

MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**INFORMATION NOTE**

Cliff #: 98547

Date: July 11, 2013

**PREPARED FOR:** Honourable Minister Bond

**ISSUE:** Platform Commitment on Aerospace

**BACKGROUND:**

During the provincial election, a commitment was made to leverage federal industrial regional benefit program by an investment of a \$5 million over five years fund to kick start the development of a unified B.C. aerospace cluster to attract investment and contract sourcing from global firms.

The province needs to identify for the aerospace industry how this election commitment would be achieved. The aerospace industry expects that an announcement related to this election commitment would be made at the upcoming Abbotsford Aerospace, Defence, and Security Expo (August 7-8) or the Abbotsford Airshow (August 9).

In B.C. approximately 10,000 skilled workers are directly employed in the industry in the area of aircraft mechanics, aircraft inspectors, aircraft instrument electrical and avionics mechanics. The estimated 2012 sales revenue for the aerospace industry was \$2.2 billion. The aerospace industry accounts for approximately \$110 million or 0.8% of B.C.'s GDP (2011).

**DISCUSSION:**

Developing a unified B.C. aerospace cluster requires cross-industry collaboration and leadership. An industry-led aerospace advisory group could be set up to develop and implement a strategy with priorities actions that industry and government would take on to advance the industry. The aerospace community will assume that the Province would contribute to funding required for projects and activities recommended by the Advisory Group while leveraging other available federal funds.

In early July, MJTST met with senior leaders of four anchor B.C. aerospace companies (David Shellenberg, President and CEO of Conair Group; David Curtis, President and CEO of Viking Air; Mark van Rooij, President and CEO of AVCORP Industries; and Kevin Russell, Vice President and General Manager of ASCO.) Conair and Viking also proposed the advisory group concept while AVCORP and ASCO supported the idea. The four companies also felt that the industry would benefit from diplomacy efforts from senior provincial government officials to the federal government and other heads of states internationally.

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**NEXT STEPS:**

Ministry staff will consult with two key B.C. aerospace companies (MDA and NGRain) in the week of July 15 to explore their views on actions to unify the aerospace cluster.

Government needs to determine how the election commitment would be addressed and whether an announcement at the Abbotsford Expo would be appropriate.

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MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**INFORMATION NOTE**

Cliff #: 98568

Date: July 4, 2013

**PREPARED FOR:** Honourable Shirley Bond

**ISSUE:** Audit Opinion on Deferred Federal Funding

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Pages 4 through 8 redacted for the following reasons:

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MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**MEETING NOTE**

Cliff #: 98684

Date: July 11, 2013

**PREPARED FOR:** Minister Shirley Bond

**DATE AND TIME OF MEETING:** July 15, 2013 at 5:45pm

**ATTENDEES:**

Sandy Blue – Manager of Strategic Economic Initiatives, District of Maple Ridge  
Kate Zanon (tentative) – CEO, Pitt Meadows Economic Development Corporation  
Marc Dalton – MLA, Maple Ridge – Mission

**ISSUES:** Progress related to North Fraser Economic Investment Pilot and overview of key regional economic sectors and priorities.

**BACKGROUND:**

*Invest North Fraser* is an active regional economic development partnership of the District of Maple Ridge, the City of Pitt Meadows and the District of Mission focused on promoting competitive advantages of the region, attracting investment and creating high value jobs. Priority sectors include; natural resources (forestry and agrifoods), knowledge-based (technology, clean tech and green economy, film and media, tourism), infrastructure (transportation and aerospace, international education).

The North Fraser, along with the McBride to Barriere corridor and Campbell River, was one of three regional pilots initiated in late 2011. The pilots aimed to facilitate economic development by partnering with regional economic development organizations and local governments to host a local economic forum, identify economic development opportunities and select priority projects to advance.

Five priority projects were selected for the North Fraser region (project descriptions included in Appendix B). Provincial support has been provided in a variety of ways throughout the pilot, including facilitating linkages across the provincial government, providing research and analysis, capacity and funding. The 18-month timeframe of the pilot ended in May 2013 and wrap-up is underway.

Projections indicate that there will be a fast growing population in coming years and significant job growth in the region. Maple Ridge is hoping to access funding for a regional labour market study to assess future labour demand and training needs. A

Letter of Intent has been submitted to the Ministry of Social Development and assessment of the proposal is underway. If accepted, Maple Ridge will then apply for Labour Market Development Agreement funds.

To address labour needs and attract potential investors, North Fraser representatives have also been working with the Provincial Nominee Program (PNP). On June 27, 2013, PNP representatives delivered a presentation to Maple Ridge's Economic Advisory Committee, including the Mayor, councillors and the Executive Director of the local Chamber of Commerce. An overview of the program was provided with focus on business immigration categories and eligibility criteria for prospective entrepreneur immigrants.

As part of the PNP's objective to promote immigration to regions outside of Metro Vancouver, and to highlight the diverse business opportunities in communities across BC, the BC PNP has invited community representatives to present at the bi-monthly PNP Business Immigrations Seminars. *Invest North Fraser* representatives have delivered three presentations at the seminars this year to highlight the economic development potential in their communities.

## **DISCUSSION:**

North Fraser representatives attest that the pilot has been a very positive experience for the region, expediting work on strategic initiatives. Significant progress has been made on components of each of the five pilot projects, with provincial staff and financial support, including:

### **Mission Interpretive Forest:**

- Surfacing of first portion of Florence Lake Forest Service Road leading to proposed site of Tim Horton Children's Foundation (THCF) Camp in Mission was completed in November 2012 (cost-shared with District of Mission).
- Business case was completed for remaining 11.5 km road upgrade (estimated cost \$5 million) demonstrated that timing for further work would necessitate further progress on camp development, including development permits. Campaign commitment was made to fund road upgrade in step with THCF progress.
- Cost-sharing and continued in-kind support was offered for completion of a recreation master plan for the area (\$25,000 of \$100,000 funding request).

### **North Fraser Tourism Corridor:**

- North Fraser tourism corridor branding strategy and brand usage guidelines was completed.
- Community representatives are working with tourism stakeholders to finalize details of 18-month regional tourism action plan.
- Tourism asset inventory and signage audit was undertaken.

- Community representatives are working with Ministry of Transportation and Infrastructure on highway signage options.

Pitt Meadows Airport:

- Pitt Meadows Regional Airport (YPK) participated at the Pacific Northwest Aerospace Alliance trade show in Lynwood, WA, a premiere aerospace event, as part of BC's exhibition in 2013.
- Communications and marketing materials and business attraction strategy for the airport, including website redesign - <http://www.thinkpittmeadows.ca/aviation.html> was completed (cost shared with Pitt Meadows Economic Development Corporation, YPK and federal government)

Centre of Excellence:

- Business Innovation Accelerator was established in Maple Ridge through BC Technology Industry Association (BCTIA).

Agrifoods Distribution Hub:

- Preliminary work to develop regional agrifood distribution business model, including mapping of current producers and regional demands was cost shared.

**SUGGESTED RESPONSE/KEY MESSAGING:**

- I'm impressed by the dedicated and focused work of *Invest North Fraser* to promote economic development across Maple Ridge, Pitt Meadows and Mission. A regional approach, forward thinking and strategic action will ensure success for the North Fraser communities.
- The North Fraser was the first of the three pilots to begin and I am pleased to hear about the progress that has been made. I am also glad to hear about your work with other areas of the Ministry, including representatives from the PNP.
- I encourage you to continue working with my Ministry and keep me informed about outcomes.

**ATTACHMENTS:**

Attendee Bios

North Fraser Pilot Project Descriptions

Prepared by: Amy Schneider, Director, Economic Development Division

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## **APPENDIX A**

### **Attendee Bios**

#### **Sandy Blue**

Manager of Strategic Economic Initiatives, District of Maple Ridge



Sandy joined the District of Maple Ridge in 2008 as Manager of Strategic Economic Initiatives where she works closely with the Mayor, Council, Senior Staff, and the Economic Advisory Commission on a wide range of initiatives to attract and retain investment.

Her background includes a variety of roles including Assistant Vice President of Marketing at HSBC Bank Canada; Business Development Manager at Abbotsford. Sandy is currently a Director of Metro Vancouver Commerce, founding member of *Invest North Fraser* and a member of both the Economic Developers Association of Canada and the Economic Development Association of BC. She is a member of the Fraser Valley Steering Committee of UDI.

Sandy is an accredited member of the International Association of Business Communicators; a graduate of BCIT Administrative Management; and University of Waterloo Certificate and Diploma in Economic Development.



**Kate Zanon**

CEO, Pitt Meadows Economic Development Corporation



Kate Zanon is the CEO of Pitt Meadows Economic Development Corporation (PMEDC). Kate was hired by the City of Pitt Meadows in fall 2009 as their first economic development officer and to set up the Corporation. PMEDC is responsible for working with the business community, developing strategies to grow Pitt Meadow's key sectors, promoting Pitt Meadows to investors and creating opportunities for business to business relationships. PMEDC works in partnership with a number of regional organizations including Linx BC, Metro Vancouver Commerce and Invest North Fraser.

Previous to working with Pitt Meadows, Kate held positions with the Town of Fountain Hills, the City of Scottsdale and Arizona State University. In Fountain Hills, Kate launched the community's first business retention program and worked with the downtown business community to coordinate the Main Street approach to business development.

Kate has a diploma in Peace and Conflict Studies from Langara College, a Bachelor of Agricultural Sciences in International Resource Systems from the University of British Columbia and a Masters of Urban and Environmental Planning from Arizona State University.

## **APPENDIX B**

### **North Fraser Pilot – Priority Projects**

**Mission Interpretive Forest (Mission)** – development of recreation and tourism opportunities in the Mission Interpretive Forest is intended to expand and enhance regional tourism, forestry and natural resource industries. A key component of the project is upgrading 11.5 km of the existing forest service road leading to the proposed site of a Tim Horton Children's Foundation Camp.

**North Fraser Tourism and Recreational Corridor (Maple Ridge/Pitt Meadows/Mission)** - a regional tourism corridor will consolidate the abundance of recreational activities and ensure they are promoted jointly. This will raise the tourism profile of the North Fraser region, attract more visitors and provide them with a world-class experience.

**Pitt Meadows Airport Business Expansion (Pitt Meadows)** – the Pitt Meadows Airport (YPK) is seeking to expand its airport infrastructure and open access to the corporate jet market. Consultants have modestly forecast that this project would attract 20 new businesses and would employ between 200-500 people. Increased international education offerings are also desired.

**North Fraser Agrifood Distribution Hub (Pitt Meadows)** - the North Fraser Agrifood Distribution Hub will enable regional producers to capitalize on existing business opportunities, attract investment and better coordinate their efforts to expand the demand for locally grown produce. In addition to the overall economic development of the region, employment creation in the agriculture, education, tourism and infrastructure sectors is also anticipated.

**North Fraser Centre of Excellence (Maple Ridge)** - the Centre of Excellence is an umbrella project aimed at creating an educational cluster of similar institutions that will promote provincial and local job creation, spur foreign direct investment, attract foreign students and act as a "proof of concept" to other regions. Proposed components of the educational cluster are a Business Innovation Accelerator, a Green Building Technologies Centre of Excellence and a Working Farm School.

MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**MEETING NOTE**

Cliff #: 98712

Date: July 12, 2013

**PREPARED FOR:** Minister Shirley Bond

**DATE AND TIME OF MEETING:** Monday, July 15, 2013 – 10:30 am

**ATTENDEES:** Donna Barnett, Parliamentary Secretary to the Minister of FLNRO for Rural Development; Shanna Mason, ADM, JTST

**ISSUE(S):** Beetle Action Coalitions – Rural BC Project

**BACKGROUND:** The Rural BC Project is a joint initiative of the three regional Beetle Action Coalitions (BACs). The stated purpose of the Rural BC Project is to stimulate discussion and understanding of the challenges facing rural B.C. and the actions required to help rural B.C. communities succeed.

- The final five major recommendations of the Rural BC Project are to:
  - create a Rural B.C. Strategy;
  - develop new rural and regional development programming;
  - create a “Rural Dividend”;
  - designate a senior cabinet minister for rural development and to create and fund rural catalyst organizations for B.C.;
  - create a B.C. equivalent to the highly successful U.S. Community Development Venture Capital Program.
- Representatives of the three BACs met on March 6<sup>th</sup> 2013 with Ministers Bell, Thompson, Bennett, Stillwell, and Parliamentary Secretaries Barnett and Rustad to present and discuss the findings of the Rural BC Project.
- At the end of the March 6<sup>th</sup> meeting there was direction to the Ministry of Jobs, Tourism and Skills Training (JTST) staff to work with the BACs on key components of the Rural BC Project recommendations:

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**SUGGESTED RESPONSE/KEY MESSAGING:**

- The government will continue to work with the three regional Beetle Action Coalitions (BACs), rural communities and First Nations to create economic opportunities in rural B.C.
- The government recognizes the critical importance of rural B.C. to the province.

The government will continue to work with the BACs and other rural stakeholders to examine opportunities to enhance rural development in the province.

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MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**MEETING NOTE**

Cliff #: 98719  
Date: July 15, 2013

**PREPARED FOR:** Honourable Shirley Bond

**DATE AND TIME OF MEETING:** July 18, 2013

**ATTENDEES (TBC):** Minister of Advanced Education, Amrik Virk, Minister of Education, Peter Fassbender; senior representatives of the Construction Labour Relations Association (CLRA) - Clyde Scollan, President, Dave Earle, Government Relations Director, and Jim Bromley, CLRA Board Chair anticipated but TBC.

**ISSUE:** CLRA requests a meeting to discuss trades training and apprenticeship

**BACKGROUND:**

- CLRA was established in 1969 to bring labour relations stability and security to contractors in BC's unionized construction sector.
- CLRA contains a council of approximately 65 contractors representing all trade sectors within the Association and all geographical regions of the province.
- In October of 2012, CLRA representatives met with Premier Christy Clark and former Minister of JTST Pat Bell to discuss impending skills shortages.
- CLRA outlined the potential impact of labour shortages on major projects, including Liquid Natural Gas (LNG) facility development.
- Government action on the issue of impending skills shortages through the Skills and Training Plan was conveyed, highlighting Government's commitment to meeting labour market demands (Appendix 1).

**DISCUSSION:**

- In the prior meeting with the Premier and the Minister of JTST, CLRA highlighted the need for employers to have a greater involvement in addressing forecasted skills shortages.
- The Province is acutely aware of future labour demand and supply conditions, and last year released the BC Skills and Training Action Plan to address this challenge. Highlights of the Plan relevant to the CLRA include:
  - more extensively using B.C.'s sector-based Centres of Training Excellence;
  - better supporting apprentices and employer/sponsors by introducing 15 regionally dispersed apprentice coaches and improving on-line resources;
  - expanding the Job Match pilot, focussed on the construction sector in northern BC; and

- redoubling efforts to recruit workers from other parts of Canada and internationally to help fill the upcoming skills gap.
- To further the BC Skills and Train Plan objective to ensure BC has the skilled workforce necessary to support major projects and economic development, the Province has committed to developing a 10-year skills training plan for youth – that focuses on preparing and facilitating new entrants – particularly from the K-12 system – into available jobs in regions across the province.
- Developing and implementing the plan will require a greater role for employers, both in shaping the K-12 and post-secondary systems and other related policies and programs, but also in contributing directly to training and transitioning youth to the workplace.
- The plan will be inclusive of all youth (e.g., First Nations youth and youth in care) from the K-12 system (approximately 650,000 youth over the next decade) while recognizing regional diversity across the province.

**SUGGESTED RESPONSE/KEY MESSAGING:**

- Government agrees that impeding trades and technical skills shortages is a critical issue, and the BC Skills and Training Plan underscores Government's commitment to addressing skills shortages.
- The steps Government has taken since 2004 are working. As of July 2013, there were approximately 35,000 registered apprentices in BC, more than double the number registered in December 2001, and the ITA awarded a record 8,759 Certificates of Qualifications to journeypersons in BC in 2012.
- Government is also working closely with the ITA to ensure that the corporation continues expanding opportunities for input by industry and other key partners (e.g., industry training organizations, training institutions) into BC's trades training system. Minster will be undertaking review of the ITA over the next year.
- This meeting is an opportunity to ask the CLRA what they view are key areas of action to be pursued, especially as it relates to youth to inform the 10-year skills and training plan for youth.

**ATTACHMENTS:**

Attachment 1 - CLRA October 16, 2012 Meeting Note to the Premier

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## Appendix 1

### MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING MEETING NOTE

Cliff #: 94710  
Date: October 16, 2012

**PREPARED FOR:** Premier Christy Clark

**DATE AND TIME OF MEETING:** Upcoming – date and time TBC

**ATTENDEES:** Clyde Scollan, President, Construction Labour Relations Association (CLRA), Dave Earle, CLRA Government Relations Director, and Jim Bromley, CLRA Board Chair

**ISSUE(S):** Need for Government action re: projected skills shortages.

#### **BACKGROUND:**

- CLRA was established in 1969 to bring labour relations stability and security to contractors in BC's unionized construction sector.
- During the meeting, CLRA representatives will be seeking assurance that Government recognizes the gravity of impending skills shortages and their potential to impede major projects, Liquid Natural Gas (LNG) facility development and other economic opportunities for BC, and is taking concrete steps to address the issue.
- CLRA's July 2012 recommendations included a) creating a Minister of State for Skills Training, under the Ministry of Advanced Education; and b) reconstituting the Industry Training Authority (ITA) Board of Directors to focus membership on "people from organizations that directly hire apprentices and have a direct interest in the success of skills training programs" (Appendix 1).
- CLRA is also meeting with Minister Pat Bell on October 18 at 4:00 pm to discuss the same issues and proposal.

#### **DISCUSSION:**

##### a) Skills and Training Plan

- The Skills and Training Plan may address CLRA's concerns regarding Government action on the issue of impending skills shortages.
- Skills and Training Plan initiatives relevant to CLRA interests include:
  - more extensively using B.C.'s sector-based Centres of Training Excellence;
  - better supporting apprentices and employer/sponsors by introducing 15 regionally dispersed apprentice coaches and improving on-line resources;

- using the Job Match pilot, focussed on the construction sector in northern BC, to inform possible province-wide expansion of the program in 2013; and
- redoubling efforts to recruit workers from other parts of Canada and internationally to help fill the upcoming skills gap.
- These initiatives build on funding and initiatives already in place to support the construction, oil and gas and LNG sectors under the BC Jobs Plan (Appendix 2).

*b) ITA and the ITA Board of Directors*

- Over the past year, a number of industry training stakeholders have raised concerns regarding ITA's performance and responsiveness to industry needs.
- In response, the Ministry is directing the ITA to continue expanding opportunities for industry input into BC's industry-led trades training system
- Specific actions ITA is expected to undertake include quarterly meetings between the ITA and ITO Board Chairs, and holding regular regional roundtables with employers and other ITA customers
- This enhanced interaction will ensure that Skills and Training Plan activities led by ITA will be informed by, employer and labour market needs. (Appendix 3).

**SUGGESTED RESPONSE/KEY MESSAGING:**

- Government agrees that impending trades and technical skills shortages is a critical issue.
- The steps Government has taken since 2004 are working. As of March 2012, there were over 34,597 registered apprentices in BC, more than double the number registered in December 2001, and the ITA awarded a record 8,759 Certificates of Qualifications to journeypersons in BC in 2012.
- The Skills and Training Plan, and the recent creation of the Ministry of Job, Tourism and Skills Training, underscores Government's commitment to meet skills shortages.
- Government is also working closely with the ITA to ensure that the corporation continues expanding opportunities for input by industry and other key partners (e.g., industry training organizations, training institutions) into BC's trades training system.

**ATTACHMENTS:**

Appendix 1 – CLRA July 2012 Briefing Note to the Premier

Appendix 2 – BC Jobs Plan Initiatives Supporting the Construction and/or Oil and Gas sectors

Appendix 3 - ITA Skills and Training Plan Directives and Performance to Date

Prepared by: Stefan Virtue and Katherine Rowe, Labour Market Programs Branch



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MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**MEETING NOTE**

Cliff #: 98840

Date: August 8, 2013

**PREPARED FOR:** Minister Shirley Bond and Minister of State Naomi Yamamoto.

**DATE AND TIME OF MEETING:** September 16, 2013 at 4:30 – 6:00 pm  
UBCM Convention, Vancouver Convention Centre  
Meeting Room TBC

**ATTENDEES:** Mayors and Chief Administrative Officers (CAO's) of the 14 resort municipalities: Fernie, Golden, Harrison Hot Springs, Invermere, Kimberley, Osoyoos, Radium Hot Springs, Revelstoke, Rossland, Sun Peaks, Tofino, Ucluelet, Valemount and Whistler.

**ISSUE:** The Resort Communities Collaborative have requested an opportunity to meet with Minister Bond and Minister of State Yamamoto to showcase successful projects and discuss the contribution of resort oriented communities to the Province's overall tourism sector goals. This is an annual request.

**BACKGROUND:** The Resort Municipality Initiative (RMI) is administered by the Economic Development Division of the Ministry of Jobs, Tourism and Skills Training to address the unique circumstances of resort-oriented municipalities and increase tourism revenues within these communities through funding to enhance the tourism experience.

The program provided \$10.5 million in 12/13 and since 2007; the Province has invested over \$66 million (see Appendix 1) into the 14 eligible resort municipalities to support 193 projects such as new trails, amenities, visitor signage, beach improvements, shuttles, and events.

In 2012, the Province entered into a second series of five-year Memorandum of Understanding's (MoU's) with each of the resort municipalities with a commitment to ongoing support (dependant on available provincial funding). The MoU's are based on Resort Development Strategies (RDS) that identify each municipality's vision, goals, and projects to be completed over the term.

The long term objectives of RMI are to increase: tourist visitation and length of stay, visitor activities and amenities, employment, private investment, and municipal tax revenue. Between 2007 and 2012, RMI projects have resulted in:

- An increase in tourism revenues in these communities of ~\$100 million.
- Direct incremental tourism and construction spending of \$40 million in tourism revenues and \$220 Million in construction spending from 2007 to 2012.
- Direct increase in tourism and construction jobs: 1,800 direct full time equivalent (FTE) jobs from both incremental tourism spending (471 FTE) attributed directly to RMI projects and construction spending (1,320 FTE), with an additional 660 indirect FTE from Construction (tourism indirect FTE was not estimated).

**DISCUSSION:** The resort municipalities plan to deliver a presentation during the meeting to express their appreciation for the RMI program and illustrate the dramatic improvement it has made to their local economies. The municipalities wish to share RMI successes and discuss the unique characteristics facing small resort oriented municipalities (please see the attached invitation for the tentative agenda).

The RMI program directly aligns with key government initiatives, such as the BC Jobs Plan and Gaining the Edge – BC's tourism Plan. The Ministers would have the opportunity to highlight the significant role and contribution of local and regional economies in achieving the objectives of the BC Jobs Plan. Furthermore, the Ministers may use the meeting as another opportunity to reaffirm government's commitment to accelerating the Plan and to driving growth, not only in the tourism industry, but across each of BC's key sectors.

**SUGGESTED RESPONSE/KEY MESSAGING:**

- The Province understands the value that RMI funding has to resort municipalities in supporting robust regional tourism economies, and the contribution these communities make in supporting the provincial tourism economy.
- Government remains committed to the RMI program and values the contribution of resort municipalities in achieving the objectives of the BC Jobs Plan.
- RMI projects directly support the creation of world class experiences for visitors and it is wonderful to see the array of projects undertaken and completed thus far.
- The partnerships created to leverage municipal and other funding sources to supplement RMI funds in support these projects is commendable.

**ATTACHMENTS:**

- Appendix 1: RMI Program Overview 2007 – 2013
- Appendix 2: RMI Mayor Names and Photos
- Appendix 3: Invitation to Minister Bond, Minister Yamamoto and Kaaren Lewis

Prepared by: Shanna Mason, ADM, Economic Development Division  
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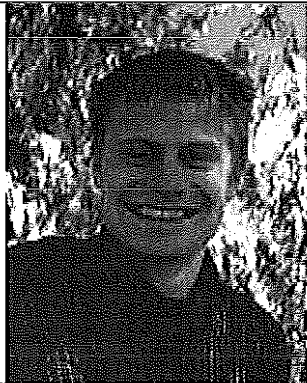
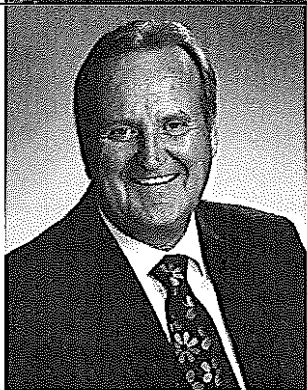
## APPENDIX 1: RMI Program Overview 2007 – 2013

RMI Funding 2007 to 2013				
Resort Municipality	Prescribed Rate (based on accommodation units)	Year Started	RMI Allocations	Project Examples
Fernie	3%	2009	\$1,635,019	Recreational trails, cultural and heritage tourism development, museum and information centre, signage, Elk River access, shuttle.
Golden	4%	2006	\$3,994,114	Signage, Visitor Amenity Hub, Community Square, green spaces and paths.
Harrison Hot Springs	2%	2007	\$1,953,882	Village centre renewal, lakeshore promenade, beach and lagoon improvements, sand sculpting competition.
Invermere	3%	2009	\$927,827	Public space development, Kinsmen Beach Improvements, mountain valley shuttle, trails.
Kimberley	2%	2007	\$528,729	Signage, Platzl development, collaborative reservation system, mini golf course.
Osoyoos	2%	2008	\$1,563,233	Trail system, signage, beach cleaner, public art, boat parking, marina enhancement.
Radium Hot Springs	2%	2007	\$776,628	Shuttle bus service, downtown beautification, sheep displays, events and festivals, signage, adventure youth camp.
Revelstoke	3%	2008	\$2,431,770	Snowmobile infrastructure development, trails, museum enhancements, public art projects, outdoor performance space, visitor information centre, airport improvements.
Rosland	1%	2007	\$154,935	Signage, shuttle service.
Sun Peaks	3%	2011	\$764,896	Music and Oktoberfest events, portable stage.


Tofino	2%	2008	\$3,389,854	Lighthouse trail, multi-use path, beach access and infrastructure, downtown revitalization, civic centre.
Ucluelet	2%	2008	\$768,887	Wild Pacific Trail development, pedestrian link, public washrooms, conference centre infrastructure.
Valemount	1%	2007	\$325,376	Winter and spring events, trail development.
Whistler	4%	2006	\$47,395,183	Employee housing, trail development, festivals and events, outdoor ice rink.
			<b>\$66,610,333</b>	


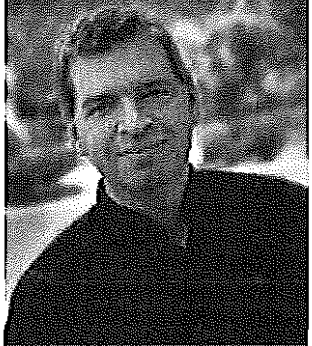

**APPENDIX 2: RMI Mayor Names and Photos**

<b>Municipality</b>		
<b>Fernie</b>	<b>Mayor Mary Giuliano</b> <a href="mailto:mary.giuliano@fernie.ca">mary.giuliano@fernie.ca</a>	
<b>Golden</b>	<b>Mayor Christina Benty</b> <a href="mailto:christina.benty@golden.ca">christina.benty@golden.ca</a>	
<b>Harrison Hot Springs</b>	<b>Mayor Leo Facio</b> <a href="mailto:lfacio@harrisonhotsprings.ca">lfacio@harrisonhotsprings.ca</a>	

Municipality		
Invermere	<b>Mayor Gerry Taft</b> <a href="mailto:mayor@invermere.net">mayor@invermere.net</a>	
Kimberley	<b>Ron McRae</b> <a href="mailto:mayor@kimberley.ca">mayor@kimberley.ca</a>	
Osoyoos	<b>Mayor Stu Wells</b> <a href="mailto:swells@osoyoos.ca">swells@osoyoos.ca</a>	
Radium Hot Springs	<b>Mayor Dee Conklin</b> <a href="mailto:Mayor@radiumhotsprings.ca">Mayor@radiumhotsprings.ca</a>	



Municipality		
Revelstoke	<b>Mayor David Raven</b> <a href="mailto:david.raven@revelstoke.ca">david.raven@revelstoke.ca</a>	
Rossland	<b>Mayor Greg Granstrom</b> <a href="mailto:mayor@rossland.ca">mayor@rossland.ca</a>	
Sun Peaks	<b>Mayor Al Raine</b> <a href="mailto:admin@sunpeaksmunicipality.ca">admin@sunpeaksmunicipality.ca</a>	
Tofino	<b>Mayor Josie Osborne</b> <a href="mailto:osborne@tofino.ca">osborne@tofino.ca</a>	

Municipality		
Ucluelet	<b>Mayor Bill Irving</b> <a href="mailto:info@ucluelet.ca">info@ucluelet.ca</a>	
Valemount	<b>Mayor Andru McCracken</b> <a href="mailto:mayor@valemount.ca">mayor@valemount.ca</a>	
Whistler	<b>Mayor Nancy Wilhelm-Morden</b> <a href="mailto:info@whistler.ca">info@whistler.ca</a>	

MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**MEETING NOTE**

Cliff #: 98950

Date: July 22, 2013

**PREPARED FOR:** Minister Shirley Bond and Deputy Minister Byng

**DATE AND TIME OF MEETING:** Tuesday, July 23, 2013, a.m.

**ATTENDEES:** UK High Commissioner

**ISSUE(S):** BC issues include visitation rates and opportunities for further development of the UK as a market for BC tourism; UK issues are not known.

**BACKGROUND:**

The UK was BC's second-largest international market in terms of direct entries in 2011. The latest figures (YTD May 2013) show a decline in visitors from the UK of approximately 10 percent over the previous year, with just over 59,000 UK arrivals. Canada is the UK's tenth-largest source of visitors, with Canadians spending an estimated GBP512 million in 2011.

BC has direct links via Vancouver's YVR to Glasgow, Heathrow, Gatwick and Manchester in the UK. The addition last year of direct flights by UK carrier Virgin was a welcome expansion of that service.

As stated in the *Gaining the Edge* strategy, a variety of British Columbia tourism products are promoted in the UK market. These experiences include products such as touring vacations (sightseeing, driving vacations, etc.), city experiences, outdoor adventure/eco-tourism, wildlife viewing, rail, cruise, and skiing/snowboarding.

**DISCUSSION:**

BC's objective is to increase provincial tourism revenues. Goals include attracting more visitors from the UK market, increasing length of stay, increasing spend per stay, and to promote geographic and seasonal distribution of visitors to BC.

To support these objectives:

- Destination BC deploys a combination of media relations, social media, travel trade and consumer direct activities to promote British Columbia to the UK visitor. Working with key account tour operators, airlines, travel media and online marketing partners, Destination BC's UK-based representatives work on behalf of the BC tourism industry to identify and develop tourism opportunities.

- The Ministry addresses issues around ease of access into BC (border and customs crossings) and addressing barriers that businesses in the key product sectors fall (i.e. *Super, Natural British Columbia*® attributes).

**SUGGESTED RESPONSE/KEY MESSAGING:**

- The UK is one of British Columbia's key long-haul markets.
- Destination BC is committed to the UK market with dedicated staff in London working with key partners in promoting British Columbia as a vacation destination.
- Ease of travel between our two jurisdictions is of mutual benefit.

**ATTACHMENTS (hardcopy):**

- 1) United Kingdom Visitor Market Profile (2012), Destination BC.
- 2) International Visitor Arrivals, Overnight Custom Entries to BC and Canada (May 2013), Destination BC

Contact: Bruce Whyte, Sr. Tourism Development Officer, Tourism and Small Business Division  
Telephone: 250-387-2784

Reviewed by			
ED: <i>JD</i>	ADM:	DM:	MIN:

# UNITED KINGDOM

## visitor market profile

JULY 2012

### Overview

- The United Kingdom (UK) was BC's second largest international market in terms of direct customs entries in 2011; this ranking remains unchanged from 2010. The UK was also Canada's second largest market in 2011 and 2010.
- The UK remained the top European market for both BC and Canada in 2011. In 2011, the UK accounted for 44% of BC's European entries and 30% of Canada's European market share. UK's market share in BC saw a slight increase while that in Canada saw a slight decrease compared to 2010.

#### Top countries to BC (2011)

USA overnight	1	Germany	7
United Kingdom	2	Hong Kong	8
Australia	3	Mexico	9
China	4	Philippines	10
Japan	5	India	11
South Korea	6	Taiwan	12

Source: Statistics Canada

### The market at a glance

Outbound travellers from the UK (2010)	55.56 million	Population (2010)	61.35 million
Direct customs entries to BC (2011)	197,935	Unemployment rate (2010)	7.8%
BC's share of Canada's UK custom entries (2011)	29%	Real GDP (2010)	\$2.23 trillion US
The UK as a share of BC's total international customs entries (2011)	5%	GDP growth (2010)	1.4%
Europe as a share of BC's total international customs entries (2011)	11%	GDP growth (2011)	0.9%
The UK as a share of BC's European customs entries (2011)	44%	Forecasted GDP growth (2012)	0.5%

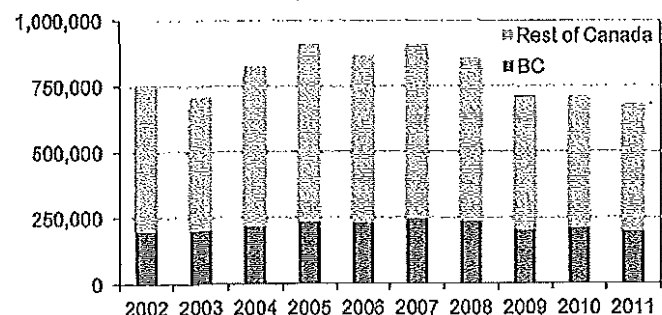
Sources: UK Office for National Statistics, Statistics Canada, OECD

### Country overseas travellers

- UK residents made 55.5 million trips abroad in 2010, down 5% over 2009.
- In 2010, 77% of UK trips abroad were to European destinations (down from 81% in 2000), 7% of trips were to North America (down from 9%) and other destinations accounted for 17% (up from 11% in 2000).
- In 2011, nearly 680,000 UK residents travelled to Canada; nearly 29% entered directly through British Columbia. While the number of UK entries to Canada dropped 9% over the 2002-2011 period, UK entries to BC only decreased 1%.

Sources: UK Office for National Statistics, Statistics Canada

UK overnight customs entries (2002-2011)



# The UK traveller in Canada

## Visitor characteristics

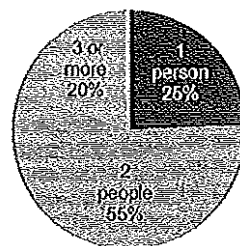
In 2010, there were slightly more female visitors to Canada from the UK than male visitors (53% and 47%). These proportions were stable compared to 2007.

In 2010, a quarter of UK visitors travelled alone, up from 17% in 2007. The proportion of visitors travelling in groups of two or groups of three or more declined slightly from 59% and 25%, respectively, in 2007.

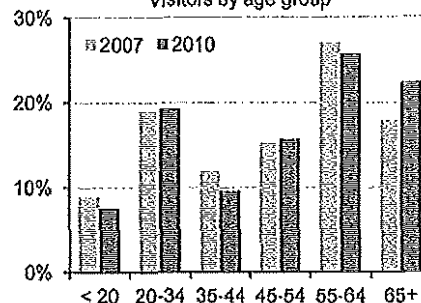
In 2007 and 2010, nearly half of UK visitors to Canada were 55 years of age or older. The proportion of visitors aged 65+ grew slightly between the two years (up 4 percentage points).

Canada also attracts younger adults (20 to 34 years) from the UK. Within this group, about seven-in-ten fall in the 25 to 34 age bracket.

Travel party size (2010)



Visitors by age group



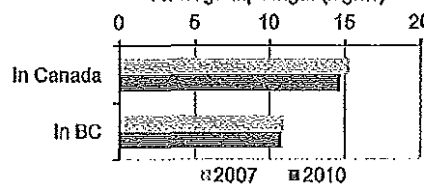
## Trip characteristics

In 2010, UK travellers to Canada (who also visited BC) spent on average 15 nights in Canada, and 11 nights in BC. The average trip length was stable compared to 2007.

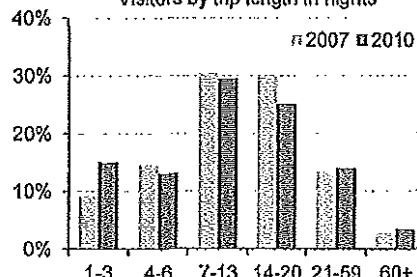
Most frequently, UK visitors to Canada stayed two to three weeks. The proportion of visitors staying 14 to 20 nights declined five percentage points, while those staying one to three nights increased six percentage points between 2007 and 2010.

UK residents tended to visit Canada in the spring and summer months (May to September). There was a smaller spike in visitors through the latter part of the winter, likely for ski or winter sport holidays.

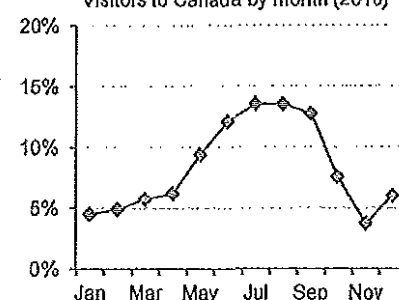
Average trip length (nights)



Visitors by trip length in nights



Visitors to Canada by month (2010)



### Data sources for UK travellers in Canada

The International Travel Survey (ITS) is an ongoing survey conducted by Statistics Canada in partnership with the Canadian Tourism Commission and some provinces, including BC.

The survey contains questions designed to collect data on the characteristics of travellers.

The ITS provides statistics on the volume and demographics of international travellers and on characteristics of their trips such as activities, expenditures, places visited, accommodations and length of stay.

The data in this section is based on the 2010 ITS results and on those who entered Canada from the UK and who spent at least one night in BC.

Comparisons to the 2007 ITS results are discussed where available.

For more information, please visit [www.statcan.gc.ca](http://www.statcan.gc.ca)

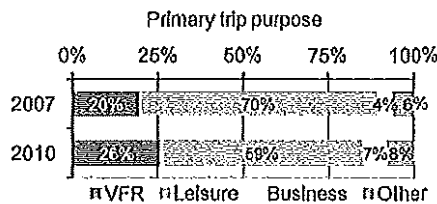


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# The UK traveller in Canada

## Activities and transportation

Nearly 60% of UK travellers to Canada visited for leisure purposes, while a quarter indicated that they were visiting friends or relatives (VFR). Between 2007 and 2010, leisure travel declined 11 percentage points, with increases in VFR and business travel.



For UK travellers in Canada, metro, subway and taxi were the most popular mode of transport in 2007 and 2010. Rental cars were used by a quarter of UK travellers in 2010, up nine percentage points, while air travel within Canada declined ten percentage points compared to 2007.

Shopping and sightseeing were the most popular activities for UK travellers to Canada (93% and 85% in 2007; 89% and 87% in 2010). Visiting national or provincial parks remained a popular activity among UK travellers. While visits to parks and historic sites and to friends and relatives increased, participation in sports or outdoor activities decreased 9 percentage points in 2010.

Other activities while in Canada

Trip activities*	2007	2010
National or provincial park	67%	71%
Friends or relatives	49%	55%
Historic sites	41%	46%
Bar or night club	43%	43%
Museum or art gallery	41%	41%
Sport or outdoor activity	49%	40%
Zoo, aquarium or gardens	38%	40%
Festivals or fairs	12%	13%
Cultural events	12%	12%

\*Other than shopping and sightseeing

Transportation while in Canada

Transport method	2007	2010
Metro, subway, taxi	43%	48%
Private car	35%	44%
Bus	43%	36%
*Boat	35%	36%
Rented car	30%	27%
Train	24%	22%
Plane	27%	17%
Private plane	1%	2%
Private boat	1%	1%

\*Includes cruise, ferries, etc.

## Spending and perceived value

In 2010, UK travellers spent about \$2,800 per party during their visit to Canada, down 16% since 2007. On average, travel parties spent \$190 a night, down 13% since 2007.

Accommodation, transportation, food and beverages accounted for 75% of expenditures; this proportion remained stable between 2007 and 2010.

Expenditures by travel party

Expenditure type	2007	2010
Accommodation	35%	39%
Transportation	14%	14%
Food and beverage	26%	22%
Recreation/entertain	12%	11%
Other costs	13%	14%
Total spend by party	\$3,335	\$2,792
Party spend by night	\$218	\$190

Overall, UK visitors to Canada were satisfied with the building blocks of travel – transportation, accommodation, local hospitality, and the variety of activities available during their trip. More than 80% of visitors rated these aspects as “good” and the hospitality of local people received a particularly high rating (97% were satisfied).

UK travellers have been less satisfied with their trip to Canada in terms of value for money. Since 2007, the proportion of UK travellers giving a good rating for value dropped 43 percentage points while poor ratings increased six-fold. UK visitors' 2010 ratings were consistent with ratings by visitors from other overseas markets.

While the poor ratings for value may reflect UK residents' access to less expensive destinations in Europe and elsewhere and the depreciation of the UK Pound versus the Canadian dollar, Canada otherwise provides a good travel experience for UK visitors.

Trip experiences in Canada

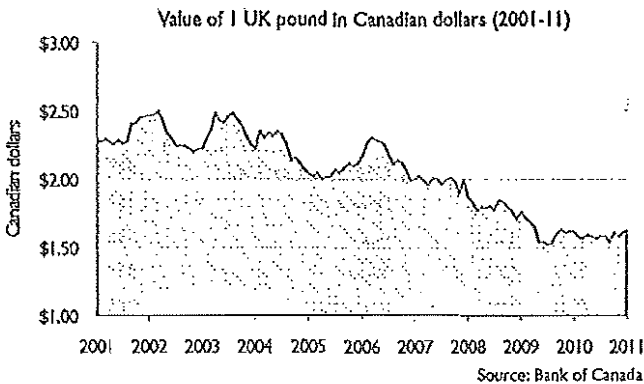
Satisfaction with ...	2007	2010
<b>Transportation services</b>		
Good	81%	84%
Average	15%	12%
Poor	4%	3%
<b>Accommodation services</b>		
Good	91%	89%
Average	8%	11%
Poor	0%	0%
<b>Hospitality of local people</b>		
Good	96%	97%
Average	4%	3%
Poor	0%	0%
<b>Value for your money</b>		
Good	70%	27%
Average	27%	55%
Poor	3%	18%
<b>Variety of things to see and do</b>		
Good	91%	91%
Average	9%	8%
Poor	0%	1%



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## The United Kingdom's economic profile

The UK follows Germany and France as the three largest economies in Europe. The UK economy rests on banking, insurance and business services, making it vulnerable to the 2008 global financial crisis. High consumer debt and falling house prices also contributed to the UK's economic problems. The depreciation in the pound sterling and the five-year austerity program implemented in 2010 may encourage UK residents to plan domestic holidays or to take fewer holidays.



A study commissioned by the Bank of England showed that the average pre-tax household income was £2,850 a month (approximately \$4,470 CDN) in 2011. After paying for income tax, insurance, housing, loans and utilities, respondents estimated they had £720 available each month. Half of respondents indicated their monthly incomes had fallen and seven-in-ten were expecting to feel the impact of the government's fiscal measures to reduce the UK's budget deficit including salary freezes and tax increases.

Households reported problems in keeping up with bills and credit commitments, which may be related to price increases for utilities and basic commodities. Household debt has been kept in check by low interest rates but rate increases of one or two percentage points may cause financial distress for some households (20% of those with variable rate mortgages indicated they would need to take action if rates rose by one percentage point).

Sources: CIA World Factbook, UK Office of National Statistics, Bank of England

## Competition for Canada and BC

The Canadian Tourism Commission (CTC) defines Canada's competitive set for the long-haul UK travel market as the United States, Australia, New Zealand, Thailand, South Africa, and India. The Association of British Travel Agents reports that UK travellers see long-haul travel as important but may be looking for destinations with good value for money.

In addition to economic pressures, the CTC identifies four factors influencing UK demand for long-haul travel:

- Rising travel costs including airline service fees, travel taxes and the loss of discount airline/tour operators.
- Strike action among airline workers and border guards, which may be exacerbated by fiscal measures.
- The spate of natural disasters and political problems around the globe may impact travel plans.
- The 2012 London Olympic Games will put the focus on domestic events.

While the unaided awareness of Canada as a long-haul destination increased during the 2010 Olympic Games, awareness dropped somewhat in 2011.

Within Canada, Ontario remained the destination of choice, followed by BC and Alberta. However, BC may overtake Ontario in a couple of years if current trends continue.

Among UK travellers, Canada's destination image focused on its geography, the opportunity for authentic and extraordinary travel experiences, and positive emotions. Canada was well regarded for its winter activities, scenery, and national parks, but lost out to the US in terms of product diversity and city experiences, and lost out to Australia in terms of aboriginal culture.

Sources: Canadian Tourism Commission, Association of British Travel Agents

### Comparing UK visits abroad (2010)

UK long-haul destinations	Visits (000)
United States	3,240
India	850
Egypt	671
United Arab Emirates	499
Australia	454
Pakistan	430
Tunisia	423
Canada	413
South Africa	371
Thailand	339
Mexico	314
Morocco	308
Mainland China	287
Jamaica	199
Hong Kong (China)	157
New Zealand	141
Nigeria	117
Sri Lanka	116

Source: UK Office of National Statistics



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## Emerging trends in travel

The internet now underpins the travel industry. A global study of travellers by Travelport found that two-thirds of travellers use on-line search engines to find travel information. Airline websites, hotel sites and destination sites are visited by about 40% of travellers. Following the rise of low-cost carriers and the perception that travel suppliers offer best value, nearly half of travellers booked flights and hotel directly with suppliers.

In the UK, a survey of British adults by Tealeaf/YouGov found that four-in-ten only use the internet to research their holiday and 30% only use the internet to book a holiday. However, 10% said they book with the same provider each time indicating that loyalty is an issue for travel companies.

In 2011, Google acquired ITA, a major travel search software company that provides web-based fare comparison and shopping services for airlines, travel distributors, and travellers. The US Justice Department has imposed five-year restrictions on Google amid concerns about skewed searches from competing travel aggregators.

UK National Holidays	2012	2013
New Year's Day	January 1	January 1
Good Friday	April 6	March 29
Easter Monday	April 9	April 1
May Bank Holiday	May 7	May 6
Spring Bank Holiday	June 4	May 27
Queen's Diamond Jubilee	June 5	--
Summer Bank Holiday	August 27	August 26
Christmas Day	December 25	December 25
Boxing Day	December 26	December 26

Source: Timeanddate.com

For more information, contact  
Tourism British Columbia's  
Research, Planning and Evaluation team

By email: [TourismResearch@gov.bc.ca](mailto:TourismResearch@gov.bc.ca)  
By phone: 1.877.877.8811

Ministry of Jobs, Tourism & Innovation  
Province of British Columbia (2012)

Cover photo: Tourism British Columbia/Tourism BC Image Bank

Looking forward, the focus is on social media and mobile technology as travellers use the internet to research, book, and comment on their experiences. In the UK, a Conrad Advertising/YouGov study found that TripAdvisor is the most popular social media used for holiday planning, and independent holiday reviews and photographs are important content in the travel planning process.

Reviews posted by holidaymakers focus more on hotels and destinations, less on prices and offers. Suggestions from reviewers can prompt people to investigate travel options they had not considered. While 10% said a negative review would stop them from booking a hotel they were interested in, over 80% of people said a poor review would cause them to investigate further.

While the internet provides a wide range of information, it is not replacing word of mouth recommendations, face-to-face advice or printed material. Also, the Association of British Travel Agents reported an increase of in-person bookings with travel agents, particularly among younger travellers. Travel companies are seeking to enhance the in-store experience and provide more interactivity and fun for their customers.

While few UK adults are currently using mobile devices to handle the complex process of booking their travel, they are using mobile devices to store and manage their trip itinerary, to update social media websites while abroad, and to conduct last minute, location-specific web searches during their trip. These "on-the-fly" searches include the weather, hotels, attractions, local businesses and events, maps, city guides, translation services, and transportation.

Mobile devices such as web-enabled cell phone and tablets have made these searches more accessible and user-friendly, and mobile devices are on the way to becoming a virtual concierge for travellers. This opportunity depends on access to wireless broadband web service in the destination, and consumers will expect increasing integration within and across travel providers, suppliers and intermediaries.

In April 2012, the air passenger duty tax increased again for travellers leaving UK airports. Travellers saw £5 to £10 increases in 2012 for flights to Canada. While UK air capacity into the Vancouver International Airport (YVR) rose 17% between 2009 and 2010, capacity dropped 13% in 2011. However, Virgin Atlantic entered the market with four weekly flights direct to YVR from London Heathrow in May 2012.

Source: Travelport, Tealeaf/YouGov, Bloomberg, Conrad Advertising, Association of British Travel Agents, Canadian Tourism Commission, InterVISTAS



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## Overnight Custom Entries to British Columbia

## international visitor arrivals

	May 2013				Year-to-Date			
	BC	% change*	Canada	% change*	BC	% change*	Canada	% change*
<b>Total U.S.A.</b>	<b>410,661</b>	<b>2.3%</b>	<b>1,764,126</b>	<b>-0.5%</b>	<b>1,414,932</b>	<b>-0.9%</b>	<b>6,233,567</b>	<b>-3.1%</b>
<b>U.S.A. Overnight</b>	<b>266,726</b>	<b>7.1%</b>	<b>1,033,635</b>	<b>3.8%</b>	<b>856,717</b>	<b>3.8%</b>	<b>3,350,080</b>	<b>1.1%</b>
<b>U.S.A. Same Day</b>	<b>143,935</b>	<b>-5.5%</b>	<b>730,491</b>	<b>-6.1%</b>	<b>558,215</b>	<b>-7.3%</b>	<b>2,883,487</b>	<b>-7.7%</b>
<b>Total Asia/Pacific Overnight</b>	<b>85,369</b>	<b>2.3%</b>	<b>163,357</b>	<b>5.2%</b>	<b>279,703</b>	<b>3.5%</b>	<b>525,091</b>	<b>4.6%</b>
Japan	8,423	1.0%	17,810	2.6%	37,288	0.4%	72,320	4.0%
Taiwan	4,293	27.9%	6,319	29.8%	11,147	-0.1%	16,888	6.4%
Hong Kong	7,297	4.2%	11,851	7.9%	27,068	3.6%	41,180	2.7%
Australia	19,793	-13.8%	28,400	-8.3%	54,257	-5.1%	80,138	-0.9%
South Korea	7,222	-3.2%	12,718	0.1%	26,557	-4.9%	45,175	0.3%
China	14,265	20.0%	27,874	23.2%	55,388	20.9%	98,626	19.5%
New Zealand	3,742	30.3%	4,782	24.2%	10,563	10.8%	13,224	9.2%
India	5,209	-15.5%	19,037	-7.1%	15,701	-6.2%	50,355	-6.3%
South East Asia <sup>1</sup>	10,165	3.3%	15,343	5.1%	29,817	5.3%	45,586	7.5%
<b>Total Europe Overnight</b>	<b>42,929</b>	<b>-5.0%</b>	<b>194,539</b>	<b>1.0%</b>	<b>120,102</b>	<b>-8.5%</b>	<b>635,022</b>	<b>-3.3%</b>
United Kingdom	20,722	-4.7%	60,311	-4.3%	59,076	-10.0%	188,309	-6.9%
Germany	7,819	-4.1%	29,282	2.4%	18,947	-3.7%	81,720	-5.6%
Netherlands	2,675	-16.8%	9,777	-1.2%	6,009	-14.3%	26,057	-2.0%
Austria	617	-1.0%	3,041	-2.8%	1,776	-4.7%	10,320	-6.0%
Switzerland	1,984	2.6%	8,338	4.6%	5,121	-1.7%	26,988	-1.1%
France	1,700	-7.4%	37,601	7.7%	4,908	-15.3%	136,779	-0.5%
Italy	973	-4.0%	6,989	4.0%	3,173	-2.4%	23,160	5.0%
Nordic Europe <sup>2</sup>	1,634	-6.5%	8,215	-7.8%	6,513	-16.7%	37,959	-4.9%
Brazil	1,124	-21.3%	7,690	9.5%	4,413	-13.5%	31,722	4.9%
Mexico	5,106	-3.4%	11,727	0.4%	21,886	3.2%	51,468	5.0%
<b>Total International Overnight</b> (Includes USA Overnight)	<b>404,086</b>	<b>4.4%</b>	<b>1,444,521</b>	<b>3.7%</b>	<b>1,290,769</b>	<b>2.3%</b>	<b>4,708,669</b>	<b>1.0%</b>

For more information, please contact:

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Website: [www.destinationbc.ca/research.aspx](http://www.destinationbc.ca/research.aspx)

Want more information?

Please email "subscribe" to  
[tourismresearch@gov.bc.ca](mailto:tourismresearch@gov.bc.ca)  
and receive research alerts.\*All percentage comparisons versus  
same period in 2012.Source: Statistics Canada; Prepared by  
Destination British Columbia, Research,  
Planning & EvaluationNote: Customs entries include  
international visitors who cross Canada  
Customs in British Columbia. These  
figures do not account for all visitors to  
BC since domestic visitors are excluded  
as well as international visitors who  
cross Canada Customs outside BC yet  
still travel to BC. Likewise, customs  
entries include visitors that cross  
Canada Customs in BC, but who  
continue on to other provinces.<sup>1</sup>South East Asia includes Malaysia,  
Philippines, Singapore and Thailand<sup>2</sup>Nordic Europe includes Denmark,  
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MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**MEETING NOTE**

Cliff #: 100080

Date: July 29, 2013

**PREPARED FOR:** Honourable Shirley Bond, Minister of Jobs, Tourism and Skills Training and Responsible for Labour

Honourable Naomi Yamamoto, Minister of State for Tourism and Small Business.

**ISSUE:** Ministers' meeting with representatives of the Coalition of BC Businesses on July 30, 2013.

**BACKGROUND:** Members of the Coalition of BC Businesses (Coalition) will meet with Minister Bond and Minister Yamamoto to discuss labour policies in the context of the strong provincial economy.

The Coalition of BC Businesses (Coalition) was formed in 1992 to represent British Columbia's small and medium-sized businesses in the development of BC's labour and employment policies. The Coalition is made up of organizations that collectively represent over 50,000 small and medium-sized businesses from across the province. Its members include the BC Chamber of Commerce, BC Restaurant and Food Services Association, Alliance of Beverage Licensees of BC, the Independent Contractors and Businesses Association, and the Western Convenience Stores Association.

The Coalition promotes employment laws and practices that "are realistic, flexible, respect individual choices, promote voluntary cooperation between employers and employees, are fair for all and provide a basic standard of protection for employees".

**DISCUSSION:** In November 2011, John Winter, President and CEO of the BC Chamber of Commerce and member of the Coalition, provided the former Minister responsible for labour issues, a copy of the Chamber's 2011-2012 Policy and Positions Manual for her review and consideration. The manual had several recommendations in the areas of employment standards, workers' compensation and labour relations. The Coalition has also published its position on a range of other labour issues. It is anticipated that the Coalition will want to raise the following issues with the Ministers.

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**Minimum Wage:** The Coalition has generally opposed minimum wage increases. However, prior to the latest set of minimum wage increases (starting in 2011) the Coalition recognized a need for moderate, incremental increases and was supportive of the introduction of the “liquor server” wage.

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**Employment Standards:** Government amended the *Employment Standards Act* and *Regulation* in 2002 to ensure employment standards in British Columbia continued to be progressive, balanced, and fair-minded, while promoting economic growth and prosperity in B.C.

The Coalition has generally been satisfied with those changes and is not calling for broad changes today.

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**WorkSafeBC – Compensation Coverage for Mental Disorders Arising in the Workplace.**

Although employers have been generally supportive of this new compensation coverage, some in the business community have voiced concern over the potential costs associated with the legislation and with accompanying policy that will require employers to perform risk assessments and roll out training programs to allow for better identification and reporting of workplace stressors.

Following the introduction of Bill 14, *Workers Compensation Amendment Act*, 2011, the Coalition had suggested changes to the Bill's provisions that broadened compensation coverage for diagnosed mental disorders arising in the workplace. The amended legislation has many of the revisions suggested by the business community. Between July 1, 2012 (when the changes came into effect) and April 30, 2013, WorkSafeBC received 1883 new mental disorder claims. WorkSafeBC has developed and approved a policy on bullying and harassment under the existing *Occupational Health and Safety Regulation* to prevent and address this behavior in the workplace (effective November 1, 2013). WorkSafeBC is also developing a workplace tool kit to assist workers and employers in understanding, preventing and addressing bullying and harassment in the workplace.

### **WorkSafeBC – 2014 Preliminary Average Base Premium Rates**

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On July 29, 2013,

WorkSafeBC announced that the average base premium rate for 2014 will be increased. The average rate per \$100 of employers' assessable payroll is projected to increase from \$1.63 to \$1.70, a 4.8 percent rise in nominal terms. This is less than 1/10th of 1 percent of the average employer's total payroll costs. This follows a similar increase for 2013, after nearly a decade of level or declining rates. As an example, a small business employer with a payroll of \$500,000, and an average premium rate, would see a rate increase of \$400 for the year, or \$33 per month. By way of comparison, the average rate in 2000 was \$2.31 per \$100 of assessable payroll.

Required rate increases for 2014 have been reduced by a contribution of \$319 million from reserves and deferrals in order to cap the required increase. The rate increase is due to increased claim costs and softened investment returns. WorkSafeBC will be consulting with stakeholders on the expected rates over the next two months, and a final decision on premium rates for 2014 will be made by the WorkSafeBC Board of Directors in October 2013.

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**Labour Relations:** Over the past decade the Coalition has made submissions to Government on a wide variety of issues related to the *Labour Relations Code* (Code).

These submissions include arguments in support of amendments to delete the statutory ban on replacement workers during a strike. Government's response has been that since the changes made in 2001 and 2002 the Code has been relatively well balanced.

In 2010, the Coalition was supportive of the Ministry's initiative to establish timelines for issuing decisions at the Labour Relations Board (LRB). Timelines (established by Ministerial regulation) were implemented at the LRB effective September 1, 2012.

**Temporary Foreign Workers:** The Coalition supports the Temporary Foreign Worker program. It has stated that temporary foreign workers have provided much needed labour certainty that has enabled many employers to open businesses which create and protect Canadian jobs and investment.

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The federal government recently introduced regulatory changes intended to increase employer compliance with their Labour Market Opinion and to ensure that Canadian workers are considered before temporary foreign workers.

#### RECOMMENDED RESPONSE:

- Many of the issues that the Coalition may wish to discuss have been brought to the attention of the Minister responsible for labour issues in the past.
- Government is always interested in the concerns and ideas of the business community regarding employment standards. Government also remains committed to ensuring a fair and balanced framework to guide workers' compensation in British Columbia. WorkSafeBC works closely with ministry staff and stakeholders to meet this goal.
- Government strives to maintain a balanced labour relations climate that encourages business and labour to settle their disputes in a productive and peaceful manner. At this time, an overall balance is seen within the *Labour Relations Code* such that the government is not anticipating any significant changes to the Code in the near future. However, as noted in the mandate letter issued by the Premier, one of the key roles of the ministry is to maintain a dialogue with stakeholders to ensure a labour relations system that continues to be conducive to economic growth and investment.

Prepared by: Peter Rogers, Senior Policy Advisor, Labour

Telephone: 250-387-1755

Reviewed by			
Dir:	ED:	ADM: TH	DM:

MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**INFORMATION NOTE**

Cliff #: 100250

Date: August 16, 2013

**PREPARED FOR:** Honourable Shirley Bond, Minister of Jobs, Tourism and Skills Training.

**ISSUE:** Foreign Qualifications Recognition (FQR) Review Project – Addressing Barriers to FQR in the Liquefied Natural Gas Sector.

**BACKGROUND:** Over the next decade, it is expected that there will be approximately one million job openings in BC. The Province is taking decisive action to address BC's workforce needs through the BC Skills and Training Plan and the upcoming 10-Year Skills Training Plan for Youth, ensuring British Columbians are first in line for these jobs. However, with only 608,000 new entrants expected to come from BC's K-12 system, there is a large looming labour shortage. Most of this gap – about one-third of all job openings – will need to be filled through immigration.

Labour market pressures are expected to disproportionately impact major projects and therefore northern regions of the province. For example, if five LNG plants come into operation, then approximately 75,000 direct, indirect and induced jobs will need to be filled once these projects are fully operational. Similar to labour market needs across the province, attracting and retaining skilled immigrants will be an essential component to ensuring BC's LNG sector has a sufficient workforce for long-term operations.

While immigrants coming to BC typically have high rates of post-secondary education, they continue to be under-employed and have higher rates of unemployment compared to Canadian-born workers. Recent surveys suggest that over one-third of immigrants are employed in a job that is lower pay and skills level than in their country of origin. Further, the recently completed National Settlement Outcomes Survey identified employment fit, and in particular, employer recognition of foreign work experience and qualifications, as one of the most significant challenges to immigrant settlement.

In 2012, the Ministry commissioned an in-depth FQR Review to investigate the real and perceived barriers to foreign qualification recognition and successful labour market outcomes. The Review focussed on nine high-demand occupations, working in direct collaboration with the regulators, and provided a quantitative and qualitative basis for twenty-four concrete recommendations to improve FQR processes in BC. The Review is well regarded across Canada as a new and innovative approach to improving employment outcomes for skilled immigrants.

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**DISCUSSION:** Building on the success of the first FQR Review, this project proposes to undertake a collaborative investigation into the specific barriers to qualifications recognition and labour market attachment of skilled immigrants for a selection of high-demand regulated occupations in the Liquefied Natural Gas (LNG) sector, and develop an action plan to address these barriers. Improving qualification recognition and employment outcomes of skilled immigrants through this project will ensure BC has the international workforce required to successfully support the LNG sector. It will also encourage immigrants to consider the LNG sector and northern regions of the province, knowing that their qualifications will be recognized and matched to high demand occupations.

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## **NEXT STEPS:**

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**ATTACHMENT:** Appendix A: Project Activities.

Contact: Shannon Baskerville, Assistant Deputy Minister, Labour Market and Immigration Division

Telephone: (office) s17 / (cell) s17

Reviewed by				
Dir: KG	ED: SA	A/ADM: SA	DM:	MIN:

## Appendix A: Project Activities

### Foreign Qualifications Recognition (FQR) Review Project Proposal – Addressing Barriers to FQR in the Liquefied Natural Gas Sector

This project proposes to investigate selected high-demand occupations in the Liquefied Natural Gas (LNG) sector in British Columbia to identify barriers to qualification recognition and employment for internationally-trained workers.

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Project activities will be conducted by a contractor via Provincial procurement processes to fulfil two key roles:

- *Executive Project Lead* to manage the project and lead executive communications with stakeholders; and
- *Project Researcher and Writer* to conduct analysis of qualitative and quantitative data, and write reports to meet deliverables as required.

MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND RESPONSIBLE FOR LABOUR  
**INFORMATION NOTE**

Cliff #: 100402  
Date: August 21, 2013

**PREPARED FOR:** Honourable Shirley Bond, Minister

**ISSUE:** Opportunity for cooperation with the federal government (Industry Canada & Western Economic Diversification) on a Supplier Development Initiative

**BACKGROUND:**

On August 13, 2013, a representative from Industry Canada's Vancouver office contacted ministry staff to inquire about provincial efforts in the area of supplier development and to solicit input for possible future federal efforts in this area. Tourism & Small Business (TSB) staff have been in discussions with Industry Canada over the last year exploring the idea of a Supplier Development Initiative linked to the federal Industrial Regional Benefits (IRB) Program.

Industry Canada (IC) has a new Minister, Honourable James Moore (Appendix A), from Port Moody-Westwood-Port Coquitlam B.C., who is interested in seeing greater activity in B.C. One of the areas that IC is keenly focused on is responding to the recommendations of the recent federally-sponsored Canada aerospace industry review. Specifically, IC is interested in exploring the following three actions:

**1) National Aerospace Research and Technology Network**

Rec #5: *The government co-fund a Canada-wide initiative to facilitate communication and collaboration among aerospace companies, researchers, and academics.*

**2) Supplier Development Initiative**

Rec #12: *The government co-fund initiatives aimed at strengthening the Canadian aerospace supply chain.*

**3) Co-funded Infrastructure**

Rec #17: *The government co-fund – with industry, provinces and academic and research institutions – the purchase and maintenance of up-to-date infrastructure required for aerospace training and research purposes.*

In mid-August, IC's Deputy General for Aerospace, Defence and Marine industries (Brian Gear) met with staff from the Economic Development Division (EDD) at the Abbotsford Air Show (Aug 9-11) to discuss B.C.'s efforts in the aerospace sector. EDD

is leading B.C.'s IRB Advocacy Initiative, which is designed to generate greater awareness and connections between IRB prime contractors and B.C. companies. Mr. Gear's intentions are to connect back with other areas of the B.C. government in September to understand what other related activities are underway.

One of the BC Jobs Plan Platform Commitments is to:

“Leverage the Federal Industrial Regional Benefits Programs to attract global aerospace and defence contractors to B.C. This would be assisted by an investment of \$5 million over five years to kick start the development of a unified B.C. aerospace cluster to attract investment and integrated contract sourcing from global firms.”

EDD is pursuing IRB advocacy-type activities (e.g. trade mission / conference support, an Industry Advisory Round Table, establishment of an advocacy team within JTST, etc.) as a path for delivering on the platform commitment.

Western Economic Diversification, which has the mandate to acts as IC's lead for the IRB program for western provinces, also has a new Minister of State, the Honourable Michelle Rempel (Appendix B).

## **DISCUSSION:**

The provincial government has ambitious goals in several industrial sectors (shipbuilding & repair; energy – LNG & electricity infrastructure; and aerospace – industrial cluster) where supply chains will play a critical role in the success of these endeavours. In each case, the opportunity exists to develop strong B.C.-based supply chains that could not only support the sector but could also serve global markets and ensure that the maximum benefits from B.C.'s major projects come back to B.C.

The federal government also has major goals for the aerospace and shipbuilding sectors and it is now clear that they are very interested in a Supplier Development Initiative in the west to support their goals.

While these B.C. supply chain opportunities exist they are not likely to materialize in a significant fashion without direct government encouragement. The reason is that the industrial corporations at the head of these supply chains have their own goals and time constraints; it is not their job to develop capable B.C. suppliers and they have many options, and often a strong existing supply base, for sourcing materials and services with non-B.C. companies.

It is typically not in the immediate interests of these prime contractors to bring new suppliers into their procurement system unless the new supplier offers a unique

capability. This is why it is so important that federal and provincial governments take the lead on developing B.C.-based companies.

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Preliminary discussions have been held by TSB staff with B.C. post-secondary institutions and industry. Initial reactions indicate a strong interest and a desire to more fully develop the concepts. Additionally, there are immediate opportunities for inter-provincial collaborations. Nova Scotia (together with a cluster of eastern provinces) is already pursuing their own supplier development initiative as part of their National Shipbuilding Procurement Strategy (NSPS) efforts.

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**SUMMARY:**

- An opportunity exists to partner with the federal government on supplier development efforts that would improve the competitive position of B.C. companies.
- Developing strong B.C. suppliers and supply chains is critical to achieving provincial goals in multiple industrial sectors, especially the marine, aerospace and energy sectors. This will complement and enhance government's on-going efforts in skills training and technology development.

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- A meaningful implementation plan can be developed which aligns with the Province's fiscal constraints.

**RECOMMENDATIONS:**

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**ATTACHMENTS:**

Appendix A - Biography for the Honourable James Moore

Appendix B - Biography for the Honourable Michelle Rempel

Appendix C - Information Note: Explanation of the need for a BC Supplier Development Initiative

Prepared by: Jim Ciccateri  
Telephone: (250) 387-3600

Reviewed by:			
Dir:	ED:	ADM:	DM:

## Appendix A – Biography for the Honourable James Moore



### **Minster of Industry**

#### **The Honourable James Moore**

Constituency: Port Moody-Westwood-Port Coquitlam (British Columbia)

James Moore was first elected to the House of Commons in 2000 and re-elected in 2004, 2006, 2008 and 2011.

In July 2013, Mr. Moore was appointed Minister of Industry.

Previously, he was appointed Secretary of State (Asia-Pacific Gateway) (2010 Olympics) (Official Languages) in June 2008 and Minister of Canadian Heritage and Official Languages in October 2008.

Mr. Moore had previously been appointed Parliamentary Secretary to the Minister of Public Works and Government Services in February 2006, and was additionally named Parliamentary Secretary for the Pacific Gateway and the Vancouver-Whistler Olympics in April 2006.

Prior to his appointment to the Ministry, Mr. Moore served as a member of the standing committees on Government Operations and Estimates, on Aboriginal Affairs and Northern Development, on Transport, and on Environment and Sustainable Development.

In addition to his community and political work, Mr. Moore also has extensive experience in broadcasting, including once launching his own talk show.

Mr. Moore is a graduate of the University of Northern British Columbia, and holds a Masters of Arts degree in political studies from the University of Saskatchewan.



Appendix B – Biography for the Honourable Michelle Rempel



**Minister of State for Western Economic Diversification**

**Honourable Michelle Rempel, P.C., M.P.**

Michelle Rempel was elected to the House of Commons in May 2011.

In July 2013, Ms. Rempel was appointed Minister of State (Western Economic Diversification).

Previously, she was appointed Parliamentary Secretary to the Minister of the Environment in May 2011.

Prior to entering politics, Ms. Rempel was the Director of the University of Calgary's Institutional Programs Division. She has also worked in the technology commercialization division of the University of Manitoba, and as a managerial consultant in Calgary. Ms. Rempel has also volunteered with a number of organizations including the Children's Wish Foundation and the Northern Hills Community Association.

Ms. Rempel was named one of Canada's Top 100 Most Powerful Women by the Women's Executive Network for her senior level work in directing a large team of professionals in the field of research and development administration.

Ms. Rempel has a degree in economics and lives in North Calgary.

Appendix C – Information Note: Explanation of the need for a BC Supplier Development Initiative

MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND RESPONSIBLE FOR LABOUR  
**INFORMATION NOTE**

Date: August 19, 2103

**PREPARED FOR:** Honourable Shirley Bond, Minister

**ISSUE:** Explanation of the need for a BC Supplier Development Initiative and the connection to the federal Industrial Regional Benefits (IRB) Program.

**BACKGROUND:**

Our provincial economic success depends upon having globally competitive B.C. companies. The bulk of job creation and economic prosperity stems from established companies growing and entering new markets in a profitable manner.

On a continuing basis, government strives to establish a competitive operating environment through infrastructure development, favourable tax laws and streamlined regulation. On a program level, government's efforts to support companies in becoming more competitive have been primarily focused on technology development and marketing.

The lesson learned from dynamic and successful global industries (electronics, automotive, etc.) and echoed recently by prime contractors at the National Shipbuilding Symposium in Vancouver, is that in order to be globally competitive suppliers need to:

- deliver value to the customer;
- continuously improve; and
- innovate & differentiate.

Technology development is only one piece of that picture. Supplier development actually plays a bigger, broader role in creating and delivering value and in meeting the needs of global customers.

The federal IRB Policy ensures that Government of Canada defence and security procurements generate value-added business activity for Canadian industry. The IRB Policy requires that companies awarded major defence contracts undertake business activities in Canada valued at 100 percent of the value of the defence contract.

The IRB program offers several pathways for contractors to meet their IRB obligations, including: purchase of direct materials; purchase of indirect materials; direct investment in Canadian companies; investment in venture capital funds; or investment in

technology consortia. The IRB program incentivizes investments in technology consortia by providing contractors with a 5X multiplier on consortium investments.

With a projected **\$49 billion** in unallocated obligations expected **over the next 15 years**, the IRB program will likely have a tremendous impact on transforming Canadian businesses. B.C.'s IRB Advocacy Initiative helps companies see the opportunities.

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## DISCUSSION:

Supplier development is a very broad term that touches all aspects of an organization's operations. In general, supplier development means enabling companies to:

- Establish and maintain efficient and reliable business processes
- Identify opportunities to create value for customers
- Continually improve corporate organization and operations
- Align resources, systems and actions toward value creation and sustainable business performance

Canada's IRB Policy is intended **to provide Canadian companies with opportunities to develop and competitively sell innovative products and services** to companies with IRB obligations, many of which are large multinational aerospace and defence corporations. Yet currently, the IRB program is purely technology focused and all pathways for meeting IRB obligations revolve around technology development. No clear avenues exist for supporting supplier development.

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Another important lesson learned from successful jurisdictions around the world is that transforming companies & sectors into globally competitive suppliers and supply chains takes many years. Therefore, it is critical that programs designed to support transformation have a longer-term lifecycle (5-10 years).

Here in B.C., two recent pilot efforts on productivity have been very successful. In the Kootenays, Community Futures collaborated with Productivity Alberta to bring productivity assessment tools and follow-up support to local small and medium-sized businesses. In northern B.C., Northern Development Initiative Trust is running a program which provides partial rebates on consulting support to industrial businesses that undertake efforts to improve productivity and competitiveness. Program results are being formalized but the managers of these programs, and the communities they serve,

indicate that the programs are having very positive results. Now it is time to institute this type of support in a more comprehensive, consistent and sustained manner.

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MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**INFORMATION NOTE**

Cliff #: 100488  
Date: August 26, 2013

**PREPARED FOR:** Honourable Shirley Bond, Minister

**ISSUE:** Pilot to facilitate access to temporary skilled trades workers

**BACKGROUND:**

- Under Alberta's Temporary Foreign Worker (TFW) Annex, Alberta permits occupation-specific work permits without a Labour Market Opinion (LMO) for a specified list of trades: Carpenter, Estimator, Heavy duty equipment mechanic, Iron worker, Millwright, Steamfitter and pipefitter, and welder. These include TFWs certified by Alberta Apprenticeship and Industry Training (AAIT) holding a two year open work permit within their occupation and TFWs not certified by AAIT holding a one year employer-specific work permit leading to AAIT certification. Since inception in April 2011, the pilot has facilitated entry of over 2,200 skilled trades workers.
- To support this pilot, AAIT has worked with a number of US trades certification organizations, including the US Department of National Defense, to verify comparability of certifications to Canada's certification regime. As a result, the majority of trades workers under this pilot are from the US. Alberta also engaged provincial labour organizations and obtained their support for this pilot.
- The initial term of the pilot was April 2011 to July 2013. Despite the inclusion of TFW Annexes in the federal TFW Program review, CIC extended the pilot for an additional 12 months in mid-July 2013.

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Contact: Shannon Baskerville, Assistant Deputy Minister, Labour Market and  
Immigration Division

Telephone: s17

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MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**INFORMATION NOTE**

Cliff #: 100544

Date: August 28, 2013

**PREPARED FOR:** Honourable Shirley Bond, Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour

**ISSUE:** Temporary Foreign Workers – s17 update additional information

**BACKGROUND:**

s17, s21

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As of 2012, TFWs represent less than three percent of BC's total labour force of 2.5 million people. Less than three percent of the approximately 14,000 employed directly in mining are TFWs (BC had 120 LMOs representing up to 435 positions in mining, quarrying and oil and gas industries combined).

**DISCUSSION:**

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Contact: Darren Stadel, Executive Project Director, Major Investments Office  
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Reviewed by				
Exec PD: DS	Senior Exec:	Assoc DM: TM	DM:	MIN:



MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**INFORMATION NOTE**

Cliff #: 100626

Date: Sept 4, 2013

**PREPARED FOR:** Honourable Shirley Bond, Minister of Jobs, Tourism and Skills Training

**ISSUE:** Progress update on the McBride to Barriere Regional Economic Investment Pilot

**BACKGROUND:**

The McBride to Barriere Corridor Regional Economic Investment Pilot was launched January 16, 2012. Objectives were to hold a regional economic forum to explore local investment opportunities, identify two to four priority projects that were expected to have significant impact on jobs creation and determine how the Province could assist communities to capitalize on opportunities. The McBride to Barriere forum identified three key themes: energy, fibre, and tourism. See Appendix A for a timeline of events.

**DISCUSSION:**

**Progress on the Energy Theme:**

**Robson Valley** – BC Hydro and the project proponents are continuing their discussions on the development of a transmission line from the Valemount substation to a new substation at McBride. BC Hydro will fund up to \$50 million in system upgrades at the Valemount substation if project proponents fund and build the 138 kV transmission line from Valemount to McBride and a new substation at McBride to BC Hydro standards; successfully negotiate commercial terms and conditions for the biomass and run of river Electricity Purchase Agreements (EPAs) consistent with previous competitive calls; and develop an industrial park at McBride.

The parties met regularly over the winter and spring to discuss elements to be included in Transmission Development Agreements and requirements for entering into EPAs. The terms and conditions required for Transmission Development Agreements are well advanced but not concluded. The parties continue to meet and the proponents are working to provide project information and achieve milestones required by December 2013 to advance negotiations.

**North Thompson** – BC Hydro suspended planning for the North Thompson transmission line reinforcement project in January 2013. Resumption of planning will depend on whether large industrial loads materialize in the region.

**Progress on the Fibre Theme:**

A Bridges II Project was initiated in November 2012, to work collaboratively at a sub-regional scale with small forest tenure holders, First Nations, communities and value-added manufacturers. The purpose of the project is to create ongoing collaborative efforts with Community Forests, Woodlot Associations, value-added operators and forest sector representatives to create opportunities to deliver:

- Increased awareness of locally available logs and fibre as well as knowledge of haul distance and destinations.
- Promotion of established biomass waste handling and processing facilities.
- Higher log prices through leveraging attention from buyers and market demands (locally and provincially).
- Support for value added business in the corridor through understanding of their needs and opportunities.
- Increased utilization of the timber profile including species such as birch, hemlock and white pine through exploration and marketing of opportunities.

The **Bridges II** Project Manager – Chris Ortner – has travelled extensively throughout the McBride to Barriere Corridor region on at least five separate occasions to meet with representatives of community forests, woodlot associations, value-added operators and other forest sector and local economic development representatives. An initial field trip in November to the communities of McBride, Valemount, Vavenby, Clearwater and Simpcw First Nation began the process of identifying regional priorities. Follow up meetings and field visits throughout the winter and spring led to identification of the following issues:

- Clusters and cooperation exist already to some degree, but can be leveraged and improved to achieve economies of scale to secure higher log pricing through targeted marketing;
- A local, affordable supply of logs to small manufacturers is critical to their survival and to continue to embrace economic diversification in the communities;
- Marketing and inventory control is critical to maintain small mill production, and additional options need to be pursued to market lumber and value added products;
- Current operators are second and third generation – message is to support existing business with information, supplies and training; and
- In many cases, wood waste is burned either in the forest or at the mill. Small fir logs are wasted. In many cases, birch is logged around and hemlock is avoided as uneconomic to harvest. This will create a negative future forest condition.

Stakeholders have expressed interest in pursuing the following activities:

- Improving knowledge of local availability of logs and information relating to haul distance and destinations;
- Promoting the establishment of biomass waste handling and processing facilities;
- Encouraging BCTS to be aware of needs to enable local ventures;

- Understanding more fully the value added business in the Corridor and working to ensure its success;
- Leveraging attention from buyers and enabling higher log prices; and
- Encouraging the use of a broader spectrum of the timber profile and making better use of underutilized species including birch, hemlock and white pine.

A draft 2013 / 2014 work plan has been developed to address the issues and stakeholder interests. During the summer months, Chris will be continuing to meet with representatives from the McBride to Barriere Corridor region to discuss, refine and complete the deliverables identified in the work plan, which include:

- Value Added Directory
- Two potential new products or business identified
- Export manual produced and distributed
- Fibre Facilitation – producers identified with linkages made to suppliers
- Market development - new buyers identified, log specifications distributed

Appendix B provides a list of accomplishments to date for Bridges II in the McBride to Barriere corridor.

### **Progress on the Tourism Theme:**

**Tourism Strategy** – Development of a sub-regional tourism strategy for the North Thompson (including the communities of McBride and Valemount) was initiated in October 2012 with funding assistance from Destination BC's Community Tourism Foundation (CTF) program. A draft strategy was distributed to community stakeholders and a follow-up workshop held March 4, 2013. A plan is nearing completion and a draft will be shared with stakeholders in early fall and the final plan will be released in the late fall. The plan will include specific implementation tactics and a marketing plan for sub-regional projects that will strengthen the Corridor visitor experience and its market position.

As a related initiative, in February 2013, Northern BC Tourism partnered with McBride and Valemount to assist the communities in creating a tourism marketing plan to market experiences collectively under "The Robson Valley" brand. Funding is also being provided by Destinations BC's CTF program. This plan will also tie into the overall Robson Valley economic development plan being created by the Regional District of the Fraser Fort George.

**Valemount Glacier Destination Resort** - Effective March 27, 2013, the Province approved an Interim Agreement for the Valemount Glacier Destination Resort proposal which allows Valemount Glacier Destinations Ltd. to begin preparing a resort master plan and participate in the master plan review process. On June 5, 2013, the Ministry of Forests, Lands and Natural Resource Operations, the Regional District of Fraser-Fort George and the Village of Valemount jointly hosted a public information session on the

Valemount Glacier Resort Interim Agreement and the local and provincial government review process. The review process will include detailed analysis of the proposal, assessing its technical and economic feasibility and determining potential environmental impacts as well as any impacts to existing forestry and recreation activities. First Nations consultations will also continue during the review process period.

**Roads** - The Ministry of Environment completed upgrades to Clearwater River Road in Wells Gray Park.

**Other Projects:**

JTST is continuing to explore avenues to work with Corridor communities to develop a labour market assessment of the region.

**CONCLUSION:**

- The McBride to Barriere Corridor Pilot is well developed and there have been substantial successes to date.
- Continued efforts by communities and the Province are anticipated for three priority projects: Bridges II, which will conclude in June 2014; transmission line and substation development in McBride, which should reach resolution by December 2013; sub-Regional Tourism strategy, which will be released in the Fall of 2013.
- JTSTL staff will continue to work closely with communities in the corridor to identify and support efforts to advance economic diversification.
- Regional staff contact is Rhonda Cage, Director, Community Economic Development, (250) 565-4330, [Rhonda.Cage@gov.bc.ca](mailto:Rhonda.Cage@gov.bc.ca)
- JTSTL staff, with the help of Ministry of Social Development staff, will support the corridor communities' application process to develop a labour market assessment.
- BC Hydro will continue negotiations with proponents in efforts to achieve Transmission Development Agreements and Electricity Purchase Agreements.

Contact: Alison Coyne, Director, Economic Development Division  
Telephone: (office) 250-356-0807

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## APPENDIX A

### TIMELINE OF MCBRIDE TO BARRIERE CORRIDOR PILOT EVENTS

January 2012	Pilot launch at Community Forum in Valemount attended by provincial ministers, the federal MP and community and business delegates.
May 2012	Follow up Community forum in Blue River attended by provincial ministers, the federal MP, BC Hydro Chair, community officials and business delegates representing the energy, fibre and tourism themes.  BC Hydro announcement to advance negotiations with clean energy producers, aimed at developing a new transmission line for the Robson Valley.
June 2012	JTSTL Trade and Investment Representatives met with proponents (ecoTECH, Homes Hydro, Saddle Mountain Resort, Yellowhead Mines) in Vancouver to gather information to market Corridor opportunities to foreign investors.
October 2012	Bridges II project commences.  North Thompson Sub-Regional Tourism Strategy development kicks off with a workshop in Blue River attended by community officials and tourism operators from the McBride to Barriere Corridor.  The Ministry of Forests Lands and Natural Resource Operations begins and completes repairs to the Trophy Mountain Road improving access to alpine recreation areas.
November 2012	The Ministry of Environment begins and substantially completes repairs to the Clearwater River Road to improve access to kayaking opportunities and Wells Gray Provincial Park.
March 2013	Follow-up North Thompson Sub-Regional Tourism Strategy workshop.  The Province approves an Interim Agreement for the Valemount Glacier Destination Resort allowing the proponents to begin preparing a resort master plan for review.
June 2013	The Ministry of Forests Lands and Natural Resource Operations, the Regional District of Fraser-Fort George and the Village of Valemount jointly hosted a public information session on the Valemount Glacier Resort Interim Agreement and the local and provincial government review process.
Fall 2013	Anticipated release of North Thompson Sub-Regional Tourism Strategy

Appendix B

Bridges II Accomplishments – Phase I to end June, 2013 Robson Valley and North Thompson

The Robson Valley

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**The North Thompson**

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MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**INFORMATION NOTE**

Cliff #: 100662

Date: September 5, 2013

**PREPARED FOR:** Hon. Shirley Bond, Minister of Jobs, Tourism and Skills Training  
and Minister Responsible for Labour

**ISSUE:** Utilizing Project Labour Agreements to ensure uninterrupted labour supply for major projects.

**BACKGROUND:**

- The Rio Tinto Alcan (RTA) project is a \$3.3 billion modernization of its aluminum smelter in Kitimat. The project is managed by US engineering firm Bechtel, requiring over 30 contractors and at peak 2,200 skilled trades. Estimated completion is in 2014.
- In 2008, Bechtel formed the Kitimat Modernization Employer Association ("Association") and entered into a "Project Labour Agreement" with a coalition of 16 trade unions to ensure an uninterrupted supply of skilled labour for the project and by extension, to establish and maintain labour relations harmony amongst all parties for the duration of the project.
- Each employer engaged in the project (e.g. contractors) are bound by the provisions of the Agreement.
- Importantly, the Agreement includes a clause ensuring no unions and/or workers shall in any way strike, walkout, suspend or slow down the project.
- In exchange for this clause, the Agreement includes a detailed section delineating how all workers for the Project will be hired. Utilizing "hiring hall" procedures, the coalition unions became in effect responsible for ensuring workforce needs of the employer are met – "Unions will exert their utmost efforts to identify, train and recruit sufficient numbers of skilled workers as may be requested by the Employers..."
- "Utmost efforts" includes accessing workers from brother/sister unions across Canada as first priority but extending to American unions as needed.
- Workforce needs were carefully delineated in advance and based on a thorough labour market needs assessment.
- The union coalition was also actively involved in helping to source temporary foreign workers – "In the event the applicable Union is unable to dispatch the required number of skilled workers... the Unions will support the Association... with the importation of labour from outside of Canada."



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## DISCUSSION:

- A similar project labour agreement was reached between Bechtel and a coalition of unions for the \$500M upgrade to BC Place Stadium. Because such an agreement was in place, the contractor was able to quickly resolve a critical shortage of 30 steelworkers from Washington and Oregon (in cooperation with the Steelworkers Union) with two weeks to go before hosting the Grey Cup.

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## CONCLUSION:

- Utilizing a Project Labour Agreement has worked successfully for large projects such as the Rio Tinto Modernization and the upgrade of BC Place.
- A similar type of approach could be employed for other major projects that rely heavily on trades persons.

Contact: Sohee Ahn; A/ADM Labour Market and Immigration Division  
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MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR

**INFORMATION NOTE**

Prepared by: Labour

Date: September 16, 2013

Ref: 100941

**PREPARED FOR:** Honourable Shirley Bond, Minister

**ISSUE:** The minimum wage

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MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**MEETING NOTE**

Cliff #: 101291  
Date: October 1, 2013

**PREPARED FOR:** Honourable Shirley Bond, Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour.

**DATE AND TIME OF MEETING:** Thursday, October 3, 2013 from 4:15pm to 4:45pm

**ATTENDEES:** Karina Briño, President & CEO, Mining Association of BC  
Zoë Younger, VP Corporate Affairs, Mining Association of BC

**ISSUE(S):** Reaching mining targets in the *BC Jobs Plan* is a key component to developing sustainable rural communities with dependable, high-paying employment.

**BACKGROUND:**

British Columbia is Canada's largest producer of copper, its only producer of molybdenum and its largest exporter of metallurgical coal. The province's many mines and quarries produced an estimated \$8.3 billion worth of commodities in 2012—nearly 18 per cent of the Canadian total. In addition to copper, molybdenum and lead, these operations also produce a wide variety of other commodities and products, including gold, silver, zinc, lead, magnesite, gypsum, limestone, dimension stone and aggregate.

Mineral and coal exploration leads to new mine development, and exploration spending in BC hit a record-setting \$680 million in 2012. This is a 47 per cent increase from 2011, when exploration expenditures were \$463 million. In 2012, British Columbia ranked second in Canada (after Ontario) for exploration spending, with approximately 19 per cent of all investment in Canadian exploration projects occurring here.

BC is a significant jurisdiction for exploration and mining on the world stage. The province is attractive for investors because it has rich geology, abundant low-cost power, world-class infrastructure, a stable political climate and competitive taxation. More than 800 exploration and mine development companies are located in Vancouver, a city world renowned as a centre for mining expertise.

There are currently nine coal mines and ten metal mines operating in British Columbia. In addition, there are over 30 industrial mineral mines and hundreds of aggregate pits and quarries in operation.

## DISCUSSION:

- The *BC Jobs Plan* targets for the mining sector are:
  - Eight new mines and nine upgrades and expansions to currently operating mines by 2015.
  - Mining permit (Notice of Work) backlog reduced by 80 per cent by August 2012 and reduce the Notice of Work (NOW) application process from 110 days (2011) to 60 days (2013 onwards).
  - Water and Land Act permit backlog reduced by 50 per cent by December 2012.
- Current initiatives in the mining sector include continued streamlining of the mining application process and the continued development of mineral tax revenue sharing agreements with First Nations.
- In 2012, more than 30,000 people were working in British Columbia's mining, mineral exploration and related sectors.

## SUGGESTED RESPONSE/KEY MESSAGING:

- The Province is more than halfway to meeting the BC Jobs Plan target of 17 new or expanded mines by 2015.
- Since the BC Jobs Plan was released, *two new mines are in operation* – the New Afton mine (Kamloops) and Mt. Milligan (Prince George) - while *five more are under construction or permitted*, Red Chris (Dease Lake), Bonanza Ledge (Barkerville), Treasure Mountain (Hope), and Quintette coal mine (Tumbler Ridge) and Roman coal mine (Tumbler Ridge).
- The Province has also approved six major expansions of existing mines: Highland Valley Copper (Ashcroft), Huckleberry copper-molybdenum (Houston), Quinsam coal (Campbell River), Elkview coal (Sparwood), Endako molybdenum (Fraser Lake) and Gibraltar copper-molybdenum (Williams Lake)
- The Province has reached the reduced NOW backlog target of 80 per cent in 2012; and average turnaround time for NOW applications is 64 days as of September 2013.

## ATTACHMENTS:

- *Appendix A:* Mining Association of BC (MABC) - About
- *Appendix B:* Mining Association of BC (MABC) - Members
- *Appendix C:* List of active mines in British Columbia
- *Appendix D:* Map of operating Mines and Selected Major Exploration Projects in British Columbia, 2012

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Reviewed by				
Dir/PM: TB	ED: GS	ADM: SM	DM:	MIN:



## Appendix A: Mining Association of BC – About Us

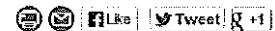

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BC mining industry,  
"As we grow we  
have to do so in a  
manner that earns  
trust and confidence  
of British  
Columbians"


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## About MABC



Established through an act of the BC Legislature in 1901 to represent the interests of BC's mining industry, the Mining Association of British Columbia (MABC) is one of the oldest industry associations in the province. MABC represents the collective needs and interests of operating coal, metal and industrial mineral mining companies. In doing so, it has come to be regarded as the predominant voice of mining in British Columbia.

Mining is an essential part of the provincial economy and keeping it there is one of the primary goals of the MABC. Public and political attitudes figure prominently in the activities of the association. We liaise with government legislators, lobby for regulatory advancement and publicly promote the economic and social value of mining. We are tireless in our efforts to keep the interests of our members and the value of mining forefront in the minds of those who need to know. Our job is to help clear the public and political paths essential to our industry's future growth and development.

The Mining Association of BC also provides our member companies with a wide variety of services such as: participation in key government/industry committees, updates on regulatory change, access to meetings that provide the opportunity to exchange information among members, joint industry action on issues of common concern, and the availability of staff expertise on the areas of greatest interest.



Karina Briño  
President & CEO



Zoë Younger  
Vice President, Corporate  
Affairs



## Appendix B: Mining Association of British Columbia – Members

The Mining Association of BC represents the collective needs and interests of coal, metal, industrial mineral companies and smelters in British Columbia.

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| 1. <u>Absorbent Products Ltd.</u>                        | 24. <u>Hunter Dickinson Inc.</u>   |
| 2. <u>Aurico Gold</u>                                    | 25. <u>Imperial Metals Corporation</u>   |
| 3. <u>Avanti Mining Inc.</u>                             | 26. <u>Inmet Mining Corporation</u>  |
| 4. <u>Barrick Gold Corporation</u>                       | 27. <u>KGHM Ajax Mining Inc.</u>   |
| 5. <u>Bralorne Gold Mines Ltd.</u>                       | 28. <u>Ledcor CMI Ltd.</u>   |
| 6. <u>Canadian Dehua International Mines Group Inc.</u>  | 29. <u>New Gold Inc.</u>   |
| 7. <u>Canadian Kailuan Dehua Mines Co. Ltd.</u>          | 30. <u>Norman B. Keevil Institute of Mining Engineering - University of BC</u> |
| 8. <u>Capstone Mining Corporation</u>                    | 31. <u>Northwest Community College</u>   |
| 9. <u>Cardero Coal Ltd.</u>                              | 32. <u>NOVAGOLD</u>  |
| 10. <u>CertainTeed Gypsum Canada Inc.</u>                | 33. <u>Nyrstar Myra Falls</u>  |
| 11. <u>Chieftain Metals Inc.</u>                         | 34. <u>Pacific Booker Minerals Inc.</u>  |
| 12. <u>Compliance Energy Corporation</u>                 | 35. <u>Peace River Coal Inc.</u>   |
| 13. <u>Copper Fox Metals</u>                             | 36. <u>Resource Training Organization</u>                                      |
| 14. <u>Copper Mountain Mining Corporation</u>            | 37. <u>Rio Tinto Alcan</u>   |
| 15. <u>Eldorado Gold Corp.</u>                           | 38. <u>Roca Mines Inc.</u>   |
| 16. <u>Glencore Xstrata</u>                              | 39. <u>Seabridge Gold Inc.</u>   |
| 17. <u>Goldcorp Inc.</u>                                 | 40. <u>Silvercorp Metals Inc.</u>  |
| 18. <u>Graymont Limited</u>                              | 41. <u>Stikine Energy Corp.</u>  |
| 19. <u>HD Mining International Ltd.</u>                  | 42. <u>Taseko Mines Limited</u>  |
| 20. <u>Hecla Mining Company</u>                          | 43. <u>Teck Resources</u>  |
| 21. <u>Highland Valley Copper</u>                        | 44. <u>Texada Quarrying Ltd.</u>   |
| 22. <u>Hillsborough Resources Limited - Quinsam Coal</u> | 45. <u>Thompson Creek Metals Company Inc.</u>                                  |
| 23. <u>Huckleberry Mines Limited</u>                     | 46. <u>Walter Energy</u>   |
|  | 47. <u>Yellowhead Mining Inc.</u>  |

### Appendix C: List of active mines in British Columbia

There are currently 9 coal mines and 10 metal mines operating in BC. In addition, there are over 30 industrial mineral mines and hundreds of aggregate pits and quarries in operation.

9 Coal Mines	Company	Commodity	Community
Brule	Walter Energy	PCI Coal	Chetwynd
Coal Mountain	Teck	Met/therm	Sparwood
Elkview	Teck	Met	Sparwood
Fording River	Teck	Met /therm	Elkford
Greenhills	Teck	Met/therm	Elkford
Line Creek	Teck	Met/therm	Sparwood
Quinsam (underground)	Quinsam Coal Corporation	Therm	Campbell River
Trend	Peace River Coal	PCI	Tumbler Ridge
Wolverine - Perry Creek	Walter Energy	Met	Tumbler Ridge
10 Metal Mines	Company	Commodity	Community
Bralorne	Bralorne Gold Mines	Au	Lillooet
Copper Mountain	Copper Mountain Mining	Cu/Au/Ah	Princeton
Endako	Thompson Creek Metals	Mo	Fraser Lake
Gibraltar	Taseko Mines	Cu/Mo	Williams Lake
Highland Valley Copper	Teck	Cu/Mo	Logan Lake
Huckleberry	Imperial Metals	Cu/Mo	Houston
Mount Milligan	Thompson Creek Metals	Cu/Au	Fort St. James
Mount Polley	Imperial Metals	Cu/Mo	Williams Lake
Myra Falls	Nyrstar	Cu/Zn/Pb/Au/Ag	Campbell River
New Afton	New Gold	Cu/Au/Ag	Kamloops

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## Appendix D: Map of operating Mines and Selected Major Exploration Projects in British Columbia, 2012

