies that are strategically important to government and provides advisory and supportive services across ministries, Crown agencies and the Crown sector. CAS also includes the [Crown Agencies and Board Resourcing Office](#), which provides oversight of governance, training, corporate accountability and appointments to all Crown corporations, agencies, boards and commissions.

Governance Structure

The Crown Agencies Secretariat was established in January 2021 as a central agency within the Ministry of Finance.

Key Results

- Hosted annual meeting of Crown Board Chairs and the Minister of Finance to review Budget 2023 and discuss alignment with government's fiscal priorities, and organized Governing in the Public Interest Conference for over 300 public sector board members to support strong governance and leadership practices in alignment with government priorities.
- Delivered foundational public sector governance training to over 500 board chairs and directors.
- Recruited qualified and diverse board candidates from communities across B.C., and processed a total of 1070 new appointments, re-appointments, and rescindments to the boards of approximately 260 public sector organizations.
- Provided sound and consistent financial oversight to Public Sector Organizations (PSOs) under the responsibility of CAS to ensure alignment with the government's policies and priorities. The three commercial PSOs that CAS has responsibility for, in total, contributed \$2.6 billion to support the government fiscal plan.

Appendix D: Public Sector Organizations

As of December 7, 2022, the Minister of Finance and Minister responsible for the Columbia Basin Trust, Columbia Power Corporation, and the Columbia River Treaty is responsible and accountable for the following organizations:

BC Assessment Authority

[BC Assessment](#) is a Crown corporation that produces annual property assessments for all property owners in the province.

BC Financial Services Authority

[BC Financial Services Authority](#) regulates credit unions, trust companies, insurance companies, pension plans, mortgage brokers and real estate professionals, ensuring financial services transactions are protected, for the prosperity of consumers and the province of B.C.

BC Infrastructures Benefits

[BC Infrastructure Benefits](#) (BCIB) is the Crown corporation accountable for implementing the Community Benefits Agreement on select public infrastructure projects. BCIB's purpose is to partner in the successful delivery of projects, mobilize and grow a safe, diverse and skilled workforce and honour community strength by building on local assets, knowledge and potential.

BC Lottery Corporation

The [British Columbia Lottery Corporation](#) is a Crown corporation that conducts and manages gambling in a responsible manner while focusing on innovation, strategic partnerships and community outreach.

BC Securities Commission

The [British Columbia Securities Commission](#) is a Crown corporation that administers the Securities Act and is responsible for regulating capital markets in B.C.

Columbia Basin Trust

The [Columbia Basin Trust](#) is a regional Crown corporation that manages its assets for the ongoing economic, environmental and social benefit of the Columbia Basin region, without relieving governments of any obligations in the region.

Columbia Power Corporation

The [Columbia Power Corporation](#) develops, owns and operates hydro power projects in the Columbia Basin and manages power project joint ventures with Columbia Basin Trust.

Infrastructure BC

[Infrastructure BC](#) supports the public sector in meeting its infrastructure needs by partnering with the private sector in the procurement of complex capital projects.

Appendix E: Progress on Mandate Letter Priorities

The following is a summary of progress made on priorities as stated in Minister Selina Robinson's [2020 Mandate Letter](#).

2020 Mandate Letter Priority	Status as of March 31, 2023
Introduce an income-tested renter's rebate to support rental households that need it most and are not already receiving other rental support.	<ul style="list-style-type: none">Legislation introduced as part of <i>Budget Measures Implementation Act, 2023</i>. [Received Royal Assent on May 11]
Re-establish the government-film sector task force to recommend the size and term of a new visual effects tax credit based on production costs, with support from the Parliamentary Secretary for Arts and Film.	<ul style="list-style-type: none">Budget 2023 extended the Interactive and Digital Media Tax Credit for five years. Work is ongoing to monitor the competitiveness of the sector.
Help more people make the switch to active transportation by removing the PST on e-bikes to make them more affordable.	<ul style="list-style-type: none">Electric bicycles and tricycles exempted from Provincial Sales Tax as of April 21, 2021.

2020 Mandate Letter Priority	Status as of March 31, 2023
<p>Assume responsibility for property assessment, including oversight of BC Assessment.</p>	<ul style="list-style-type: none"> Through OIC #602, effective November 26, 2020, responsibility for the Assessment Authority Act was assigned to the Minister of Finance, along with various provisions of the Assessment Act. Consequential to the transfer of staff, resources and assessment-related policy and administration responsibilities from the Ministry of Municipal Affairs, the Ministry of Finance undertook re-organization within the Policy and Legislation Division to create the Property Tax and Assessment Policy Branch. The Branch has responsibility for assessment policy and tax policy related to real property and housing. Due to the relationship between property taxes and property assessment, the Branch is also responsible for strategic oversight of the BC Assessment Authority and works closely with the Crown agency to help ensure that the province's property tax and assessment policies, methodologies and initiatives support a fair and equitable assessment and property tax system in British Columbia. Additionally, the Branch is responsible for administration and support to the Property Assessment Review Panels function that was also transferred from the Ministry of Municipal Affairs, while responsibility for the Property Assessment Appeal Board is with the Ministry of Attorney General.
<p>With support from the Attorney General and Minister responsible for Housing, control the rising cost of strata insurance by building on work already done to close loopholes and enhance regulatory powers and acting on the forthcoming final report of the BC Financial Services Authority. If rates have not corrected by the end of 2021, explore a public strata insurance option.</p>	<ul style="list-style-type: none"> In a data call in 2022, the BC Financial Services Authority found a downward directional trend in the cost of strata insurance, with the market stabilizing. However, structural factors continue to impact premiums and new factors, such as inflation, supply chain issues, could impact insurance premiums. The Ministry continues to work with the BCFSFA, as well as the insurance industry, to monitor the market, to ensure transparency for policyholders, and provide advice to government.

2020 Mandate Letter Priority	Status as of March 31, 2023
<p>Work with the Minister of Municipal Affairs to continue work to provide relief for commercial tenants with triple-net leases who are paying high property taxes.</p>	<ul style="list-style-type: none"> • In November 2022, the Province enacted Bill 28 – <i>Municipal Affairs Statutes (Property Taxation) Amendment Act, 2022</i>, which enables municipal councils, by bylaw, to apply a reduced tax rate to all or a portion of the assessed land value of certain commercial and industrial properties with development potential, reducing the overall tax burden for business occupiers. The City of Vancouver has announced that it will be implementing a Development Potential Relief Program pilot for the 2023 tax year. • The ministry will continue to engage other municipalities that have expressed interest in the program to consider changes that could result in further program uptake. This may result in changes to the legislative/policy framework.
<p>Support the Minister of Energy, Mines and Low Carbon Innovation to require realtors to provide energy efficiency information on listed homes to incent energy-saving upgrades and let purchasers know what energy bills they will face.</p>	<ul style="list-style-type: none"> • The Ministry of Finance continues to support the Ministry of Energy Mines and Low Carbon Innovation as they develop energy efficiency metrics for housing.
<p>Support the work of the Minister of Municipal Affairs to bring down the cost of housing for people by streamlining and modernizing housing construction and approvals.</p>	<ul style="list-style-type: none"> • The Ministry of Housing was formed in December 2022 and leads the Development Approvals Process Review (DAPR). The Ministry of Finance participates in the DAPR to identify opportunities to make development approval processes more efficient and effective, to help accelerate the construction of homes needed in B.C. Based on feedback from DAPR consultations, the province has currently prioritized exploring challenges and solutions in the following areas: <ul style="list-style-type: none"> ○ Official Community Plans and zoning; ○ Development finance tools; ○ Streamlining local government development approvals; and, ○ Public hearings and input.

2020 Mandate Letter Priority	Status as of March 31, 2023
<p>As soon as possible, provide immediate relief for people by delivering a one-time Recovery Benefit.</p>	<ul style="list-style-type: none"> Nearly \$1.4 billion was provided under the BC Recovery Benefit in late 2020 and early 2021, benefiting more than 2.7 million British Columbians. Government has also provided the BC Affordability Credits in October 2022, January 2023 and April 2023. Combined, these credits put approximately \$1.5 billion into the pockets of British Columbians.
<p>Invest in the economic recovery of our province from the COVID-19 pandemic, including by continuing to make the investments needed to support people and businesses, and ensuring the successful implementation of StrongerBC.</p>	<ul style="list-style-type: none"> Budget 2021 included \$8.7 billion in new investments over the fiscal plan targeted towards health and safety, supports for people and businesses, and preparing for B.C.'s economic recovery. Budget 2022 provided \$6.6 billion over the fiscal plan for priority initiatives that put people first, build a stronger economy, and invests in a stronger environment for the future. Budget 2023 invested over \$8.7 billion more over 3 years towards health and mental health; affordable and attainable housing; reducing costs for people; safe and healthy communities; and a sustainable and clean economy. In addition to the above-noted investments, government has included dedicated contingencies allocations to support time-limited pandemic and economic recovery measures, with budget of \$3.25 billion in 2021/22, \$2 billion in 2022/23 and \$1 billion in 2023/24.

2020 Mandate Letter Priority	Status as of March 31, 2023
<p>Launch a new Recovery Investment Fund to deliver an additional 1% of GDP each year in capital projects, above and beyond our existing capital commitments, to drive new growth and investment, including funding new schools, hospitals, child care spaces, roads and transit, and more.</p>	<ul style="list-style-type: none"> • Budget 2021 capital spending over the plan was \$3.5 billion more than Budget 2020 with infrastructure recovery investments in the areas of health, education, and transportation. In addition, \$2.0 billion in low-cost financing was provided for HousingHub to facilitate the construction of affordable housing options. • Budget 2022 capital spending over the plan was \$4.5 billion larger than the Budget 2020 plan with infrastructure recovery investments in the areas of health, education, and transportation. Budget 2023 capital spending is \$14.6 billion more than Budget 2020 with continued investments in schools, post-secondary facilities, roads, bridges, hospitals, and housing. The new capital spending plan directly and indirectly creates 125,000 jobs over three years.
<p>Enhance the Treasury Board capital review process to ensure that public projects deliver on the priorities of government, including ensuring that projects are assessed based on their ability to, where possible, provide opportunities to create new child care spaces, use mass timber, include Community Benefit Agreements and assist in meeting our CleanBC targets.</p>	<ul style="list-style-type: none"> • Government introduced the Environmental, Social and Governance (ESG) Framework for Capital as part of Budget 2022. Using this framework, investments in provincial infrastructure are now being leveraged to achieve additional benefits for British Columbians. These investments include opportunities for apprentices and traditionally underrepresented groups in the trades to gain valuable work experience on provincial construction projects; the creation of new child care spaces within public sector buildings; support for the growing mass timber industry in B.C. by building public sector buildings with engineered mass timber products; and the construction of low emission, climate resilient public sector buildings. • The ESG Framework for Capital provides guidance and resources for provincial project teams as they consider which investments are poised for success on their projects. While not all capital policy objectives are well suited to each project, when considered across the entire provincial capital plan, there are many benefits.

2020 Mandate Letter Priority	Status as of March 31, 2023
<p>As our province moves ahead with a strong stimulus and recovery plan, and people and businesses are back on their feet, ensure the implementation of budget policies to keep B.C. fiscally sound over the long run.</p>	<ul style="list-style-type: none"> • Budget 2021, Budget 2022 and Budget 2023 have been guided by fiscal guardrails to support government decision making through the pandemic and economic recovery. • Fiscal guardrails include: declining deficits, targeted spending criteria, the use of prudence, maintaining debt affordability and timely and transparent reporting. • This approach supports the province to invest in near-term priorities while ensuring B.C. remains fiscally sound over the long run. • The province has achieved or exceeded fiscal targets for the 2021/22 and 2022/23 years and has maintained its strong credit ratings.
<p>Ensure our government's commitment to gender equality is reflected in our budgets, policies and programs.</p>	<ul style="list-style-type: none"> • The Ministry continued to incorporate Gender Based Analysis (GBA+) into its policy and budget processes in 2022/23 to ensure that comprehensive, evidence-based policy advice was provided to decision makers to achieve better results for all British Columbians. The use of the GBA+ lens informed program priorities such as new investments in culturally safe services in health, justice and housing, as well as reducing barriers for women, trans and non-binary people by providing free prescription contraception.
<p>Act as the government's liaison with feminist and women's organizations, and other organizations concerned with gender equality and the advancement of women.</p>	<ul style="list-style-type: none"> • Significant consultations and engagements occurred with numerous feminist and women's organizations throughout 2022/23, particularly to seek feedback on pay transparency legislation and the gender-based violence action plan. The Ministry also supported key community partners to recognize days of significance, such as Women's Memorial Day March, International Women's Day, Transgender Day of Visibility, the International Day Against Homophobia, Biphobia and Transphobia, Equal Pay Day, the International Day for the Elimination of Violence Against Women and others.

2020 Mandate Letter Priority	Status as of March 31, 2023
With support from the Minister of Labour, lead work to close the gender pay gap by continuing to address systemic discrimination in the workplace and moving closer to equal pay for equal work through new pay transparency legislation.	<ul style="list-style-type: none"> • B.C.'s new <i>Pay Transparency Act</i> was introduced in the legislature on March 7, 2023, with requirements for employers that will be phased in over the coming four years. • Regulations are being developed to support the full implementation of the Pay Transparency Act.
With support from the Minister of Public Safety and Solicitor General, lead work to develop an action plan to end gender-based violence, including minimum standards for sexual assault response, more training for police, crown council and justices, and establishing core funding for sexual assault centres.	<ul style="list-style-type: none"> • Focused community engagements on the Gender-Based Violence Action Plan took place in 2022. A 22-member Gender Based Violence Advisory Committee was created to develop the Action Plan following further engagement with Indigenous partners.
Establish a Crown Agencies Secretariat.	<ul style="list-style-type: none"> • The Crown Agencies Secretariat (CAS) was established in January 2021 as a central agency within the Ministry of Finance.
With support of the Minister of Public Safety and Solicitor General, work to provide effective governance and oversight of the British Columbia Lottery Corporation (BCLC).	<ul style="list-style-type: none"> • BCLC is accountable to the Minister of Finance, who is supported by the Crown Agencies Secretariat. As part of its role with BCLC, CAS works closely with the Gaming Policy Enforcement Branch in the Ministry of Public Safety and Solicitor General.
With support from the Parliamentary Secretary for Anti-Racism, lead efforts to support increased IBPOC (Indigenous, Black and People of Colour) representation within government and set targets for IBPOC representation in the public sector.	<ul style="list-style-type: none"> • As part of Where We All Belong, the Diversity & Inclusion Strategy launched in March 2021 to increase representation of IBPOC employees and to support those employees once they are in the public service. • Prior to identifying representation targets, the BC Public Service Agency will be identifying and assessing organizational readiness. This will be supported by the Anti Racism Data Act Committee research priority of examining racism in hiring in the public service.