

**Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour**

Estimates Notes - March 2014

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Updated, May 1

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Pages 10 through 11 redacted for the following reasons:

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Ministry of Jobs, Tourism & Skills Training (and Labour)

Budget 2014/15-2016/17

Questions & Answers

Revised: April 24, 2014

Contents:

1. Breakdown of Budget changes since Feb.2013
2. What is Destination British Columbia's budget
3. Capital Budget Changes
4. Audits
5. Staff and Budget in Minister's Office
6. FTEs
7. Jobs Plan Funding and the Ministry
8. 2012/13 Public Accounts

1.	Can you provide a breakdown of specific changes since Budget 2013?																																																																																																								
The ministry's 14/15 Estimates amount has no changed from the 13/14 Restated estimates. Changes from the February 2013 estimates are shown below.																																																																																																									
<table><tr><td>Jobs, Tourism and Skills Training, and Labour (Feb 2013)</td><td>FY14 Restated</td><td>FY15 Estimates</td><td>FY16 Target</td><td>FY17 Target</td></tr><tr><td></td><td>229.839</td><td>229.839</td><td>229.839</td><td>229.839</td></tr><tr><td>Re-Org Announced Jun 10, 2013</td><td></td><td></td><td></td><td></td></tr><tr><td>Less:</td><td></td><td></td><td></td><td></td></tr><tr><td> International Trade and Investment</td><td>-15.842</td><td>-15.842</td><td>-15.842</td><td>-15.842</td></tr><tr><td> FII Ltd.</td><td>-17.300</td><td>-17.300</td><td>-17.300</td><td>-17.300</td></tr><tr><td> Corporate Services</td><td>-0.500</td><td>-0.500</td><td>-0.500</td><td>-0.500</td></tr><tr><td> Investment Capital Branch</td><td>-1.153</td><td>-1.153</td><td>-1.153</td><td>-1.153</td></tr><tr><td> Funding for s22</td><td>-0.275</td><td>-0.275</td><td>-0.275</td><td>-0.275</td></tr><tr><td> Labour- DM Office</td><td>-0.613</td><td>-0.613</td><td>-0.613</td><td>-0.613</td></tr><tr><td> Minister's Office to MIT</td><td>-0.127</td><td>-0.127</td><td>-0.127</td><td>-0.127</td></tr><tr><td>Add:</td><td></td><td></td><td></td><td></td></tr><tr><td> Creative BC</td><td>2.208</td><td>2.208</td><td>2.208</td><td>2.208</td></tr><tr><td> Funding for Exec Director</td><td>0.117</td><td>0.117</td><td>0.117</td><td>0.117</td></tr><tr><td> Hosting Program</td><td>0.300</td><td>0.300</td><td>0.300</td><td>0.300</td></tr><tr><td>Jobs, Tourism and Skills Training, and Labour (June 2013)</td><td>196.654</td><td>196.654</td><td>196.654</td><td>196.654</td></tr><tr><td>Add:</td><td></td><td></td><td></td><td></td></tr><tr><td> Creative BC - funding for Creative Industry Grants</td><td>0.147</td><td>0.147</td><td>0.147</td><td>0.147</td></tr><tr><td> Reallocated funds from SSBC for DBC Crown Corp.</td><td>2.084</td><td>2.084</td><td>2.084</td><td>2.084</td></tr><tr><td>Jobs, Tourism and Skills Training, and Labour (Feb 2014)</td><td>198.885</td><td>198.885</td><td>198.885</td><td>198.885</td></tr></table>						Jobs, Tourism and Skills Training, and Labour (Feb 2013)	FY14 Restated	FY15 Estimates	FY16 Target	FY17 Target		229.839	229.839	229.839	229.839	Re-Org Announced Jun 10, 2013					Less:					International Trade and Investment	-15.842	-15.842	-15.842	-15.842	FII Ltd.	-17.300	-17.300	-17.300	-17.300	Corporate Services	-0.500	-0.500	-0.500	-0.500	Investment Capital Branch	-1.153	-1.153	-1.153	-1.153	Funding for s22	-0.275	-0.275	-0.275	-0.275	Labour- DM Office	-0.613	-0.613	-0.613	-0.613	Minister's Office to MIT	-0.127	-0.127	-0.127	-0.127	Add:					Creative BC	2.208	2.208	2.208	2.208	Funding for Exec Director	0.117	0.117	0.117	0.117	Hosting Program	0.300	0.300	0.300	0.300	Jobs, Tourism and Skills Training, and Labour (June 2013)	196.654	196.654	196.654	196.654	Add:					Creative BC - funding for Creative Industry Grants	0.147	0.147	0.147	0.147	Reallocated funds from SSBC for DBC Crown Corp.	2.084	2.084	2.084	2.084	Jobs, Tourism and Skills Training, and Labour (Feb 2014)	198.885	198.885	198.885	198.885
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Ministry of Jobs, Tourism & Skills Training (and Labour)

Budget 2014/15-2016/17

Questions & Answers

Revised: April 24, 2014

2.	<p>Why has Destination British Columbia's budget increased from \$48.890M to \$50.974M?</p> <ul style="list-style-type: none">• While it would appear that the budget for DBC has increased, this is not the case.• The transfer from SSBC is not considered a budget increase rather, a change in how the budget is reported. DBC received the budget but will also receive the expenses (expenses used to be absorbed by SSBC).• Budgets are restated to ensure comparability and consistency of reporting (i.e. apples to apples) <table><tr><th>Destination BC Estimates Budget</th><th>FY14</th><th>FY14 Restate</th><th>FY15</th></tr><tr><td>Destination BC (STOB 80)</td><td>48,890</td><td>48,890</td><td>50,974</td></tr><tr><td>Destination BC (STOB 63, 75)</td><td>0</td><td>2,084</td><td>0</td></tr><tr><td>SSBC (STOB 63, 75)</td><td>2,084</td><td>0</td><td>0</td></tr><tr><td>TOTAL</td><td>50,974</td><td>50,974</td><td>50,974</td></tr></table>	Destination BC Estimates Budget	FY14	FY14 Restate	FY15	Destination BC (STOB 80)	48,890	48,890	50,974	Destination BC (STOB 63, 75)	0	2,084	0	SSBC (STOB 63, 75)	2,084	0	0	TOTAL	50,974	50,974	50,974
Destination BC Estimates Budget	FY14	FY14 Restate	FY15																		
Destination BC (STOB 80)	48,890	48,890	50,974																		
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SSBC (STOB 63, 75)	2,084	0	0																		
TOTAL	50,974	50,974	50,974																		
3.	<p>Why has the capital budget changed?</p> <ul style="list-style-type: none">• \$9.475 (down 57% or \$12.577M from \$22.052M in 2013/14) The Majority of the decrease is due to the Wood Innovation Design Centre (WIDC) project.• The estimated completion date for the project is Fall 2014. Forecasted expenditures in FY15 are approx. \$9.4M• Estimated expenditures for WIDC in FY14 are approx. \$17.7M• JTST does not anticipate any additional capital expenditures in FY15																				
4.	<p>Have there been any audits done of the ministry?</p> <ul style="list-style-type: none">• As part of the year-end process, the Ministry is audited by the Office of the Auditor General. The Ministry is also subject to regular payment audits by the Payment Review Office, Ministry of Finance.• The Federal government also requires an audit of the Labour Market programs as part of their funding agreement.																				

Ministry of Jobs, Tourism & Skills Training (and Labour)

Budget 2014/15-2016/17

Questions & Answers

Revised: April 24, 2014

5.	<p>Number of Staff and budget changes in Minister's Office?</p> <ul style="list-style-type: none"> The Minister's Office currently has 6 FTEs (increase of 1 FTE since 2013/14). 2014/15 budget is \$0.642 million. Compared to Estimates presented in June 2013, the following changes occurred: <ul style="list-style-type: none"> Minister Bond's budget was reduced by \$0.003M and transferred to Minister of State for Tourism and Small Business The \$0.003M transfer was due to increase in benefit rate chargeback (from 24% to 25%) Compared to Feb 2013, Min Bond's office was reduce by \$0.148 million to help offset costs of MoS for Tourism and Small Business (\$0.021 million) and the creation of new MO and DMO in MIT. The Ministers Office staff consists of: <ul style="list-style-type: none"> s22 Chief of Staff (1) s22 Katy Merrifield, Ministerial Assistant(2) s22 Executive Assistant (1) s22 Administrative Coordinator (1) s22 Administrative Assistant (1) <p>NOTE: Most MO's have 1 Ministerial Assistants as opposed to two</p> <ul style="list-style-type: none"> The Minister of State for Tourism and Small Business has 3 FTEs with a 2014/15 budget of \$0.281 million. A \$0.003 million increase from 2013/14 due to increase in benefit rate chargeback. The \$0.003 was transferred from Min Bond's office.
6.	<p>How many employees are there in the ministry?</p> <ul style="list-style-type: none"> There are approximately 605 employees in the ministry (based on year-to-date actual burn as at March 2014) Approx. 271 FTEs reside within JTST Approx. 334 FTEs reside within Labour <p>Note: Government does not budget by FTE as the ministry level however; actual FTE utilization will be reflected in Public Accounts. (We have also asked the PSA for corporate messaging regarding FTES.)</p>

Ministry of Jobs, Tourism & Skills Training (and Labour)

Budget 2014/15-2016/17

Questions & Answers

Revised: April 24, 2014

7.	<p>How is the Jobs Plan being funded?</p> <p>JTST Jobs Plan initiatives are being funded within JTST's base budget.</p> <p>International offices are being funded within the Ministry of International Trade.</p>
8.	<p>Did the ministry come in on budget last year?</p> <p>In the 2012/13 Public Accounts, based on a total appropriation of \$266.735M (which includes \$34.728M from Contingencies Vote), JTST generated a surplus of \$2.024M. This result includes programs that subsequently transferred to the Ministry of International Trade as part of the June 2013 government re-organization.</p> <p>NOTE: In 12/13, JTST had mandated savings of \$1.670M which contributed to the overall surplus.</p> <p>For fiscal 2013/14, JTST is again forecasting to come in on budget. The final results will be made public with the release of the Public Accounts this coming summer.</p> <p>NOTE: In 13/14, JTST has mandated savings of \$1.400M.</p>

**Ministry of Jobs, Tourism and Skills Training
and Minister Responsible for Labour
2014/15 ESTIMATES SUMMARY**

Ministerial Contacts – Minister's Office:

Honourable Shirley Bond cell: s17
s22 *Chief of Staff* s17
s22 *Ministerial Assistant: 250-356-2771*
s22 *Ministerial Assistant: 250-356-2771*
s22

Ministerial Contacts – Minister of State's Office:

Honourable Naomi Yamamoto cell: s17
Ministerial Assistant s22 *cell:* s17

Key Communication Contact:

s22 *Communications Director:* s17

MINISTRY BUDGET OVERVIEW

Deputy Minister, Dave Byng cell: s17

- **2014/15 Budget: \$198.885** (no change from 2013/14 restated)
 - **Labour Market and Immigration Initiatives \$17.248M**
(no change from 2013/14 restated)
 - Funding for CIC Agreement ended in FY 13/14. There is no change to the bottom line budget as the CIC Agreement was 100% recoverable from the Federal Government
 - **Tourism and Small Business \$7.470M** (no change from 2013/14 restated)
 - **Major Investments Office \$2.871M** (no change from 2013/14 restated)
 - **Economic Development \$6.800M** (no change from 2013/14 restated)
 - **Transfers to Crown Corporations and Agencies \$145.418M**
(no change from 2013/14 restated)
 - **Executive and Support Services \$3.881M**
(no change from 2013/14 restated)
 - **Labour Programs \$14.697M** (no change from 2013/14 restated)
 - **Northern Development Fund \$0.500M**

(no change from 2013/14 restated)

Total Budget includes:

JTST

- 54.1% transfers to crown corporations and agencies
- 25.2% transfers to third party service providers
- 10.6% operating costs and other expenses
- 10.1% salaries and benefits

Labour Programs

- 83.7% salaries and benefits
- 16.2% operating costs
- 0.1% transfers to third party service providers

CORE BUSINESS SUMMARY

Labour Market and Immigration Initiatives – Scott MacDonald cell: s17
\$17.248M (No change from 2013/14)

- Funding for CIC Agreement ended in FY 13/14. There is no change to the bottom line budget as the CIC Agreement was 100% recoverable from the Federal Government
- Funding for the Labour Market Agreement (LMA) is still under negotiations with the Federal government. For the purposes of FY15 Estimates, funding has been presented as status quo (\$66M).

Tourism and Small Business– Kaaren Lewis cell: s17

- Tourism Policy: \$1.294M (no change from 2013/14)
- Creative BC: \$2.472M (no change from 2013/14)
 - \$0.117M for 1 FTE
 - \$2.355M transfer to Creative BC
- Small Business: \$3.704M (no change from 2013/14)

Economic Development – Shanna Mason cell: s17

- \$6.800M (no change from 2013/14)
- \$0.500M Northern Development Fund (no change from 2013/14)

Major Investments Office – Tim McEwan cell: s17

- \$2.871M (no change from 2013/14)

Transfers to Crown Corporations and Agencies

- Destination BC Corp. – Alex Mackie s17
\$50.974M (no change from 2013/14)

Note: FY 13/14 Estimates budget for DBC was \$48.890M. The \$2.084M was transferred from SSBC to cover facilities and IM/IT related costs. This is NOT a budget increase. The budget (and expenses) used to reside with SSBC but are now reflected in DBC for FY15 and FY14 Restated. Budgets are restated for consistency purposes. See chart below.

Division	FY14	FY14 Restate	FY15
Destination BC (STOB 80)	48,890	48,890	50,974
Destination BC (STOB 63, 75)	0	2,084	0
SSBC (STOB 63, 75)	2,084		0
TOTAL	50,974	50,974	50,974

- Industry Training Authority:
\$94.444M (no change from 2013/14)

Executive and Support Services – George Farkas cell: s17

- Minister's Office: \$0.642M (down 1% or \$0.003M from \$0.645M in 2013/14)
 - \$0.003M was transferred from "Other Expenses" to Minister of State due to benefit rate increase (\$0.002M) and legislative salaries (\$0.001M).
 - Note: Benefit rate increased from 24% in FY14 to 25% in FY15
 - Budget for MO in Feb 2013 was \$0.790M compared to \$0.642M Feb 2014. Decrease was to help fund creation of Ministry of International Trade.
- Minister of State for Tourism and Small Business: \$0.281M (up 1% or \$0.003M from \$0.278M in 2013/14)
 - \$0.003M was transferred from MO to cover increase in benefit rate (\$0.002M) and legislative salaries (\$0.001M)
- Deputy Minister's Office: \$1.156M (no change from 2013/14)
- Corporate Services: \$1.802M (no change from 2013/14)

Labour Programs – Trevor Hughes cell: s17

- Corporate Services: \$2.233M (no change from 2013/14)
- Employment Standards: \$7.833M (no change from 2013/14)
- Labour Relations Board: \$4.630M (no change from 2013/14)
- WorkSafeBC Funded Programs: \$0.001M (no change from 2013/14)

CAPITAL BUDGET

- \$9.475 (down 57% or \$12.577M from \$22.052M in 2013/14)
The Majority of the decrease is due to the Wood Innovation Design Centre (WIDC) project.
- The estimated completion date for the project is Fall 2014. Forecasted expenditures in FY15 are approx \$9.4M
- Estimated expenditures for WIDC in FY14 are approx. \$17.7M
- JTST does not anticipate any additional capital expenditures in FY15

Ministry of Jobs, Tourism and Skills Training (and Labour)
Three Year Budget Targets FY15
(in \$millions)

	Restated 2013/14	Estimates 2014/15	Target 2015/16	Target 2016/17
Jobs, Tourism & Innovation (Feb 2012)	234.610	234.610	234.610	234.610
Add:				
Labour	15.713	15.713	15.713	15.713
Destination BC	48.890	48.890	48.890	48.890
Tourism Policy	0.980	0.980	0.980	0.980
Minister of State for Small Business	0.260	0.260	0.260	0.260
Less:				
Research and Innovation	-2.311	-2.311	-2.311	-2.311
15% ADMO Research and Innovation	-0.086	-0.086	-0.086	-0.086
Multiculturalism	-0.625	-0.625	-0.625	-0.625
Minister of State for Multiculturalism	-0.260	-0.260	-0.260	-0.260
BC Innovation Council	-6.150	-6.150	-6.150	-6.150
BC Pavilion Corp	-9.142	-9.142	-9.142	-9.142
FII Ltd (Crown grant reduction)	-0.500	-0.500	-0.500	-0.500
Tourism Division	-48.870	-48.870	-48.870	-48.870
Mgmt Services support for DBC (Recovery)	-1.000	-1.000	-1.000	-1.000
Less:				
Ministry Expenditure Savings Target	-1.670	-1.670	-1.670	-1.670
Jobs, Tourism and Skills Training, and Labour (Feb 2013)	229.839	229.839	229.839	229.839
Re-Org Announced Jun 10, 2013				
Less:				
International Trade and Investment	-15.842	-15.842	-15.842	-15.842
FII Ltd.	-17.300	-17.300	-17.300	-17.300
Corporate Services	-0.500	-0.500	-0.500	-0.500
Investment Capital Branch	-1.153	-1.153	-1.153	-1.153
Funding s22	-0.275	-0.275	-0.275	-0.275
Labour- DM Office	-0.613	-0.613	-0.613	-0.613
Minister's Office to MIT	-0.127	-0.127	-0.127	-0.127
Add:				
Creative BC	2.208	2.208	2.208	2.208
Funding for Exec Director	0.117	0.117	0.117	0.117
Hosting Program	0.300	0.300	0.300	0.300
Jobs, Tourism and Skills Training, and Labour (June 2013)	196.654	196.654	196.654	196.654
Add:				
Creative BC - funding for Creative Industry Grants	0.147	0.147	0.147	0.147
Reallocated funds from SSBC for DBC Crown Corp.	2.084	2.084	2.084	2.084
Jobs, Tourism and Skills Training, and Labour (Feb 2014)	198.885	198.885	198.885	198.885

Estimates

Labour Market and Immigration Initiatives	17.248	17.248
Tourism and Small Business	7.470	7.470
Major Investments Office	2.871	2.871
Economic Development	6.800	6.800
Special Account	0.500	0.500
Transfers To Crown Corporations and Agencies	145.418	145.418
Exec and Support Services	3.881	3.881
Labour	14.697	14.697
	198.885	198.885

**Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
BUDGET ESTIMATES 2014/15**

Key Issues Index

(Updated March 19, 2014)

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	BC Ferries – Route 40 Cancellation and Mitigation	A85, B8
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	Quesnel & Houston Response	B11
	Rural BC Project	B18
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	Mill Explosions at Babine and Lakeland/ WorkSafeBC	B46
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Other		
	Mandate Letter Commitment Status	A4

Minister of Jobs, Tourism and Skills Training Mandate Letter Summary

Commitment	Status, Next Steps and Timelines
Balance ministerial budget in order to control spending and ensure an overall balanced budget for BC	Completed.
Economic Development Division	
Refresh, set new ambitious goals and continue implementation of BC Jobs Plan	<p>Completed.</p> <p>As of March 31, 2014, over half of the original 61 action items have been completed (with the remainder either in progress or considered to be of ongoing nature) and 11 of the 19 targets have been met (with the remainder being on track to be met by their deadlines). The 24-Month Jobs Plan Progress Report, release in September 2013 included a series of new “Looking Ahead” commitments to promote economic development and growth in the province.</p>
Labour Division	
Work with private sector union partners to ensure labour code meets the needs of employees as well as those who want to invest in our province	Premier’s LNG Working Group reviewing skills training and workforce planning established in September 2013- interim report delivered January 31, 2014; was released April 3, 2014. There are no plans to amend the Labour Relations Code at this time.
Labour Market and Immigration Division	
While we will need talented individuals from outside BC and Canada, we want to make sure British Columbians are first in line for the jobs of today and tomorrow. This is the central role of the skills training agenda	In 2013, the PNP issued 3,755 Nomination to skilled and/or experienced foreign workers to fill critical labour market gaps in the Province. The top 5 source countries for these Nominees include India, China, Korea, United Kingdom and the Philippines. WelcomeBC.ca was being supported by a \$755,000 information campaign that launched February 5 to March 31, 2014, including \$150K dedicated to international search engine digital advertising. Visits to WelcomeBC.ca increased 183% to 330,000 during the campaign.
<p>Ensure we are training the right people for the right jobs</p> <p>Find and close any gaps in educational opportunities that exist by putting students at the centre of our focus</p> <p>Working with AVED and EDUC develop a seamless 10-year skills training plan for students from high school through entry into the workforce</p>	<p>Key Ministry strategic projects i.e., the “Blueprint”, Skills Training Plan, LMA Renewal, ITA recalibration, continue to place strong focus on ensuring there are program and policies in place that support industry in meeting critical labour demand needs. On-going - particular focus at present is the LNG sector and LNG workforce. Activities include the occupational forecast project to determine supply/demand forecast; the FQR project to support skilled immigrants; youth awareness campaigns like Find Your Fit and leveraging the ITA review and LMA renewal to ensure skills training is aligned with labour market and industry demand.</p> <p>Completed.</p>

Commitment	Status, Next Steps and Timelines
Working with EDUC, identify best practices and pilot new programs to ensure high school students are able to obtain applied trades skills while in high school	Completed.
Review role and function of ITA Work with industry, training organizations and labour, identify areas of apprenticeship reform to improve results and reduce barriers to apprenticeship participation either on the part of employers or apprentices	Final Report received Feb. 7. ITA Report was released April 29, 2014.
Review sectoral jobs roundtable outcomes to ensure that government is meeting the needs of industries as they face the challenges of a growing economy.	LMID staff working on a framework for a review of the sectoral roundtables and Labour Market Partnership Program (LMPP) that funds them. The program is currently one of the key funding mechanisms to support sector organizations in meeting key labour force demand needs and challenges. The review will inform how the LMPP, among other various JTST programs and initiatives, that can best contribute to governments role in meeting the human resource needs of industry in a growing economy.
Major Investments Office	
Essential for MIO to continue to assist global investors in taking their projects from an idea to completion	MIO currently actively assisting 17 major investment projects and tracking 17 additional potential investment projects on a "watch list".
Working with MIT and IGRS, act as lead ministry for Premier's trade missions	Project lead for the Premier's Jobs and Trade Mission 2013 was seconded from MIO. Mission was considered a success. MIO staff continue to support the preparations of the 2014 missions as required.
Tourism and Small Business Division	
Execute our provincial tourism strategy and achieve goals as described in Gaining the Edge, the provincial sectoral strategy for tourism in our BC Jobs Plan	Progress report posted Tuesday, February 18, 2014. Strategy monitored for implementation and effectiveness. Not on schedule to achieve the revenue target of \$18B by 2016. Strategy to be "refreshed" as part of Core Review. Tourism remains one of British Columbia's key sectors, generating over \$13 billion in revenue, and employing one out of every 15 people. Despite fierce global competition for every tourism dollar and challenging times in the world economy, we have seen growth in British Columbia's tourism revenues, employment and wages, and visitor volumes. Our tourism strategy, Gaining the Edge, is working and we will be refreshing it to make sure we continue to propel this important economic sector of British Columbia.

Commitment	Status, Next Steps and Timelines
<p>Implement film industry commitments as outlined in Strong Economy, Secure Tomorrow including increased tax credits for post-production and new BC Film Commission office in CA</p>	<p>All commitments in progress: Ministry of Finance are lead on tax credit implementation. JTST to support MOF in implementing changes to legislation as required once decisions if any are made</p> <p>British Columbia is a key location for film and TV production in North America, and a growing hub for digital animation and visual effects. The motion picture industry spends approximately \$1.16 billion per year on production activity in British Columbia, generating an estimated 25,000 direct and indirect jobs. The Province continues to move forward with commitments made to better support this industry. Of particular note, Budget 2014 extended the Distant Location Film and Television Tax Credit to the Capital Regional District, effective February 19, 2014. This means more movie making, more TV productions, and more jobs coming to Vancouver Island and to our province.</p>

Minister of State for Tourism and Small Business Mandate Letter Summary

Commitment	Status, Next Steps and Timelines
With Minister of Jobs, Tourism and Skills Training, balance the ministerial budget in order to control spending and ensure an overall balanced budget for BC	Completed.
Execute our provincial tourism strategy and achieve goals as described in Gaining the Edge, the provincial sectoral strategy for tourism in our BC Jobs Plan	Progress report posted Tuesday, February 18, 2014. Strategy monitored for implementation and effectiveness. Not on schedule to achieve the revenue target of \$18B by 2016. Strategy to be "refreshed" as part of Core Review.
Ensure implementation of Small Business Accord and monitor for effectiveness of initiatives	Of 5 actions, 2 are completed (Mentoring Program and Adoption of Accord Principles). Two others are 30% completed (Awareness strategy and mobile trainers). JTST will continue to deliver key action items resulting from the Accord consultation work, including Small Business Awareness, increased procurement opportunities for small business, roll-out of a mobile trainers program focused on succession planning and extension of key training opportunities.
Ensure small businesses grow and make BC the most small business friendly jurisdiction in Canada [by] identify[ing] policy option available to government that can assist these businesses recognizing that our provincial financial position does not allow for new costly program creation	Of six actions, three are completed (Mentoring Program, Open for Business Awards and Small Business - Doing Business with Government Report). Two others are 30% completed (Awareness Strategy and Mobile Trainers). The Ministry will continue to deliver key action items resulting from the Small Business Accord consultation work, including small business awareness, increased procurement opportunities for small business and extension of key training opportunities.
Our government committed to reduce the small business tax rate by 40%by 2016/17 as a sign of the importance we place on the growth of small businesses	MOF are lead on tax policy. JTST to support MOF in implementing changes to legislation as required.
Create and provide to PCC options for best executing on our commitment to having the Premier's Small Business of the Year awards which will celebrate and recognize the best in BC small business community	The first-ever Premier's People's Choice Award was launched on September 24, 2013 as part of a series of nine Small Business BC Awards that recognize the best of British Columbia's small business community. Fruiticana was the recipient of this year's Premier's People's Choice Award, presented to a British Columbia business, employing fewer than 50 people, that demonstrate that they are leading the way in their communities, industries and the economies. The Premier formerly recognized each of the award winners at an award ceremony on February 27, 2014, providing each with the Premier's Prize of \$1,500 for a total provincial contribution of \$13,500.

Commitment	Status, Next Steps and Timelines
<p>With MTICS develop strategies and reporting systems to ensure that our goal of 20% of government procurement being won by small business is achieved</p> <p>With MTICS, ensure that government RFP documents are reduced to 2 pages for contracts under \$250K to enable more small businesses to participate in government procurement</p>	<p>The Ministry undertook the Doing Business with Government consultation with small businesses. An interim report was released in December 2013, and the final report was released in March 2014 with twelve recommendations to government.</p> <p>The Ministry of Technology, Innovation and Citizens' Service (MTICS) is leading this work.</p> <p>JTST will continue working with MTICS to monitor the impact of the 2-page RFP document launched in April 2014.</p>



June 10, 2013

Honourable Shirley Bond
Minister of Jobs, Tourism and Skills Training
and Minister Responsible for Labour
Parliament Buildings
Victoria, British Columbia
V8V 1X4

Dear Colleague:

Congratulations on your new appointment as Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour.

British Columbians have asked us to build a strong economy, a secure tomorrow and a lasting legacy for generations to come. Now it's time to deliver.

We must be alive to the challenges of a fragile global economy. We have a duty to be disciplined for taxpayers today, and a responsibility to be fair to future generations. Protecting British Columbia for us and our children means making tough choices now to control spending and balance the budget. By charting a course for a debt-free BC, our children can be free to make their own choices when it's their turn to lead.

To grow our economy and create high-paying jobs for British Columbians, I am asking you to keep your ministry focused on the *BC Jobs Plan*. Our province is blessed with both abundant natural resources, and the resourcefulness and diversity of our people and businesses. We have a generational opportunity to develop Liquefied Natural Gas. This will demand determination and purposeful work.

We are committed to building a strong economy in the province because we know that it is the only way we will be able to afford strong public services for our citizens. World class health care, education, skills training and social safety nets are only possible if we have an economy that can sustain them over the long term.

To that end our first priorities across government are:

- To bring back the legislature to pass *Balanced Budget 2013*;
- To ensure that government does not grow;
- To conduct a core review of government to make sure we are structured for success on all of our objectives; and
- To eliminate red-tape so that we can get to yes on economic development without needless delay.

In the course of our decision making we must always maintain respect for taxpayers and remember that our fellow British Columbians are looking to us to help make life more affordable for them and their families.

These priorities, along with your specific ministerial objectives, will allow us to achieve results that reflect our shared values.

The role played by the Ministry of Jobs, Tourism and Skills Training is key to the economic success of our province. For the first time in our history, we will not be able to fill the jobs we will have available in our province through the British Columbian labour pool alone. While we will need talented individuals from outside BC and likely Canada, we want to make sure that British Columbians are first in line for the jobs of today and tomorrow. That is the central role of the skills training agenda of your ministry.

The mandate of your ministry is to find and close any gaps in educational opportunities that exist in our province, by putting students at the centre of our focus.

It will be your role, and the role of your ministry, to ensure we are training the right people for the right jobs. This will require the development of a 10-year skills training plan for our province, working closely with the ministries of Advanced Education and Education in order to achieve a seamless plan for students from high school through post-secondary education right into the workforce.

It will be essential that your Major Investments Office continues to assist global investors in taking their projects from an idea to completion. And our government has committed to working with our private sector union partners to ensure our labour code meets the needs of employees as well as those who want to invest in our province.

I am also appointing a Minister of State for Tourism and Small Business who will assist you in your important work and I have copied you on her mandate letter.

You and your ministry will work with the Minister of State for Tourism and Small Business and the tourism industry to determine ways in which we can help this critical economic driver for our province. We have put in place some aggressive targets on growth in our Tourism sector in our tourism sectoral plan, *Gaining the Edge*. I expect your ministry will achieve these goals.

In your role as Minister of Jobs, Labour and Skills Training, I expect that the following initiatives are completed by you and your ministry over the coming years:

1. Balance your ministerial budget in order to control spending and ensure an overall balanced budget for the province of British Columbia.
2. Refresh, set new ambitious goals and continue implementation of *BC Jobs Plan*.
3. Working with the ministries of Advanced Education and Education develop a seamless 10-year skills training plan for students from high school through entry into the workforce.
4. Review role and function of Industry Training Authority.

5. Working with industry, training organizations and labour, identify areas of apprenticeship reform to improve results and reduce barriers to apprenticeship participation either on the part of employers or apprentices.
6. Review sectoral jobs round tables outcomes to ensure that government is meeting the needs of industries as they face the challenges of a growing economy.
7. Working with the Ministry of Education, identify best practices and pilot new programs to ensure high school students are able to obtain applied trades skills while in high school.
8. Working with the Ministry of International Trade and the Intergovernmental Relations Secretariat, act as lead ministry for Premier's trade missions.
9. Execute on our provincial tourism strategy and achieve goals as described in *Gaining the Edge*, the provincial sectoral strategy for tourism in our *BC Jobs Plan*.
10. Implement film industry commitments as outlined in *Strong Economy, Secure Tomorrow* including increased tax credits for post production and a new BC Film Commission office in California.

I have outlined in a separate letter my requirements for conduct of all members of Cabinet. It is imperative that you review and understand this letter, and the *Members' Conflict of Interest Act*, and that you act in accordance with both as you carry out the duties of a Minister of the Crown. I will evaluate any circumstances that may call into question the conduct of a Minister against the expectations and obligations set out in applicable statutes and this letter.

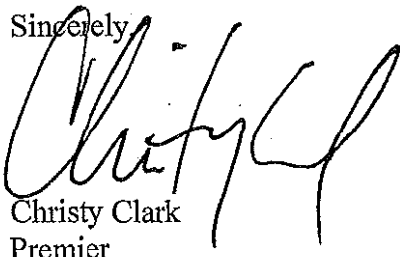
To assist you in the transition to your new role, I ask that you also review the attached document that provides further direction for you as a Minister.

I look forward to discussing your ideas and priorities for your ministry in the coming weeks and working with you to fulfill the mandate we were elected to fulfill.

Our government faces many exciting challenges and opportunities in the months ahead. Our success will be defined by our ability to develop and implement an agenda that reflects priorities and circumstances of BC citizens. Our ability to make this connection is a function of the degree to which we engage citizens and stakeholders in pursuing change. I am confident that we will succeed in this, and have every expectation that you will make a significant contribution to our success.

I look forward to working with you.

Sincerely,



Christy Clark
Premier



June 10, 2013

Honourable Naomi Yamamoto
Minister of State for Tourism and Small Business
Parliament Buildings
Victoria, British Columbia
V8V 1X4

Dear Colleague:

Congratulations on your new appointment as Minister of State for Tourism and Small Business.

British Columbians have asked us to build a strong economy, a secure tomorrow and a lasting legacy for generations to come. Now it's time to deliver.

We must be alive to the challenges of a fragile global economy. We have a duty to be disciplined for taxpayers today, and a responsibility to be fair to future generations. Protecting British Columbia for us and our children means making tough choices now to control spending and balance the budget. By charting a course for a debt-free BC, our children can be free to make their own choices when it's their turn to lead.

To grow our economy and create high-paying jobs for British Columbians, I am asking you to keep your ministry focused on the *BC Jobs Plan*. Our province is blessed with both abundant natural resources, and the resourcefulness and diversity of our people and businesses. We have a generational opportunity to develop Liquefied Natural Gas. This will demand determination and purposeful work.

We are committed to building a strong economy in the province because we know that it is the only way we will be able to afford strong public services for our citizens. World class health care, education, skills training and social safety nets are only possible if we have an economy that can sustain them over the long term.

To that end our first priorities across government are:

- To bring back the legislature to pass *Balanced Budget 2013*;
- To ensure that government does not grow;
- To conduct a core review of government to make sure we are structured for success on all of our objectives; and

- To eliminate red-tape so that we can get to yes on economic development without needless delay.

In the course of our decision making we must always maintain respect for taxpayers and remember that our fellow British Columbians are looking to us to help make life more affordable for them and their families.

These priorities, along with your specific ministerial objectives, will allow us to achieve results that reflect our shared values.

In your role as Minister of State for Tourism and Small Business, you will be working closely with your colleague, the Minister of Jobs, Tourism and Skills Training to ensure the voices of small businesses around the province are heard and we are doing everything we can to support them. Our government committed to reducing the small business tax rate by 40 per cent by 2016/17 as a sign of the importance we place on the growth of small businesses across the province. This commitment was the single largest expenditure made in *Strong Economy, Secure Tomorrow*.

There is much more we can and must do to ensure these businesses can grow and make B.C. the most small business friendly jurisdiction in Canada. It will be up to you to identify policy options available to government that can assist these businesses, recognizing that our provincial financial position does not allow for new costly program creation.

You will also be responsible to work with the Minister of Jobs, Tourism and Skills Training and the tourism industry to determine ways in which we can help this critical economic driver for our province. We have put in place some aggressive targets on growth in our Tourism sector in our tourism sectoral plan, *Gaining the Edge*. I expect your ministry will work with industry to achieve these goals.

In your role as Minister of State for Tourism and Small Business, I expect that the following initiatives are completed by you and your ministry over the coming years:

1. With the Minister of Jobs, Tourism and Skills Training, balance your ministerial budget in order to control spending and ensure an overall balanced budget for the province of British Columbia.
2. Ensure implementation of Small Business Accord and monitor for effectiveness of initiatives.
3. With the Ministry of Technology, Innovation and Citizens' Services ensure that government RFP documents are reduced to two pages for contracts under \$250,000 to enable more small businesses to participate in government procurement.
4. With the Ministry of Technology, Innovation and Citizens' Services develop strategies and reporting systems to ensure that our goal of 20 per cent of government procurement being won by small business is achieved.

5. Create and provide to me options for best executing on our commitment to having the Premier's Small Business of the Year awards which will celebrate and recognize the best in B.C. small business community.
6. Execute on provincial tourism strategy and achieve goals as described in *Gaining the Edge*, the provincial sectoral strategy for tourism in our *BC Jobs Plan*.

I have outlined in a separate letter my requirements for conduct of all members of Cabinet. It is imperative that you review and understand this letter, and the *Members' Conflict of Interest Act*, and that you act in accordance with both as you carry out the duties of a Minister of the Crown. I will evaluate any circumstances that may call into question the conduct of a Minister against the expectations and obligations set out in applicable statutes and this letter.

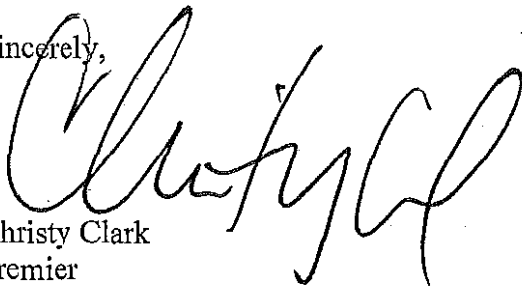
To assist you in the transition to your new role, I ask that you also review the attached document that provides further direction for you as a Minister.

I look forward to discussing your ideas and priorities for your ministry in the coming weeks and working with you to fulfill the mandate we were elected to fulfill.

Our government faces many exciting challenges and opportunities in the months ahead. Our success will be defined by our ability to develop and implement an agenda that reflects priorities and circumstances of BC citizens. Our ability to make this connection is a function of the degree to which we engage citizens and stakeholders in pursuing change. I am confident that we will succeed in this, and have every expectation that you will make a significant contribution to our success.

I look forward to working with you.

Sincerely,



Christy Clark
Premier

Attachments (2)

Pages 33 through 43 redacted for the following reasons:

s13

2014/15 Estimates Note Advice to the Minister

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

Title: BC Jobs Plan

Revised: April 24, 2014

Issue: BC Jobs Plan Accomplishments and Priorities

Recommended Response:

- The BC Jobs Plan supports the development of eight key export sectors to enhance the province's competitive advantages, encourages economic growth, and ensures the workforce has the skills to match jobs.
- Since releasing the Plan, the province has added 54,400 jobs.
- Over half of the Plan's original 61 supporting action items have been completed. The remainder are either in progress or considered to be of an ongoing nature particularly related to natural resource development and skills and training.
- The Jobs Plan is a long-term strategy monitored against 19 targets that measure progress in the eight key export sectors. Currently, 11 of 19 targets have been met.
- In the *24-Month Jobs Plan Progress Report* published September 2013, government made a number of additional incremental commitments to support economic growth including support for small business and the manufacturing sector with more work to be done in the areas of natural resources and skills and training development.
- **Recent accomplishments:** Significant commitments accomplished since the September 2013 *Progress Report*, include: completion of the South Fraser Perimeter Road, a more streamlined mining application process and a trade mission to Asia (see Appendix One for "Eight Sectors- Recent Accomplishments").

Background/Status:

- In September 2011, the Premier released *Canada Starts Here: The BC Jobs Plan*. 61 specific action items aligned within three strategic pillars:
 1. Work with employers and communities to enable job creation across British Columbia.
 2. Expand the markets for British Columbia's goods and services, particularly in Asia.

2014/15 Estimates Note

Advice to the Minister

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

3. Strengthen the infrastructure to get goods to market.
- The Plan has been developed to support eight key export sectors; agrifoods, forestry, energy/mining, natural gas (LNG), international education, technology, tourism, and transportation. Each sector was identified to enhance the province's competitive advantage and is supported by a sectoral strategy.
 - Further, the Plan is supported by the *Skills and Training Plan* to ensure the workforce has the skills to match jobs, including those required by major economic and industrial projects such as development of liquefied natural gas industry and the National Shipbuilding Procurement Strategy contract.

Highlights of Progress since the Launch of the Jobs Plan

- Approximately 50 percent of the 61 supporting action items have been completed, with the remaining either in progress or considered to be of an ongoing nature.
- The Plan is being monitored against 19 targets that measure progress in the eight key export sectors. In September 2013, government reported that 11 of 19 targets had been met. All remaining targets are longer-term, on track for their timed completion deadlines of between 2014 and 2020 (See Appendix Two).

s13

- The Plan commits the province to two economic targets by 2015; top two in GDP growth and top two in new job growth in Canada.
 - Forecasted GDP growth for 2013 ranks British Columbia 6th against other provinces, though the Conference Board of Canada is forecasting for British Columbia to lead the provinces in economic growth in 2015.
 - BC currently has the 4th lowest unemployment rate (6.4 percent) in the country (behind Saskatchewan (3.9 percent), Alberta (4.8 percent), Manitoba (5.5 percent)); but is currently ranked eighth for job growth against other provinces.

s13

- Since the release of the *Progress Report* in September 2013, a number of commitments have been accomplished which include completion of the South Fraser Perimeter Road, a more streamlined mining application process through a reduced turnaround time on Notice of Work applications, and a trade mission to Asia (see Appendix One for more fulsome list).

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour

Minister Responsible: Hon. Shirley Bond

- Government's next public *Jobs Plan* progress report is scheduled for September 2014.

Contact:

Executive Director Angelo Cocco Economic Initiatives and 250 952-0612
Analysis Branch

2014/15 Estimates Note Advice to the Minister

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

APPENDIX ONE: EIGHT SECTORS - RECENT ACCOMPLISHMENTS

Agrifoods

- The temporary Greenhouse Carbon Tax Relief Grant Program was extended indefinitely to provide carbon tax relief to commercial greenhouses which includes vegetable producers, floriculture, wholesale production nurseries, and forest seedling nurseries. The grants cover 80 per cent of the carbon tax paid on natural gas and propane used for greenhouse heating and CO2 production.
- The Ministry of Agriculture successfully implemented the new enhanced Provincial Meat Inspection Program ahead of the January 1, 2014 deadline, which had formerly been delivered through a contract with the Canadian Food Inspection Agency.

Mining

- Since 2011, two new mines have opened: New Afton, (405 full-time jobs near Kamloops) and Mount Milligan (407 full-time jobs northwest of Prince George). Two additional new mines are expected to open in 2014: Red Chris, a \$500-million copper and gold mine just south of Dease Lake, will provide 750 full time jobs (during construction and operations). Roman, a \$340-million coal mine near Tumbler Ridge, will provide 375 full time jobs.
- Three more new mines are currently either under construction or permitted: Bonanza Ledge (would provide 30 full time jobs near Quesnel), Treasure Mountain and Quintette (would provide 500 full time jobs near Tumbler Ridge).
- Expansions at Highland Valley, Elk View, Huckleberry, Quinsam and Line Creek have extended the operating life of those mines. Endako has completed an expansion which will extend its life and added 160 new jobs near Fraser Lake. Gibraltar has completed an expansion which added 150 new jobs near Williams Lake.

LNG/NG

- There are currently more than 10 proposed LNG projects in B.C; seven of which already have been issued export licences by the National Energy Board (the *Jobs Plan* target is for one LNG facility by 2015 and three LNG facilities by 2020).
- Assuming five LNG plants and the supporting pipelines are built, more than 39,000 annual jobs will be created over a nine-year construction period and 75,000 jobs once these plants are fully operational. In addition, five LNG projects could generate

2014/15 Estimates Note Advice to the Minister

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

estimated cumulative gross domestic product benefit to B.C. totalling \$1 trillion by 2046.

- There have been strong indications that proposed LNG projects are advancing in B.C. – including the opening of the first LNG community office in Prince Rupert by Petronas (Pacific Northwest LNG project) and Chevron/Apache's contract award to the consortium of JGC/Fluor in January 2014 to lead all engineering, procurement and construction services for the proposed Kitimat LNG plant site.

Forestry

- The re-opening of the Chetwynd pulp mill this year following the sale of the Tembec mill to Paper Excellence Canada Holding Corporation. The sale is expected to be completed in the spring and 110 jobs will be created in the community.
- Canfor, the first major lumber producer to release fourth-quarter 2013 financial results, reported a \$28-million net profit attributable to shareholders for the final three months of the year, which raised annual earnings to \$228.6 million, compared with a profit of just \$26.4 million a year ago. The company attributes improving results to stronger markets for both lumber and pulp.

Technology

- B.C. celebrates Structurlam's innovation and job creation; with recognition for its leading-edge work in developing structural wood products. Structurlam, one of only two companies in Canada to manufacture cross-laminated timber (CLT) panels, opened its expanded, 930-square-metre (10,000-square-foot) production plant in May 2013. Currently the company employs 150 people in Penticton, Okanagan Falls and Oliver, and is supplying the CLT panels that are being used in the 'demonstration' 6-storey mid-rise Wood Innovation and Design Centre currently under construction in Prince George.
- B.C. continues to be a leading global hub for video game production with over 85 studios employing 5,000 full-time highly paid employees throughout the province. Attracted by the cluster of digital media companies and the province's commitment, through the creation of the Centre for Digital Media, to maintaining and advancing a highly skilled workforce, companies continue to grow their operations in B.C. and are advancing the province's reputation as a digital media and mobile gaming cluster.

Tourism

- Government collaborated with B.C.'s tourism industry to create the new industry-led, formula-funded Provincial Destination Marketing Organisation (PDMO) called Destination British Columbia. Destination British Columbia is a legislated Crown, and was officially launched on April 1, 2013.

2014/15 Estimates Note Advice to the Minister

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- Destination BC released a completely NEW HelloBC Consumer Web site (www.hellobc.com), which delivers improved search capabilities, search results format, fewer clicks and faster access to supplier listings in an improved visual presentation.

International Education

- International student head count up 13% (12,600 students) over the 2009/10 baseline and a 17 per cent increase in spending by international students since 2010.
- In 2012, international education services provided an estimated 23,410 direct jobs in B.C., representing about 13% of employment in the B.C. educational services sector.

Transportation

- Completion of the South Fraser Perimeter Road fully opened to traffic in December 2013, as part of Phase 2 of the Pacific Gateway Program, investing \$22 billion in roads and ports.
- Announcement that the Government of British Columbia will move ahead with the accelerated replacement of the George Massey with construction of a new bridge on the existing Highway 99 corridor to begin in 2017.

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APPENDIX TWO: Progress since the *Jobs Plan* Launch

Target category	Target	Lead Ministry / Minister	In progress	Target met
Aboriginal Relations	<ul style="list-style-type: none"> 10 new non-treaty agreements in place with B.C. First Nations by 2015 to improve economic certainty 	MARR / Rustad		✓
Agrifoods	<ul style="list-style-type: none"> Report on the greenhouse industry completed and released by December 31, 2011 	MAg / Pimm		✓
Aviation	<ul style="list-style-type: none"> Vancouver airport (YVR) to attract one new international carrier per year for the next two years to further develop trade and tourism between B.C. and the Asia Pacific 	MoTI / Stone		✓
Energy and mines	By 2015, B.C. will see: <ul style="list-style-type: none"> Eight new mines in operation 	MeM / Bennett	✓	
	<ul style="list-style-type: none"> Nine upgrades and expansions to currently operating mines 	MeM / Bennet	✓	
	<ul style="list-style-type: none"> Mining permit (Notice of Work) backlog reduced by 80 per cent by August 31, 2012 	MeM / Bennett		✓
FLNRO	<ul style="list-style-type: none"> Water and Land Act permit backlog reduced by 50 per cent by December 31, 2012 			✓
LNG	<ul style="list-style-type: none"> At least one LNG pipeline and terminal in operation in Kitimat by 2015 and three in operation by 2020 	MNDG / Coleman	✓	
Fiscal and economic	<ul style="list-style-type: none"> Top 2 GDP growth in Canada by 2015 	JTST	✓	
	<ul style="list-style-type: none"> Top 2 in new job growth in Canada by 2015 	JTST	✓	
International education	<ul style="list-style-type: none"> Increase the number of international students in B.C. by 50 per cent over the next four years 	MAvEd / Virk	✓	
	<ul style="list-style-type: none"> Put a strict new quality assurance system in place by 2012 	MAvEd / Virk		✓
Tax and regulation	<ul style="list-style-type: none"> Small Business Venture Capital Program tax credit enhanced by 2012 	MIT / Wat		✓
	<ul style="list-style-type: none"> Extension of the Apprentice Training Tax Credit program for an additional three years 	FIN / de Jong		✓
	<ul style="list-style-type: none"> Business tax competitiveness review to inform Budget 2012 	FIN / de Jong		✓
	<ul style="list-style-type: none"> Commitment to net zero regulatory gain through 2015 	JTST	✓	
	<ul style="list-style-type: none"> Regulatory Reporting Act enacted in 2012 	FIN/ MDJ		✓
Transportation	<ul style="list-style-type: none"> Deltaport and Ridley Island terminal upgrades completed and operational by 2014 	MoTI / Stone	✓	
	<ul style="list-style-type: none"> Border Technology and Information systems in place by March 31, 2012 	MoTI / Stone		✓

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BC Jobs Plan Reality Check

The First Two Years

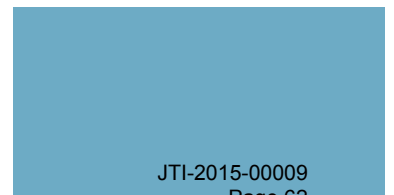
A summary of this
report is available at:
[policyalternatives.ca/
bcjobsplan](http://policyalternatives.ca/bcjobsplan)

by Igluka Ivanova

JANUARY 2014



CCPA
CANADIAN CENTRE
for POLICY ALTERNATIVES
BC Office



BC JOBS PLAN REALITY CHECK: THE FIRST TWO YEARS

By Iglia Ivanova

January 2014

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CCPA
CANADIAN CENTRE
for POLICY ALTERNATIVES
BC Office

1400 – 207 West Hastings Street
Vancouver BC V6B 1H7
604.801.5121 | ccpabc@policyalternatives.ca

www.policyalternatives.ca

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ABOUT THE AUTHOR

IGLIKA IVANOVA is an economist and the Public Interest Researcher at the CCPA-BC. She researches and writes on issues of government finance, taxation and privatization, and how they relate to the accessibility and quality of public services in BC. Her work also examines labour market developments and, in particular, trends in income inequality and low wage work. Her recent CCPA-BC publications include *Progressive Tax Options for BC* and *Reality Check on the Size of BC's Public Sector*. She holds an MA in Economics from the University of British Columbia.

BC Jobs Plan Reality Check

The First Two Years

IN SEPTEMBER 2011, the provincial government launched the BC Jobs Plan. The plan was a direct response to the slow labour market recovery that followed the 2008-2009 recession, and aimed to “create good jobs families can count on.” Since the plan’s launch, the province has issued progress reports every six months that declared the plan a success.

This report offers an independent assessment of the BC Jobs Plan, and uncovers a very different story. We take a closer look at BC’s recent job market performance, and find significant weaknesses two years into the government’s plan, chiefly:

- While the total number of jobs in BC has increased since the plan was announced in 2011, job creation has been weaker than it was in the first two years of the recovery, particularly in the private sector. The private sector lost over 12,000 jobs in the first ten months of 2013.
- BC’s job market stalled in 2013, losing close to 4,000 jobs in the first ten months of the year, while most other provinces have seen employment growth. This puts BC in eighth place on job creation in 2013, far from the BC Jobs Plan target of first or second place.
- The Jobs Plan was supposed to stimulate job creation in all areas of the province, and particularly outside the Lower Mainland and Victoria. However, most jobs created since the recession have been in the Lower Mainland. The only other BC regions that have recovered the number of jobs lost in the recession are the Kootenay and the Northeast.

Four years after the economic recovery began, and two years after the BC Jobs Plan was launched, BC remains a long way from the pre-recession benchmarks on key measures of labour market performance. BC’s recovery has been weaker than the Canadian average so far and the Jobs Plan does not seem to have changed that.

- **Low employment rate:** Only 71 per cent of working age British Columbians have jobs today, effectively unchanged since the start of the BC Jobs Plan and almost as low as during the recession. In order to return to BC’s pre-recession employment rate (the proportion of working age British Columbians who have jobs), the province would need 94,000 more jobs.

BC’s recovery has been weaker than the Canadian average so far and the Jobs Plan does not seem to have changed that.

- **High unemployment rate:** BC's unemployment rate was 6.7 per cent as of the third quarter of 2013, compared to just over 4 per cent before the recession. The unemployment rate went down even though BC actually lost jobs in the first ten months of 2013; this is because more people stopped actively looking for work.
- **Fewer permanent jobs:** BC has fewer permanent jobs today than we did before the recession. Almost two thirds of the jobs created since the Jobs Plan have been seasonal or casual. There has been some growth in full-time jobs, but fewer British Columbians have full-time jobs than residents of other provinces.
- **More new jobs going to temporary foreign workers:** Of the new jobs created since the recession, 29 per cent have been filled by temporary foreign workers. The increase in temporary foreign workers has been concentrated in areas outside urban centres.
- **Little relief for vulnerable groups:** The Jobs Plan focused on providing more economic opportunities to Aboriginal people, but there is no evidence of measurable improvement in their unemployment or employment rates. The plan does not specifically address challenges faced by youth or recent immigrants, two other groups likely to be vulnerable in the labour market.

Instead of waiting for the private sector to invest and boost hiring, the provincial government should increase its own role in job creation.

RECOMMENDATIONS: INVEST AND DIVERSIFY

BC needs an economic strategy that is better diversified and less environmentally risky, and that puts more British Columbians to work in well-paying, family-supporting jobs. More working British Columbians means more income for families, which means more spending, and a healthier economy.

Instead of waiting for the private sector to invest and boost hiring, the provincial government should increase its own role in job creation. In BC, the public sector has been the main engine of net job creation since the BC Jobs Plan was announced, adding 20,000 new jobs, primarily in education services, and health and social assistance.

The government must also step away from its narrow focus on resource extraction and exports, specifically on making LNG the main economic driver for the province. The industry may seem poised for a boom now, but it is far too risky to pin the province's economic future on one sector, particularly one so vulnerable to the ups and downs of global commodity markets. And, of course, developing the oil and gas sector would come at a great environmental price, threatening northern communities with air and water pollution and endangering our climate.

While much is made of the role the (often better-paid) resource sector plays in BC, the reality is that just 2 per cent of British Columbians are directly employed in mining, oil and gas extraction and forestry and logging combined. This sector remains such a small share of the job market that even a doubling or tripling of employment would not place it among top employment sectors in BC.

A more diversified and environmentally sound jobs plan will include public investments in:

- High quality, accessible and affordable childcare, and education at all levels.
- Making our homes, schools and hospitals more energy-efficient.

- A large-scale reforestation program to aid recovery from the pine-beetle devastation.
- Youth-focused employment initiatives and specific measures designed to help Aboriginal people and recent immigrants do better in the job market.

Whether it is by hiring workers to enhance public services and make them more accessible, by purchasing goods and services from BC businesses or by initiating work on needed infrastructure projects, governments can create jobs and significant spin-off hiring in the private sector.

An effective job creation strategy will cost money, but without investing more of our collective resources in our communities, the BC government cannot provide the leadership needed to remedy a slow economy and persistent joblessness.

Introduction

To many ordinary British Columbians who are still out of work, it might feel like the recession is not quite over.

THE GLOBAL RECESSION OF 2008–09 HIT BC HARD, costing tens of thousands of jobs. While the BC economy, measured by gross domestic product (GDP), recovered in 2010 and has been growing since, the job market has been particularly fragile and slow to rebound. To many ordinary British Columbians who are still out of work, it might feel like the recession is not quite over.

In response to the slow job market recovery, Premier Christy Clark introduced the BC Jobs Plan in September 2011. The plan was billed as a major new policy initiative aimed at increasing investment and boosting the economy across all regions of BC, including rural areas, which experienced particularly high job losses in the recession.

The BC Jobs Plan aimed to expand resource exports to Asian markets, strengthen transportation networks to make the movement of goods (for export) easier and “streamline” regulations to clear the path for faster resource development (committing not to introduce new regulations without eliminating existing regulations first.¹) None of these ideas was new. In fact, they had been the backbone of economic policy in BC for the last 20 years.

At the time the BC Jobs Plan was released, the Canadian Centre for Policy Alternatives criticized it as being inadequate, noting that very few of the measures included would lead to new employment and those that did would come many years into the future and at great environmental cost.² For example, the development of the liquefied natural gas (LNG) industry and the opening of a number of new mines in the province are key planks of the Jobs Plan, but it is unclear if all these proposed resource projects will go ahead. And even if they do, they will not be built for a number of years, and after the initial surge in employment generated during their construction phase,

-
- 1 The BC government called this a commitment to “net zero” new regulations, treating regulations as arbitrary barriers to doing business, not as legitimate restrictions on business activities put in place to protect human or environmental health, or ensure our publicly owned resources are managed sustainably.
 - 2 Marc Lee and Iglia Ivanova (2011). “A clever new slogan, but where are the jobs?” *The Vancouver Sun*. Sept. 23.

very few permanent jobs will be created.³ Attracting more international students to BC universities (50 per cent more over just four years), ramping up skills-training programs across the province, and improving access to education opportunities for Aboriginal students are the other key planks of the Jobs Plan. While improvements to education make sense in principle, little new funding was made available to meet these goals, and that money was earmarked primarily for setting up initiatives to identify the needs of industry in different regions, rather than improving access to training for unemployed or underemployed British Columbians.

Two years after the launch of the provincial government's Jobs Plan, it is time for a reality check on how the BC job market is doing. While two years is too short a timeframe to fully assess the success or failure of a new public policy program like the BC Jobs Plan, it is important to keep track of how the labour market recovery progresses. The BC government has declared the plan a success in each of its twice-yearly progress reports, but a closer look at some of the major job market indicators in BC reveals areas of significant weakness. This report uses data from Statistics Canada's Labour Force Survey to examine the job market recovery in BC in detail.

The report analyses trends in the unemployment rate, the employment rate and various measures of job quality. Because the BC Jobs Plan was announced at a time when the labour market was recovering from the 2008-09 recession and these indicators were already showing some improvement (though rather slowly), simply registering improvement in the indicators is not sufficient to declare the Jobs Plan successful. It is important to compare the changes in key labour market performance indicators since the announcement of the BC Jobs Plan (2012 and the first ten months of 2013) with the recovery in those same indicators before the BC Jobs Plan was announced (2010 and 2011). With the recession ending in 2009, BC is now well in its fourth year of the recovery, and the BC Jobs Plan announcement in late September 2011 splits the recovery period into two almost equally long periods (2010 and 2011, and 2012 and the first ten months of 2013).

The report also separately examines key job market trends for each of BC's seven economic regions⁴ and looks into the post-recession experience of recent immigrants, Aboriginal people and youth—groups that are traditionally vulnerable in the job market.

The report finds that while a number of indicators show evidence of recovery over the last two years, the gains have tended to be small and often followed by setbacks, with indicators up one month and down the next. Four years after the economic recovery began, and two years after the BC Jobs Plan was launched, BC remains a long way from the pre-recession benchmarks on key measures of labour market performance. The province's recovery has been weaker than the Canadian average so far. In fact, the job market in BC has stalled since the fall of 2012 while the recovery continues in most other provinces. No net new jobs have been created in BC since

Four years after the economic recovery began, and two years after the BC Jobs Plan was launched, BC remains a long way from the pre-recession benchmarks on key measures of labour market performance.

3 The BC Jobs Plan committed to bringing at least one LNG pipeline and terminal online by 2015 (in Kitimat) and to having three in operation by 2020. It also committed to having eight new mines in operation and facilitating nine upgrades/expansions to currently operating mines by 2015.

4 Statistics Canada groups neighbouring geographical areas with similar economic characteristics into economic regions large enough to produce reliable estimates from the Labour Force Survey. BC is divided into seven economic regions: Vancouver Island and Coast, Lower Mainland-Southwest, Thompson-Okanagan, Kootenay, Cariboo, North Coast and Nechako, and Northeast. For more information refer to Statistics Canada's 2013 *Guide to the Labour Force Survey*. <http://www.statcan.gc.ca/pub/71-543-g/71-543-g2013001-eng.htm>

January and the private sector has lost over 12,000 jobs in the first ten months of 2013, which is a rare occurrence outside of recessions.⁵

While the unemployment rate in BC has come down somewhat since the height of the recession when it reached 8 per cent, this apparent improvement is partially due to unemployed British Columbians giving up looking for work, given the lack of opportunities, and dropping out from the official unemployment statistics.⁶ The proportion of working-age British Columbians with a job is almost as low today as during the summer of 2009 when the recession hit its lowest point, and the new jobs being created are largely casual and seasonal positions, which lack the economic security that permanent jobs provide. There were 16,000 more temporary foreign workers in BC as of December 2012 than four years earlier at the start of the recession, and they held 29 per cent of all net new jobs created over those four years.

The report finds evidence of persistent weakness in BC's job market that the BC Jobs Plan has failed to mitigate, and makes policy recommendations to address it.

5 The job market is dynamic: new jobs are created and some jobs are lost every month. What we are interested in is net new job creation.

6 Statistics Canada requires people to be "actively" looking for work to be considered part of the labour force. The proportion of the working age population counted as being in the labour force has declined every year since 2008, with the exception of 2012 when it flatlined.

Reality Check

UNEMPLOYMENT RATE REMAINS HIGH

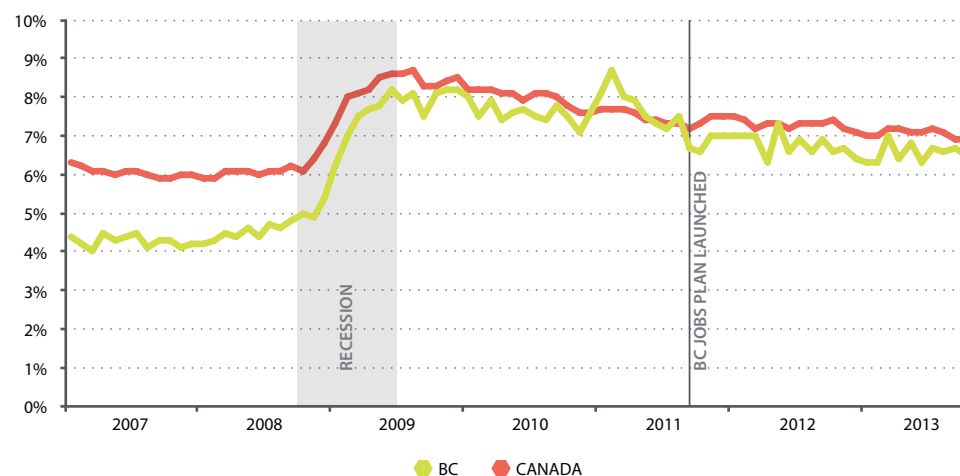
FIGURE 1 SHOWS that BC's unemployment rate grew rapidly after the recession hit in late 2008, but the recovery has been very gradual and seems to have lost momentum since late 2011. In the third quarter of 2011, as the Jobs Plan was announced, BC's unemployment rate averaged 7.1 per cent and in the third quarter of 2013, two years later, it has only declined by 0.4 percentage points to 6.7 per cent and remains considerably higher than pre-recession levels of just over 4 per cent.⁷

The notable slowdown in the jobs recovery since 2011 is not just a BC phenomenon; it is happening across the country. Only in Saskatchewan and Newfoundland are the unemployment rates lower today than they were before the recession.

As Figure 1 shows, BC's unemployment rate used to be considerably lower than the Canadian average but has risen to comparable levels since the recession. As of October 2013, BC has the fourth-lowest unemployment rate in Canada, trailing the other three western provinces and dropping from third place before the recession.

BC's unemployment rate used to be considerably lower than the Canadian average but has risen to comparable levels since the recession.

Figure 1: Unemployment rates in BC and Canada, 2007–2013



Source: Statistics Canada. CANSIM Table 282-0087. Seasonally adjusted.

⁷ Monthly fluctuations in provincial Labour Force Survey statistics don't always reflect changes in economic conditions and might instead be due to changes in the survey sample of relatively small number of households (and recent budget cuts have reduced the number of households sampled), known as sampling variability. One can have more confidence when consecutive movements are in the same direction, which is why I look at quarterly averages for a more accurate assessment of overall trends.

LOW EMPLOYMENT RATE RAISES CONCERNS

The unemployment rate is the most commonly used indicator of how the job market is doing, but a decline in the official unemployment rate is not always a sign of strength. For example, even though BC lost more than 5,000 jobs in October 2013, the province's unemployment rate was down to 6.5 per cent that month (from 6.7 per cent in September). It is important to remember that people who have stopped looking for work because of poor job prospects (what economists often call "discouraged workers") are not considered to be part of the labour force and are thus excluded from the official unemployment statistics.⁸

This is why the employment rate—the share of the working-age population, those aged 15 to 64, that is employed—is a better measure of the strength of the job market than the unemployment rate, especially during a slow economy.

The share of working-age British Columbians with jobs has barely budged since the worst of the recession, still three full percentage points behind its 2008 level.

Figure 2 shows that while more than 74 per cent of working-age British Columbians had jobs in early 2008, fewer than 71 per cent were employed in late 2009.⁹ BC's employment rate remained at these low levels for a couple of years, with workers seeing no real job recovery despite the fact that the economy grew in 2010 and 2011. Only in late summer/fall of 2011 did BC's employment rate rebound slightly to 71 per cent. However, improvements in 2012 proved short-lived and today the employment rate for working-age British Columbians is back to the same levels as in September 2011, effectively unchanged since the launch of the BC Jobs Plan. The share of working-age British Columbians with jobs has barely budged since the worst of the recession, still three full percentage points behind its 2008 level.

What Figure 2 shows is that the new jobs created by the BC economy so far during the recovery are barely sufficient to keep up with population growth, and we have not yet replaced the jobs lost during the recession. To return to the same share (74 per cent) of working-age British Columbians with jobs as before the recession, BC would need 94,000 more jobs for workers aged 15 to 64.¹⁰

The persistently low employment rate in BC explains why for so many British Columbians the recovery has not materialized in any meaningful sense. This is a very different picture than the one painted by the official unemployment rate (down to 6.7 per cent in the third quarter of 2013 from recession highs of more than 8 per cent), and it is precisely why it is necessary to look at more than just headline indicators to get an accurate reading of the strength or weakness of the job market.

As Figure 2 shows, BC's job market was more adversely affected by the recession than many other provinces (BC's employment rate fell by 3 percentage points compared to a decline of 2.1 percentage points on average for Canada), and the recovery has been a lot slower in BC. On average, Canada has recovered about half of the lost ground in working-age employment rates

8 To be included in Statistics Canada's official labour force statistics, one needs to be actively looking for work in the four weeks preceding the Labour Force Survey week. The labour force participation rate, which is the proportion of the population over 15 which is included in the labour force count, fell from 64.1 per cent in September to 63.7 per cent in October 2013.

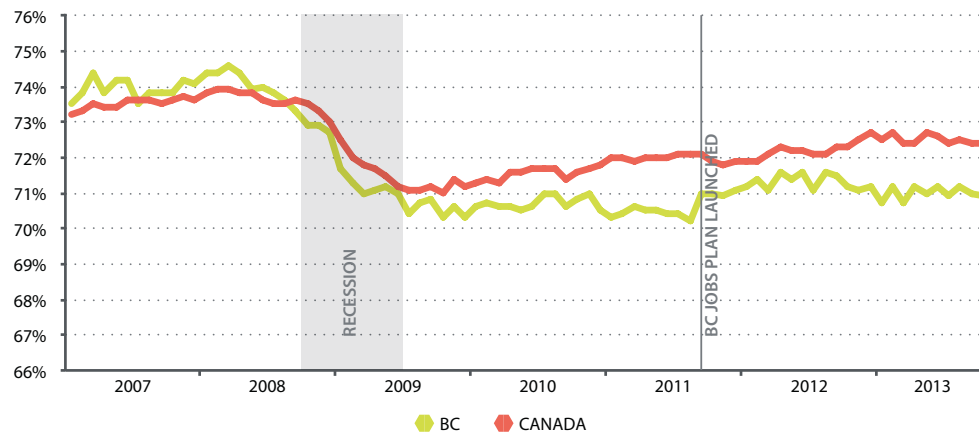
9 In this report, I focus on the employment rate of the population aged 15 to 64 instead of the broader definition of ages 15 and up, to ensure that any declines shown in the data are not being driven by an increase in the share of seniors in the BC population. Seniors (aged 65 and older) have a much lower employment rate than the working-age population.

10 Notably, the employment rate of seniors both in BC and nationally has been increasing rapidly since 2001 after 25 years of decline, and is now higher than it has ever been since 1976 (when data first became available). The employment rate of seniors aged 65 and over was 12 per cent in both BC and Canada in 2012, double the 2001 rates of 6 per cent for Canada and 4.9 per cent for BC. This is driven in part by inadequate pensions forcing more seniors to supplement their retirement income with paid work.

(1.1 percentage points) whereas BC has barely recovered one-tenth of the drop (0.3 percentage points), which is virtually no recovery at all.

BC now has the fourth-lowest working-age employment rate in Canada, behind all but the Atlantic provinces (except PEI, which has a working-age employment rate of 73.3 per cent). We used to have the fourth highest in the country before the recession.

Figure 2: Employment rate of the working-age population in BC and Canada, 2007–2013



Source: Statistics Canada. CANSIM Table 282-0087. Seasonally adjusted. Working-age population aged 15–64.

BC experienced faster job creation than the Canadian average before the recession, but we have lagged behind the rest of the country in the recovery period, including after the introduction of the BC Jobs Plan.

JOB CREATION HAS STALLED IN 2013

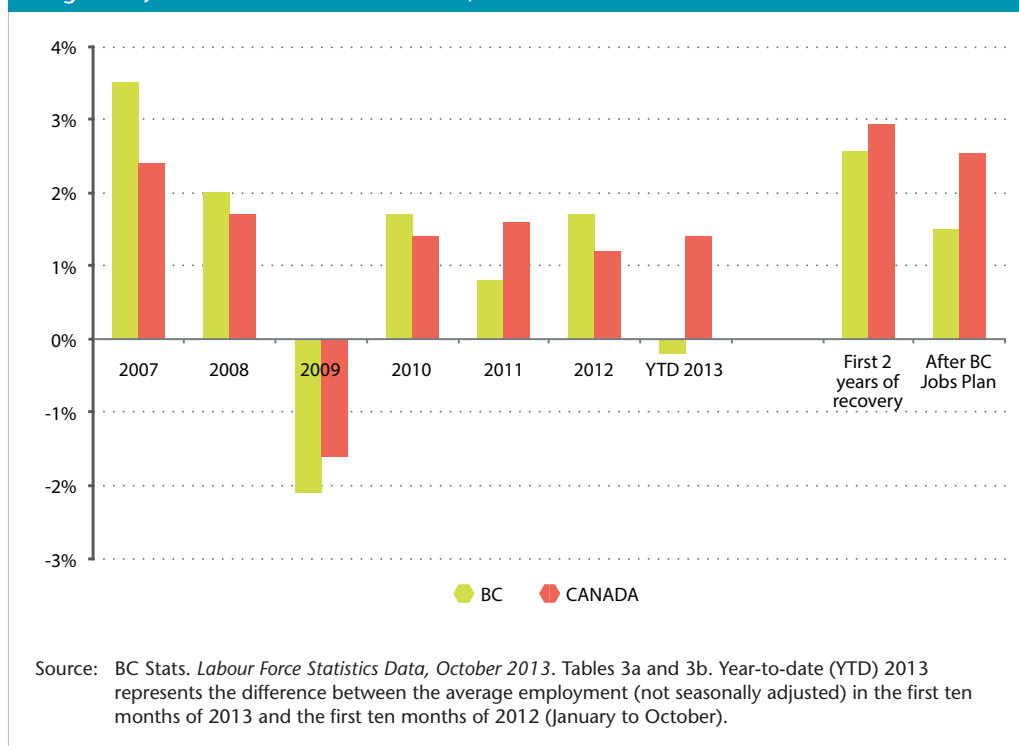
The BC Jobs Plan set a goal for BC to be in the top two in the country on job creation but so far this target remains far out of reach. In 2011, when the Jobs Plan was announced, BC was tied for sixth in terms of net job creation as a percentage of all employment (the only way to compare provinces of different size). We jumped to fourth place in 2012 but have slipped back to eighth in 2013, which is to say we have the third-lowest rate of job creation in the country. BC, along with New Brunswick and Nova Scotia, has actually lost jobs in the first ten months of 2013 while all other provinces have created jobs this year.

As Figure 3 shows, BC experienced faster job creation than the Canadian average before the recession, but we have lagged behind the rest of the country in the recovery period, including after the introduction of the BC Jobs Plan.¹¹

These slow rates of job creation do not bode well in a job market that was hit hard during the recession. BC suffered the third-highest job losses in the country in 2009, shedding 2.1 per cent of all the jobs in the province, a rate considerably higher than the national average of 1.6 per cent (only Newfoundland and Ontario suffered bigger losses, 2.9 per cent and 2.5 per cent respectively). Losing 2.1 per cent of all jobs might not sound like an enormous loss but it is the biggest BC has experienced in thirty years since 1982, when a recession destroyed 5 per cent of all jobs. In 2009, it meant losing 48,500 jobs.

¹¹ In Figure 3 and subsequent figures, the recovery period since the 2008–09 recession is split in two approximately equal time periods: “first 2 years of the recovery,” defined as the years 2010 and 2011, and “after BC Jobs Plan” defined as the calendar year 2012 and the first ten months of 2013 (the most recent data available at the time of writing).

Figure 3: Job creation in BC and Canada, 2007–2013



In BC, the public sector has been the main engine of net job creation since 2012, adding 20,000 new jobs (primarily in education services and in health and social assistance).

PRIVATE SECTOR IS SHEDDING JOBS IN 2013

The BC Jobs Plan was launched to spur job creation by the private sector, but as Figure 4 demonstrates, that sector has actually lost momentum in BC since. In 2012, BC's private sector created fewer jobs than in each of the previous two years since the recovery started and it actually lost jobs in the first ten months of 2013. This trend is in contrast to Canada as a whole, where private sector job creation in 2013 continues at rates similar to those recorded in 2012. Nova Scotia is the only province besides BC where the private sector has been shedding jobs in 2013.

Figure 4 shows that in BC, the public sector has been the main engine of net job creation since 2012, adding 20,000 new jobs (primarily in education services and in health and social assistance).¹² This fact highlights the important role of the public sector as an employer, helping stabilize the job market, particularly at times when the private sector is in a downturn. Close to one in five jobs in our province is in the public sector. This includes police and firefighters; teachers, nurses and social workers who provide government-funded education, health and social services; and all employees in publicly funded colleges and universities. It also includes employees of ministries, departments and agencies at the municipal, provincial and federal levels who provide support for policy development and direct service delivery as well as key regulatory and oversight functions, and employees of Crown corporations such as BC Hydro and BC Transit.

Throughout Canada, the public sector served as a backstop to the job market downturn during the recession, when the private sector shed a large number of jobs very quickly. The public sector doesn't just create jobs directly, it also spurs job growth in the private sector by purchasing

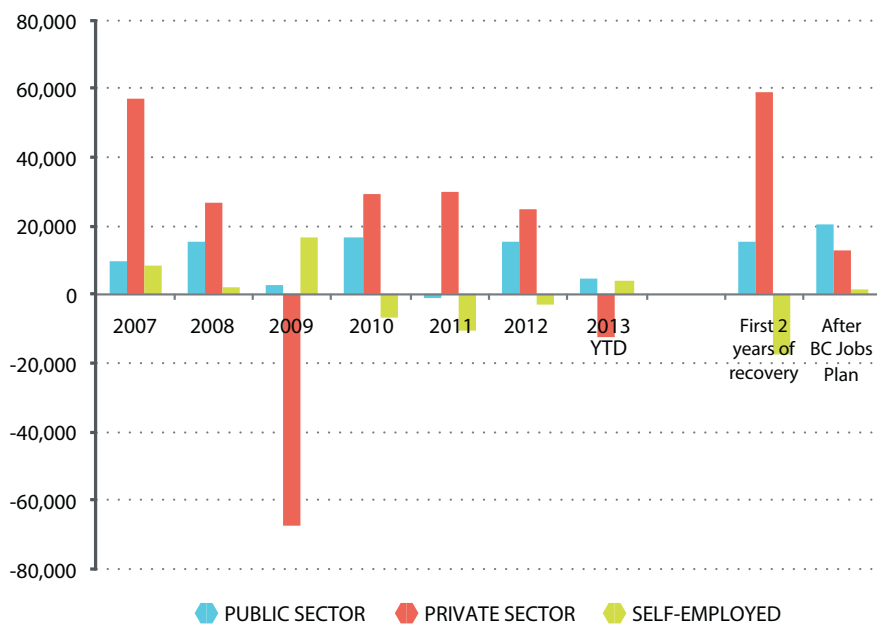
¹² The breakdown of public sector jobs by industry is available in Statistics Canada, CANSIM Tables 282-0011 and 282-0012.

from and contracting with businesses. Spending by the government, mainly on infrastructure projects built by the private sector, helped stimulate the economy and buoyed private sector job creation in 2010 and 2011. However, the BC government's recent focus on deficit-reduction has led to spending restraint and frozen budgets in many areas of the provincial public sector, which represents an effective cut in the face of inflationary cost pressures. This has acted as a fiscal drag on the BC job market. The provincial government has launched a core review of its spending that may lead to job losses in the public sector in Budget 2014. In the current fragile economic environment when we are seeing less hiring in the private sector, job cuts in the public sector would only increase unemployment, lower family incomes and weaken the economic recovery even further.

In 2013, self-employment accounts for almost one in five jobs (18 per cent) in the province, which is only slightly lower than the share of public sector jobs (19 per cent). As Figure 4 shows, the ranks of the self-employed swelled during the recession, fell in times of solid job creation in the public and private sectors (2010, 2011 and 2012) and grew again in 2013 in the face of anemic job creation in the public sector and actual job loss in the private sector. This trend indicates that a big part of the recent growth in self-employment may not be an expression of entrepreneurship but an attempt to cobble together enough small contracts to make a living in the absence of other employment opportunities. The growth of self-employment in 2013 should therefore be interpreted as a sign of weakness in the job market.

The public sector doesn't just create jobs directly, it also spurs job growth in the private sector by purchasing from and contracting with businesses.

Figure 4: Number of jobs created in BC by sector and year, 2007–2013



Source: Statistics Canada. CANSIM Tables 282-0011 and 282-0012. Year-to-date (YTD) 2013 represents the difference between the average employment in the first ten months of 2013 and the first ten months of 2012.

THE QUALITY OF JOBS IS DETERIORATING

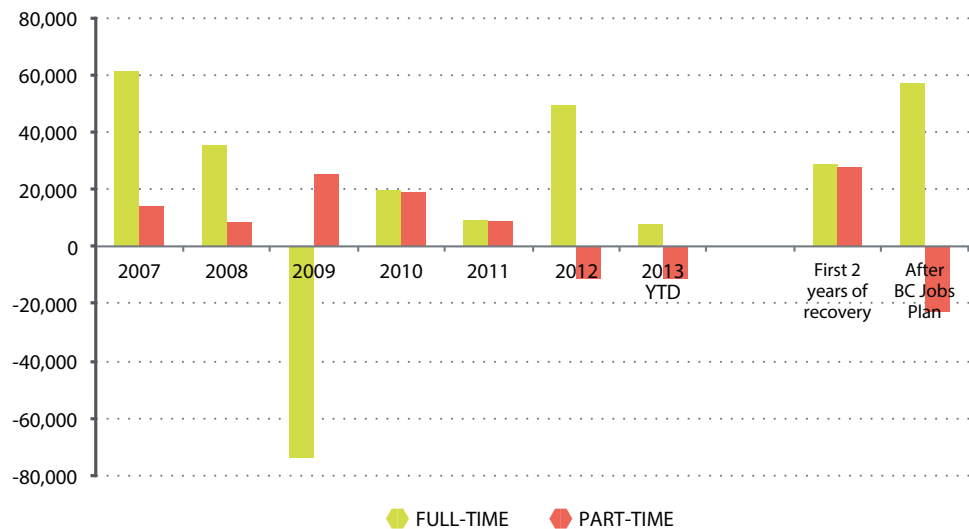
Job creation numbers alone don't tell the whole story. In Statistics Canada's employment numbers, a person working 10 hours per week in a casual job for minimum wage is "employed" the same as a person working 40 hours per week in a permanent, unionized job with a decent wage, benefits and pension. While there is no definitive measure of job quality in Canada, data from the Labour Force Survey allows us to look at three additional indicators to assess the strength of the job market: hours of work (full-time vs. part-time), job permanence and wage growth.

Growth in full-time work is the only silver lining in a weak job market, but fewer British Columbians have full-time jobs than residents of other provinces

As Figure 5 illustrates, all net new job creation since 2012 has been in full-time jobs, which is a welcome development for BC workers, as full-time jobs tend to be better paid and more secure.¹³ However, after four years of recovery BC has only just regained the number of full-time jobs that were lost in the recession. All in all, BC has only 12,000 more full-time jobs today than in 2008 before the recession hit. The largest gain in the job market by far is in part-time jobs (BC now has 30,000 more part-time jobs than in 2008).

Only 57 per cent of BC's working-age population has a full-time job today, considerably less than the Canadian average of 59 per cent.

Figure 5: Number of jobs created in BC by type and year, 2007–2013

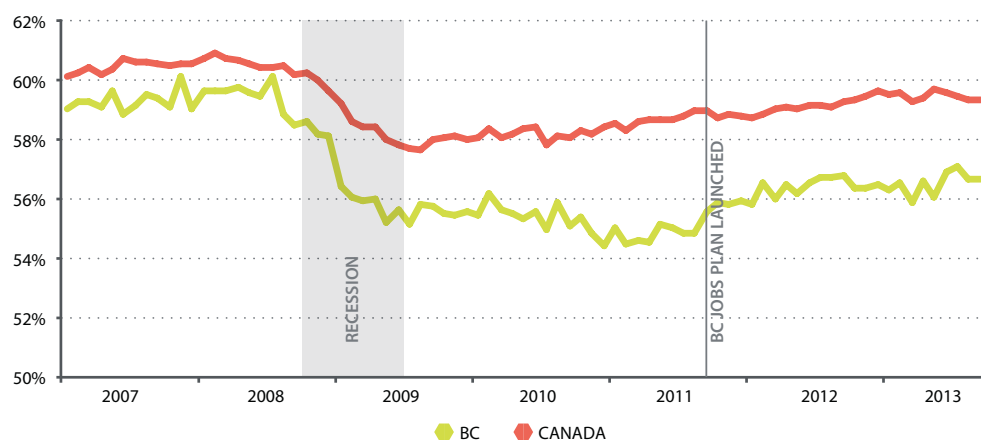


Source: Statistics Canada. CANSIM Tables 282-0002 and 282-0001. Year-to-date (YTD) 2013 represents the difference between the average employment in the first ten months of 2013 and the first ten months of 2012 (not seasonally adjusted).

More importantly, while BC's job market has recovered the number of full-time jobs lost in 2009, the province is not creating full-time jobs fast enough to employ our growing workforce. As Figure 6 shows, only 57 per cent of BC's working-age population has a full-time job today, considerably less than the Canadian average of 59 per cent. In addition, the gap between the full-time employment rates of BC and Canada has widened significantly since the 2008-09 recession, and the introduction of the BC Jobs Plan does not seem to have helped us catch up to the rest of Canada.

¹³ In Statistics Canada's Labour Force Survey, workers are considered employed full-time if they are usually scheduled to work 30 hours or more per week in their main job, otherwise they are considered employed part-time. If a worker has more than one job, the job that provides more hours per week is considered the main job.

Figure 6: Share of working-age population in full-time jobs in BC and Canada, 2007–2013



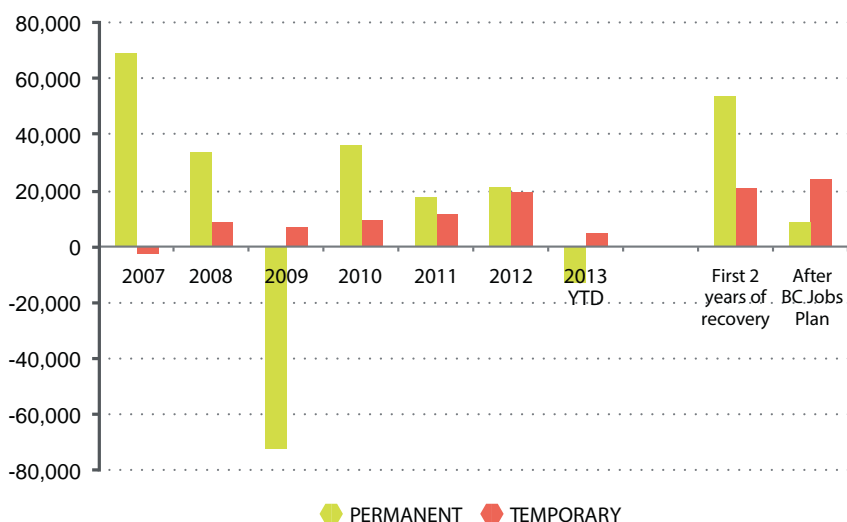
Source: Author's calculations based on Statistics Canada, CANSIM Table 282-0087. Seasonally adjusted. Working-age population aged 15–64.

Temporary jobs replace permanent jobs

Since the 2008 recession, there has been a notable shift in the BC job market away from permanent jobs and toward temporary ones.¹⁴ Figure 7 shows that while the first year of recovery, 2010, saw relatively robust growth in permanent jobs, few permanent jobs have been created since. Overall, BC has fewer permanent jobs today than before the recession hit.

BC has fewer permanent jobs today than before the recession hit.

Figure 7: Number of jobs created in BC by permanence, 2007–2013

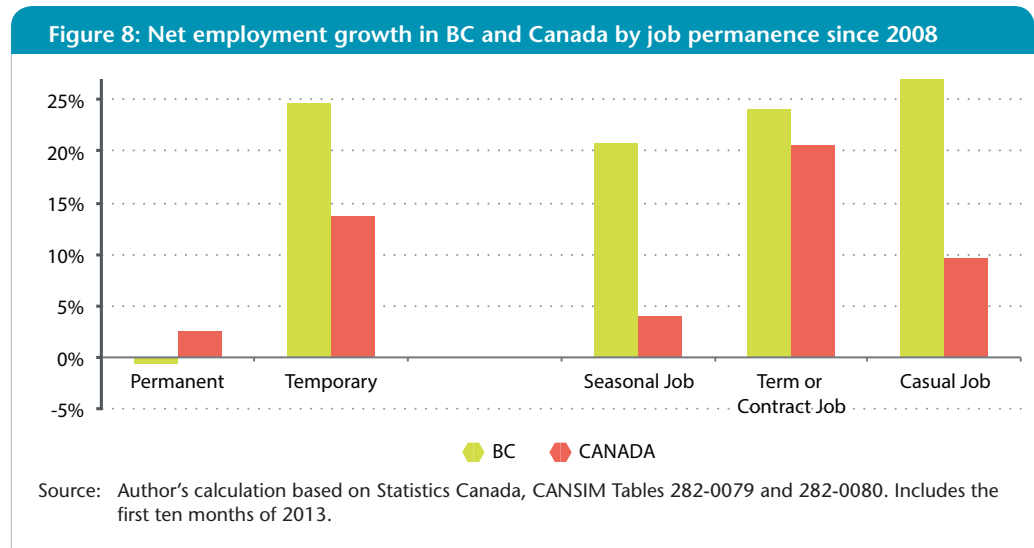


Source: Statistics Canada. CANSIM Tables 282-0079 and 282-0080. Year-to-date (YTD) 2013 represents the difference between the average employment in the first ten months of 2013 and the first ten months of 2012.

¹⁴ In Statistics Canada's Labour Force Survey, jobs are classified as permanent if they do not have a pre-determined end date; that is if they are expected to last as long as the employee wants to stay. Temporary jobs, on the other hand, are expected to end as soon as a specific project is finished. Both permanent and temporary jobs can end in layoff if business conditions deteriorate.

The growth of temporary jobs as a share of all employment is a Canada-wide phenomenon, but as Figure 8 shows, BC is creating a lot more temporary jobs than permanent ones compared with the rest of the country. Seasonal and casual jobs are growing particularly fast in BC.¹⁵ In fact, almost two out of three jobs created in BC since 2012, or after the BC Jobs Plan, have been seasonal or casual (61 per cent). This is worrisome because these jobs tend to be precarious: they rarely provide employment year-round, typically pay less, and thus provide little economic security for workers and their families.

The growth of temporary jobs as a share of all employment is a Canada-wide phenomenon, but BC is creating a lot more temporary jobs than permanent ones compared with the rest of the country.

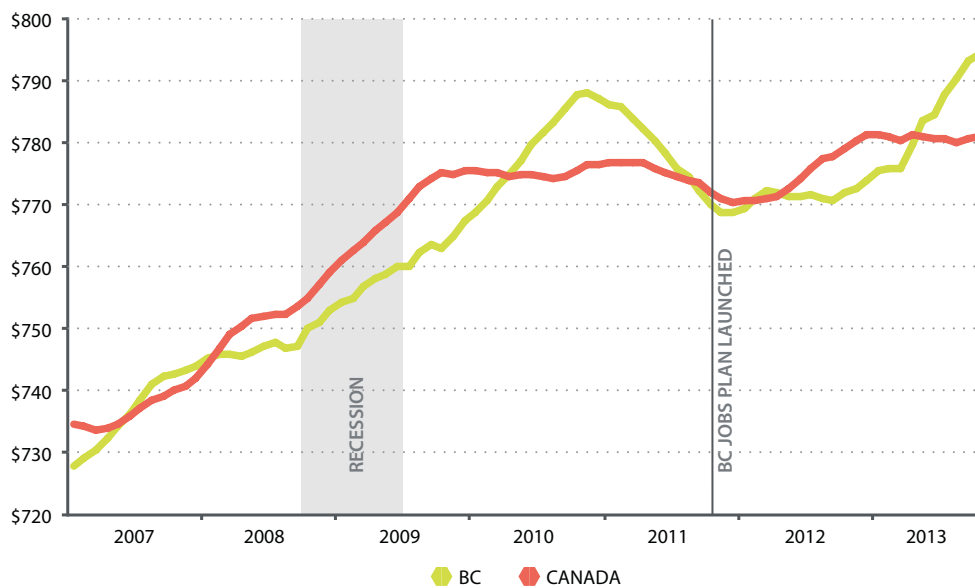


Real wages are being buoyed by low rates of inflation

Figure 9 shows median weekly wages in BC and Canada adjusted for inflation to reflect their “real” purchasing power after price increases are accounted for. The median is the weekly wage level where exactly half of workers earn more and half earn less. It is a better indicator of what a typical worker can expect to earn than the average weekly wage, especially in highly unequal labour markets where the average may not be representative of most people’s wages if it is driven up by a small proportion of very high wage earners at the top.

¹⁵ Temporary jobs are divided into four groups: seasonal, term or contract, casual and other.

Figure 9: Real median weekly wages in BC and Canada, 2007–2013



Source: Author's calculations based on Statistics Canada, CANSIM Tables 282-0069 and 326-0020. Adjusted to 2013 dollars based on annual consumer price index (CPI) forecasts for BC and Canada from June 2013 *BC Budget Update*. Twelve-month moving average is used to smooth out large monthly fluctuations in the wage data.

BC workers had the highest median weekly wages in the country in the late 1990s, but we slipped to a middle-of-the-pack fifth place in 2012.

In BC, real median weekly wages grew through the recession and the first year of the recovery but took a big hit after, falling by more than 2 per cent in one year (2011), and remained low in 2012. Despite an average increase of 1.8 per cent in real weekly wages over the first ten months of 2013, BC median weekly wages are only slightly higher in late 2013 than in late 2010. It is too early to tell whether the recent rapid growth in real wages, which is partly a product of unusually low inflation rates in the province, will be sustained.¹⁶

In Canada, real median weekly wages stagnated in the recovery (falling slightly over 2010 and 2011), rose by about 1 per cent in 2012 and are stagnating again in 2013.

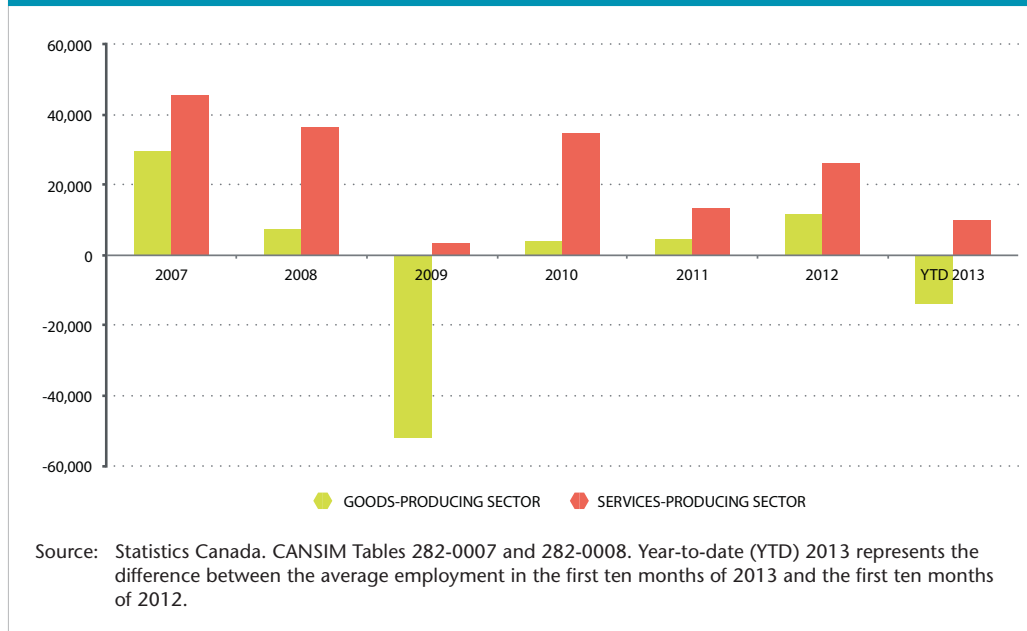
While BC's median weekly wages have grown faster than Canada's over the last five years, this increase comes on the heels of a decade (1998–2008) of virtually no real wage growth in the province compared with 5 per cent growth on average in Canada. BC workers had the highest median weekly wages in the country in the late 1990s, but we slipped to a middle-of-the-pack fifth place in 2012 and are poised to finish fourth in 2013 based on the results of the first ten months of the year.

¹⁶ The rate of inflation in BC is projected to be only 0.9 per cent in 2013, much lower than Canada's average inflation rate of 1.5 per cent (June 2013 *BC Budget Update*).

MOST JOB GROWTH IS IN THE SERVICE SECTOR

BC's economy is primarily service-based, with about 80 per cent of all workers in the province employed in the service sector.¹⁷ As Figure 10 reveals, while job losses in the recession were concentrated in the goods sector (in industries like construction and manufacturing), the vast majority of jobs created since then have been in service sector industries. This trend remained unchanged after the introduction of the BC Jobs Plan in September 2011.

Figure 10: Number of jobs created in BC by sector, 2007–2013



Employment related to mining, oil and gas extraction has grown by 32 per cent since 2008, but this only represents about 4,000 new jobs out of a total of 2.3 million jobs in BC.

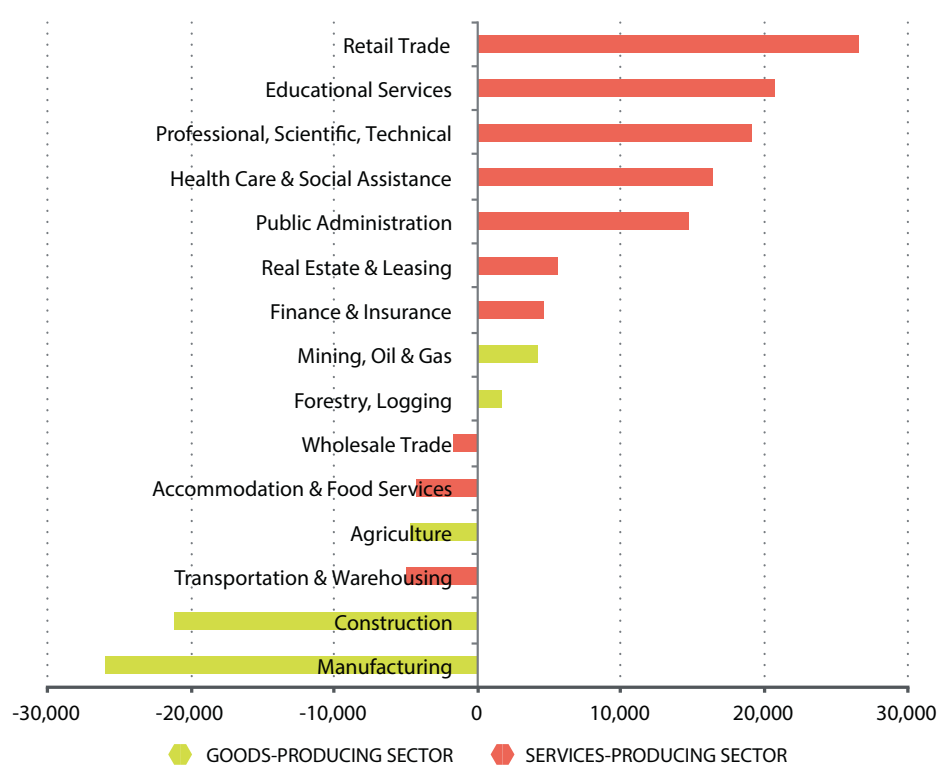
Figure 11 (opposite) shows net job creation in the major sectors of the BC economy. Retail trade has created the most net new jobs for British Columbians since the recession: one out of four new jobs created in BC was in this sector.

Worth noting in Figure 11 is the job growth in industries associated closely with the public sector, such as educational services, health care and social assistance, and public administration (as discussed earlier in this report).

The BC Jobs Plan relies on resource industries to create jobs in BC, but the reality is that very few British Columbians are directly employed in mining, oil and gas extraction (1.3 per cent of all BC workers) or in forestry and logging (0.8 per cent). Employment related to mining, oil and gas extraction has grown by 32 per cent since 2008, but this only represents about 4,000 new jobs out of a total of 2.3 million jobs in BC. Mining, oil and gas extraction remains such a small share of the BC job market that even doubling or tripling the number of jobs would not place it among the top employment sectors in BC.

¹⁷ The economy is divided into two sectors: the goods sector, which makes tangible products like bricks, furniture, or cars, and the service sector, which covers all other economic activity, from knowledge-based industries like high tech to preparing and serving food. Employment in the service sector has increased from 69 per cent in 1976 to 80 per cent in 2013.

Figure 11: Net job creation or loss in BC by industry since 2008



Source: Statistics Canada. CANSIM Tables 282-0007 and 282-0008. Includes the first ten months of 2013

Since the announcement of the BC Jobs Plan a number of service industries have created far more net new jobs than forestry and logging, and mining, oil and gas.

Figure 12 (over) allows us to compare net job creation by industry in the first two years of the recovery (2010 and 2011), before the BC Jobs Plan was introduced, with the period after 2012, when the BC Jobs Plan was in place. Among the goods-producing industries, forestry and logging and mining, oil and gas have had the strongest growth since the BC Jobs Plan, adding about 5,000 net new jobs each, partly because of an uptick of commodity prices and global demand over this period.

Figure 12 also shows that since the announcement of the BC Jobs Plan a number of service industries have created far more net new jobs than forestry and logging, and mining, oil and gas. The most significant contributors have been trade (close to four times as many jobs, two-thirds of which were in retail); finance, insurance and real estate (close to three times as many); and educational services (twice as many). Job growth in public administration and professional, scientific and technical services has been on par with the fastest-growing resource industries.

Figure 12a: Job creation/loss in BC's goods-producing industries since 2008

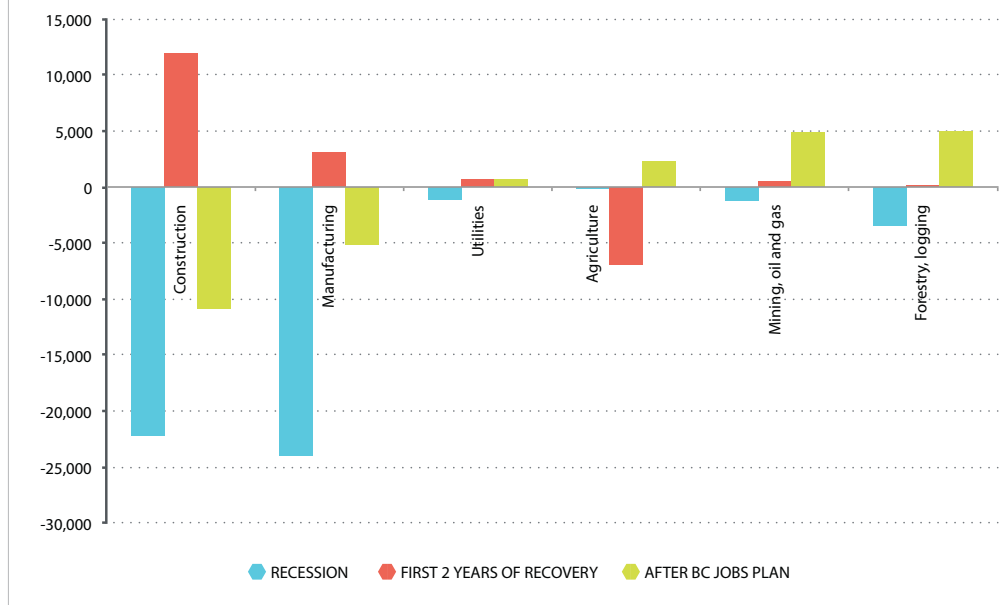
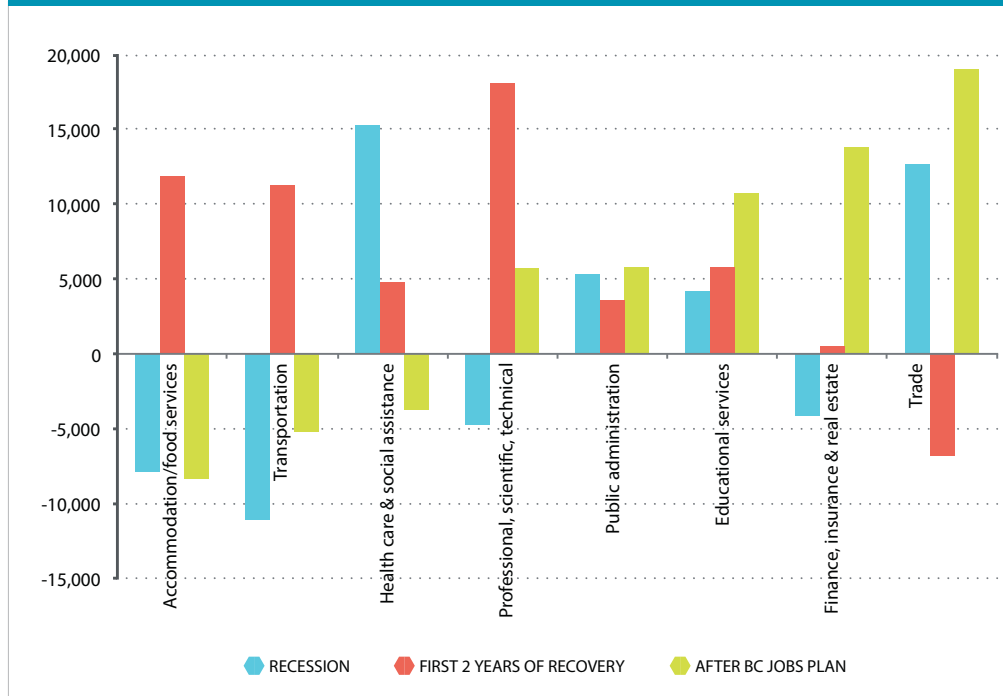


Figure 12b: Job creation/loss in BC's service-producing industries since 2008



Source: Statistics Canada. CANSIM Tables 282-0007 and 282-0008. Recession job creation/loss is the difference between annual employment by industry in 2009 and 2008. Includes the first ten months of 2013.

MOST REGIONS OUTSIDE THE LOWER MAINLAND HAVE NOT RECOVERED THE JOBS LOST IN THE RECESSION

Looking at the aggregate BC indicators masks the split between the Lower Mainland and Greater Victoria regions, which are highly diversified, and the rest of the province, where regional economies are more resource-dependent and thus vulnerable to swings in international commodity markets. The 2008-09 recession hit economic regions outside the Lower Mainland particularly hard, as global markets for our exports shrank.¹⁸ Almost 1 out of every 10 jobs in the Cariboo economic region disappeared in 2009, as did 1 out of every 13 jobs in the North Coast and Nechako, and 1 out of every 20 jobs in the Northeast (see Figure 13 below). In contrast, the net job loss in the Lower Mainland was only 1 per cent of total employment, or 1 out of every 100 jobs.¹⁹

Table 1 shows regional unemployment rates since 2007. Unemployment rates have decreased notably in 2013 in the resource-intensive North Coast and Nechako, Kootenay and Cariboo regions, which were particularly affected by the recession. These regions now have lower unemployment rates than in 2008, partly because of outmigration since the recession hit.²⁰ In contrast, unemployment in the Lower Mainland is still 2.6 percentage points higher than before the recession despite significant job creation because the region's working-age population grew by more than 8 per cent in those four years and a lot more people were competing for the available jobs.

Looking at the aggregate BC indicators masks the split between the Lower Mainland and Greater Victoria regions, which are highly diversified, and the rest of the province, where regional economies are more resource-dependent and thus vulnerable to swings in international commodity markets.

Table 1: BC regional unemployment rates by economic region, 2007–2013

	BC	VANCOUVER ISLAND/COAST	LOWER MAINLAND/SOUTHWEST	THOMPSON-OKANAGAN	KOOTENAY	CARIBOO	NORTH COAST & NECHAKO	NORTHEAST
2007	4.3	4.3	4.0	4.4	5.5	5.1	8.1	N/A
2008	4.6	4.4	4.3	5.5	4.9	6.7	7.8	4.8
2009	7.7	7.3	7.2	8.8	8.7	12.1	10.6	7.0
2010	7.6	6.3	7.6	8.6	9.3	8.1	10.2	6.8
2011	7.5	7.7	7.3	7.9	8.2	7.6	8.6	4.9
2012	6.7	6.0	6.8	6.9	7.3	7.0	10.7	4.1
2013 Jan–Oct	6.6	6.3	6.9	6.9	4.9	5.8	6.6	4.8*

Source: BC Stats. *Labour Force Statistics Data, October 2013*. Table 9.

*The average for the Northeast region is Feb–Oct 2013, as Statistics Canada did not release a January estimate for the region's unemployment rate.

18 BC is divided into seven economic regions: Vancouver Island and Coast, Lower Mainland-Southwest, Thompson-Okanagan, Kootenay, Cariboo, North Coast and Nechako, and Northeast.

19 Author's calculations based on data from Statistics Canada, CANSIM Table 282-0061.

20 Outmigration means that fewer people are competing for the available jobs and can lower the unemployment rate even when no new jobs are being created (or jobs are being lost).

It is hard to say to what extent the rapid declines in the unemployment rates in northern BC regions are due to the Jobs Plan or simply to commodity price increases. In 2010 and 2011, as metals, minerals and energy prices rose quickly, unemployment rates in the Cariboo, in the North Coast and Nechako and in the Northeast fell fast. The two following years, 2012 and 2013, saw a slight drop in overall commodity prices, especially for minerals and metals, but also a significant increase in forestry prices, which has led to new jobs in the Kootenay and Cariboo regions.

As discussed earlier in this report, the unemployment rate alone does not tell us enough about the health of a particular labour market. While the four northern economic regions in BC are reporting lower unemployment rates than before the recession, Table 2 shows that the employment rate has fully recovered only in the Northeast and the Kootenay regions. In contrast, the North Coast and Nechako region and the Cariboo have seen a significant decrease in their employment rate since pre-recession levels.

Table 2: BC regional employment rates by development region, 2007–2013

	BC	VANCOUVER ISLAND/ COAST	LOWER MAINLAND/ SOUTHWEST	THOMPSON- OKANAGAN	KOOTENAY	CARIBOO	NORTH COAST & NECHAKO	NORTHEAST
2007	63.2	60.4	64.1	60.7	62.7	66.8	62.4	71.3
2008	63.2	61.8	63.8	61.1	57.8	65.4	66.7	72.4
2009	60.5	58.9	61.6	58.1	56.7	59.1	61.8	69.0
2010	60.5	59.1	61.1	59.3	54.9	62.9	60.3	71.6
2011	60.2	56.0	61.4	58.2	56.7	63.7	64.9	72.4
2012	60.6	56.1	61.6	58.9	58.9	67.2	59.5	76.6
2013 Jan–Oct	60.0	56.5	60.8	57.1	62.4	64.3	61.8	74.0
Source: Statistics Canada. CANSIM Tables 282-0054 and 282-0055. The employment rate is the share of the population over the age of 15 that is employed.								

The resource focus of the BC Jobs Plan was supposed to breathe life into regions outside the Lower Mainland and Greater Victoria, which were hit particularly hard by the recession. However, four of our seven economic regions now have fewer actual jobs than in 2008.

The resource focus of the BC Jobs Plan was supposed to breathe life into regions outside the Lower Mainland and Greater Victoria, which were hit particularly hard by the recession (after already struggling with the decline in forestry). However, four of our seven economic regions now have fewer actual jobs than in 2008. Figure 13 shows the share of jobs created/lost in each region since the recession, dividing the recovery into two parts: before and after the BC Jobs Plan was announced. In the figure, BC's regions are ordered according to job growth since pre-recession levels.

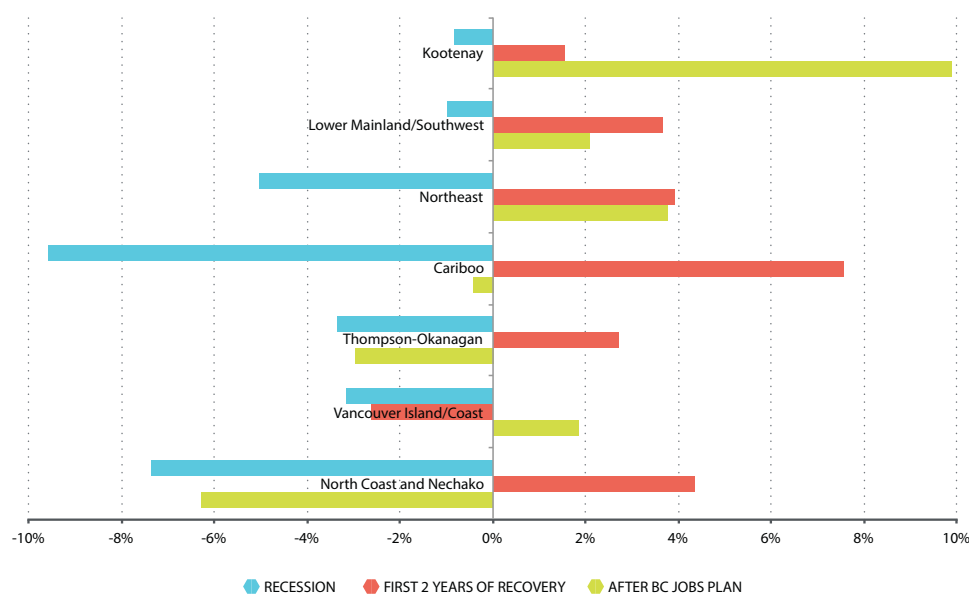
The Thompson–Okanagan and the Vancouver Island/Coast regions both have 4 per cent fewer jobs than before the recession, which means a loss of 9,500 jobs in Thompson–Okanagan and 15,400 in Vancouver Island/Coast.

In fact, the majority of net job creation between 2008 and October 2013 was concentrated in the Lower Mainland, where most British Columbians live. Since the start of 2013 that region has

accounted for almost two-thirds of all jobs in the province (62.7 per cent), slightly higher than before the recession. This is the highest proportion of the job market held by the Lower Mainland since 1995 (the earliest regional statistics available).

Both Vancouver and Abbotsford-Mission census metropolitan areas in the Lower Mainland/Southwest region have seen net increases in employment of more than 5 per cent compared with their pre-recession levels. Outside the Lower Mainland, the only regions that have recovered the number of jobs lost in the recession are the Kootenay (which has seen rapid job growth since 2011) and the Northeast. The Cariboo, Thompson-Okanagan, the North Coast and Nechako, and Vancouver Island/Coast regions each have fewer jobs today than in 2008, and the first three have actually lost jobs since the Jobs Plan was announced. The only reason that unemployment rates in northern areas of BC aren't higher is that people have migrated from those regions to the Lower Mainland/Southwest.

Figure 13: Jobs created/lost in BC by economic region since 2008



Source: Author's calculations based on data in BC Stats, *Labour Force Statistics Data, October 2013*, Table 9. Recession job creation/loss is the difference between annual employment by industry in 2009 and 2008. Includes the first ten months of 2013.

Outside the Lower Mainland, the only regions that have recovered the number of jobs lost in the recession are the Kootenay (which has seen rapid job growth since 2011) and the Northeast.

Since the BC Jobs Plan was announced, there has been strong job creation in the Kootenay and Northeast regions. It may well be that the focus on expanding resource extraction and LNG exports in particular is starting to create some jobs in rural areas where they are badly needed. However, most of the jobs stemming from these planned major resource projects will be created during their construction stage, so any lift to the local economies is likely to be short-lived, and there is concern that many of the jobs may be filled by temporary foreign workers or skilled workers coming from other parts of the country rather than by local unemployed workers. In addition, instead of needed diversification, the economic strategy of the BC Jobs Plan would only entrench resource dependence in these areas.

VULNERABLE GROUPS SEE LITTLE IMPROVEMENT IN THEIR JOB PROSPECTS

The labour market is not homogeneous, and we know that vulnerable groups such as recent immigrants (less than five years in Canada), Aboriginal people and youth typically experience higher unemployment rates and lower employment rates than the average for the province.²¹

Figures 14, 15 and 16 show that all three groups experienced larger increases in their unemployment rates during the recession than other British Columbians, and these high unemployment rates persisted longer than for other British Columbians. The gap between the employment rates for youth and Aboriginal people compared with other British Columbians widened significantly during the recession and has remained so, but stayed about the same for recent immigrants.

There is no measurable improvement in Aboriginal job market outcomes since the BC Jobs Plan was announced. In fact, the Aboriginal unemployment rate rose again in 2013.

Youth (ages 15 to 24) were particularly affected by the recession. Youth experienced the biggest drop in employment rates of all disadvantaged groups during the recession (7 percentage points). In addition, more than 60 per cent of all net jobs lost in 2009 were jobs held by youth, even though youth only account for 16 per cent of the job market (that is, 1 in 12 youth jobs disappeared). Net job losses for youth continued in 2010, 2011 and 2012, and this group has only just begun to see a reduction in its unemployment rates, and a very small one at that.

Aboriginal people continue to have the worst job market outcomes of all groups, suffering a higher unemployment rate than recent immigrants and youth and a comparable employment rate to youth.

The BC Jobs Plan was silent on the job market difficulties faced by immigrants and youth. The plan targets reforms in skills-training and apprenticeship programs in BC, and, in particular, increasing access to this type of training, which may benefit jobless youth. These plans are still at the consultation stage between industry, organized labour and educational institutions, and specific reforms are yet to be agreed on and implemented.

The BC Jobs Plan did, however, aim to improve economic opportunities available to Aboriginal people in the province and has established the Aboriginal Business and Investment Council, which appears focused primarily on facilitating resource development in First Nations communities. The plan also specifies a goal of improving First Nations access to education and their educational outcomes, but proposes to achieve these objectives “with consistent and rigorous analysis” of what works and what doesn’t rather than with additional funding for education. Figure 15 shows no measurable improvement in Aboriginal job market outcomes since the BC Jobs Plan was announced. In fact, the Aboriginal unemployment rate rose again in 2013.

²¹ They also generally find themselves overrepresented in lower-paying sectors and jobs, and earn lower incomes as a result.

Figure 14a: Unemployment rate in BC by immigrant status, 2007–2013

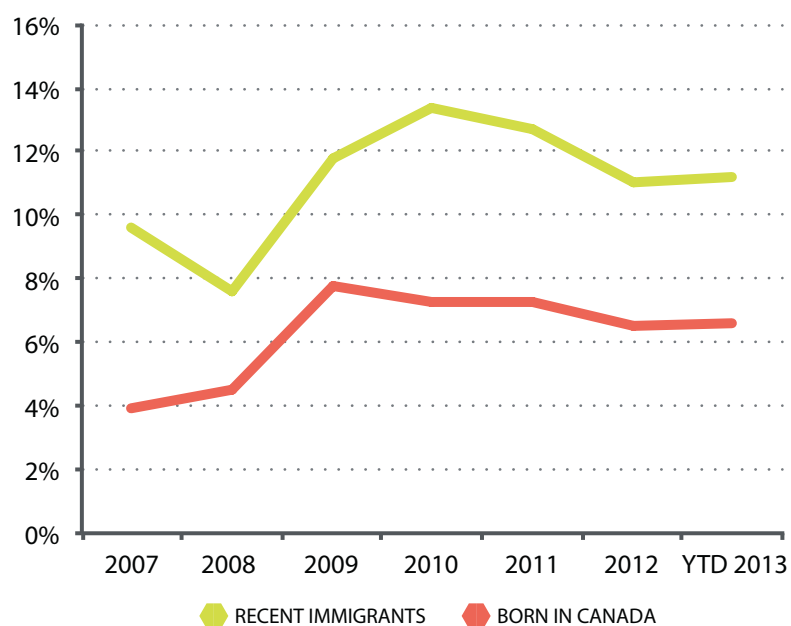
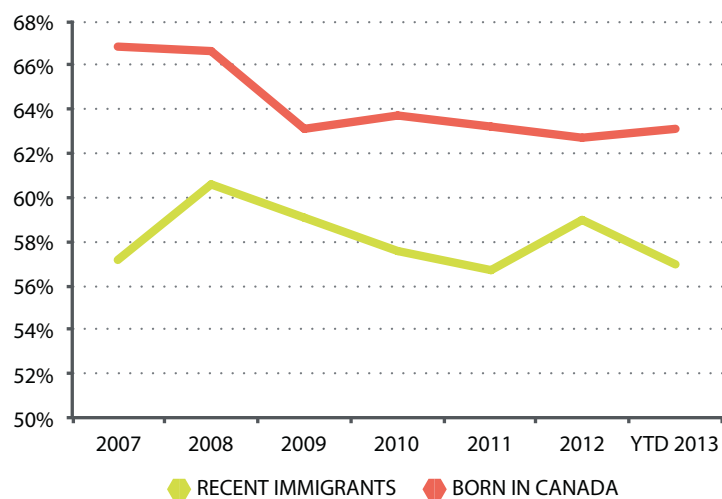


Figure 14b: Employment rate in BC by immigrant status, 2007–2013



Source: Statistics Canada. CANSIM Tables 282-0101 and 282-0102. Year-to-date (YTD) 2013 represents the average of the first three quarters of 2013, not seasonally adjusted. Employment and unemployment rate for population aged 15 and over.

Figure 15a: Unemployment rate in BC by Aboriginal identity, 2007–2013

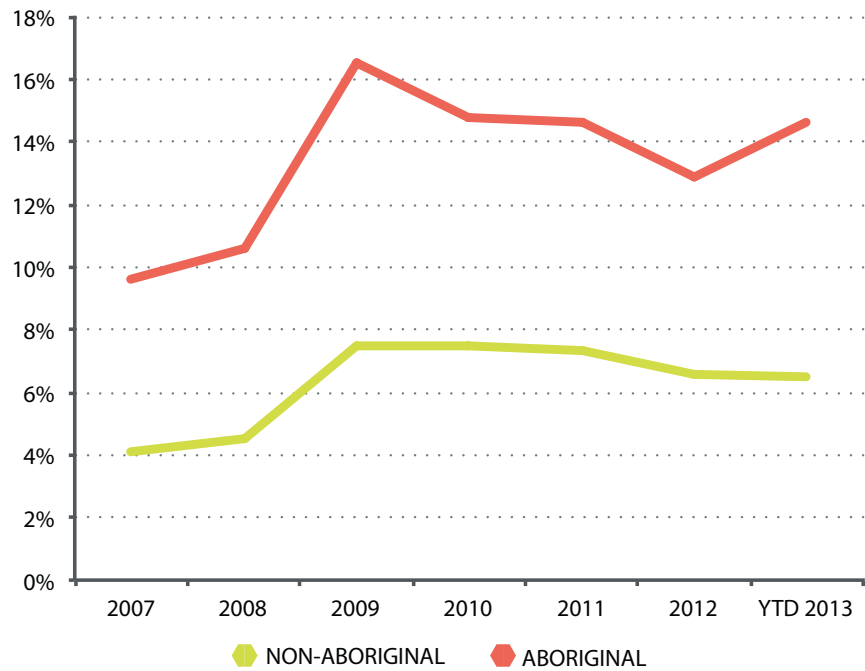
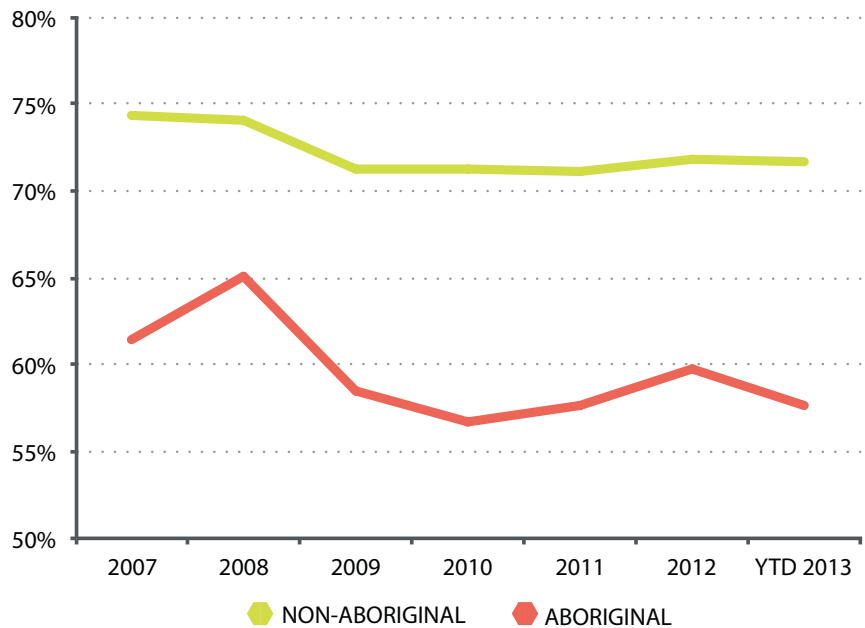
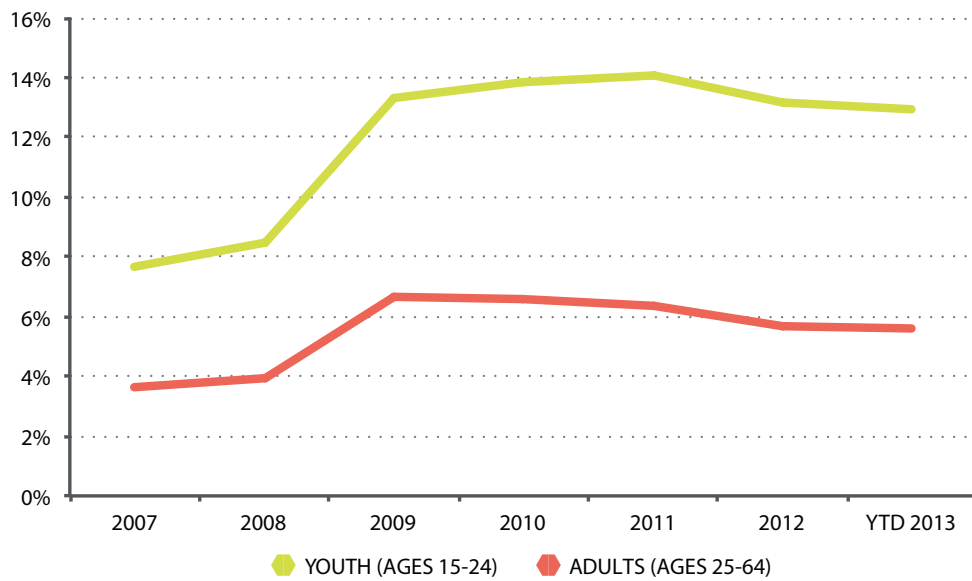


Figure 15b: Employment rate in BC by Aboriginal identity, 2007–2013



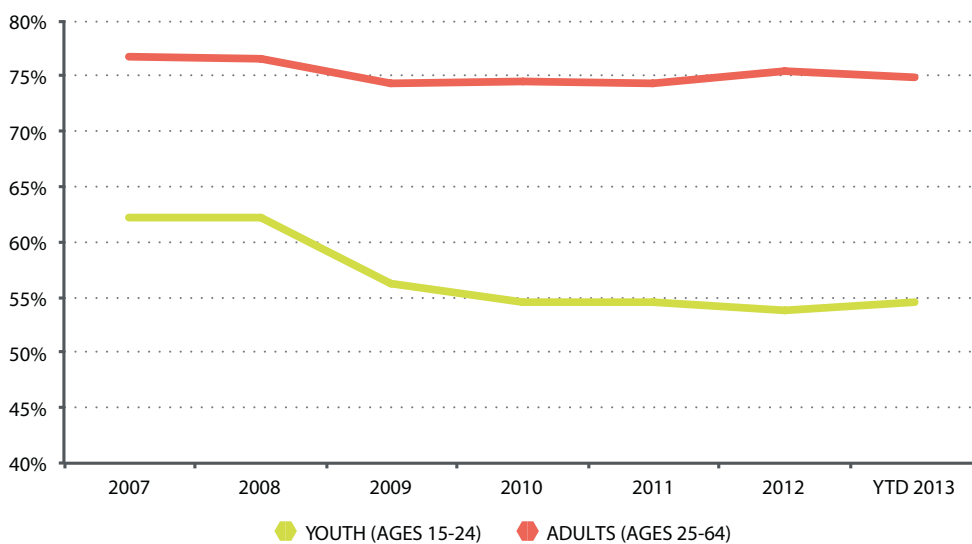
Source: Annual data 2007 to 2012 provided by BC Stats, based on Aboriginal People's Labour Force Survey (unpublished, provided by request). Year-to-date (YTD) 2013 represents the average of the first three quarters of 2013, not seasonally adjusted, based on BC Stats. *Aboriginal People's Labour Force Survey Quarterly Estimates for BC*. September 2013. Employment and unemployment rate for population aged 15 to 64.

Figure 16a: Youth and adult unemployment rates in BC, 2007–2013



The gap between the employment rates for youth and Aboriginal people compared with other British Columbians widened significantly during the recession and has remained so even after the launch of the BC Jobs Plan.

Figure 16b: Youth and adult employment rates in BC, 2007–2013



Source: Statistics Canada. CANSIM Tables 282-0001 and 282-0002. Year-to-date (YTD) 2013 represents the average of the first ten months of 2013, not seasonally adjusted.

TEMPORARY FOREIGN WORKER NUMBERS SURGE OUTSIDE URBAN AREAS

Several high-profile cases of temporary foreign workers being brought in to staff new projects like the Murray River coal mine in northeastern BC have raised questions about whether the new jobs created in Canada's resource sector (particularly in Western Canada) are actually providing opportunities for previously unemployed local residents.²²

Citizenship and Immigration Canada reports on the number of temporary foreign workers as of December 1 each year. These statistics inevitably omit foreign seasonal agricultural workers who are only in the country during the growing season, and thus underestimate the total number of temporary foreign workers in the Canadian labour market. Nevertheless, the statistics show that the hiring of temporary foreign workers has expanded significantly since the recession, from about 58,000 in 2008 to 74,000 in 2012. This represents an increase of 28 per cent in just four years, which is slightly less than the 36 percent increase in temporary foreign workers Canada-wide.

Figure 17 shows a notable shift in the location of temporary foreign workers in 2012, away from Vancouver toward rural areas of the province. Interestingly, BC's net job creation in the year between December 2011 and 2012 was concentrated in Vancouver and the province's three other census metropolitan areas (60.4 per cent of all net new jobs).²³ Only 39.6 per cent of net new jobs in the province in 2012 were created outside these four major urban areas, in the regions where virtually all net new temporary foreign workers were located.

The net increase in temporary foreign workers located outside major urban areas between December 2011 and December 2012 exceeded the net new jobs created in those parts of the province that year. While it remains to be seen whether this is the beginning of a new trend or an artifact in the dataset for that year, the rapid growth of temporary foreign workers outside urban areas is something to monitor in the future.

Province-wide, while temporary foreign workers take up a small share of available jobs (just over 3 per cent in December 2012), the net increase in temporary foreign workers (16,000 workers) between 2008 and 2012 represents about 29 per cent of the net increase in jobs (a total of 55,100 jobs) over the same time period.²⁴ This is a higher share by far than in any other province (the second-highest is Saskatchewan, where 20 per cent of net new jobs since 2008 have gone to temporary foreign workers), except for Nova Scotia and New Brunswick, which have experienced net job losses since the recession but still have more temporary foreign workers than they used to. In Canada overall, about 15 per cent of net new jobs created between 2008 and 2012 were taken by temporary foreign workers.

In other words, only about two-thirds of the net new jobs created over the last four years went to British Columbians.

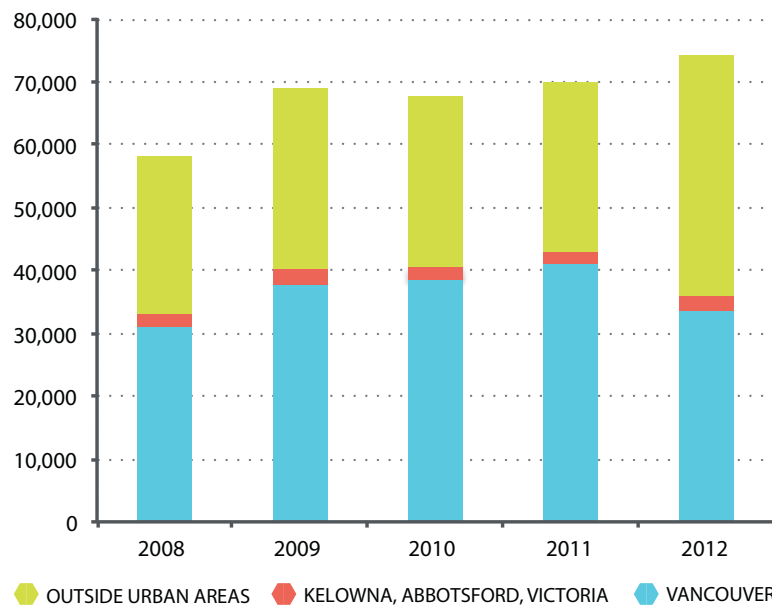
22 In 2012, HD Mining International received permits to hire 201 Chinese workers for its new BC coalmine operation near Tumbler Ridge. The permits were challenged in court by two unions (Local 1611 of the Construction and Specialized Workers' Union and Local 115 of the International Union of Operating Engineers), but the Federal Court dismissed the case in May 2013.

23 Job creation patterns vary by season, so December to December employment growth is used to match the temporary foreign workers numbers available. Census metropolitan areas included are Vancouver, Victoria, Abbotsford-Mission and Kelowna, based on data from Statistics Canada, CANSIM Table 282-0109. To match three-month moving average data for the metropolitan areas, BC job creation numbers are based on CANSIM Table 282-0060.

24 This is the net increase in BC jobs between December 2008 and December 2012 from Statistics Canada, CANSIM Table 282-0001. A December-to-December comparison (not seasonally adjusted) is used to match the timing of estimates of temporary foreign workers, reported as of December 1 each year.

The net increase in temporary foreign workers (16,000 workers) between 2008 and 2012 represents about 29 per cent of the net increase in jobs over the same time period. In other words, only about two-thirds of the net new jobs created over the last four years went to British Columbians.

Figure 17: Number of temporary foreign workers in BC by urban area, 2008–2012



Source: Citizenship and Immigration Canada. *Canada—Temporary foreign workers present on December 1 by province or territory and urban area, 2008–2012.*

Conclusion and Policy Recommendations

[A DETAILED LOOK AT THE AVAILABLE STATISTICS](#) reveals significant areas of weakness in BC's job market, which does not seem to have been significantly boosted by the BC Jobs Plan. The persistently high unemployment rate, still over 2 percentage points higher than pre-recession levels, is only the tip of the iceberg. Jobs created since the recession have been primarily temporary positions and have not kept up with BC's growing population of workers. In fact, today the province would need 94,000 more jobs to reach its pre-recession benchmark of 74 per cent of working-age British Columbians with jobs.

Two years after the introduction of the BC Jobs Plan, the recovery in the labour market appears to have stalled: BC did not create any net new jobs in the first ten months of 2013, losing close to 4,000 jobs instead, and the private sector has significantly cut positions. In the meantime, employment growth continues in much of the rest of the country (New Brunswick and Nova Scotia are the only other Canadian provinces that lost jobs in the first ten months of 2013).

Prolonged job market weakness has significant consequences for those British Columbians who cannot find work and suffer personal hardship and possibly poverty. It also has consequences for the province as a whole: fewer employed British Columbians means less income for families, which means less spending, which means a slower economy.

The BC Jobs Plan is focused on attracting (mostly foreign) investment in the resource sector, which is what the premier calls "the first new dollar." The idea that all governments can do is create favourable conditions for foreign investors to create jobs in BC is not just false but also very limiting for our province.

Governments themselves can be a source of that "first new dollar" both directly, by hiring workers to provide public services, and indirectly, by driving private sector job creation (and leveraging investment) when purchasing goods and services from businesses or funding large infrastructure projects to meet community needs. The reality is that government investment has significant private-sector spin offs.

Some of the biggest recent investments in the BC economy are government-funded, including the \$8-billion shipbuilding contract awarded to North Vancouver's Seaspan in 2011 (and expanded by another \$3.3 billion in the fall of 2013).

The idea that all governments can do is create favourable conditions for foreign investors to create jobs in BC is not just false but also very limiting for our province.

However, instead of spurring job creation, the BC government's current fiscal policy has worked against its job market goals, because cost-cutting governments that reduce jobs and do not purchase goods and services only serve to prolong the economic slowdown.

The BC Jobs Plan ties the economic future of BC to resource exports, and particularly to developing a new liquefied natural gas (LNG) industry. This approach is economically risky because it makes the province vulnerable to the inevitable booms and busts of global commodity markets, and it comes at a great environmental price, threatening northern communities with air and water pollution, and endangering the future of our climate.²⁵ It also has not been particularly effective in generating private sector employment, and the planned resource project jobs will be short-lived, concentrated in the construction phase of projects, with few permanent job opportunities staying in the province.

BC needs an economic strategy that is better diversified and less environmentally risky, and that puts more British Columbians to work in well-paying, family-supporting jobs.

A more diversified and environmentally sound jobs plan will invest more of our collective resources in initiatives that meaningfully address serious social and environmental problems such as climate change, poverty and the affordability crisis in housing and childcare. This approach will create more jobs per dollar invested than resource industries and provide a greater boost to incomes locally, while improving quality of life and setting the foundations for a robust and sustainable economy in the future.²⁶

What does this mean concretely? A CCPA report by economists Marc Lee and Kenneth Carlaw provides a useful framework for thinking about this at the provincial level.²⁷ It means investments in high-quality, universal and affordable early childcare and education, hiring more teachers to relieve crowded classrooms and provide support for students with special needs, and boosting funding to make post-secondary education and skills-training accessible to all who need it.

Public investments in making our homes, schools and hospitals more energy efficient will create jobs in construction province-wide, reduce energy consumption and help us meet our climate goals. A large-scale reforestation program to replace trees lost to the pine-beetle devastation will not just constitute sound forestry management practice, it will spur job creation in rural communities struggling after decades of forest industry decline. Youth-focused initiatives should also be on the table, to deal with the massive un- and underemployment plaguing that cohort. Specific measures should also be designed to reduce the barriers Aboriginal people and recent immigrants experience in the job market.

There is no shortage of ideas. An effective job creation strategy will cost money, but there are ways to raise the needed revenues equitably.²⁸ And without investing more of our shared resources into our communities, the BC government cannot provide the kind of leadership needed to remedy a slow economy and persistent joblessness.

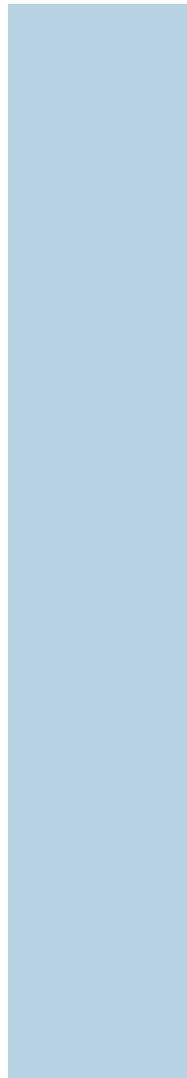
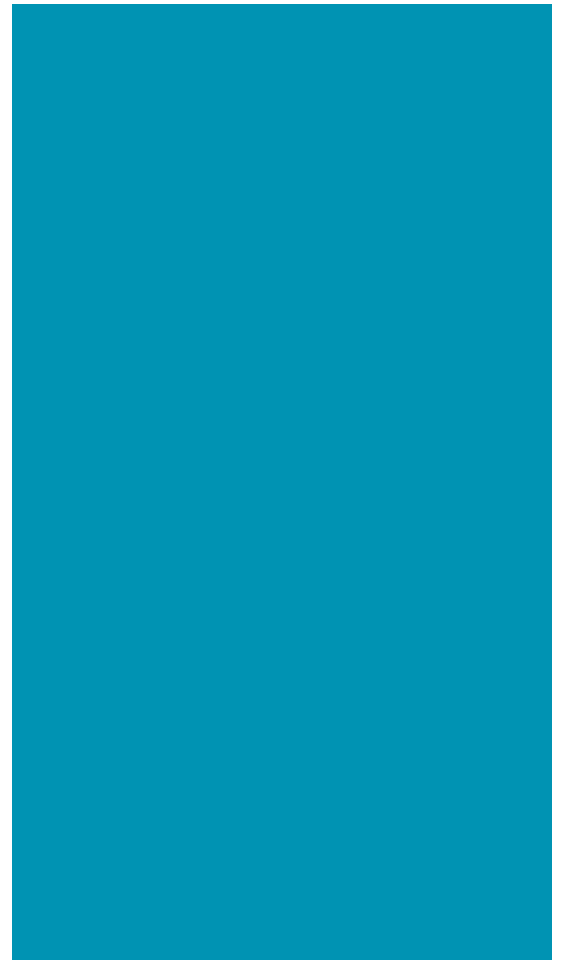
A more diversified and environmentally sound jobs plan will invest more of our collective resources in initiatives that meaningfully address serious social and environmental problems such as climate change, poverty and the affordability crisis in housing and childcare.

25 It has been widely acknowledged (including most recently in internal government documents) that an LNG development strategy threatens BC's legislated goals to reduce greenhouse gas emissions. A reduction in global greenhouse gas emissions is absolutely crucial for tackling climate change.

26 As demonstrated by Marc Lee and Kenneth Carlaw, who model the employment impact of new investments in different industries for BC, based on input-output models developed by BC Stats. Marc Lee and Kenneth Carlaw (2010). *Climate Justice, Green Jobs and Sustainable Production in BC*. Vancouver: Canadian Centre for Policy Alternatives.

27 Ibid.

28 As shown in Igluka Ivanova and Seth Klein (2013). *Progressive Tax Options for BC: Reform Ideas for Raising New Revenues and Enhancing Fairness*. Vancouver: Canadian Centre for Policy Alternatives.



CCPA
CANADIAN CENTRE
for POLICY ALTERNATIVES
BC Office

The Canadian Centre for Policy Alternatives is an independent, non-partisan research institute concerned with issues of social, economic and environmental justice. Founded in 1980, it is one of Canada's leading progressive voices in public policy debates. The CCPA is a registered non-profit charity and depends on the support of its more than 10,000 members across Canada.

1400 – 207 West Hastings Street
Vancouver, BC V6B 1H7
604.801.5121
ccpabc@policyalternatives.ca

www.policyalternatives.ca



ADVICE TO MINISTER

CONFIDENTIAL ISSUES NOTE

Ministry of Jobs, Tourism and Skills Training,
and Responsible for Labour

Date: January 24, 2014

Minister Responsible: Hon. Shirley Bond

CCPA Report: BC Jobs Plan Reality Check

s13, s17

ADVICE TO MINISTER

s13, s17

BACKGROUND:

On January 9, 2014 the Canadian Center for Policy Alternatives released a report criticizing the BC Jobs Plan. The Report – *BC Jobs Plan Reality Check: The First Two Years* points to weak job creation in the private sector, fewer permanent jobs and a persistently high unemployment rate.

The report recommends less focus on private sector investment and urges government spending in reforestation, energy retrofits, affordable child care and employment programs for youth and First Nations as a means of job creation. It also points out that the government's focus on a resource sector that only employs 2% of the population is not only environmentally risky but does not have the necessary job diversification.

s13, s17

ADVICE TO MINISTER

s13, s17

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**CONFIDENTIAL
ISSUES NOTE**

Ministry of Jobs, Tourism and Innovation

Date: November 25, 2011

Updated: March 7, 2014

Minister Responsible: Hon. Shirley Bond

BC Jobs Plan – Advertising Spending

s13, s17

s13, s17

BACKGROUND:

In November 2011, the Province launched an information campaign Canada Starts Here: The BC Jobs Plan to raise awareness about the BC Jobs Plan and promote resources for British Columbians around skills training, job search, and economic programs.

The total budget for the campaign was \$15 million. It ran in fiscal 11/12 and 12/13. No money was spent on Jobs Plan advertising in 13/14.

	Fiscal 11/12	Fiscal 12/13
Actual spending	\$3.962mil	\$10.602mil (this includes the \$773K transferred to Finance)
Campaign details	Three Pillars and Building Connections TV spots (December 2011-March 2012)	<u>Phase 1</u> : Facts (October 2012-December 2012) <u>Phase 2</u> : Dominos (January 2013-February 2013) <u>Phase 3</u> : Budget (February 2013-March 2013)
Budget by fiscal	Budget for 11/12 - \$3.962 mil	Budget for 12/13 was \$11.1mil
% Used	100% of budget used	95% of budget

ADVICE TO MINISTER

s13, s17

ADVICE TO MINISTER

CONFIDENTIAL ISSUES NOTE

Ministry of Jobs, Tourism and Skills Training,
and Responsible for Labour

Date: April 4, 2014

Minister Responsible: Hon. Shirley Bond

BC Jobs Plan: Effectiveness

SUGGESTED RESPONSES:

s13, s17

s13, s17

ADVICE TO MINISTER

s13, s17

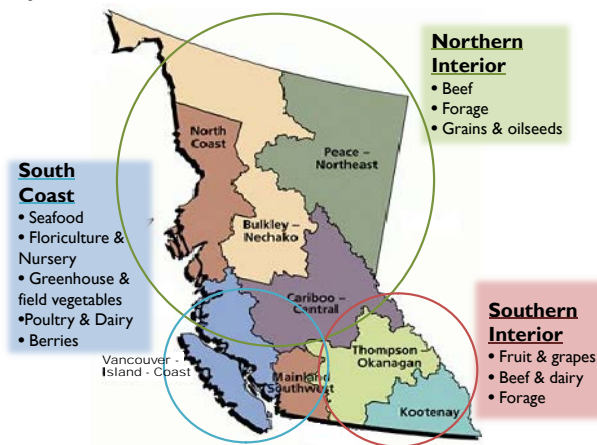
Pages 105 through 109 redacted for the following reasons:

s13, s16, s17

B.C. Agrifoods Sector

(Revised March 7, 2014)

Key Commodities



Composition

B.C.'s Agrifoods sector includes primary agricultural production, seafood (aquaculture and commercial fisheries), and food and beverage processing.

Economic Significance (GDP)

In 2012, the aggregate GDP was \$3.7 billion, 1.9% of provincial GDP. Food and beverage processing contributed over 60% of GDP to the total agrifoods.

Job Creation

Of the 61,600 employment in B.C. Agrifoods sector, over half is generated in food and beverage processing. Seafood industry contributes 6% of employment, while agriculture has a 40% share.

Sector Revenues

In 2012, revenues for the sector were \$11.7 billion. Growth in revenues is attributable to the eight per cent increase in the agriculture sub-sector and three per cent increase in the food and beverage sub-sector.

Overview of the sector

Key Regions: Lower

Mainland/Southwest, Thompson-Okanagan, Vancouver Island/Coast

Sector Economic Performance

	2010	2011	2012
GDP (\$B)	3.5	3.5	3.7
Revenues (\$B)	10.5	11.4	11.7
Exports (\$B)	2.4	2.4	2.5
Gov't Expenditures (\$M)	64.3	76.4	65.9
Employment	62,700	60,500	61,600
Agriculture	31,800	26,100	26,000
Seafood	3,600	3,100	3,800
Processing	27,300	30,300	31,800
Unemployment Rate– Agriculture(%)	11.4	13.9	12.8
Average Wage– Agriculture(\$/hour)	16.15	15.48	15.42

Source: Economic Dashboard, Ministry of Agriculture; Cansim 282-0008, 0072. Notes: Over 2010-2012, B.C. unemployment rate was 7.6%, 7.5%, and 6.7%, and average hourly wage was \$22.78, \$23.17, and \$23.58.



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Key Legislation

Provincial Government
<ul style="list-style-type: none">• Agricultural Land Commission Act• Farming & Fishing Industries Development Act• Plant Protection Act• Milk Industry Act• Farm Income Insurance Act• Fish Inspection Act• Natural Products Marketing Act
Federal Government
<ul style="list-style-type: none">• Agricultural Products Marketing Act• Canada Agricultural Products Act• Food and Drugs Act• Farm Income Protection Act• Fisheries Act

Challenges

- Labour force shortages
- Exchange rates and energy costs
- Regulatory requirements for the production of safe food

Growth Drivers

- Growth of global demand for agrifoods
- Growth of emerging markets
- B.C. as the Canada-Pacific Gateway
- B.C.'s food security standards
- B.C.'s high diversity of agrifoods
- Innovations

B.C. is geographically proximate to Asia and has established growing ties to Asia-Pacific markets. B.C. benefits from internationally recognized food safety standards, a high diversity of agrifoods with over 200 agriculture and 100 seafood commodities, and on-going innovation ranging from improved food processing techniques to increased primary production efficiency.

Sector Exports

Total exports in 2012 were \$2.5 billion with 70% of agrifoods exports going to the U.S. and 7% to China. The other top export markets included Japan, Hong Kong, Taiwan and Russia. The fastest growing export markets in 2012 were Ukraine (annual increase by 42%), Australia (annual increase by 24%) and China (annual increase by 14%).

Key Legislation

The Federal and Provincial Governments share legislative jurisdiction over the sector. Federal statutes tend to deal with interprovincial and international trade and aquaculture while provincial statutes tend to regulate standards for provincial food production, processing and marketing.

Challenges

The ability to find and retain skilled labour is proving increasingly difficult and is critical to the success of the sector. Sector wage rates and benefits tend to be relatively low, making employee recruitment difficult while B.C. farmers are ageing and family farm labour is in decline. The rising costs of inputs and high cost of land have weighed down sector profitability making it challenging for new farmers to enter the sector. The sector also has a significant regulatory responsibility to produce safe food.

Growth Opportunities

Global population growth, rising incomes in emerging markets such as China, South Korea, and India, and climate change are driving demand for higher quality agrifoods products.

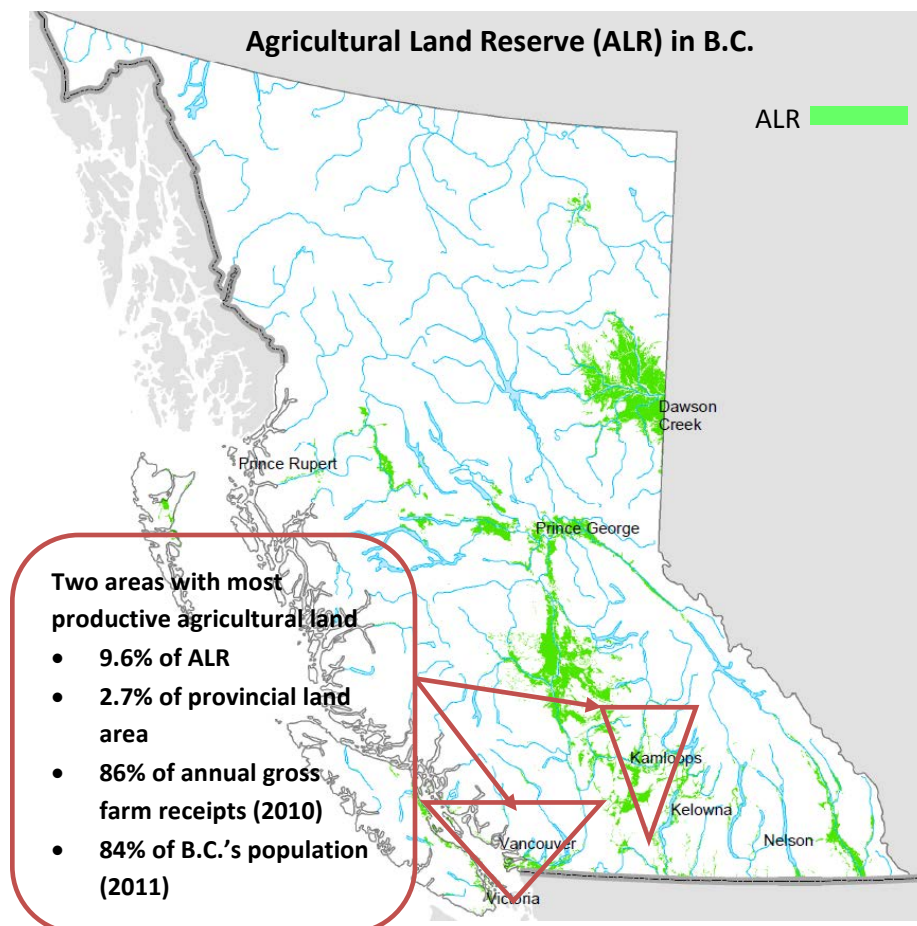
Key Programs

Growing Forward 2 is a \$3 billion federal, provincial and territorial government investment to support agriculture from 2013-2018. The funding covers Business Risk Management (BRM) programs such as crop insurance and farm income stabilization and a suite of programs in the key areas of innovation, competitiveness and market development, and adaptability and industry capacity.

B.C. Ministry of Agriculture recently implemented a provincial meat inspection program that had been previously delivered by the Canadian Food Inspection Agency.

Key Programs

- Canada-B.C. Agri-Innovation Program
- B.C. Agrifoods Export Program
- On Farm Food Safety Program
- Traceability Adoption Program
- Environmental Farm Plan Program
- Beneficial Management Practices Program



FOR DISCUSSION ONLY

Ministry of Jobs, Tourism and Skills Training; March 2014

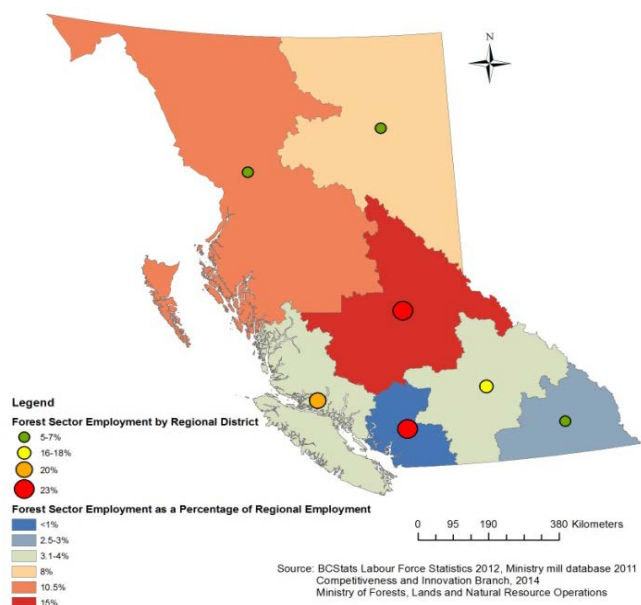
B.C. Forestry Sector

(Revised February 20, 2014)

Composition and Key Commodities

The forestry sector includes three subsectors: wood product manufacturing (MFG), pulp and paper product manufacturing, and forestry and logging with supported activities. The sector covers forest management activities such as harvesting and silviculture, and traditional primary timber manufacturing such as lumber, shake and shingle mills, and pulp and paper mills. The sector includes the full range of products from raw logs to finished products, such as log and timber frame homes and their components such as windows, doors, and cabinets. By-products made from wood chips and sawdust include pulp and paper, wood pellets, and bioenergy. Other engineered products include wood panels, beams, and cross-laminated timber.

Forest Regional Employment Estimate 2012



Economic Significance

In 2012 wood products contributed \$3.0 billion in GDP, pulp and paper \$1.1 billion, forestry and logging \$1.6 billion and support activities for forestry \$0.5 billion. The sector is steadily regaining ground lost in the 2008 financial downturn, especially due to the U.S. housing sector crash. Gains from trade development in China have reduced the impact of the U.S. market losses, and stand to build diversity into the sector's product and market mix.

Overview of the sector

Key Regions: Northeast, Vancouver Island/Coast, Cariboo, Thompson/Okanagan, Kootenay

Sector Economic Performance

	2010	2011	2012
GDP (\$2007 B)	5.9	6.3	6.2
Wood Product MFG	2.7	2.9	3.0
Pulp & Paper MFG	1.2	1.2	1.1
Forestry and Logging	1.5	1.7	1.6
Support Activities for Forestry	0.5	0.5	0.5
Direct Jobs	55,300	53,300	56,600
Wood Product MFG	29,100	30,200	26,900
Pulp & Paper MFG	9,700	9,100	12,000
Forestry and Logging	10,000	7,200	7,600
Support Activities for Forestry	6,500	6,800	10,000
Unemployment Rate* (%)	9.2	9.5	7.1
Average Hourly Wage* (\$)	28.6	30.5	30.2
Tax Rev (\$B)	0.44	0.46	0.54
Exports (\$B)	4.0	4.3	4.0

Source: BC Statistics, Cansim 282-0008, 0072, 379-0030, and Natural Resource Canada.

Notes: Over 2010-2012, B.C. unemployment rate was 7.6%, 7.5%, and 6.7%, and average hourly wages were \$22.78, \$23.17, and \$23.58 respectively. *Wage rate is for forestry, fishing, mining, quarrying, oil and gas.

Key Legislation

- Forest Act
- Forests and Range Practices Act
- Forest Practices Code of BC Act
- Ministry of Forests and Range Act



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Job Creation

Employment data over time in the major forestry sectors reflects technological change, the downturn in 2008 and the subsequent slow growth of the U.S. housing market. For example, comparing employment from 2008 to 2012 by sub-sector shows a slight increase in the Forestry and Logging sectors with supported activities (17,500 to 17,600 employees); and declines in Wood Product Manufacturing (34,300 to 26,900 employees), and Paper Manufacturing (13,200 to 12,000 employees). Job growth in the sector is anticipated to be 25,000 new jobs over the next 10 years.

Sector Exports

Exports of forest products began to rebound from the low in 2009. Of B.C.'s wood product exports including logs, 50% went to the U.S., 22% to China, and 15% to Japan. Pulp and paper product exports declined in 2012 with 31% going to the U.S., 46% to China, and 5% to Japan.

Exports of lumber to the U.S. are subject to the Softwood Lumber Agreement (SLA) which is slated to expire in October 2015. The BC government is supporting the Canadian government as it prepares to discuss the future of the SLA with the U.S. government. Stable access to the U.S. market is a key priority for B.C.

Key Legislation

In B.C. 94% of the forest land-base is provincial Crown land. Key priorities with legislative implications for 2014 include consulting with communities about the mid-term timber supply report and a process to address recommendations around area-based tenures.

Challenges

A critical challenge for the sector is the damage to the sizable interior pine forests from the mountain pine beetle resulting in the need to adjust to reductions in the available harvest. Access to U.S. lumber markets will continue under the risk of trade actions from the U.S. forest industry, even with the renewal of the Softwood Lumber Agreement.

Growth Opportunities

Increased urbanization and a rapidly growing global middle class will continue to drive strong demand over the long-term. Growth in offshore markets such as China and Japan will offer continued opportunity for expansion. Currently high lumber prices will become entrenched as the declines in product supply come up against growth in traditional and emerging market demands. Changes in exchange rates will boost profits in many of the sectors' exports as they are often marketed in USD. The lower effective prices should also drive foreign demand. An emerging bio-economy offers promising growth of new high value products and development of new markets for B.C.'s forest sector.

Key Programs

Forestry Innovation Investment (FII) is B.C.'s market development agency for forest products with a mandate to promote the sale of forestry products. B.C.'s Ministry of Forests, Lands and Natural Resource Operations (FLNRO) is developing program plans to distribute additional funding for silviculture and reforestation for 2015/16. FLNRO is also examining the roles and effectiveness of B.C. Timber Sales and reviewing the Softwood Lumber Agreement leading up to the renegotiation in 2015. B.C. Timber Sales is important in providing access to timber for independent companies; as well as establishing market pricing.

Challenges

- Forest losses reducing timber supply
- Litigation of U.S. against lumber trade
- Slow recovery of U.S. housing markets

Growth Opportunities

- Strong demand for forestry products
- Economic growth in Asia
- High lumber prices
- \$US/\$C exchange falling below par

Key Programs

- Forestry Innovation Investment
- Forests for Tomorrow
- B.C. Timber Sales

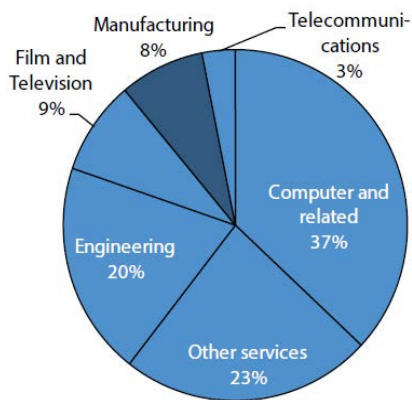
Trade Agreement

- Softwood Lumber Agreement - 2015

B.C. High Technology Sector

(Revised April 23, 2014)

Distribution of Businesses



Composition

The B.C. high technology sector includes goods manufacturing and service sector. Service sector businesses dominate B.C.'s high tech sector, accounting for 92% of all sectoral businesses in B.C. Computer and related services comprise the largest industry group within B.C.'s high technology sector. Other primary service industries include engineering services, film and television, and telecommunications.

Economic Significance

High technology accounted for approximately 7.6% of B.C.'s overall economic output in 2012. The GDP of the sector climbed 3.4%, the third consecutive year of growth and doubling the rate of provincial GDP growth (1.7%). Revenues in B.C.'s high technology sector also grew in 2012, climbing 3.5%, to \$23.2 billion. The increase was driven mainly by the service sector, which saw revenues surge 3.9%. In 2012, the value of B.C. high technology goods exports jumped 10.5%, to \$994.3 million, the largest increase since the global economic downturn. High technology product export growth was mixed depending on the destination, with strong growth of 13.3% in shipments to the United States and 20.6% in exports of high tech goods to Pacific Rim countries.

Overview of the sector

Key Regions: Lower Mainland/
Southwest, Vancouver Island/Coast

Sector Economic Performance

	2010	2011	2012
GDP (\$B)	13.39	13.58	14.04
Manufacturing	1.65	1.61	1.67
Services	11.86	12.15	12.56
Revenue (\$B)	19.17	22.44	23.22
Manufacturing	3.10	3.14	3.17
Services	16.07	19.30	20.05
Exports (\$B)	2.94	3.05	3.07
Goods	0.87	0.90	0.99
Services	2.07	2.15	2.08
Employment	82,600	84,190	84,070
Manufacturing	12,910	12,620	13,330
Services	69,690	71,580	70,740
Avg Earnings (\$ per week)	1,250	1,330	1,440
Manufacturing	1,020	1,020	1,030
Services	1,290	1,390	1,510

Source: BC Stats, Stats Canada, and Profile of B.C. High Technology Sector 2013 Edition.



Challenges

- Lack of scalability
- Limited access to capital
- Limited access to talent
- Policy and taxation barriers

Growth Opportunities

- Environmental consciousness/Clean-Green Energy
- Aging and retirement
- Significant market potential

Job Creation

The high technology sector employed approximately 4.3% of B.C.'s work force in 2012, a larger share than the mining, oil and gas, and forestry sectors combined. In contrast with GDP and revenue, employment in the sector experienced a slight decline in 2012, dipping 0.2% to 84,070. A 1.2% drop in employment in the service sector drove the overall drop as high tech manufacturing industries increased employment by 5.6%. In total, there were 9,010 high tech businesses with employees in the province in 2012, a growth of 2.9% over the previous year.

Despite the drop in high tech employment, aggregate wages and salaries in B.C.'s high tech sector continued to rise, climbing 7.7% in 2012, to almost \$6.3 billion, the highest level ever recorded. At \$1,440, average weekly earnings in the high tech sector are far higher than the overall B.C. average weekly wage rate of \$870.

Challenges

A critical challenge for B.C. high technology sector is a lack of scale, which results in an inability to bid on large sales, social insulation, an inability to hire highly qualified personnel, and barrier to growth. Although B.C. has been successful in developing its angel investment networks, the province lacks sufficiently large pools of capital for later-stage financing. Many B.C. start-ups sell out before reaching the critical mass required to grow independently and difficulty in accessing capital may be one of the key reasons. Another serious challenge for the sector is a significant shortage of skilled technology workers and senior technology management talent. The attraction of executive talent from other jurisdictions has proven particularly difficult. There are certain aspects of policy and taxation that may act as barriers to the success of B.C.'s technology sector. To attract business and investment, the province needs to streamline the commercialization and investment attraction process. It is imperative that all levels of government continue to build a friendly economic environment that encourages entrepreneurship and attracts foreign investors.

Growth Opportunities

Energy cost increases and companies increasingly bearing the full cost of pollution, along with increased environmental and global warming concerns, continue to drive the adoption of clean energy technologies. New technologies are expected to become more economically competitive and have the potential to become the next major growth catalyst, similar to the internet and mobile communications in the 21st century. The aging population will accelerate innovation and high technology applications in health care and the pension system. The global market for clean technology and services is expected to grow to \$3 trillion by 2020. Producers of clean, renewable technologies have the potential to attract more than \$36 billion in new investment to the province over the next decade. B.C. is well positioned to take advantage of these burgeoning sectors, be a world-leader in clean energy, and build strong linkages to fast-growing Asian economies.

Key Programs

B.C. Ministry of Technology, Innovation and Citizens' Services is implementing the Technology Strategy by increasing coordination and collaboration between industry, government and academia. Highlights of actions to date related to the B.C. High Technology Strategy are:

- Provided commercialization and entrepreneurship support through the **B.C. Innovation Council's (BCIC) entrepreneurship and mentorship programs**. For example, the winners of the 13th annual BCIC-New Ventures Competition were announced in September and a total of \$286,000 was awarded in prizes. In addition, as of June 2013 more than 135 ventures have received mentoring from the program's 78 active mentors.
- Facilitated expansion and ongoing development of regional innovation networks. In 2012, the **BCIC Acceleration Network (BCAN)** was launched. The BCAN is BCIC's largest commercialization initiative and its objective is to support early-stage technology entrepreneurs in launching their businesses. Since its inception, the BCIC Acceleration Network has engaged 209 companies through 10 partners in the Lower Mainland, Fraser Valley, Okanagan, Victoria, Vancouver Island, Sunshine Coast and Central Interior regions. Collectively, since engagement, these companies have added 534 full-time jobs and attracted almost \$40 million in investment.
- The B.C. Innovation Council, in partnership with Mathematics of Information Technology and Complex Systems (Mitacs), completed the first pilot phase of the **commercialization voucher program** in October 2013. Under the pilot 44 graduate students received a \$7,500 voucher to undertake opportunity assessments of new products or services or new market opportunities for existing products or services at established B.C. technology companies.
- Also in March 2013, 200 members of B.C.'s tech community were welcomed to a dialogue on building and sustaining **B.C.'s Technology Ecosystem**, which was a full day event put on by BCIC and partners including BCTIA, DigiBC, LifeSciences B.C. and Wavefront.

FOR DISCUSSION ONLY

Ministry of Jobs, Tourism and Skills Training; April 2014

B.C. International Education Sector

(Revised February 27, 2014)

Composition

B.C. International Education sector exports education services to international students as provided by public post-secondary institutions, private post-secondary institutions, elementary and secondary schools as well as private language schools.

International education can be described as the two-way flow of students, educators and ideas between countries. Its expansion helps to create new relationships between B.C. and other countries, and promote the internationalization of B.C.'s education system.

Economic Significance

In the academic year 2011/12, international students in B.C. spent close to \$2.1 billion on tuition, accommodation, food, and discretionary items such as participating in arts, culture, and recreation activities. These expenditures translate to a direct contribution of \$1.48 billion to provincial GDP, supporting over 23,410 jobs and generating almost \$75 million in government revenue. The sector also supports B.C. in advancing research and innovation, science, and technology development, and provides opportunity for graduates to work in the B.C. labour market, often in areas of skills shortage.

Job Creation

In 2012, international education services provided an estimated 23,410 direct jobs in B.C., representing about 13% of employment in the B.C. educational services sector. The number of direct and indirect jobs created in industries indirectly linked to the international educational services sector was 28,320. B.C.'s International Education sector is concentrated in Lower Mainland/Southwest region. The profile of international students in terms of their fields of study and their prospective plans to stay in B.C. after graduation will have a positive impact on the province's future labour force.

Overview of the sector

Key Regions: Lower Mainland/ Southwest, Vancouver Island/Coast, Thompson-Okanagan

Sector Performance

	2009/10	2010/11	2011/12
Student Spending (\$B)	1.8	1.9	2.1
Revenues (\$M)	66.0	66.9	75.0
GDP (\$B)	1.2	1.2	1.5
Employment ('000)	21.5	21.5	23.4
Unemployment Rate – Education Services (%)	4.5	3.9	3.9
Avg Wage–Education Services (\$/hour)	28.3	28.7	28.7
Int'l Student Headcount	94,000	100,700	106,600
Public post-secondary	28,000	32,000	33,500
Private post-secondary	11,000	11,400	12,800
Language schools	43,000	45,300	47,300
Elementary and secondary schools	12,000	12,000	13,000

Source: B.C. Ministry of Advanced Education; CIC Statistics; Cansim; Roslyn Kunin and Associates Report.
Note: Detailed data source available upon request.

Challenges

- International competition
- Brand recognition
- Visa processing and immigration

Growth Opportunities

- Strong demand for international education
- B.C.'s reputation for high-quality education
- Asia Pacific Gateway location
- International research and development partnerships
- Cultural diversity and welcoming social environment

Education Service Exports

The value of educational services provided to international students in the province accounts for approximately 7 % of the total value of goods exported from the province. In the 2011/12 academic year, the top source countries of international students in B.C. were China (21.3%), South Korea (14.3%), Japan (10.8%), Brazil (8.0%), Saudi Arabia (7.1%), Mexico (3.9%), India (3.5%), Taiwan (3.0%), the U.S. (2.6%), and Switzerland (2.1%).

Challenges

In 2011, Canada enrolled about 5 per cent of internationally mobile students, making it the seventh most popular host country behind the US, UK, China, France, Germany, and Australia. While international student enrolment in B.C./Canada has increased in recent years, overall market share has shrunk relative to the US, Australia, and the UK.

There has been strong competition for international students, as other leading jurisdictions are equally aware of the benefits of international education and are pursuing their own strategies to attract larger shares of students.

To remain competitive, B.C. will need to raise the province's profile in the international market place. B.C. needs to leverage the provincial 'brand' to position itself as a study destination of choice within the broader Canadian context. Also, timely student visa processing is essential to attracting and retaining international students. B.C. continues to work with the federal government, Citizenship and Immigration Canada, to address any challenges related visa issuance allowing international students entry to Canada and to improve pathways to learning, working and living in B.C.

Growth Opportunities

The global demand for international higher education is expected to increase from 4.1 million students in 2010 to 7.2 million by 2025. With rapid economic expansion in Asia Pacific countries, more parents than ever before want their children to receive an English-language education – and B.C. has a growing opportunity to attract and retain a much higher number of international students.

B.C.'s educational system is among the most respected in the world, offering high quality education and research opportunities to students from around the globe. B.C.'s Education Quality Assurance (EQA) designation is Canada's first and only seal of quality for post-secondary education. It helps students, parents and agents identify the institutions that have met or exceeded provincial government recognized quality assurance standards and offer consumer protection.

B.C. is capitalizing on the increasing demand for international education services by focusing on key target markets, dedicating seven Education Marketing Managers in overseas offices including China, India, Korea and Japan, to support and promote B.C.'s education sector.

B.C.'s research and development partnerships also expand opportunities and promote the development of the international education sector, including the development of global competencies, exchange programs with worldwide universities, promoting investment in foreign trade, and business investment opportunities and partnerships.

B.C.'s multi-cultural, multi-lingual society offers a welcoming environment to international students, particularly from key markets like China and India. B.C. has an opportunity to distinguish itself by offering high-quality education, relative affordability, and a high level of comfort with cultural diversity.

Key Programs

- Mitacs Globalink and Mitacs Accelerate programs
- Citizenship and Immigration Canada's Off-Campus Work Permit Program
- Citizenship and Immigration Canada's Post- Graduation Work Permit Program
- B.C. Provincial Nominee Program
- WelcomeBC

Key Programs

In 2012, Government provided \$3 million in new funding to the Mitacs Globalink and Mitacs Accelerate programs to support B.C. and international students pursuing education, research, and industry internships.¹

Citizenship and Immigration Canada (CIC) provides programs to students who want to work in the province both during and after their studies. International students who want to work in B.C. while they study may be eligible for an off-campus work permit. International students who want to work in B.C. after graduating from their studies may be eligible for a post-graduation work permit of up to three years.

International students, who intend to work and reside in B.C. permanently after they study, may qualify to apply to become a permanent resident of Canada under the international student stream of the B.C. Provincial Nominee Program.

WelcomeBC provides immigrants and foreign students access to information and services related to settling in BC, including information on ESL training, work requirements, high demand occupations, immigration services as well as the basics related to health care, finding a place to live, understanding how to manage money and other information resources for immigrants and their families.

FOR DISCUSSION ONLY

Ministry of Jobs, Tourism and Skills Training; February 2014

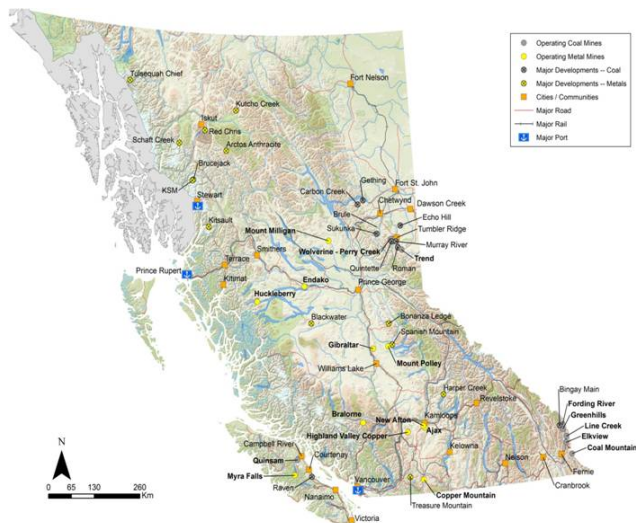


¹ Mitacs is a B.C.-based, national not-for-profit organization that offers funding for internships and fellowships at Canadian universities for international undergraduate and graduate students and postdocs. In partnership with companies, government and academia, Mitacs is developing the next generation of innovators with vital scientific and business skills.

B.C. Mining Sector

(Revised March 11, 2014)

Operating Mines and Major Developments



Composition

B.C. is Canada's single largest exporter of coal, the largest producer of copper, and the only producer of molybdenum. The mining sector also produces significant amounts of gold, silver, lead, zinc and many different industrial minerals. B.C. has 10 operating metal mines, 9 operating coal mines, over 60 industrial minerals mines, and more than 500 construction aggregates.

Economic Significance

The production value of B.C. mining was \$8.3 billion in 2012, down from \$9 billion in 2011. Despite short-term fluctuations in the sector, the outlook for mining remains solid. The completion of the Northwest Transmission Line, which is expected in 2014, will provide a reliable source of electricity and bring a huge boost to mining activities in B.C. If the target of 8 new mines and 9 expansions by 2015 is met, B.C. will increase annual mine-operation revenue by \$1.6 billion, and generate over \$150 million a year in government revenue.

Overview of the sector

Key Regions: Cariboo, Thompson-Okanagan, Kootenay, North Coast/Nechako, Northeast

Sector Economic Performance

	2010	2011	2012
Production Value (\$M)	7,166.1	8,981.5	8,312.3
Coal	4,253.4	6,072.7	5,059.6
Metals	2,191.3	2,130.5	2,452.8
Non Metals	721.4	778.3	799.9
Exports (\$M)	8,417	10,625	9,135
Investment (\$B)	1.3	2.0	3.7
Employment	NA	NA	33,899*
Total Mining Sectors	12,165	12,410	14,049
Mineral Exploration	2,714	2,500	2,700
Mineral Refining & Smelting	NA	NA	2,750
Downstream Mineral Processing	NA	NA	14,400
Unemployment Rate (%)	9.2	9.5	7.1
Average Annual Salary (\$)	88,000	93,900	98,200

Source: Mineral Statistics of MEM, B.C. Ministry of Energy and Mines; Economic Dashboard; and Cansim 282-0008, 0072.

Notes: *Employment statistics are being reviewed by JTST and MEM. Total Mining Sectors include metal mining, coal mining, industrial minerals, and construction aggregate. Unemployment rate and salary are for forestry, fishing, mining, quarrying, oil and gas. Over 2010-2012, B.C. unemployment rate was 7.6%, 7.5%, and 6.7%, and average annual salary was \$64,780, \$69,350, and \$68,930.

FOR DISCUSSION ONLY

Ministry of Jobs, Tourism and Skills Training; March 2014



THE BC JOBS PLAN

Key Legislation

- B.C. Mines Act
- B.C. Environmental Assessment Act
- B.C. Environmental Management Act
- B.C. Water Act
- Health, Safety and Reclamation Code for Mines in British Columbia
- Canadian Environmental Assessment Act

Challenges

- Regulatory delays
- Labour shortages
- Fluctuating costs and commodity prices

Growth Opportunities

- Strong demand for minerals and coal
- B.C.'s abundant reserves
- New investments
- Higher infrastructure capacity
- Potential tax credits for investors

Sector Exports

In 2012, 30% of B.C. mining exports went to Japan, 21% to China, and 15% to South Korea. The other top export markets included India and the United States.

Key Legislation

The B.C. government is responsible for mining – the exploration for and the development and extraction of mineral resources, as well as the construction, management, reclamation and closure of mine sites – within its jurisdiction. Direct federal involvement in the regulation of mining activities is limited and specific in nature.

Job Creation

In 2012, more than 30,000 people were working in B.C.'s mining, mineral exploration, and related sectors, more than double the number working in 2001. More than 15,000 job openings are expected in the industry. The eight new mines and nine mine expansions that will be in operation by 2015 are projected to create approximately 2,000 construction jobs, 2,000 new direct jobs and 3,000 indirect jobs.

Challenges

A critical challenge for the sector is that mine openings are often delayed by extended processes in permitting, environmental assessment and consultations with communities and First Nations. Another major concern is the availability of skilled labour due to increased sector activity and the retirement of older workers. The falling metal prices coupled with rising costs and lessened capital funding challenges junior mining companies.

Growth Opportunities

Increased urbanization and a rapidly growing global middle class in Asia will continue to drive strong demand for mined commodities over the long term. B.C. has abundant mineral resources which are still under-explored. New investment opportunities may emerge, particularly with the completion of the Northwest Transmission Line. The B.C. mining sector is also expected to benefit greatly from plans to increase capacity at its key gateways to Asia, such as the expansion and upgrades at Westshore's Roberts Bank facility and Port of Prince Rupert. In addition, B.C. has recently extended the \$10-million B.C. mining flow-through share tax credit program for 2014 to support mining exploration investment. The policy tends to bring about tax savings to investors, especially those with higher taxable incomes, and promote private sector investment into B.C. mining.

Key Programs

- British Columbia Geological Survey
- Mineral Titles
- Health and Safety
- Major/Regional Mine Permitting and Reclamation
- Policy, Legislation and Issues resolution

Key Mining Projects (as of March 2014)

Canada Starts Here: The B.C. Jobs Plan targets **8 new mines** and **9 expansions to existing mines** by 2015

NEW MINES	PERMITTED	Est. FTEs
New Afton (New Gold) – In Production	Oct 30, 2007 Opened June 2012	405 employed in 2012
Mount Milligan (Thompson Creek Metals) – In Production	Sept 8 2009 Opened August 2013	350
Bonanza Ledge (Barkerville Gold)	Dec 15, 2011 (under construction)	30 (+40 at QR Mill) once mine is fully operational
Red Chris (Imperial Metals)	May 4, 2012 (under construction)	500 at the peak of construction 300 once mine is fully operational
Treasure Mountain (Hudra Silver)	May 18, 2012 (awaiting financing)	25
Quintette (Teck)	June 20 2013 (awaiting construction)	500
Roman (Peace River Coal)	August 7, 2013 (under construction)	100 at the peak of construction 375 (in addition to sustained jobs at Trend mine; combined operations expected to employ 450)
Tel Mine/Yellow Giant (Banks Island Gold)	March 4, 2014 (awaiting construction)	40 during construction; 90 during operations
MINE EXPANSIONS	PERMITTED	Est. FTEs (2012)
Highland Valley Copper (Teck)	Oct 31 2011	1,295
Elkview (Teck)	Jan 20, 2012	1,035
Huckleberry (Imperial Metals)	Dec 30, 2011	250
Endako (Thompson Creek Metals)	Mar 8, 2012	370
Quinsam	Jan 18, 2012	280
Gibraltar (Taseko)	Feb 12, 2013	520
Line Creek (Teck)	Nov 1, 2013	515

Source: B.C. Ministry of Energy and Mines

B.C. Natural Gas Sector

(Revised March 11, 2014)

Resource

B.C. has a vast supply of natural gas, primarily in the northeast region. There is estimated to be 2,933 trillion cubic feet (tcf) of natural gas in place in British Columbia. The Montney play alone has 1,965 tcf of gas in place, of which 271 tcf is expected to be recoverable for market. The Horn River play has 448 tcf of gas in place, of which 78 tcf is expected to be recoverable for market. British Columbia (B.C.) produced approximately 1.3 tcf of marketable natural gas in 2012.

Economic Significance

In 2012, the aggregate GDP was \$6.5 billion, 1.9% of provincial GDP. The proposed liquefied natural gas (LNG) projects are projected to generate \$100 billion in provincial revenues over the construction and operating period (2013-2037). Since 2012 more than \$6 billion has been invested towards developing LNG for export, plus about \$1 billion in preparation for construction of LNG facilities and transportation networks.

Sector Exports

In 2012, 85.1% of marketable gas production was exported by pipelines to other provinces and the United States (U.S.). The value of natural gas exports to the U.S. was \$1.3 billion. Development of a provincial LNG industry will diversify B.C.'s natural gas export markets. Provincial government has set a Jobs Plan target for three operational LNG facilities by 2020.

Job Creation

Employment was estimated at 12,100 in 2012, with 71% is generated in the supporting activities while 29% in the direct extraction and development of natural gas. Emerging LNG industry is projected to lead to large gains in job growth. Five LNG plants (82 million tonnes per annum) would generate an average 39,400 FTE jobs over the nine year construction phase and 75,200 FTE jobs during the operating phase.

Overview of the sector

Key Regions: North Coast - Nechako, Cariboo, Northeast

Proposed LNG Facilities



Sector Economic Performance

	2010	2011	2012
GDP (\$B)	6.2	7.2	6.5
Govt Rev. (\$B)	1.4	0.7	0.4
Exports to U.S. (\$B)	2.0	1.9	1.3
Spending (\$B)*	7.1	6.7	5.2
Natural Gas Prod'n (billion cubic meter)	35.0	38.2	41.0
Employment**	11,100	10,700	12,100
Extraction	2,800	3,200	3,500
Support	8,300	7,500	8,600
Unemployment Rate (%)***	9.2	9.5	7.1
Average Wage (\$/hour)***	28.6	30.5	30.2

Source: 2013 B.C. Finance Economic Review; CAPP; Cansim 282-0008, 0072.

Notes: *Exploration and development spending including oil; **Employment includes mining and oil; ***Labour force characteristics for forestry, fishing, mining, quarrying, oil and gas combined.

Key Legislation

Provincial Government
Oil and Gas Activities Act Petroleum and Natural Gas Act Environmental Assessment Act
Federal Government
Canada Oil and Gas Operations Act Canada Petroleum Resources Act Canadian Environmental Assessment Act

Challenges

- International competition
- Labour supply and cost containment
- Regulatory processes

Growth Drivers

- Growth of demand for natural gas in lucrative Asian markets
- B.C.'s natural gas abundant reserves
- B.C. as the Canada-Pacific Gateway
- Greenhouse gas emission reduction

Key Legislation

The federal and provincial governments share legislative jurisdiction over the sector. Federally, the National Energy Board issues export licenses and regulates pipelines across inter-provincial and international boundaries. The B.C. Environmental Assessment Office reviews environmental impacts of energy projects. The B.C. Ministry of Natural Gas Development administers oil and gas tenure, royalty and regulatory policies, and provides a range of services such as issuance and management of oil and gas titles, royalty programs, and public geosciences. The B.C. Oil and Gas Commission issues permits and oversees oil and gas operations which include exploration, development, transportation and reclamation. The B.C. Ministry of Finance unveiled the proposed LNG Income Tax regime in Feb 2014, which will be introduced as legislation in fall 2014.

Challenges

B.C. faces competition from countries such as Australia that have established LNG industries with infrastructure and business relationships already in place. Other challenges are labour supply and construction cost containment. B.C.'s proposed LNG projects will need to work through a series of processes including First Nations consultation requirements and gaining

regulatory approvals from the federal and provincial governments.

Growth Opportunities

Consumption of natural gas in the Asia Pacific region is on the rise. B.C. has sufficient natural gas reserves, advantageous geographic proximity to Asian markets, and a cooler coastal climate that increases the operational efficiency of LNG terminals and competitiveness in the global LNG market. With natural gas being the world's cleanest-burning fossil fuel, B.C. LNG exports will significantly lower global greenhouse gas emissions by replacing coal-fired power plants and oil-based transportation fuels.

Proposed LNG Projects and Natural Gas Pipelines (as of March 2014)

LNG Project (Location)	Proponent	Volume (million tonne per annum)	National Energy Board Export Licence	B.C. Environmental Assessment Office	Canadian Environmental Assessment Agency
Kitimat LNG (Kitimat)	Apache Corp and Chevron	10	Approved	Certificate Issued	n/a
Douglas Channel Energy/ BC LNG (Kitimat)	Douglas Channel Energy Partnership, Haisla Nation, Golar LNG, LNG Partners LLC	1.8	Approved	n/a	n/a
LNG Canada (Kitimat)	Shell Canada, KOGAS, Mitsubishi and PetroChina	24	Approved	Substituted Environmental Assessment, Pre-Application	
Triton LNG (location TBD)	Alta Gas Ltd and Idemitsu Canada Corp	2.3	Under Review	Not Submitted	Not Submitted
Pacific Northwest LNG (Port of Prince Rupert)	PETRONAS, Progress Energy, JAPEX, Petroleum Brunei, India Oil Corp.	18	Approved	Coordinated Environmental Assessment, Pre-Application	
Prince Rupert LNG (Port of Prince Rupert)	BG Group	21	Approved	Coordinated Environmental Assessment, Pre-Application	
Woodside Energy LNG (Grassy Point near Prince Rupert)	Woodside Petroleum Ltd	Being assessed	Not Submitted	Not Submitted	Not Submitted
Aurora LNG (Grassy Point near Prince Rupert)	Nexen (subsidiary of CNOOC), INPEX Corp, JGC Corp	24	Under Review	Not Submitted	Not Submitted
Kitsault Energy Project (Kitsault)	Kitsault Energy Ltd.	20	Under Review	Not Submitted	Not Submitted
Discovery LNG (Campbell River)	Quicksilver Resources Canada	Being assessed	Not Submitted	Not Submitted	Not Submitted
WCC LNG Ltd (location TBD)	Imperial Oil, ExxonMobil Canada	30	Approved	Not Submitted	Not Submitted
Woodfibre LNG (Squamish)	Woodfibre Natural Gas Limited	2.1	Approved	Substituted Environmental Assessment, Pre-Application	
SK E&S (location TBD)	SK E&S	Being assessed	Not Submitted	Not Submitted	Not Submitted
Canada Stewart Energy Project (location TBD)	Stewart Energy	30	Under Review	Not Submitted	Not Submitted

LNG Pipeline	Proponent	Capacity (Bcf/d)	B.C. Environmental Assessment Office	Canadian Environmental Assessment Agency
Westcoast Connector Gas Transmission	Spectra (Facility – Prince Rupert LNG, BG Group)	4.2	Pre-Application	n/a
Coastal GasLink	TransCanada (Facility – LNG Canada, Shell)	1.7 – 5.0	Application started March 7 th	n/a
Prince Rupert Gas Transmission	TransCanada (Facility – Pacific Northwest LNG, Petronas)	2.0 – 3.6	Pre-Application	n/a
Eagle Mountain - Woodfibre Gas Pipeline	FortisBC Energy (Facility – Woodfibre LNG, Howe Sound)	0.22	Pre-Application	n/a
Pacific Northern Gas Looping Project (PNG)	Pacific Northern Gas (Sub-EA Facilities)	0.6	Pre-Application	n/a
Pacific Trail Pipelines	Apache/ Chevron (Facility – Kitimat LNG)	1.0	Amendment	n/a

Source: B.C. Ministry of Natural Gas Development

B.C. Tourism Sector

(Revised February 26, 2014)

Composition

B.C. tourism industry is comprised of many different industries with various stakeholders including tourism operators, suppliers, product sectors, communities, associations, regional destination marketing organizations and federal, provincial, and municipal governments, all playing a role in the travel economy.

B.C.'s tourism industry is comprised of over 18,000 tourism-related businesses, which have been classified into six categories including Accommodation, Transportation, Recreation and Entertainment, Travel Services, Food and Beverage, and Retail. Within each of the six categories, there are many different types of tourism-related businesses, services and product offerings all working to deliver tourism experiences to the visitors.

Economic Significance

The *B.C. Tourism Strategy: Gaining the Edge* (2012-2016) is designed to increase visitor volume, revenue, and employment. The strategy set out aggressive targets of 5% annual growth, resulting in an ideal outcome of \$18 billion by 2016. Gross tourism revenues in 2012 amounted to \$13.5 billion, up from \$13.1 billion in 2011. Total tourism GDP reached \$7.1 billion in 2012 or 2% of provincial GDP. Tourism tax revenue in B.C. totaled \$1.2 billion in 2012, a 5% increase compared to 2011. In 2011 alone there were approximately 18,387 tourism-related establishments operating in B.C. In 2011, tourism was the fourth largest earner of export income for the provincial economy, after the forestry industry, agriculture and fisheries, and mining of metallic mineral products.

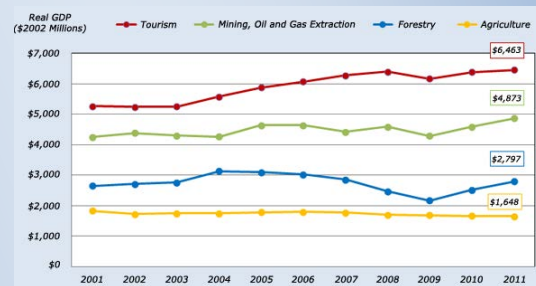
Source Countries

In 2012, 76% of traveller entries to Canada via B.C. came from the U.S., 11% from Asia, and 8% from Europe. The top priority markets of B.C. tourism sector include Ontario, California, U.K., Australia, Germany, Japan, and South Korea. The emerging markets with the fastest growth over 2010-2012 and long-term potential are China, India, and Mexico.¹

Overview of the sector

Key Regions: Lower Mainland/ Southwest, Thompson-Okanagan, Vancouver Island/Coast

Tourism vs. Primary Resource Industries

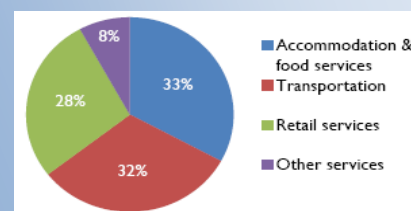


Sector Economic Performance

	2010	2011	2012
Revenues (\$B)	12.9	13.1	13.5
GDP (\$B)	7.3	7.5	7.6
Consumption Tax Revenue (\$B)	1.2	1.4	1.5
Employment ('000)	126.9	126.5	127.3
Salary Per Worker (\$)	32,821	32,964	34,069
Traveller Entries (M)	6,191	5,966	5,964
The U.S.	4,758	4,580	4,552
Asia	635	632	651
Europe	511	460	448

Source: B.C. Statistics.

B.C. Tourism Revenue by Sector (2012)



¹ Page 17, Gaining the Edge - A Five-Year Strategy for Tourism in British Columbia, 2012 – 2016, JTST.

Government Initiatives

- Destination B.C.
- HelloBC
- Gaining the Edge

Challenges

- International competition
- Global economies
- Air competitiveness
- Crown land management

Growth Opportunities

- Strong demand for tourism
- Access to Asia
- Economic recovery
- Outstanding infrastructure
- World-class tourism products
- Exceptional visitor experiences

Job Creation

Employment in B.C.'s tourism sector reached 127,300 jobs in 2012 (roughly 1 in 15 jobs), for an increase of 0.6% over the previous year. Average compensation in the tourism industry was \$34,069 in 2012, up 3% from 2011 and 9% since 2002. According to Roslyn Kunin & Associates, new jobs created by expansion (44,220) and openings from replacement needs (57,210; mostly through retirements) will total 101,430 full-time equivalent job openings in B.C. tourism by 2020, or 10% of all expected job openings in the province by that year.

Legislation

The following tourism-related legislation is administered by the Ministry of Jobs, Tourism and Skills Training: *Tourism Act*, *Hotel Guest Registration Act*, *Hotel Keepers Act*, and *Vancouver Tourism Levy Enabling Act*. Tourism is affected by numerous other pieces of provincial legislation. For illustration, this includes: *British Columbia Wine Act*, *Commercial River Rafting Safety Act*, *Heritage Conservation Act*, *Liquor Control and Licensing Act*, *Liquor Distribution Act*, *Motor Vehicle (All Terrain) Act*, *Park Act*, *Land Act*, and *Wildlife Act*.

Challenges

A critical challenge for B.C. tourism sector is the increasing worldwide competition. With competing destinations working hard to attract travellers, B.C. needs to continue rereshing the strategic focus on B.C.'s tourism advantages and using cost-effective and innovative tools to maintain market impact. Growth in consumers' use of technology is enabling them to make better-informed judgements about purchases and serve as "go-to" authorities about the value of different tourist destinations. B.C. also needs to continue to work with the federal government to ensure travellers have direct, convenient and affordable air, water and land access to B.C. In addition, B.C. needs to ensure that the investment climate for tourism remains strong, one aspect of which is access to Crown Land for the nature-based tourism sectors.

Growth Opportunities

Wealthier travellers, emerging economies and an expanding Asian middle class will contribute to increased demand for tourism. Also, retiring 'Baby Boomers,' the largest population group in western countries, will take advantage of their wealth and free time to travel more. As the Asia Pacific Gateway, B.C. is the face of Canada to Asia's growing markets with their huge visitor potential. Slow and inconsistent recovery from recent global economic crises may lead to more conservative choices for travel in the short term, resulting in shorter, less expensive trips. Provincial, federal and local governments have made major investments in roads, bridges, airports, border crossings, ports and other infrastructure over the past decade, enhancing tourism. B.C. has developed and enhanced diverse "landscapes and experiences" programs related to skiing, touring, conventions and city visits, which motivate travellers to visit B.C. Outstanding "niche" products, such as wine touring, heli-skiing, bear viewing and heritage attractions; to motivate smaller numbers but higher spending visitors. The distinct Aboriginal cultural tourism programs provide social, cultural and economic benefits to B.C.'s Aboriginal communities.

Key Programs

- Provincial Strategy Management – Gaining the Edge
- HelloBC – consumer facing services
- Domestic and International Marketing
- Visitor Centre Network
- Community Tourism Programs
- Regional Tourism Programs
- Small Business Supports
- Regulatory Reform
- Labour Market Programs

Key Projects

Project	Location	Est Cost (\$M)	Compl. Date
Bear Mountain Development	Langford	1,200	2018
Predator Ridge Golf Resort Development	Vernon	500	2014
Sun Peaks Ski Resort	Kamloops Area	635	2015
Red Mountain Ski Resort Expansion	Rossland	900	2015
Tower Ranch Golf Resort	Kelowna	1,000	2016
Lakestone Resort Development	Lake Country	1,500	2017
Oceanview Golf resort & Spa	Nanaimo	100	2018
Revelstoke Mountain Ski Resort	Revelstoke	1,000	2020
Wildstone Golf and Residential Development	Cranbrook	750	TBD
Canoe Mountain Resort Developments	Valemount	100	2020
Summerland Hills Resort	Summerland	780	2026

Source: Major Projects Inventory, February 2014.

FOR DISCUSSION ONLY

Ministry of Jobs, Tourism and Skills Training; February 2014



THE BC
JOBS PLAN

B.C. Transportation Sector *(Revised March 11, 2014)*

Composition

B.C.'s transportation sector is comprised of business establishments primarily engaged in transporting passengers and goods, and warehousing and storing goods. The modes of transportation are road (trucking, transit and ground passenger), rail, water (ferries, tug boats and barges), air, and pipelines.

Transportation Sector Support to Other B.C. Sectors

The capacity and efficiency of transportation services are crucial to B.C. economic growth. The sector is building the Asia-Pacific Gateway, to create the preferred route for Asian trade to North America.

The sector provides transportation support to the export-oriented sectors identified in B.C. Jobs Plan. Terminal expansions at Kitimat Port and Prince Rupert Port Authority (PRPA) as well as access roads support the B.C. Jobs Plan goal of establishing three LNG plants by 2020. Capacity expansion in bulk and container terminals along with upgrades of transportation trade corridors in Northern B.C. facilitate the movement of mining products. Projects such as improvements to Vancouver International Airport (YVR) terminals, increased collaboration of YVR with B.C. regional airports and carriers such as Air Canada, attraction of new international air carrier services, and elimination of aviation jet fuel tax will directly benefit the international education and agrifoods sectors.

Overview of the sector

Key Regions: Vancouver Island/Coast, Lower Mainland/Southwest, North Coast/Nechako, Thompson-Okanagan

B.C. Transportation Network



Sector Performance

	2010	2011	2012
GDP(\$B)	10.1	10.4	10.6
Employment	118,600	124,100	128,900
Unemployment Rate (%)	4.4	3.9	2.9
Avg hourly wage (\$)	24.8	24.7	25.0
PRPA Terminal Shipments(MT*)	16.4	19.3	22.3
PMV Shipments (MT*)	118.5	122.5	123.9
YVR Aircraft Movement	294,571	296,942	296,394

Source: Statistics Canada Cansim, YVR Airport, PRPA, and PMV. * Million tonnes

FOR DISCUSSION ONLY

Ministry of Jobs, Tourism and Skills Training; March 2014



**THE BC
JOBS PLAN**

Job Creation

The transportation sector provides jobs in every B.C. community. The sector has a below-average unemployment rate (2.9% in 2012 vs. 6.7 % provincially) and above-average wages. The average annual labour demand is projected to grow at 2% over 2012-2020. There are 119,000 projected job openings to 2020, of which 41% are new jobs due to economic growth and 32% are in skilled occupations.

Key Legislation

The B.C. government provides authority for the establishment and statutory governance of transportation operation solely within the province and falling under provincial jurisdiction. Key legislation includes Railway Act, Railway Safety Act, and Transportation Act. International and interprovincial movement of goods is regulated in general by federal legislation although there is significant overlap with provincial authority.

Pacific Gateway Alliance

The Pacific Gateway Alliance, a public-private partnership of transportation industries and governments, is making investments in port, airport, road and rail infrastructure that connect B.C. to other provinces, the US and the Asia-Pacific region, resulting in lower costs, greater efficiency, and reliability. The Pacific Gateway Alliance –which includes public and private sector partners from the Provincial Government, CN, CP, BNSF, Ports of Metro Vancouver (PMV) and PRPA, Canada and Western Provinces, YVR and TransLink is working through a five-year plan to focus on infrastructure and operational improvements, supported by policy and legislative changes and joint marketing activities.

Pacific Gateway Program

	Air	Rail	Roads	Ports
Target	New international air services	Shortened rail transit time	Improved traffic flow and access	Higher bulk and container terminal capacity
Phase 1: \$22B	<ul style="list-style-type: none">Eliminated Aviation Jet Fuel TaxRegional Airport investmentsYVR Gateway Incentive Program	<ul style="list-style-type: none">CN, CP network investments	<ul style="list-style-type: none">Port Mann / Highway 1South Fraser Perimeter RoadCariboo ConnectorKicking Horse	<ul style="list-style-type: none">Port Property Tax ActNorth Shore Trade AreaRoberts Bank Rail CorridorFairview Terminal
Phase 2: \$25B	<ul style="list-style-type: none">YVR improvements to attract new services	<ul style="list-style-type: none">CN, CP network investments	<ul style="list-style-type: none">George Massey BridgeVancouver Island Transportation StrategyHWY 1/ Cariboo Connector	<ul style="list-style-type: none">Ridley Island Road Rail Utility CorridorDelta port Terminal, Road and Rail ImprovementPrivate terminal investments

Key Projects

Project Name	Type	Status	Municipality	Investment	Start	Compl
Deltaport Terminal Road and Rail Improvement	Marine	Underway	Delta	\$280M	March 2013	Late 2014
Prince Rupert Road Rail Utility Corridor Phase 1	Road, rail	Underway	Prince Rupert	\$90M	Mid 2012	December 2014
Prince Rupert Road Rail Utility Corridor Phase 2	Road, rail	Proposed	Prince Rupert	\$210M	2014	2020
Oil and Gas Rural Road Improvement Program	Road	Underway	Prince George	\$222M	2012	2015
Roberts Bank Rail Corridor Program	Rail	Underway	Langley	\$717M	2011	2014
Roberts Bank Terminal 2 Improvements	Marine	Proposed	Delta	Over \$2B	2020	2020
Prince Rupert Fairview Phase 2 Container Improvement	Marine	Underway	Prince Rupert	\$200M \$600M	2012 2014	2014 2020

Source: Current Projects, Pacific Gateway Branch, MoTI

Challenges

A critical challenge for the sector is that environmental assessment, construction permitting, and First Nations consultation are un-coordinated and do not have fixed timelines. These delays can be quite costly for new construction.

Competition from US ports and the Panama Canal may hinder plans for B.C. to expand container shipments. Infrastructure investments at US and Mexico west coast ports as well as the Panama Canal expansion, which provides an all-water route to East Coast ports, increasing global competition for container business.

A further challenge for the sector is that the cost of air transportation to and from B.C. is not competitive with US, mainly because major American airports often have access to infrastructure financing tools such as tax-exempt bonds and benefit from significant direct public sector investment. In addition, US airports enjoy benefits from more access to international airline routings than do B.C. airports as a result of more liberalized air service bilateral agreements.

Growth Opportunities

There are a number of opportunities for the sector to grow.

1. Increased urbanization and a rapidly growing global middle class in the emerging markets will continue to drive strong demand for B.C. export commodities over the long term:
 - minerals, coal, and natural gas to feed the industrial engine of Asia;
 - agrifoods and consumer products to supply domestic and international markets ;
 - forest products for housing and; and
 - petroleum and bio-energy to supply energy needs.
2. Northern B.C. will be the primary area for future export growth in metals, coal, LNG and biomass.

There are five Northwest metal deposits, nine Northeast coal belt deposits and new LNG pipeline opportunities. Northern B.C. also has plentiful industrial land, community support and east-west CN rail line with capacity. Prince Rupert has 1200 acres of undeveloped industrial land for port/port-related expansion in bulk, break-bulk, container and logistics.

3. B.C. has infrastructure committed to handle the capacity growth of containerized trade. Significant investments have been made in port, road and rail facilities.
4. B.C. is increasingly attractive to ancillary value-added transportation sectors, such as the integrated logistics/ warehousing sectors and head offices for international commerce.
5. Strengthening demand for air passenger connections with Asia is driven by recent developments, such as Canada's Approved Destination Status with China, the 2010 Winter Olympic and Para-Olympic Games, the 2010 ROUTES airline forum, and the elimination of the provincial air fuel tax on international flights.

Challenges

- Regulatory delays
- International competition
- Incompetent cost of air transportation

Growth Opportunities

- Strong demand for B.C. exports
- Major projects in the natural resource sector
- Infrastructure capacity in Northern B.C.
- Infrastructure investment in Southern B.C.
- Strong demand for international airlines with Asia



B.C.'S SKILLS FOR JOBS BLUEPRINT: RE-ENGINEERING EDUCATION AND TRAINING



WorkBC

#FINDYOURFIT



IN BRITISH COLUMBIA, WE HAVE AN INCREDIBLE
OPPORTUNITY ON THE HORIZON: 1 MILLION JOBS.
WE ARE RE-ENGINEERING EDUCATION AND
TRAINING SO THAT B.C. STUDENTS AND WORKERS
HAVE THE SKILLS TO BE FIRST IN LINE FOR JOBS
IN A GROWING ECONOMY.

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Honourable Christy Clark
Premier of British Columbia

Premier's Message

Building a bright future for our province means building a strong economy. When I launched our *BC Jobs Plan* in 2011, I acknowledged that the foundation for our growing economy is a skilled workforce that is ready to meet the challenges of our expanding industry.

One of those challenges, and a key opportunity for our province, is the LNG sector. This sector alone has the potential for nearly \$175 billion in industry investment over the next decade. This in turn will support up to 100,000 jobs: 58,700 direct and indirect construction jobs, 23,800 permanent direct and indirect jobs for operations, and thousands more of induced jobs as a result of households having more income. This economic activity will contribute up to a trillion dollars to the province's GDP.

I have stated our government's commitment to actively pursue the opportunities presented by growing our LNG sector here in B.C. I have called together representatives from government, industry and labour to work together to map out how we can solve some of the complex challenges associated with developing this sector. This Premier's LNG Working Group has delivered a report with 15 recommendations on how to move forward. I have accepted all of these recommendations on behalf of government, and this plan reflects much of their best thinking.

By 2022, we are looking at a million job openings in all sectors and in all parts of the province. Filling these job openings is a significant challenge, and our ability to provide the right workers with the right skills in the right places will call for resourcefulness, innovation and a common purpose. These are qualities that British Columbians have in abundance.

Our primary goal will always be to put British Columbians first in line for job openings – something that can only happen if we ensure British Columbians have the training they need to take those jobs. However, because the challenge is so large, there will be a need, especially during peak construction periods, when we will need to attract workers from the rest of Canada and, when necessary, permanent and temporary workers from other parts of the world.

As part of our goal to maximize the potential of our existing workforce and our young workforce of the future, we have developed a plan that will give our young people a seamless path right from school through to the workplace.

B.C.'s Skills for Jobs Blueprint: Re-engineering Education and Training is that plan. It sets out the fundamental changes and shifts we must undertake

to make the most effective use of our existing resources and future investments in education and training.

It calls for a more targeted focus on training for high-demand jobs, providing all partners with more up-to-date and useful labour market information, encouraging innovation in how we provide education and training to better meet the needs of British Columbians and giving employers and industry a stronger role and voice in shaping and evaluating our skills and training funding and program delivery.

We recognize that some British Columbians such as at-risk-youth, Aboriginal people and persons with disabilities face unique challenges in finding their place in the workforce. Helping these British Columbians take full advantage of training and development that leads to jobs is an important part of meeting our broader objective of putting British Columbians first in line for job opportunities.

This Blueprint reflects our shared goals. It respects the perspectives, strengths and needs of all partners but also calls on all of them to break down barriers and collaborate.

Our Blueprint for government, industry, labour and Aboriginal partnerships is also our commitment – a commitment to deliver the skilled workforce B.C.'s growing LNG and other sectors need, and create the opportunity for long-term, well-paying jobs that strengthen our families and communities.

*Honourable Christy Clark
Premier of British Columbia*

By 2022, we are looking at a million job openings in all sectors and in all parts of the province. Filling these job openings is a significant challenge, and our ability to provide the right workers with the right skills in the right places will call for resourcefulness, innovation and a common purpose.



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



*Honourable Peter Fassbender
Minister of Education*



*Honourable Amrik Virk
Minister of Advanced Education*

Ministers' Foreword

Employers should have the highest confidence in the skills and employability of youth emerging from our education and skills training system. Our greatest competitive advantage will be in developing a highly trained and educated workforce.

All British Columbians deserve the opportunity to access education and skills training. They need to be first in line for the the one million job openings we are expecting by 2022.

By 2022, more than 78 per cent of job openings will require some form of post-secondary education and training. Today, only 50 per cent of our young people have that level of training. Too many youth are still struggling to gain a foothold in the labour market. Too many British Columbians remain unemployed or under-employed – they represent huge untapped potential that can be realized with the right training and support programs.

Government is working with our partners in education and industry to make sure education and training programs are aligned with the demands of the labour market.

Every person in British Columbia should be equipped so they can realize career opportunities most in demand by industry. This means exposing students to the full range of options and opportunities available to them in the workplace starting in elementary school and getting them excited about those options. We must also help students find their best fit in the workplace and give them a broader range of graduation options in high school. We need to develop more flexible options for training, regardless of geographic, technological or other barriers, and we must support young people in moving through post-secondary skills and trades training as efficiently as possible. Overall, we need to make sure we are matching the skills we are graduating with the skills we need.

Our Ministries have been working closely together in the development of this Blueprint. We know that our success relies, not only on all partners sharing a common vision, but also on developing closer collaboration among schools, post-secondary institutions, industry and labour. Our planning and funding decisions must be based on solid information, and our entire education and training system should become more targeted and outcomes focused. Our entire system should be more regularly and rigorously measured and evaluated to make sure we are getting the best results for our investments.

We believe it is important to ensure all students have a clear path on their journey from elementary to high school, on to post-secondary education and then as they transition to the workforce. The *B.C.'s Skills for Jobs Blueprint* will provide the foundation for success.

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

*Honourable Peter Fassbender
Minister of Education*

*Honourable Amrik Virk
Minister of Advanced Education*

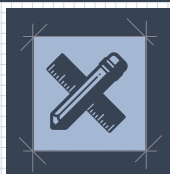
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B.C.'S SKILLS FOR JOBS BLUEPRINT: RE-ENGINEERING EDUCATION AND TRAINING

IN B.C., WE HAVE AN INCREDIBLE OPPORTUNITY ON THE HORIZON: 1 MILLION JOBS. WE ARE RE-ENGINEERING EDUCATION AND TRAINING SO THAT B.C. STUDENTS AND WORKERS HAVE THE SKILLS TO BE FIRST IN LINE FOR JOBS IN A GROWING ECONOMY.

1

A HEAD-START TO HANDS-ON LEARNING IN OUR SCHOOLS



If you're in elementary, middle or high school, we want to give you an earlier head-start to hands-on learning so you're ready for the workforce or more advanced training when you graduate.

Double ACE-IT

- 5000 spaces, extra recruitment and enrollment, relocation subsidies for up to 100 students, Aboriginal outreach

Expand WorkBC.ca

- Expand web tools and resources to help youth find work

Encourage partnerships

- School districts, municipalities, industry, post-secondary, and Aboriginal communities create at least 10 new programs together

Fund Trade Ambassadors

- Provide real-life info about careers in the trades

Reform Gr 10 – 12 high school graduation

- Personalized graduation plan

Review K – 9 curriculum

- Relevant hands-on training for students

Qualify more teachers

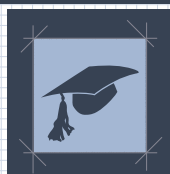
- 60 teachers per year qualified to teach foundation courses

Increase skills training scholarships

- 25% more scholarships

2

A SHIFT IN EDUCATION AND TRAINING TO BETTER MATCH WITH JOBS IN DEMAND



If you're in a college, university or institute, or are thinking about attending, we're matching training with jobs in demand, and maximizing the spaces available to provide the programs you need to compete successfully in the workforce.

Target grants for students

- Student aid grants (approx. \$40M) to support students to study for jobs our economy needs

Invest in programs

- Align \$270M in post-secondary funding to programs supporting in-demand jobs
- \$6.6M for critical trades seats

Invest in programs for persons with disabilities

- \$1.5M to support people with disabilities to access technical and trades training

Invest in labour market programs for youth

- \$3.5M for programs like Youth Skills
- \$3M to train youth in high-demand jobs

Invest in initiatives for Aboriginal people

- Aboriginal Youth Worker support networks
- Funding for community-based skills training
- Engage with Aboriginal youth
- Support skills training for urban Aboriginal people through the Off Reserve Aboriginal Action Plan
- Engage Aboriginal people in LNG opportunities

Find training spaces

- Easy to access info about waitlists and available spaces at post-secondary institutions

Invest in infrastructure

- \$185M targeted for skills and trades training infrastructure and equipment

3

A STRONGER PARTNERSHIP WITH INDUSTRY AND LABOUR TO DELIVER TRAINING AND APPRENTICESHIPS



If you're looking to move into or up in the workplace, we're building stronger partnerships with industry and labour to better connect you with the on-the-job and classroom training you'll need to boost your skills or achieve certification.

Publish important info

- Easy to access info about which jobs will be in demand

Refocus the ITA

- Enhance the Industry Training Authority, B.C.'s trades training system

Create more apprenticeships

- Hire 10 more Apprenticeship Advisors
- Continue to harmonize apprenticeship training across Canada
- ITA to hire 5 Aboriginal Apprenticeship Advisors
- Industry to share equipment and facilities
- Increase participation of sponsors by allowing multiple sponsors to train one apprentice

Harness Innovative Solutions

- In-class simulators
- E-learning modules
- Remote learning sites/mobile training facilities
- Video conferencing
- Classroom training at the beginning of an apprenticeship

Connect youth with the workplace

- Up to \$1M for research, updating curriculum

Harness Employment Program of BC

- Tools and supports for finding a job, including case management, training, and financial support
- Targeting \$74M to support apprentices during their training

Invest in Community Employer Partnership Program

- \$8M for creating local training and employment opportunities with a focus on persons with disabilities, youth, Aboriginal people and LNG

Invest in Canada Job Grant

- Maximizing employer investments up to \$19.5M

Train for the jobs we need

- Sector Advisory Councils will make sure that industry gives feedback
- Industry-validated, up-to-date information will drive programming and funding decisions, Labour Market Priorities Board established

B.C.'s Skills for Jobs Blueprint: Re-engineering Education and Training

Being prepared to take advantage of opportunities in our growing economy and ensuring that British Columbians are first in line for jobs that meet the needs of industry, means taking steps now to re-engineer education and training in B.C.

To make the most effective use of our education and training resources and develop responsive and meaningful targets, we will rely on the best data and labour market projections. The most up-to-date labour market information will be used to guide government decision-making and to determine spending priorities.

Reliable and up-to-date information will support our goal to better match training and education with industry needs and provide the best information on labour market trends to educators, counsellors, students and their families.

We also need to make sure our programs are effective, so we will track and report on performance and outcomes.

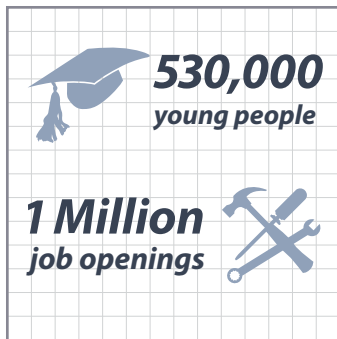
Government currently funds education and training in excess of \$7.5 billion per year. This is a lot of money from taxpayers. Re-engineering training and education doesn't mean spending more, it means targeting more of the substantial resources already available to meet labour market priorities. So starting this fiscal year, we're targeting over \$160 million to do just that. In four years, this will ramp up to nearly \$400 million per year. Over the span of our 10-year plan, this represents about \$3 billion redirected towards training for high-demand occupations. That's in addition to our capital plan, which over the next three years is targeting \$185 million towards trades training infrastructure and equipment.

Since our actions are data-driven, in partnership with industry and responsive to the economy, this amount can scale up or down to match labour market requirements.

Matching labour market requirements with the skills we are graduating will mean that British Columbians can take advantage of our growing economy.

By 2022, there are expected to be a million job openings in British Columbia. These jobs openings will be created by major new opportunities, including expanding liquefied natural gas (LNG) development in Northern B.C., increased trade with Asia, new mines and mining expansions, growing forestry exports as well as increased activity in the resource sectors, transportation, industry and business. These openings will also be created by retirements.





About 530,000 young people will enter the job market over the next ten years. Our goal is to make sure that British Columbians have a seamless plan that takes them from elementary to high school through post-secondary education and right into the workforce. We also need to provide more support to those who are struggling to gain a foothold in the job market or who face unique challenges – such as youth-at-risk, Aboriginal youth and persons with disabilities.

That's why we have created a Blueprint to guide our education and training system to help British Columbians successfully navigate their educational and career journey. It's why you can visit WorkBC.ca/skills and find resources and programs tailored to you – your own Blueprint to *#FindYourFit*.

Learning is an activity, not a classroom. By introducing students to a wide variety of hands-on experience at an early age, we can help kindle a passion they may otherwise never have discovered.

As we continue to transform B.C.'s education and training system, more of today's students will have an increasing variety of career options, including exciting, well-paying careers in the growing skilled trades and technology fields.

Our Blueprint outlines important improvements to better tailor programs and opportunities to meet their needs and lays out three primary objectives – fundamental improvements to make education and training more effective and more relevant to the needs of industry and today's workplace.

These objectives are:

1. *A head-start to hands-on learning in our schools.*
2. *A shift in education and training to better match with jobs in demand.*
3. *A stronger partnership with industry and labour to deliver training and apprenticeships.*

What will this mean for British Columbians?

For students in elementary, middle or high school

Students in elementary, middle or high school will get a better, earlier head-start to hands-on learning so they'll be ready for the workforce or more advanced training when they graduate.

For students in a college, university or an institute

For students in a college, university, or an institute, or those thinking about attending, we're better matching training with jobs in demand and maximizing the spaces available to provide the programs they need to compete successfully in the workforce.

For people entering the workforce or already on the job

For those looking to move into or upward on the worksite, we're building stronger partnerships with community, industry and labour to better

connect them with the on-the-job and classroom training they'll need to boost their skills or achieve certification.

Our Blueprint is designed to get our growing economy working for all British Columbians by making it easier for British Columbians to get working.



A head-start to hands-on learning in our schools

For young people and their families to make informed choices about future career paths, they need the best possible information about their options as well as an education that will support their choices. Students need first-hand knowledge and experience and more pathways to in-demand careers. This means more hands-on learning experiences while in school and more opportunities for apprenticeships in the workplace.

We are committed to expanding choices and supports for students in our K-12 system because we know the better prepared they are, the more successful they will be in finding meaningful jobs and careers.

Our Blueprint for action includes:

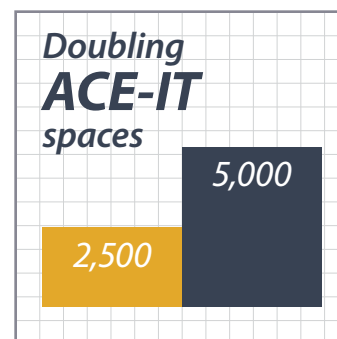
■ Doubling the number of ACE-IT spaces to 5,000 over the next two years

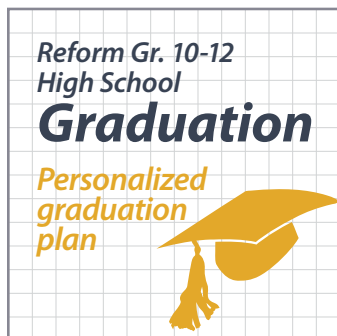
The Accelerated Credit Enrolment in Industry Training (ACE-IT) program works in two parts. It lets high school students take their first level of technical training in certain trades, which could qualify them for apprenticeship or industry training programs, while at the same time giving them high school credits needed for graduation. Doubling ACE-IT spaces will not only increase student choices but also encourage more students to pursue skills and trades training.

- » The Ministry of Education will work with all school districts to increase their skills training and recruitment capacity, starting with on-the-ground support for northern districts in the LNG corridor.
- » Relocation subsidies will help up to 100 students who need to relocate to another community to participate in ACE-IT programs.
- » Rather than just the one intake period currently available for registering for ACE-IT, in 2014-15 funding will be provided to allow for additional enrollment during the year.

■ Expand WorkBC website and web tools to focus on youth

WorkBC (workbc.ca) is an online access point to the world of work in British Columbia. The WorkBC website helps people find jobs, explore career options and improve their skills. It also helps employers fill jobs, find the right talent and grow their businesses. The website offers a comprehensive database of B.C. job postings, career tools, job-search tips and





information on employment programs. The popular and valuable online resource will be expanded to include a section specifically dedicated to youth. This section will include a skills training micro-site housing B.C.'s Blueprint tool which helps British Columbians create their own custom skills training blueprint. It will also include video success stories to show how young people are meeting the challenges to find work and job satisfaction.

■ **Expanding dual credits in our schools to get students trained more quickly**

Dual credit programs are developed in partnership with school districts and local post-secondary institutions. They let students take relevant courses and programs and help them move into post-secondary studies or the workplace faster and with the skills they need. Students taking these programs are graduating from high school with credentials and skills that are in demand and are going on to work in manufacturing, hospitality, high-tech, healthcare, construction and business. Dual credit programs appeal to students of all academic levels, including those with special needs and disabilities.

■ **Encouraging partnerships**

Incentives and tool kits will be offered to school districts. This will encourage them to partner with industry, municipalities, post-secondary and Aboriginal communities to create at least ten new programs to get more students into jobs, including high-demand jobs in specific sectors and regions. Work sites are the classrooms of the future.

■ **Funding for apprenticeship Trades Ambassadors**

Students look to people already in the workforce or with experience in a particular career or trade for information and guidance when making career choices. Providing funding for apprenticeship Trades Ambassadors to visit students in their schools and communities will promote trades careers and provide students with first-hand information and examples to guide their own career choices.

■ **Reforming Grade 10-12 graduation requirements to allow personalized graduation plans**

Graduating from high school is an important milestone for students. We need to make changes to recognize a broader range of hands-on learning and work experiences that allow students to meet graduation requirements. As a result, we'll be graduating more students with skills and knowledge that apply both to academic studies and trades and technical training – students who have more options and are better able to find the right fit after high school.

■ **Applied Skills Curriculum in Grades K-9 should excite and prepare students**

We know that the earlier we can expose students to information about the full range of career options and hands-on work-related experience,

the more successful they will be in developing successful career paths and finding work after school. We need to provide more and better information about skilled trades and improve school district capacity to support and deliver relevant and exciting programs to students. The curriculum review is underway and will be completed in 2015.

More teachers qualified to teach skills foundation courses in high schools

Our high schools need more teachers who have the qualifications and skills to teach foundation courses for skills and apprenticeship training. We will develop innovative ways to allow and encourage teachers to upgrade their existing skills.

Suggest making it faster and easier for qualified tradespeople to earn teaching certificates

Qualified Red Seal tradespeople have a lot to offer students in terms of work experience and as role models. We are suggesting that the education and the training sectors look for ways to help qualified tradespeople more quickly and easily acquire teaching skills and credentials so that we can use their experience and skills to improve our school programs.

More skills training scholarships

We will increase scholarships dedicated to skills training by 25 per cent. This will help students facing financial barriers to skills training.

Raise awareness on full range of options

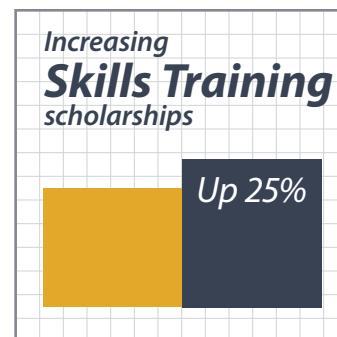
Students and their parents need to be informed about the broadest range of career options in our growing economy. Helping students find their fit means recognizing that not all students want to pursue the same career paths. Information should expose students to the full range of employment opportunities from professionals and managers to skilled technicians and tradespersons.

Inform and engage parents, teachers and counsellors

Students rely on the support and guidance of their families, teachers and counsellors to help them make the right career choices. Providing up-to-date education, training and labour market information to all involved will help students explore and pursue a full range of training and career options, that match the in-demand labour opportunities emerging in the province.

Involve education-sector leaders in a skills outreach strategy

We will involve leaders in our education sector, such as the British Columbia School Trustees Association and the British Columbia Principals' and Vice-Principals' Association, in designing and developing a skills outreach and promotion strategy. This will include the work of the new Superintendent for Careers and Student Transitions to support and promote skills and trades in our school system as part of the outreach strategy.





A shift in education and training to better match with jobs in demand

We want to make sure that we are giving British Columbians the right skills for the right jobs. This means making changes to better match training and education with the jobs that are in demand. Making the most efficient use of our investments in education and skills training means targeting funding to the areas that will deliver the best results.

For the first time in more than a decade, funding for post-secondary training will be significantly overhauled. By 2017-18, twenty-five per cent of provincial operating grants to public post-secondary institutions (\$270M) will be aligned to training that matches with high-demand occupations and jobs.

We are encouraging more students to choose training that leads to high-demand jobs and to consider relocating to areas of the province where work and training are readily available. We'll do this by focusing student financial aid grants and loan forgiveness programs to meet industry and regional needs.

We are increasing funding for trades training seats by \$6.6 million. This investment will significantly reduce waitlists for the top LNG trades training spaces and high-demand trades.

Our Blueprint for action includes:

Using student financial aid to support labour market needs and priorities

Student loan forgiveness and loan reduction programs benefit students who finish their studies by helping them get out of debt faster. We will re-engineer our student financial aid programs to target \$40 million per year in student aid grants to support occupations that are in high demand.

The BC Access Grant for Labour Market Priorities will be expanded to provide up-front money to cover the costs of relocation for training and tools for students who enrol in targeted priority programs at specific public post-secondary institutions. The Loan Reduction Program will be rebranded as the BC Completion Grant to better reflect the program purpose of rewarding students who complete a year of study in a program of two years or longer, with a focus on programs that are in high demand.

Loan forgiveness has been used successfully in the past as an incentive to get graduates such as doctors, nurses and other health providers to work in underserved or designated communities.



The Loan Forgiveness Program will be refocused to make sure that it aligns with broader provincial labour market priorities, including health-related professions.

■ **Re-engineering operating grants to support high-demand occupations**

This year, government will be re-engineering an additional \$40 million of the operating grants for public post-secondary institutions to target training in high-demand occupations and programs for Aboriginal persons and persons with disabilities. This aligned funding will increase to \$90 million next year, and over the next three years, it will increase until it reaches \$270 million or 25 per cent of total operating funding. These funds will be redirected if student demand is less than anticipated. Funds will also be re-directed if programs do not meet measurable outcomes. Not only will the new system be data-driven, it will be outcome driven. As the economy evolves, we will adjust funding and programming.

■ **Providing more funding for trades training seats**

Government is providing an additional \$6.6 million this year for critical trades seats – a ten per cent increase over the current Industry Training Authority funding to public institutions. This funding will significantly reduce waitlists by adding spaces starting September 2014 for the jobs needed in our economy such as: heavy equipment operators, heavy-duty equipment mechanics and electricians.

■ **Programs for persons with disabilities**

We will direct \$1.5 million to support persons with disabilities to access technical and trades training.

Skills Development for Employment Benefit funding from the Canada-BC Job Grant Labour Market Development Agreement will be used to test innovative training and initiatives at public post-secondary institutions to increase the success of persons with disabilities in technical and trades programs.

Through the Labour Market Agreement for Persons with Disabilities (LMAPD), the government of B.C. will invest \$61 million each year over the next four years for a range of employment supports aimed at assisting persons with disabilities to gain employment. Examples of LMAPD-funded programs include: Employment Program of BC \$4.3 million (2013-14 baseline investment) Community Living BC Employment Services \$11.5 million (2013-14 baseline investment) Ministry of Advanced Education Services \$17.9 million (2013-14 baseline investment).

■ **Labour market programs for youth**

\$3.5 million will be committed each year to get youth into the workforce through the renewed Canada-BC Job Fund. Programs like Bladerunners, Youth Skills and a potential Bladerunners for the

**Investing
in Programs**
\$6.6M
**for critical
trade seats**





emerging LNG industry give youth a hand getting into the workforce and in getting on-the-job experience and training.

Each year, \$3 million will be available for training providers to offer project-based youth training. This training will be targeted to meet the job-training needs in priority trades and skills and in regions with a high demand.

■ Engaging Aboriginal youth and focusing on their needs

Aboriginal youth experience challenges in getting from school to the workplace. They are a huge pool of new talent because they are the youngest and fastest growing population group in the province – almost half of all the Aboriginal people in the province are under the age of 25¹.

At 59.6 per cent, school completion rates for Aboriginal students in B.C. are amongst the best in the country and have increased significantly over the past decade. However, this remains below the provincial average of 83.1 per cent . We remain committed to working with the First Nations Education Steering Committee and other education partners to ensure Aboriginal students have access to high-quality educational opportunities enabling them to take advantage of skills training and economic opportunities in their communities and throughout B.C.

We are taking innovative measures to reach out to Aboriginal youth in their communities and work with them to make sure they have the education, training and support they need to find their place in our economic future.

Some steps we are taking include:

- » Establishing and supporting networks of Aboriginal youth workers at the regional and provincial level to provide better support to Aboriginal youth in all parts of the province.
- » Funding projects through the Labour Market Partnerships that work with Aboriginal youth to help them find education and training services to meet their specific training needs.
- » Working with Aboriginal youth to get their advice on how to develop skills-training programs, policies and support services to help Aboriginal youth.
- » Linking the Industry Training Authority's (ITA) Aboriginal Advisory Council with Aboriginal youth and other partners to provide advice on innovative ways to address the challenges facing Aboriginal youth.
- » Working with the Ministry of Education, FNESC and the First Nations Schools Association to ensure skills and trades information is available to students attending band-operated

1 Statistics Canada, 2011 National Household Survey, Statistics Canada Catalogue no. 99-011-X2011026

schools. B.C., together with the federal government and First Nations as represented by FNEC, is implementing the Tripartite Education Framework Agreement, which includes a focus on ensuring smooth transitions for Aboriginal students moving between the First Nations and B.C. public school systems.

We need to work with the broader Aboriginal community to realize the potential of Aboriginal youth and under-employed Aboriginal people to help meet our economy's workforce challenges and realize its emerging opportunities.

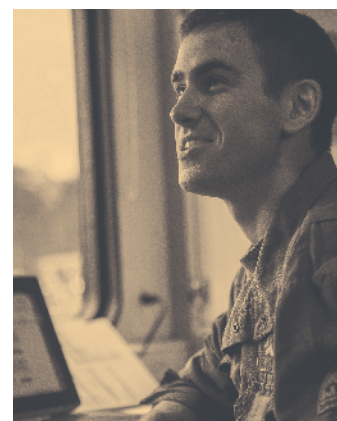
- » We will continue to implement the Aboriginal Post-Secondary Education and Training Policy Framework and Action Plan to increase participation and success for Aboriginal learners.
- » We will support skills training for urban Aboriginal people through the Off-Reserve Aboriginal Action Plan.
- » Through the ITA we will provide five new Aboriginal Apprenticeship Advisors to work specifically at recruiting and supporting Aboriginal apprentices.
- » Ministry of Aboriginal Relations and Reconciliation (MARR) is engaging with First Nations and Aboriginal organizations to gather information on barriers and best practices that will be shared across government to help in the development and delivery of skills training programs to Aboriginal people.
- » We will, through MARR, provide ongoing research that supports skills training for Aboriginal people.
- » We will set achievable targets for increasing Aboriginal workforce participation. We will add 15,000 new Aboriginal workers over the next ten years.
- » We will support community-based delivery of training for Aboriginal youth and under-employed Aboriginal people.

Finding training spaces

Providing up-to-date and easy-to-access information on waitlists and vacant seats available in colleges and institutes for programs leading to high-demand jobs will help students make better education and training choices and offer them a broader range of options.

Increasing our investment in infrastructure and equipment for skills and trades training

Up-to-date training facilities with the latest technology and equipment are critical to making sure students have the right skills for high-demand jobs. Over the next three years, government will spend \$750 million for infrastructure and equipment at our post-secondary institutions, including \$185 million targeted toward trades training infrastructure and equipment.



\$185M targeted
for **skills and**
trades training
infrastructure and
equipment



3

A stronger partnership with industry and labour to deliver training and apprenticeships

We have to make sure we have the skilled workers we'll need to respond to the opportunities and challenges of a growing economy. Our trades training system must change to keep up with the growing demand for skilled workers and put British Columbians first in line for new job opportunities.

We are re-engineering our apprenticeship system to better match industry needs, provide the highest level of training for our apprentices, and get students from study to the workplace more quickly.

We are working closely with employers, industry, labour and the ITA – the provincial body responsible for apprenticeship training – to target skills training to high-demand occupations, remove barriers that limit labour mobility and increase the participation of industry and labour in the skills training system.



Our Blueprint for action includes:

■ **Getting and using better data to drive decisions**

To make the most effective use of our education and training resources and develop responsive and meaningful targets, we will rely on the best data and labour market projections. A solid base of information is the critical foundation for all our education and training programs and actions.

Reliable and up-to-date information will support our goal to better match training and education with industry needs and provide the best information on labour market trends to educators, counsellors, students and their families.

We also need to make sure our programs are effective, so we will track and report annually on youth performance by measuring rates of participation, completion and transition to the workplace.

The Ministry of Jobs, Tourism and Skills Training will expand its current team of professionals who obtain and analyze labour market information. The most up-to-date labour market information will be used to guide government decision-making and to determine spending priorities. Labour market projections are based on available labour market data from Statistics Canada and other sources, industry growth and population projections and consultations with employers, industry partners and representatives from key sectors. This data helps guide our decisions on what programs we need to develop, how to target funding and to identify high-demand occupation trends.

Each economic quarter we will publish up-to-date labour force projections for each industry sector. These projections will be made available online and through other communication vehicles. We'll use detailed workforce data from major project employers and proponents in preparing these projections.

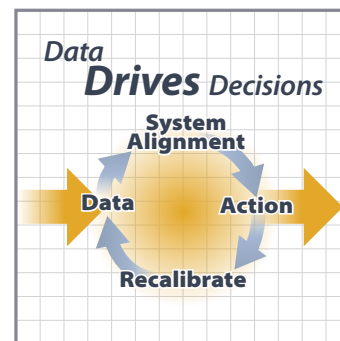
A Labour Market Priorities Board has been created to regularly review projections and make recommendations on how to improve them, make them more useful and relevant, and ensure they are up-to-date.

The Labour Market Priorities Board will also ensure that government funding in key skills training and educational areas is aligned and allocated to labour market priorities that will promote the economic growth of B.C.

■ **Refocusing the ITA**

Today, B.C. has twice as many apprentices, and is issuing around three times as many credentials compared to 2004. But the ITA was created almost ten years ago, and since then B.C.'s economy has changed considerably.

In order to ensure that B.C.'s trades training system continues to meet the demand for workers, we are re-engineering our apprenticeship system to better match industry needs, provide the highest level of training





for our apprentices, and get students from study to the workplace more quickly.

To achieve these priorities, government undertook an independent review of the ITA. The final report was submitted to government in February, 2014 and sets out 29 recommendations to enhance and strengthen B.C.'s trades training system. The key trades training shifts include:

- » Moving the system to be demand driven to meet the needs of workers and employers.
- » Unifying cross government decision-making with funding allocated based on labour market information and workforce targets (demand driven).
- » Reconstituting the ITA board of directors.
- » Holding the ITA and post-secondary institutions accountable for system results.
- » Bringing the functions of Industry Training Organizations inside the ITA.
- » Establishing Sector Advisory Councils.

These shifts will set out a clear path that will ensure:

- » There is accountability in the system for outcomes that are evidence-based and demand driven.
- » A high performing ITA with strong leadership.
- » A meaningful role for industry and employers, including labour.
- » An increased supply of skilled trades people in the right trades for the right times.

We are committed to making these changes and working with all partners in B.C.'s industry training system to meet the demand for skilled workers in LNG and other critical sectors, now and over the next decade.

Government continues to provide the ITA with a core budget of over \$94 million dollars annually to support trades training in B.C. This investment has remained consistent since 2010.

To view the full report: http://www.jtst.gov.bc.ca/ITA_Review/docs/ITA_Review_Final_Report.pdf

A summary of the ITA Review Final Report Recommendations can be found in Appendix 1.

Increasing employer sponsors for apprenticeships

Employers play a central role in apprenticeship training. Without the participation of employer sponsors, apprenticeships are not possible. We need to do more to actively encourage employers to step up and become sponsors.

We will use online tools like WorkBC to make it easier for employers to post apprenticeship jobs and opportunities and to enrol as sponsors. We will recognize the changing needs and circumstances of employers and enable apprentices to train under more than one employer during the term of their apprenticeship.

We'll use industry Sector Advisory Councils to involve industry in taking a stronger role in apprenticeship planning and promoting employer sponsorships within their sector.

Developing innovative solutions to make trades training work better

Mobile training facilities give students access to equipment and training in locations where jobs are located and where specific skills are needed. Working with industry and post-secondary institutions, we'll identify short-term needs in remote communities that will benefit from having mobile training facilities.

We will work with employers and the training sector to develop and deliver in-camp training to better help working British Columbians upgrade their skills, and acquire new skills and qualifications to take advantage of emerging opportunities. Work sites are the classrooms of the future.

Changes can be made that make it easier and more attractive for employers to take on apprentices in their workplace. One example of a flexible approach is front-end loaded apprenticeship courses where all the classroom course work is taken at the beginning of the course of study rather than being spread out throughout the program. This lets apprentices have uninterrupted time at work and means that employers are getting young employees with all the classroom and theoretical knowledge they need for the job once they start in the workplace. We will work with employers, industry and the ITA to identify more opportunities for this, and other types, of flexible programming.

The world of training and learning is changing. New tools and approaches are being made available that shrink distances for learners and instructors and provide the opportunity to create virtual classrooms. We need to take better advantage of emerging technology and educational tools and materials to meet the needs of students.





Some training innovations include:

- » In-class simulators that give students hands-on, real-time practice and experience.
- » E-learning modules that let students learn at their own pace and at the most convenient time for them from any location equipped with a computer or internet access.
- » Remote learning sites that bring teachers and resources to students in remote locations through the use of technology such as video conferencing.

The training needs of industry are diverse and are not all achieved through apprenticeship programs delivered through the Industry Training Authority. Some non-apprenticeable trades, such as surveyors, are skilled trades we will continue to need. Other industry-led certifications are available through professional associations where people train for jobs in a variety of fields, including robotics, building design, environmental protection, aviation, mining, petroleum drilling, and reservoir engineering. Many of these programs are shorter in duration, offered at the work site, and are based on industry standards and regulations to ensure the certification reflects the current requirements of the workplace.

We'll continue to engage with the employers and associations in priority sectors to ensure the standards and certification are relevant to industry and available for British Columbians.

Investing in connecting youth with the workplace

We need to do a better job of connecting young people with the workplace. To encourage these connections, we will invest up to \$1 million each year to:

- » Support research on new strategies to better connect youth with the workplace.
- » Improve the delivery of up-to-date and relevant curriculum and course content.
- » Create new tools aimed at attracting students to trades and technical careers.

Creating more work-based training

Students who have hands-on work experiences and opportunities to apply their learning and acquire employment-related skills are better prepared for entry into the workforce and better equipped to make training choices that fit with their interests and abilities.

We will work with employers, industry and education institutions to expand the opportunities available for students to gain work-based training.



We'll also look for ways to give young workers access to additional training to build their skills while they are on the job.

Preparing and matching British Columbians with jobs

Through the Employment Program of BC and its 85 WorkBC Employment Service Centres across the province, we will offer British Columbians self-service and case management services tailored to their individual employment needs and interests. This includes targeting \$7.4 million to support apprentices during their training if they are an EI eligible British Columbian.

We will ensure WorkBC Employment Service Centres have up-to-date information on training and career opportunities in priority sectors, like LNG, and that counsellors are able to assist individuals in taking advantage of employment opportunities.

\$8 million has been made available through the Federal Labour Market Development Agreement to increase employment-targeted training and work experience through community and employer partnerships, information sharing, technology and innovative practices. Projects funded under the Community and Employee Partnership program are focused primarily on persons with disabilities, youth and Aboriginal people and the LNG sector.

Maximizing employer investment in Canada-BC Job Grant

Our government has recently renewed its labour market agreement with the federal government. The new Canada-BC Job Fund, will work to directly connect skills training with employers and result in more jobs for Canadians. The centrepiece of the new agreement is the Canada-BC Job Grant. The Canada-BC Job Grant will provide government funds to match employer contributions to support employee skills training. Investments of up to \$5,000 by employers can be matched by up to \$10,000 in federal funding, resulting in as much as \$15,000 per person for training. We will be looking to maximize employer investments through this program to as much as \$19.5 million by year four of the six-year agreement in order to take full advantage of federal contributions.

Formalizing the role for Sector Advisory Councils

Most major industries and economic sectors are represented on industry forums that give advice to government and educational institutions. The number of industry councils has been expanding in recent years because of the increased importance of skills training and development in all parts of the province.

We will rely on industry councils to validate labour market data and labour force projections. We'll also ask their advice on how to use the information to better guide our investments in training, equipment and facilities to make sure we are meeting industry needs and taking advantage of all opportunities.



Increasing the number of apprenticeships in high-demand areas

We will direct \$10 million from the new Canada-BC Job Fund and Labour Market Development Agreement to increase the number of apprenticeships available in high-demand areas and in high-demand trades.

Improving apprenticeship completion rates

We are working to ensure that apprentices have the support they need to complete their training and become certified trades professionals. We will continue to improve apprenticeship completion rates annually starting with a two per cent increase by June 2015.

Sharing equipment and facilities for training

The technical needs, tools and skills requirements for industry are constantly changing. It is costly to provide students with state-of-the-art equipment and facilities for training and ensure they have the most current knowledge and skills. By developing strong partnerships between post-secondary institutions, educators and industry, we can create innovative ways to share facilities, equipment and staff to make sure that training is more relevant for students, better meets industry's changing needs and is available in more locations.

Hiring more Apprenticeship Advisors

We will work with our current Apprenticeship Advisors to learn how to improve our apprenticeship training system and increase the number of apprentices. We'll also hire ten more Advisors to work throughout the province and support employers and apprentices.

Work in partnership with the Government of Canada

As a significant economic driver in rural and remote regions, the resource industry has the potential to create thousands of jobs in British Columbia. And those jobs will require skilled workers. That's why the governments of B.C. and Canada signed a Memorandum of Understanding (MOU) on a Strong Resource Economy at the end of March 2014.

This new partnership lines up directly with *B.C.'s Skills for Jobs Blueprint*. The goals of the MOU are:

- » Gathering the best possible workforce information to better track and project job needs.
- » Harnessing the existing capacity of the education and training sector and the employer community to increase the number of skilled trade workers and professionals for the resources industry.
- » Increasing training and job opportunities for Aboriginal people and groups under-represented in the labour market.
- » Ensuring training investments are more responsive to employers' needs.

- » Reducing barriers to labour mobility and foreign credential recognition for workers who choose to move for jobs in the resources industry. To view the MOU, please see appendix two.

Making it easier for workers to move between major projects

We will bring major employers together to look at how we can develop processes that make it easier for workers to move from one major project to the next and maximize the employment opportunities available to B.C. workers. At the same time, we will work with apprentice training organizations across Canada to continue to harmonize apprenticeships so qualifications are consistent and recognized all across our country. Removing barriers to mobility for skilled workers is a key to better meeting industry needs and getting the right workers where they are most needed, when we need them.

Through the New West Partnership with Alberta and Saskatchewan, we have committed to ensure labour mobility among apprentices in all three provinces so that we can meet our mutual labour market interests.

Possibly increasing apprenticeship positions on public projects

Government is considering the feasibility of increasing the number of apprenticeships on major, public projects. A review is being conducted based on information from similar programs in Canada and the world. Based on the outcomes of this research, government will determine the best course of action for the province.

Applying the Blueprint to industry need

Over the next ten years, B.C. will see the development of hundreds of major projects, three-quarters of which are slated to take place in Northern B.C.

Large development initiatives rely on a skilled workforce. We need to give industry and investors confidence that we will be able to provide the right workforce, in the right place, at the right time.

We will meet the labour supply opportunity and challenge by:

- » Making the best use of our existing workforce through re-training and relocation.
- » Preparing the next generation of our workforce through re-engineering our education and training systems.
- » Creating a welcoming and stable labour environment that is attractive to workers from across Canada and from around the world.





Applying the Blueprint to LNG: The Right Skills, in the Right Place, at the Right Time

The LNG opportunity²

In September 2011, our government announced its intention to aggressively pursue liquefied natural gas' (LNG) potential to create jobs and boost our economy. To date, over \$7 billion in investments have been made by industry to acquire natural gas assets needed to support the LNG industry and make acquisitions to provide the foundation for the development of pipelines and LNG plants. It is estimated that

² Occupation projections in this section are based on the LNG Occupation Projections by KPMG, April 2014.

another \$2 billion has been spent preparing for the construction of LNG infrastructure.

The Premier's LNG Working Group a roadmap for an LNG workforce

In 2013, Premier Christy Clark established the Premier's LNG Working Group with representatives from organized labour, industry, First Nations and the provincial government to develop a road map to ensure British Columbia has the skilled labour force it needs to seize the opportunity of the LNG sector.

Between November 2013 and March 2014, the Working Group's 18 representatives met and worked together to address some of the complex problems associated with LNG development. In April 2014, the Premier accepted all 15 of the recommendations contained in the Working Group's Final Report.

The Final Report's recommended strategies for LNG skills training in B.C. are:

1. *Develop an ongoing structure with equal representation from industry (including contractor associations), organized labour, First Nations, and governments to participate and enable the skills training and workforce planning issues leading to employment in the LNG opportunity. The structure should be established in co-ordination with other LNG workforce activities already underway.*
2. *Begin planning and training British Columbians immediately for the LNG opportunity.*
3. *Training should be co-ordinated throughout B.C. and Canada to maximize the effectiveness of the existing labour pool and lead to employment.*
4. *Identify and remove barriers to entry into training while supporting literacy and essential skills development to support local and B.C. work-based training and employment.*
5. *Increase the efficiency and effectiveness of the investment in training by leveraging successful government, union, and private training programs.*
6. *In conjunction with recommendation #7, industry, governments, organized labour, and First Nations should partner to conduct campaigns and career fairs in high schools, colleges and cultural centres on the LNG opportunity.*
7. *Promote awareness of job opportunities in B.C., including work-based training with a focus in rural, northern, and First Nations communities.*





8. *Establish an inventory of individuals currently in apprenticeship programs and other non-apprenticeship skilled workers seeking employment. Include in the inventory journeypersons who are available to provide mentoring and on-the-job training to apprentices.*
9. *Aspire to a goal of having 25 per cent overall of the apprenticeable trades workforce on LNG-related construction projects and whether funding for apprentices can come from industry and/or government. In addition, government should consider having a minimum number of apprentices on public infrastructure projects.*
10. *Review the approach used by private-sector unions with respect to apprentices and by First Nations with respect to training to determine if their approach can be improved or applied more broadly.*
11. *Explore and analyze projects that have used a mobile workforce. In addition, it is important to identify and resolve the barriers to worker mobility in relation to trades qualification and certification.*
12. *Target areas of opportunity by focusing on workers finishing construction or other projects in all areas of the province.*
13. *Explore best practices within the LNG sector and other competing industries with respect to the conditions necessary to attract a mobile workforce.*
14. *Develop a plan to support workers from other jurisdictions to stay in B.C.*
15. *Further refine and develop a process for the use of Temporary Foreign Workers in the context of an overall strategy that identifies the workforce needs of the LNG opportunity and immediately begins a skills training plan to develop as many British Columbian and Canadian workers as possible to meet those needs. The structure contemplated in recommendation #1 will be seized with the responsibility to refine and develop a process for the use of Temporary Foreign Workers.*

The recommendations from the Premier's LNG Working Group will help to guide the efforts of government, industry, labour and First Nations in working together to address the workforce challenges for the LNG sector. They are reflected in the B.C. LNG Workforce Plan.

To view the full Premier's Liquefied Natural Gas Working Group: Final Report: http://www.labour.gov.bc.ca/pubs/pdf/lng_final_report.pdf

British Columbia is committed to realizing the potential of the LNG industry to grow our economy and create good, family-supporting jobs. We recognize that one of the commitments industry is seeking from us is to demonstrate our capacity to provide the skilled workforce they require to capitalize on the significant investment they must make.

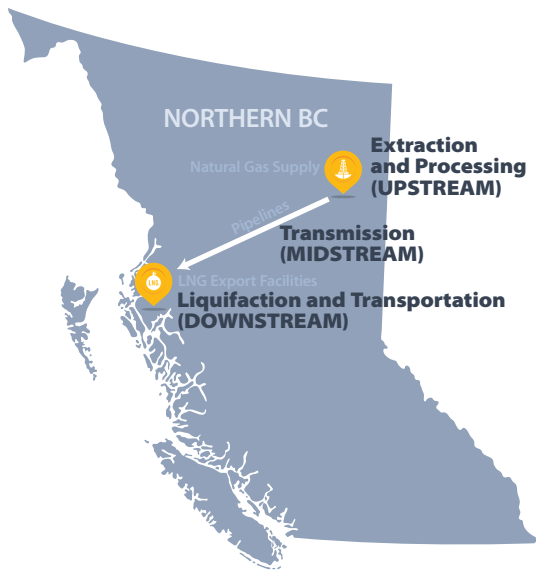
We have developed a plan for meeting the LNG industry's workforce challenges and we have engaged labour, industry, First Nations and government in the planning process. We will continue to work with these

partners moving forward and can assure industry that B.C. has the qualified and skilled workforce to meet the challenge.

We are committed to making sure British Columbians are first in line for the job opportunities associated with LNG development. This includes a particular focus on ensuring that Aboriginal people benefit fully from economic and labour market opportunities. It also means re-calibrating our apprenticeship system and re-engineering our education and training model to be more responsive to labour market demand.



Labour projections of the LNG sector³



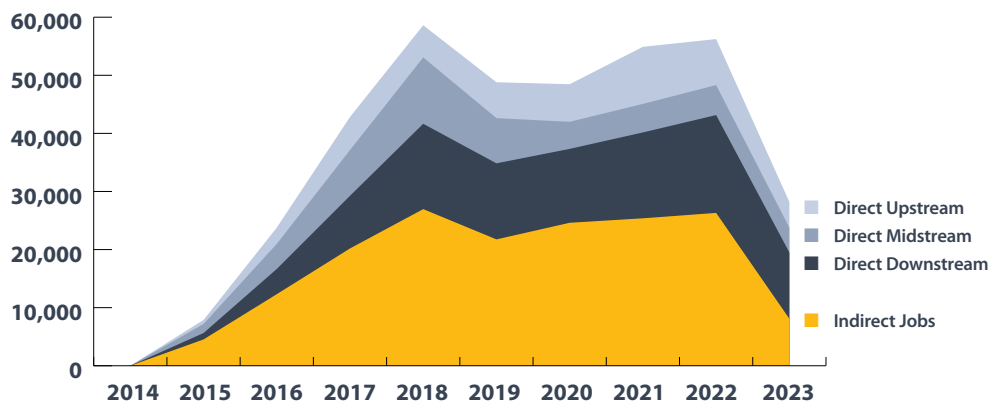
To demonstrate how labour market data can be used to align skills training and education programming with high-demand occupations, we have contracted KPMG to develop up-to-date workforce projections based for the emerging LNG sector. The projected workforce demand was created based on direct input from industry proponents including: Pacific Northwest LNG, Fortis BC, Apache Corporation, Shell Canada, BG Group, Spectra Energy Transmission, Chevron, Woodfibre, Imperial Oil, Progress Energy Resources Corp., Petroleum Human Resources Council, Petroleum Services Association, Canada, and the BC Natural Gas Workforce Strategy Committee.

The data provide detailed projections for specific occupations that will be in demand during the various stages of industry development. They provide multiple investment scenarios to provide greater latitude for policy and program planning purposes. Our latest data indicate that a scenario with five LNG plants constructed in B.C. between 2015-2024 would create a total industry investment of \$175 billion creating up to 100,000 jobs: 58,700 direct and indirect construction jobs, 23,800 permanent direct and indirect jobs for operations, and thousands more of induced jobs as a

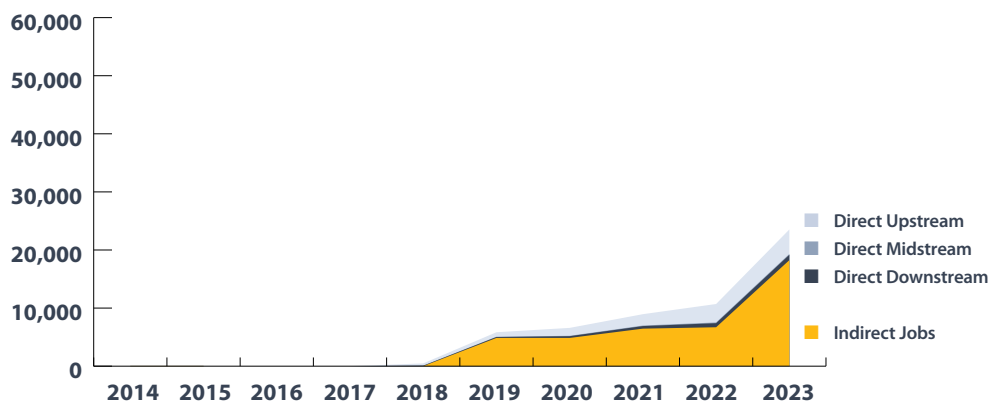
result of households having more income. This economic activity will contribute up to a trillion dollars to the province's GDP.

As the LNG projects mature and refine their project plans, the labour market data will similarly be refined. Adjustments to the skills training programming will continue to be modified to as needed based on new and updated data.

Aggregate Construction Employment per Project Stream



Aggregate Operations Employment per Project Stream

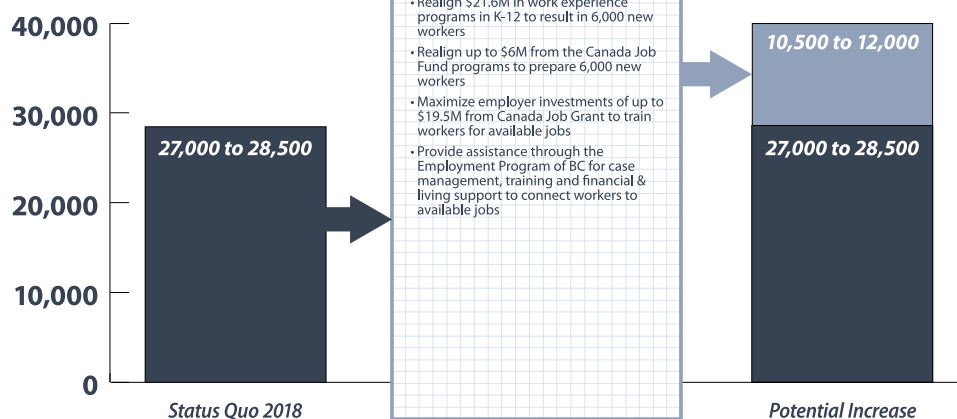


³ Occupation projections in this section are based on the LNG Occupation Projections by KPMG, April 2014

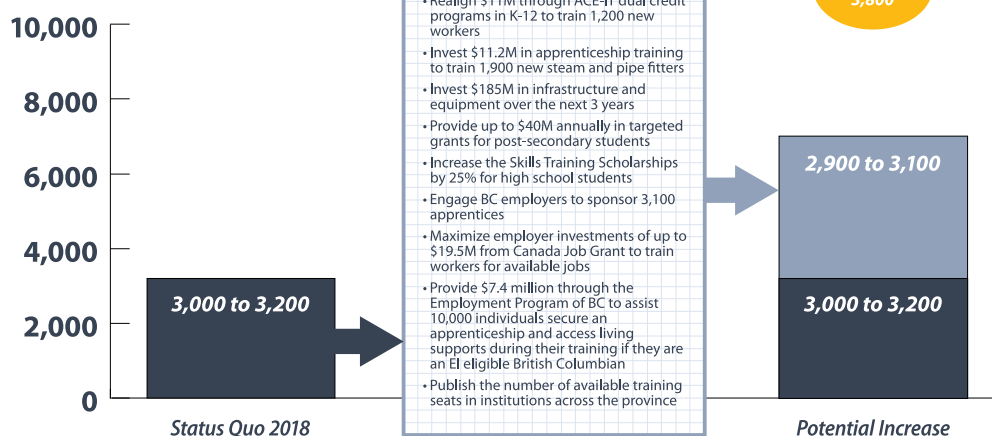
Top 10 LNG occupations required in 2018

We've taken the Blueprint and applied it to the Top Ten LNG occupations in 2018, but these numbers are good for all industries that require these occupations.

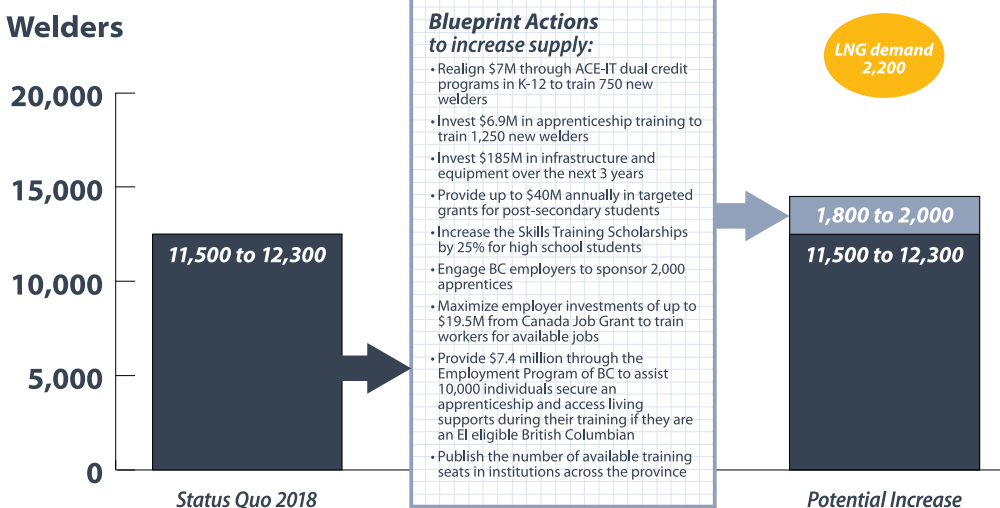
Construction Trades Helpers and Labourers



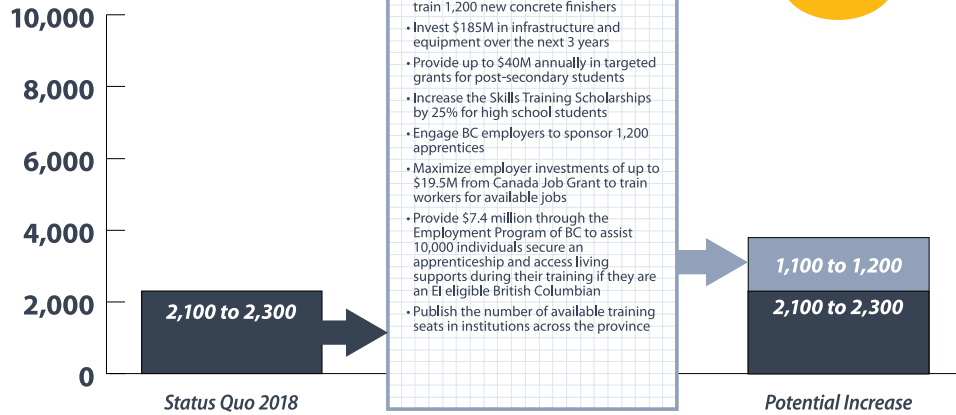
Steamfitters and Pipefitters



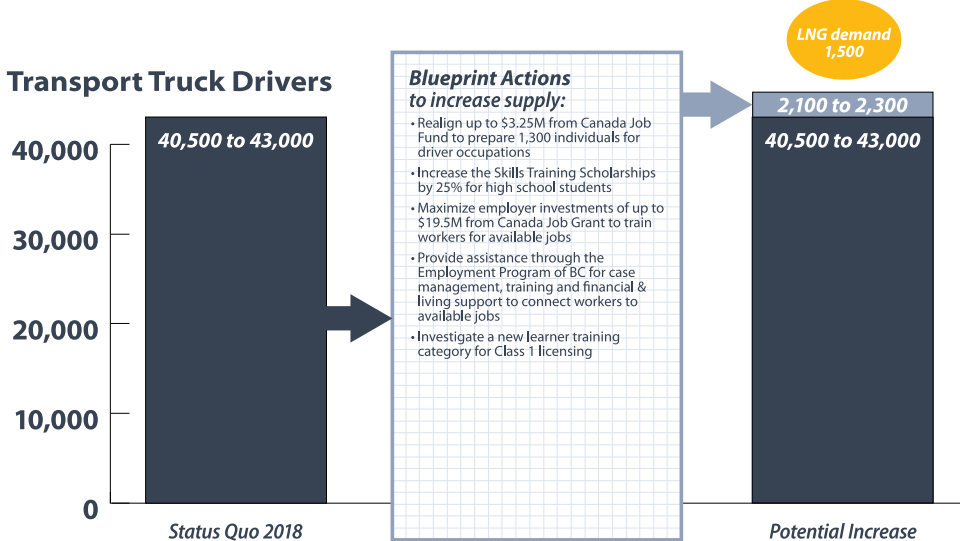
Welders



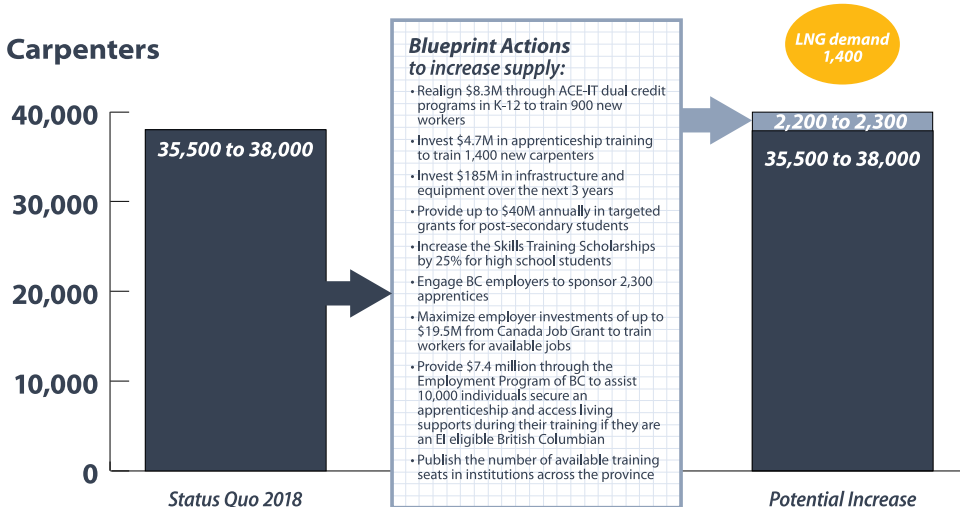
Concrete Finishers



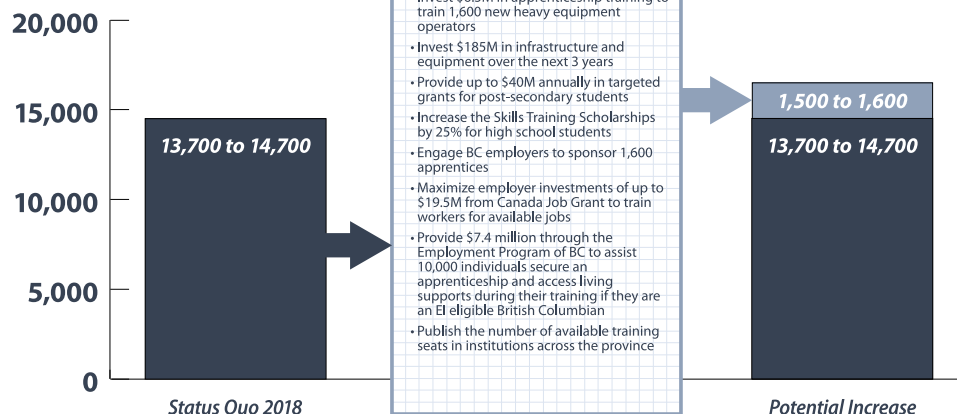
Transport Truck Drivers



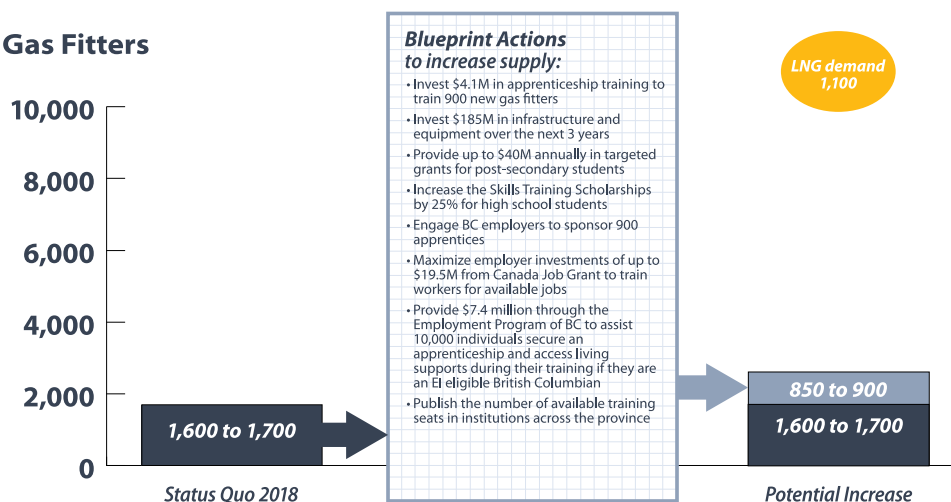
Carpenters



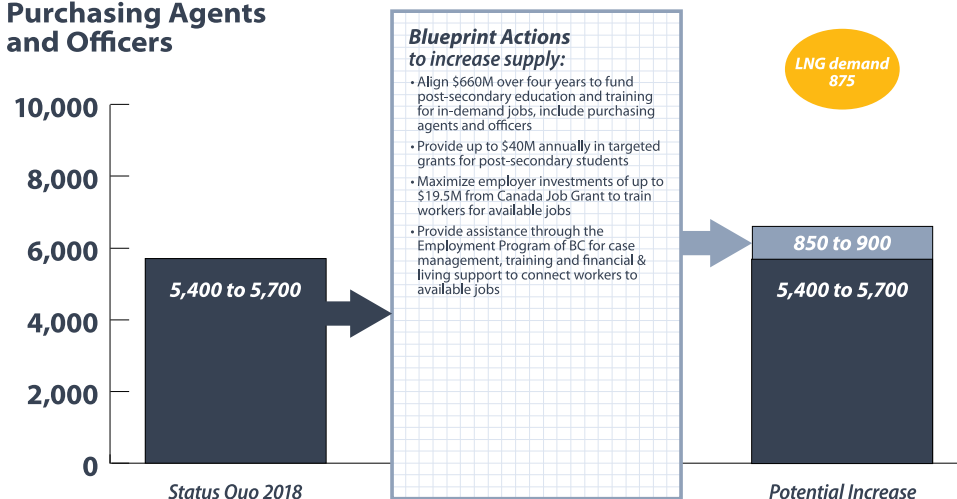
Heavy Equipment Operators



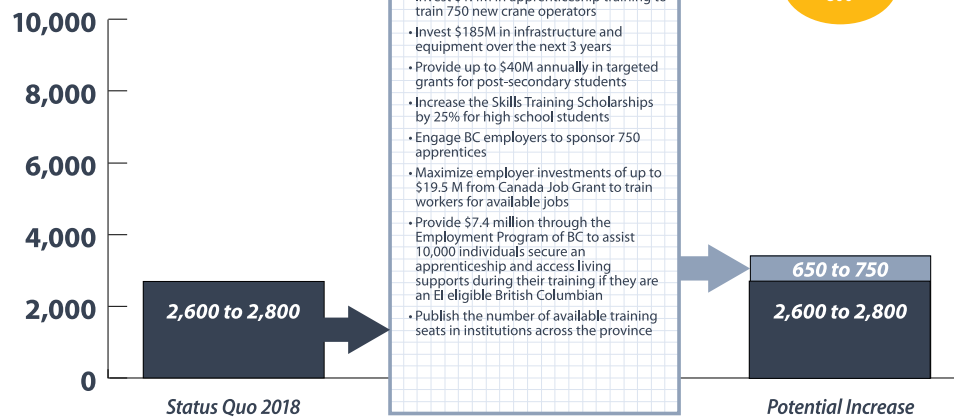
Gas Fitters



Purchasing Agents and Officers



Crane Operators



LNG upstream activity, which involves drilling and processing of gas for transport, is already employing 13,000 people. Another 5,300 direct new permanent jobs will be created to support operations across all LNG sectors.

Fully exhausting B.C.'s existing workforce supply is our first priority, but we know that even if we are 100 per cent successful in matching our existing labour force to job opportunities, we may still face a labour shortage at certain points in the LNG construction and development cycle.

To meet the job opportunities created by the LNG sector, we will need to fully utilize our local supply of British Columbia workers. We will also need to recruit skilled workers from across Canada, use new immigrant Canadians, and only when absolutely necessary, temporary skilled international workers for temporary jobs..



Maximize British Columbia's workforce

British Columbians will be first in line for job opportunities in B.C. At peak construction in 2018, we will require 58,700 workers.

We are making significant shifts in our education and training sector to make it more responsive to high-demand sectors like LNG. We are targeting funding and making strategic investments to increase our training capacity, adjust our program offerings to respond to employers' changing needs and provide students with education and support at all stages from school to work.

We are re-engineering our apprenticeship system and breaking down barriers between our trades training and education sectors so that our students are able to explore a full range of workforce and training options.

A HEAD-START TO HANDS-ON LEARNING IN OUR SCHOOLS

Giving students a head-start through earlier exposure to trades and making it easier for them to get started on training will get young workers

from learning to earning more quickly and provide more skilled workers for the LNG workforce.

We will designate the \$10.5-million BC Education Plan grant to districts for skills training and work with them to:

- » Increase the number of seats in the ACE-IT program that lets students in high school get graduation credit for trades foundation courses taken in high school.
- » Provide students with relocation subsidies so they can get training where seats are available.
- » Support regional partnerships.
- » Train teachers as trades foundation instructors.

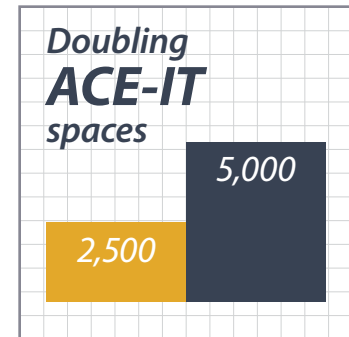
We will expand WorkBC. WorkBC (*workbc.ca*) is an online access point to the world of work in British Columbia. Currently it serves over 650,000 users per month. WorkBC helps people find jobs, explore career options and improve their skills. It also helps employers fill jobs, find the right talent and grow their businesses. WorkBC offers a comprehensive database of B.C. job postings, career tools, job-search tips and information on employment programs. The popular and valuable online resource will be expanded to include a section specifically dedicated to youth. This world-class online resource will support our LNG workforce plan by providing expanded LNG sector information.

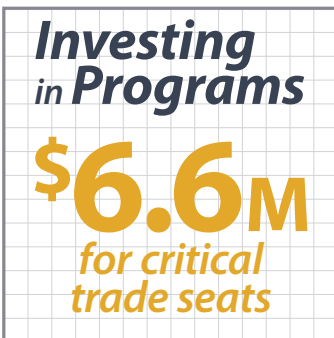
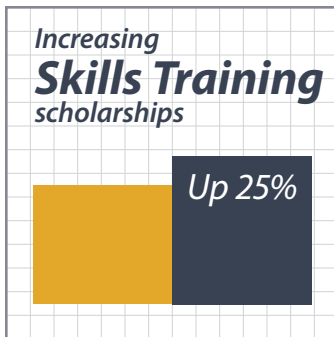
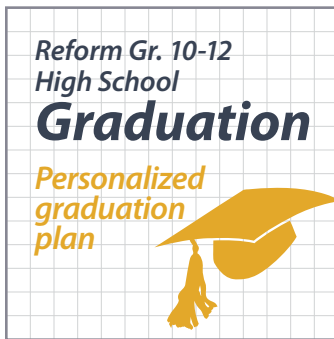
Features include:

- » WorkBC offers employers a comprehensive job bank that lets them post ads for free. It also has up-to-date information on labour laws and regulations and information on tax credits, loans and grants available to support them.
- » The site features 18 detailed industry profiles including construction, oil and gas and transportation.
- » The website features more than 500 detailed job profiles including LNG-related skills trades such as pipefitters, welders, heavy equipment operators, transport drivers and construction trades. These are kept up-to-date and added to in response to labour market trends and industry needs.
- » Site users can access more than 60 CareerTrek videos that help bring occupations to life. These include a range of LNG-related skills and trades.

We will expand dual credits in our schools to get students trained quicker through partnerships between school districts and local colleges.

We will provide funding for apprenticeship Trades Ambassadors to visit students in their schools and communities to promote trades careers in sectors such as LNG and give students first-hand information.





We will reform Grade 10-12 graduation requirements. As a result, we'll graduate more students with skills and knowledge that apply both to academic studies and trades and technical training resulting in more students pursuing high-demand trades for the LNG sector.

We will increase scholarships dedicated to skills training by 25 per cent. This will help those students facing financial barriers take skills training in high-demand occupations.

A SHIFT IN EDUCATION AND TRAINING TO BETTER MATCH WITH JOBS IN DEMAND

We will target our student financial aid programs and make available \$40 million per year for student aid programs to target LNG and other occupations that are in high demand. The BC Access Grant will provide up-front money to cover relocation costs and tools, the BC Completion Grant will provide loan reductions for students completing training and the Loan Forgiveness Program will be expanded to include students entering high-demand occupations, such as LNG, who move to remote parts of the province.

This year, government will target \$40 million of post-secondary operating grants to target training in high-demand occupations including the LNG sector. This aligned funding will increase to \$90 million next year and over the next three years it will increase until it reaches \$270 million, or 25 per cent of total operating funding.

Government will spend an additional \$6.6 million to pay for more critical trades seats. This ten per cent increase will significantly reduce waitlists for the top LNG trades training spaces.

We will make \$3 million available every year for competitive bids for training providers to offer project-based youth training. This training will be targeted to meet the job requirements in high-demand sectors like LNG.

We will commit \$3.5 million each year to get youth into the workforce through the renewed Canada-BC Job Fund with the federal government. Programs like Bladerunners, Youth Skills and a potential Bladerunners for the emerging LNG industry will give youth a hand getting into the workforce to obtain on-the-job experience and training.

We are taking innovative measures to reach out to Aboriginal youth in their communities and work with them to make sure they have the education, training and support they need to find their place in our economic future by:

- » Establishing and supporting networks of Aboriginal youth workers at the regional and provincial level.
- » Supporting community-based delivery of training for Aboriginal youth, and under-employed Aboriginal people.

- » Using the Labour Market partnerships funding to support Aboriginal communities' education and training services.
- » Working with the Aboriginal youth to develop skills training programs, policies and support services needed to ensure Aboriginal youth are supported to enter the job market.
- » Linking the ITA Aboriginal Advisory Council with Aboriginal youth and other partners to provide advice on ways to address the challenges facing Aboriginal youth.
- » The Ministry of Education will work with FNEC and First Nations Schools Association to ensure skills and trades information is available to students attending band-operated schools. B.C., together with the federal government and First Nations as represented by FNEC, is implementing the Tripartite Education Framework Agreement, which includes a focus on ensuring smooth transitions for Aboriginal students moving between the First Nations and B.C. public school systems.

\$185 million of government's spending on post-secondary facilities and equipment will be specifically aligned to support skills and trades training in areas such as LNG skills development.

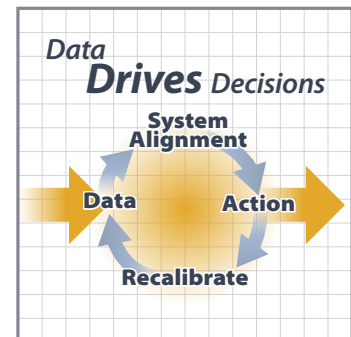
A STRONGER PARTNERSHIP WITH INDUSTRY AND LABOUR TO DELIVER TRAINING AND APPRENTICESHIPS

To better match training and education with industry needs and provide the best and most up-to-date information on labour market trends to educators, counsellors, students and their families, the Ministry of Jobs, Tourism and Skills Training will expand its current team of professionals who obtain and analyze labour market information. Up-to-date labour market information will be used to guide government decision-making and target funding and identify high-demand occupation trends.

We need to do more to actively encourage employers to step up to become sponsors. Online tools like WorkBC will make it easier for employers to post apprenticeship jobs and opportunities and to enrol as sponsors. We will pursue changes to enable apprentices to train under more than one employer during the term of their apprenticeship, and we'll use industry Sector Advisory Councils to involve industry in taking a stronger role in apprenticeship planning and promoting employer sponsorships.

We will take advantage of emerging technology and training innovations to meet industry demands for skilled workers and provide instruction to students in remote locations through the use of technology such as video conferencing. Particular emphasis will be on high-demand occupations for the LNG sector in Northern B.C. We will encourage in-camp training by providing online instruction and simulation equipment that allows students to learn at their own pace, at any time and in any location with internet access. Work sites are the classrooms of the future.

\$185M targeted
for **skills and trades training infrastructure and equipment**





We are reaching out to First Nations' communities to provide them with information on workforce opportunities.



We will harness the Employment Program of BC. The Employment Program of BC provides services to all British Columbians, dependent on eligibility, to prepare them to become job ready and find sustainable employment. Services are delivered through 85 WorkBC Employment Service Centres across the province with self-service and case management services tailored to individuals' employment needs and interests. The Employment Program of BC also offers assistance, such as living supports, to apprentices during their training if they are an EI eligible British Columbian.

We will ensure WorkBC Employment Service Centres have up-to-date information on training and career opportunities in the LNG sector and that counsellors are able to assist individuals in taking advantage of employment opportunities.

We will harness the Community and Employee Partnership Program. \$8 million has been made available through the Federal Labour Market Development Agreement to increase employment-targeted training and work experience through community and employer partnerships, information sharing, technology and innovative practices. Projects funded under the Community and Employee Partnership program are focused primarily on persons with disabilities, youth and Aboriginal people and the LNG sector.

We will direct \$10 million from the new Canada-BC Job Fund and Labour Market Development Agreement to increase the number of apprenticeships available in high-demand areas and in high-demand trades with an emphasis on the LNG sector.

We will encourage the development of strong partnerships between post-secondary institutions, educators and industry to create innovative ways to share facilities, equipment and staff to make sure that training better meets industry's changing needs.

We will hire ten more Apprenticeship Advisors to work throughout the province and support employers and apprentices.

We will work with major employers to develop processes that make it easier for workers to move from one major project to the next – maximizing the employment opportunities available to B.C. workers.

We will work with apprentice training organizations across Canada to continue to harmonize apprenticeships across Canada and better respond to high-demand areas like the LNG sector.

We will work with First Nations and Aboriginal communities to realize the potential of Aboriginal youth and under-employed Aboriginal people to realize opportunities in emerging sectors like LNG by:

- » Supporting skills training for urban Aboriginal people through the Off-Reserve Aboriginal Action Plan.
- » Engaging with First Nations and Aboriginal organizations to gather information on barriers and best practices that will be

shared across government to help in the development and delivery of skills training programs to Aboriginal people.

- » Providing ongoing research that supports skills training for Aboriginal people.
- » Providing five new Aboriginal Apprenticeship Advisors to work at recruiting and supporting Aboriginal apprentices.

More than 40,000 Aboriginal British Columbians aged 15-64 live in our Northern communities and almost half of all the Aboriginal people in the province are under the age of 25⁴. Aboriginal people are the youngest and fastest growing population group in the province. They are a huge pool of new talent. We will work with Aboriginal communities and organizations to significantly increase their participation in the workforce. We are developing an approach to Aboriginal skills training, guided by our Ministry of Aboriginal Relations and Reconciliation (MARR), in conjunction with other provincial ministries, the federal government and Aboriginal partners.

This skills training approach has a Northern stream that is focused on the LNG and mining sectors. MARR negotiators working on LNG agreements with First Nations are gathering information from First Nations on barriers and best practices that is being shared across government to help in the development and delivery of skills training programs to Aboriginal people. MARR is also helping develop a comprehensive listing of programs and supports services available for Aboriginal people who want to access skills training.

We are reaching out to First Nations' communities and Aboriginal organizations to provide them with information on workforce opportunities and developing targeted labour market programming. Through the ITA and its Aboriginal Advisory Committee, we are creating an Aboriginal Apprenticeship Strategy to increase the numbers of Aboriginal apprentices and successes in trades.

We are working on a variety of fronts with the goal of increasing Aboriginal student training completion and transition to the workplace by two per cent a year. Over the next ten years, we are aiming to have 15,000 more Aboriginal youth working across the province. Many of these young Aboriginal workers will work in Northern communities and directly or indirectly support LNG development.



4 Statistics Canada, 2011 National Household Survey, Statistics Canada Catalogue no. 99-011-X2011026



Recruit from across Canada

We know that people want to work and live in B.C. LNG presents an opportunity to attract skilled workers from across Canada who want to relocate because of the quality lifestyle and well-paying and exciting work opportunities our province and our employers have to offer.

As signatories to the Agreement on Internal Trade (AIT), we have established full labour mobility for workers in regulated occupations across Canada, and the B.C. Labour Mobility Act requires all provincial regulatory bodies to operate in a manner that respects labour mobility provisions. For example, an engineer from Ontario can move to B.C. to take advantage of the LNG opportunity and have their existing credentials easily recognized. In addition, the national Red Seal trade designation provides labour mobility for trades workers so that they can work anywhere in Canada.

Promotion and Attraction

In support of the Premier's LNG Working Group recommendation #14, we are taking actions to support workers from other jurisdictions to stay in B.C.

- » Expand WorkBC marketing across Canada, with a particular focus on areas from where B.C. historically attracts workers, such as Ontario and Atlantic Canada.
- » Make WorkBC and Blueprint LNG promotional materials and youth awareness packages, like #FindYourFit, broadly available across Canada.

Training Co-ordination & Credential Harmonization

In support of recommendation #3 from the Premier's LNG Working Group, we are working to co-ordinate training across B.C. and Canada to maximize the effectiveness of the existing labour pool and lead to employment by:

- » Harmonizing apprenticeship training across Canada by creating common standards, processes and outcomes in collaboration with other provinces and the federal government.
- » Through the New West Partnership with Alberta and Saskatchewan we have committed to ensure labour mobility among apprentices in all three provinces so that we can meet our mutual labour market interests.

Utilize skilled international workers

The workforce demand is so great that even after we fully utilize all of B.C.'s and Canada's workers, we know we will need to rely on skilled international workers in certain circumstances, for temporary jobs.



B.C. is working closely with the federal government to increase the number of skilled international workers and their families through a variety of permanent immigration streams. In addition to immigrants, we know we will also require some temporary workers to meet labour market demand during peak periods of project construction. Where Canadians and permanent residents are not available, B.C.'s LNG workforce strategy approach will support the use of the Federal Temporary Foreign Worker Program.

We are also making Foreign Qualifications Recognition (FQR) investments in high-priority occupations related to the LNG sector, such as engineers and technologists, so that internationally skilled workers can be a part of the supply solution.

Increase Number of Permanent Skilled Workers

- » Work with the federal government to position B.C. as an early adopter of the new federal express entry immigrant intake system to increase the number of economic immigrants entering B.C.
- » Advocate to the federal government for an increased allocation of Provincial Nominees to meet our unique labour market demands and job openings in high-demand areas.

Process for Use of Temporary Foreign Workers

- » As a follow up to recommendation #15 from the Premier's LNG Working Group, refine and develop a process for the use of Temporary Foreign Workers within a broader overall LNG workforce strategy that is focused on employing British Columbians first.
- » Once the protocol is established, B.C. will initiate strategic use of the authorities in the Canada-BC Immigration Agreement to expedite the entry of temporary foreign workers in high-demand occupations.

Investments in Foreign Qualifications Recognition

- » Continue to focus investments on key LNG occupations. Major projects are planned for 2014-15 with the Association of Professional Engineers and Geoscientists and the Applied Science Technologists and Technicians of B.C. These investments are expected to result in quicker and more efficient certification for internationally trained workers, allowing them to work in their occupation of choice and support high-demand sectors like LNG, as soon as possible.
- » Complete review of the FQR process to identify barriers to provincial certification in high-demand permanent LNG occupations and implement an Action Plan in 2014-15 to take immediate actions specific to the LNG sector.

Conclusion

Our Blueprint sets out our ambitious plan for re-engineering our education and training system to support our growing economy and help British Columbians take full advantage of the opportunities in our changing economy.

It also addresses the specific challenges associated with the development of liquefied natural gas industry in our province and draws on the collaborative efforts of government, industry, labour and First Nations and Aboriginal people in proposing solutions.

The Blueprint proposes actions for all parts of our education and training sector – from elementary school to post-secondary education and training. It invites the participation of all partners – students, families, educators, employers, industry and labour, and it sets a common goal to put British Columbians first in line for jobs and provide support to those struggling to find their fit in our workforce.

The actions build on a decade of capital investment in our schools and world-class post-secondary system. It sets out an innovative and results-focused path for our education and training system through the next decade. It draws on best practices from within the province and beyond and challenges all partners to work together to focus our resources on delivering tangible results and making strategic investments based on the needs of employers and industry.

We have set clear targets in our Blueprint and will be monitoring progress. We will also report out regularly to the public, education and training sectors, employers, industry and labour to let everyone know if we are achieving our targets.

The aim of all our planning and efforts is to get our growing economy working for all British Columbians by making it easier for British Columbians to get working.

Appendix 1

Summary of ITA Review Final Report recommendations

1. Government should introduce annual and multi-year planning to define province-wide sectoral and regional labour market demand targets for sectors and high priority trades that fall under ITA oversight. Planning should clearly identify fixed factors such as demographics, and variable factors, such as economic assumptions. Through this planning, government should set galvanizing targets for the overall outcomes of the system. Industry should be involved in endorsing the planning process in advance, including data sources and assumptions (see Recommendation 12 regarding Sector Advisory Councils).
2. Clear sectoral sub-targets should be set by government to address the potential to increase participation from aboriginal communities, and from the K-12 system. Annual evaluation of overall system outcomes should pay close attention to whether these sub-targets are being met.
3. The remaining projected trades-related supply/demand deficit should be analyzed to determine a minimum necessary target to be filled by temporary foreign skilled workers by sector.
4. As a separate initiative, the planning process should also be used to assess whether the right proportion of available funding is directed to trades training versus other academic and vocational programming, based on projections of relative labour market demand and costs of programming.
5. Government should confirm that its own decisions will be aligned with these targets in every way, and reinforce that every partner in the system has a role in meeting them. In addition:
 - a. Government should no longer independently direct training funding to post-secondary institutions (PSIs) or other organizations but instead empower accountability within the ITA for both decisions and outcomes. This will require transferring existing base and discretionary funding from AVED so overall funding levels are not reduced.
 - b. Capital funding decisions made by AVED related to trades must be directly linked to the same planning process and identified strategies to meet targets.
 - c. An appropriate portion of Labour Market Agreement (LMA) and Labour Market Development Agreement (LMDA) funding should be moved to the ITA, and integrated into its planning process to meet outcome targets.

- 6.** Government should create a cross-ministry shared services mechanism to ensure alignment of funding decisions, including, but not limited to, trades training.
- 7.** The ITA should be retained as a Crown Agency, with its current role re-confirmed.
- 8.** The Province should take steps to resolve any competing authority of PSIs to set program standards, if necessary introducing legislative change to clarify the roles and responsibilities of the ITA.
- 9.** Memorandums of Understanding (MOUs) should be formalized between the ITA and the BC Safety Authority and the BC Association for Crane Safety regarding co-operation to avoid overlap or conflict in certification responsibilities.
- 10.** The Trades Training Consortium of BC should no longer be designated as a Crown Agency.
- 11.** The employer engagement, training plan validation, and standards/program development setting functions of Industry Training Organizations (ITOs) should be brought into the ITA, with industry expertise and the infrastructure of industry subject matter expert committees that ITOs have developed to inform standards development/updating incorporated into the ITA's core functions.
- 12.** Sector Advisory Councils should be created to increase the direct role of industry in planning and decision making. Councils should strive for representation by employers rather than employer associations or consultants, and should include organized labour.
- 13.** The ITA Board should be re-constituted in the immediate term to reflect the following membership:
 - a.** rejuvenation of board members; and
 - b.** broad sectoral representation (although not on an "equal" or "interest-based" formula); and
 - c.** long-term industry/trades experience, ideally at a senior level; and
 - d.** inclusion of individuals with knowledge and experience in labour organizations; and
 - e.** recognition by others as having demonstrated personal leadership achievements related to the goals of the system (e.g. innovative accomplishments in recruitment, training and retention of workers; partnerships between employers, trainers, equipment manufacturers or others); and
 - f.** strong capability to fulfill Board responsibilities (knowledge and experience in the role and functions of an effective Board); and
 - g.** widely recognized by others as a "corporate" player who can bring past experience yet rise above individual interests to focus on overall outcomes...

14. Organized labour should be recognized in the definition of “industry”.
15. Sector Advisory Councils should be asked to advise government on the relevance and need for specific policy directions for each sector, with resulting recommendations backed up by clear evidence relating to projected impact on achieving demand/supply alignment targets. These policy issues may include the need for re-introduction of compulsory certification, apprentice quotas/ratios, expanded opportunities for challenging for trades credentials, etc.
16. Working with its partners and users, the ITA should develop a clear and simple Service Charter to guide its operations, standards of service quality and to serve as the basis for annual feedback from users, system partners, and internal employees.
17. Government’s Letter of Expectations to the ITA, and its approval of the ITA Service Plan, should set out outcome-based measures rather than general objectives. Key performance indicators for the ITA should be tightly linked to meeting labour market demand targets, as well as achieving high feedback scores from its users.
18. Involving Sector Advisory Councils and with input from training providers, the ITA should implement a new evidence-based, multi-year planning process to set priorities and allocate funding in direct alignment with demand/supply targets.
19. Through its annual training investment planning process, the ITA should work towards providing greater multi-year planning certainty for training providers. Involving advice from Sector Advisory Councils, the ITA should eliminate the present system of fiscal year-end holdbacks for courses that are not delivered by public training institutions and instead consider introducing new flexibilities for training providers including variable class sizes.
20. Government should consider the introduction of mechanisms to enable the ITA to undertake multi-year budgeting, with any surplus returned to government periodically.
21. The ITA should identify and apply internal cost savings to more rapidly introduce a larger number of regional advisors to co-ordinate, track and support apprentices, and liaise with employers and other partners such as training providers and the K-12 system. A minimum target of 15 advisors should be introduced within the next calendar year.
22. The ITA should develop a plan for improved data collection and reporting, focusing on accuracy and the ability to track registrants in the system more effectively. This data should be used to evaluate the effectiveness of programs and be provided annually to government to supplement other data sets to track demand/supply alignment.
23. Consideration should be given to the introduction of a new group training organization within the ITA geared towards SMEs.

- 24.** Similarly, the ITA should consider creating an internal group training organization with a specific focus on achieving targets to increase participation for all sectors from Aboriginal communities.
- 25.** Industry sectors and employer associations should be encouraged to work together with ITA, PSIs and the K-12 system to improve the culture of trades and bridging into training and employment for youth.
- 26.** Government should lead an initiative with the broader public sector to analyze future workforce needs in relation to the trades, and to explore the potential for a collaborative plan to increase the number of apprentices employed in the public sector, including possible joint sponsorship and shared work experience opportunities.
- 27.** Government should assess the opportunity to enhance bid criteria on public sector procurement projects in relation to apprentice quotas.
- 28.** The Ministry of JTST and the ITA should jointly host an annual Innovation Forum where leaders from training institutions, the K-12 system, First Nations' communities, employers and other stakeholders can learn from each other and make new connections to work together.
- 29.** A 90-day transition plan should be developed with the participation of an oversight committee of industry representatives to ensure smooth and transparent implementation.

Appendix 2

Intergovernmental Memorandum of Understanding (MOU) between the Government of Canada and the Government of the Province of British Columbia on a Strong Resource Economy

CONTEXT

The Government of Canada and the Government of the Province of British Columbia are committed to work together in the spirit of partnership on labour market matters of national significance.

The resources industry is a significant economic catalyst in rural and remote regions that is becoming increasingly important to British Columbia's economy and strategically important to Canada's economic future. Moreover, responsible resource development plays an important role in the economic and social well-being of hundreds of Aboriginal communities across Canada, including British Columbia.

Many potential resource projects are located in, near or pass directly through Aboriginal communities and First Nations territories. Ensuring that Aboriginal people can participate in and benefit from emerging opportunities in natural resources sector is critical to the success of many of the natural resource projects.

Both orders of government are committed to working collaboratively with the resources industry employers and unions, communities -- including First Nations communities, the education and training sector and other domestic and international partners -- to develop the work-force the resources industry will need in the years to 2020 and beyond. This includes providing supports to address many of the barriers to labour market participation faced by Aboriginal people, and encouraging greater participation and investments by employers in skills training.

Canada, including British Columbia, has a unique and time limited opportunity to expand its energy export industry that will generate billions of dollars of investment, create thousands of jobs, and strengthen Canada's global reputation as an energy leader. The increased global demand for new and expanded energy sources, including liquefied natural gas (LNG), has created a highly competitive global environment, requiring Canada and British Columbia to move quickly and responsibly to ensure Canada's energy industry is export ready. Canada's other resource industries such as mining and forestry continue to expand and provide strong economic opportunities as well.

This strategic partnership will help give communities and investors confidence to proceed with energy development projects, including those related to LNG. The new Canada-British Columbia Jobs Fund is among several innovative measures at the heart of the Canada-British Columbia resources industry workforce strategy as we agree to work cooperatively to build a strong and adaptable workforce to meet the needs of the resources industry in British Columbia.

OVERARCHING OBJECTIVES

Through this new strategic partnership, Canada and British Columbia will build on a successful foundation of cooperation on labour market development to ensure that British Columbians and other Canadians are first in line for jobs in British Columbia's fast growing resources industry. This includes Aboriginal people.

This new partnership approach to workforce development will require a coordinated effort, and the creative use of tools within each government's respective areas of responsibility, with a view to:

1. *gathering the best possible workforce information to better track and project job needs;*
2. *harnessing existing capacity of the education and training sector and the employer community to increase the number of skilled trade workers and professionals for the resources industry;*
3. *increasing training and job opportunities for Aboriginal people and groups under-represented in the labour market;*
4. *ensuring training investments are more responsive to employers' needs; and,*
5. *reducing barriers to labour mobility and foreign credential recognition for workers who choose to move for jobs in the resources industry.*

AREAS OF COLLABORATION

1. **Gather the Best Possible Workforce Information to Better Track and Project Job Needs**

Collect, analyze and share the best possible community, regional, provincial and national workforce data, including administrative data from each jurisdiction, to improve the tracking of current job needs, and enhance job projections.

This will include working with industry to build on work already underway and, as needed, initiating new work to understand industry's current and future workforce needs and the extent to which skills training initiatives are meeting industry's needs for skilled workers.

Information will also be used to inform student career decisions and support job matching between employers and job seekers in the industry.

2. Harness Existing Capacity of the Education and Training Sector and the Employer Community to Increase the Number of Skilled Trade Workers and Professionals for the Resources Industry

This will include activities that focus on significantly increasing students' awareness of and enrolment in studies for careers in the resources industry; working multi-laterally with other provinces and territories to harmonize apprenticeship training; leveraging skills training investments under the new Canada-British Columbia Job Fund; and, reorientation of the Canada-British Columbia Labour Market Development Agreement towards labour market demand.

This will also include working with employers, regulators and other stakeholders to enhance qualification pathways in the skilled trades; as well as, facilitating employer – education partnerships for better employment pathways for students, and encouraging greater employer investment and participation in skills training.

3. Increase Training and Job Opportunities for Aboriginal People and Groups Under-represented in the Labour Market

Work in partnership with employers, employment service providers and Aboriginal communities to increase the participation of under-represented groups, notably Aboriginal people, persons with disabilities, and also women in resource sector opportunities.

This will include targeted training-to-employment initiatives for opportunities in the resources industry with significant involvement of employers, employment services providers, and other key stakeholders. This could also include a re-oriented Labour Market Agreement for Persons with Disabilities to increase job opportunities by better addressing employers' needs.

This will also include bridging programs and supports, linked directly to jobs in and around Aboriginal communities; culturally-relevant programs to address life skills and employment readiness; and, working with employers to ensure culturally-relevant supports are available for Aboriginal employees in the workplace. Existing best practices will be modelled and scaled, where possible.

4. Ensure Training Investments Are More Responsive to Employers' Needs

Forge stronger ties between the resources industry employers and British Columbia's education and training sector, and increase the role of employers in workforce development.

This will include working directly with employers to increase sponsorship of apprentices in the skilled trades, with a particular focus on up-skilling existing workers to ensure the current workforce acquires skills for emerging jobs in the resource sector.

5. Reduce Barriers to Labour Mobility and Foreign Credential Recognition for Workers Who Choose to Move for Jobs in the Resources Industry

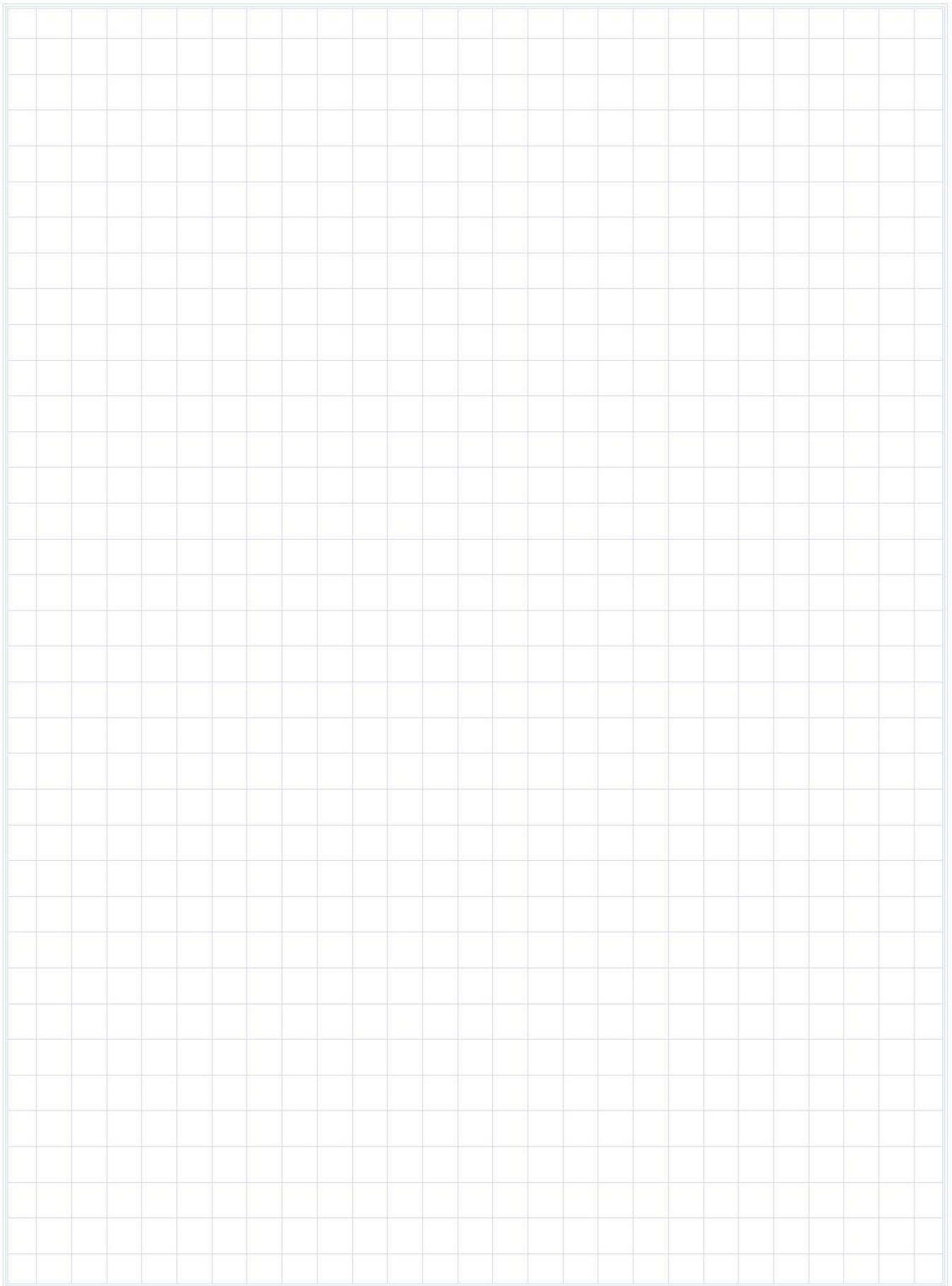
Work in collaboration with other provinces and territories, through the Forum of Labour Market Ministers, to reduce barriers to mobility of skilled workers, particularly those in the resource industry.

This will include continued efforts to harmonize apprenticeship training and trades qualification requirements across jurisdictions and accelerated efforts to improve credential recognition for foreign-trained workers in the resources industry.

Canadians and Permanent Residents should always have the first chance at available jobs. However, in cases where employers can clearly demonstrate that domestic workers are unavailable, employers may seek to hire temporary foreign workers but will need to have a plan in place to transition to a domestic workforce.

This MOU is not a contract and does not create legal or financial obligations binding on Canada and British Columbia.

Governments will resolve differences in relation to this MOU, including any question regarding its interpretation or application, through consultation and consensus.

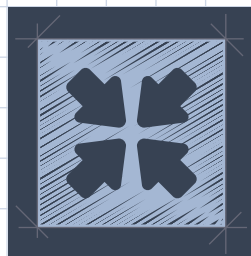




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WorkBC

2014/15 Estimates Note Advice to the Minister

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

Title: B.C.'s Skills for Jobs Blueprint: Re-engineering Education and Training

Revised: April 28, 2014

Issue: Ensuring British Columbians are equipped for the jobs that will be most in demand over the next ten years.

Recommended Response:

- Along with the Ministers of Education and Advanced Education, we have been tasked by the Premier to develop a seamless skills training plan for British Columbians from students in high school through to existing workers in the workforce.
- We have developed B.C.'s Skills for Jobs Blueprint, which ensures that British Columbian can create and capitalize on the career opportunities most needed by B.C.'s growing economy.
- The heart of the plan is to ensure that skills training is aligned with labour market demand in order to better address the needs of industry for high-demand occupations.
- The plan will build off of the *Skills and Training Plan*.

Background/Status:

- 1 million job openings are expected over the next decade, with two-thirds of those due to retirements and one-third due to economic expansion.
- Over the next 10 years 537,000 young people will exit the education system and enter the workforce in British Columbia.
- Growth in natural resource sectors, such as Liquefied Natural Gas, are a major driver in the need for skilled workers to fill anticipated openings.
- The vision is that everyone in British Columbia has access to the career opportunities most in demand by B.C.'s growing economy.
- The plan delivers on the direction provided in the mandate letters of the Ministries of Jobs, Tourism and Skills Training, Advanced Education and Education to develop a seamless 10-year skills training plan that outlines actions and strategies to make sure that that British Columbians are equipped with the right skills to meet jobs in demand and advance economic growth in every region of the province.

2014/15 Estimates Note Advice to the Minister

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

- Government currently funds education and training in excess of \$7.5 billion per year. The Skills for Jobs Blueprint targets more of those resources to meet labour market priorities.
- The plan introduces important improvements to education and training such as:
 - Doubling the number of ACE-IT spaces to 5,000 over the next two years, giving students more choices and encouraging more students to pursue skills and trades training.
 - Targeting \$270 million (25%) in post-secondary operating grants over the next three years towards in-demand jobs.
 - Investing \$185 million in infrastructure targeted for skills and trades training.
 - Investing \$6.6 million in critical trades seats.
 - Reforming the Industry Training Authority so that B.C.'s trades training system is ready to meet the growing demand for workers.
 - Using up-to-date industry-validated data to drive programming decisions.
 - Increasing apprenticeships in high demand areas.

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	250-514-5553
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BACKGROUND

A stronger partnership with industry and labour to deliver training and apprenticeships

B.C.'s Skills for Jobs Blueprint will target skills training to high-demand occupations, remove barriers that limit labour mobility and increase the participation of industry and labour to build the most effective skills training system possible. Key actions include:

- **Getting and using better data** to drive key employment decisions.
- **Refocusing the ITA** to ensure B.C.'s trades training system is ready to meet worker demand.
- **Increasing employer sponsors for apprenticeships** by making it easier for employers to hire apprentices.
- **Developing innovative solutions to make trades training work better** through tools like mobile training facilities and in-camp training.
- **Investing in connecting youth with the workplace** by creating new tools aimed at attracting students to trades and technical careers.
- **Creating more work-based training** so that students are encouraged to apply their learning and acquire new employment-related skills in the workplace.
- **Preparing and matching British Columbians with jobs** by providing a range of employment services through WorkBC Employment Centres.
- **Maximizing employer investment in the Canada Job Grant** to support employer-driven skills training that leads to guaranteed jobs.
- **Creating and formalizing the role for Sector Advisory Councils** by involving them directly in decisions about training, equipment and facilities investments.
- **Increasing the number of apprenticeships in high demand areas** by providing additional funding for priority trades training programs.
- **Improving apprenticeship completion rates** by ensuring apprentices have the support they need to complete their training.
- **Sharing equipment and facilities for training** by encouraging post-secondary institutions, educators and industry to identify and maximize resources in their communities.
- **Hiring more Apprenticeship Advisors** to support employers and apprentices to successfully navigate B.C.'s trades training system.
- **Working in partnership with the Government of Canada and maximizing the Canada Jobs Fund** to provide skills training for British Columbians and to create a strong resource economy.
- **Making it easier for workers to move between major projects** by removing barriers that limit labour mobility.
- **Looking at the best way to increase apprenticeship positions on public projects** based on reviewing similar programs in Canada and internationally.

BACKGROUND

Expanding the Aboriginal Workforce and Increasing Aboriginal Training

Aboriginal British Columbians are the youngest and fastest-growing population group in the province. They represent a huge pool of new talent, and government will work with Aboriginal communities and organizations to significantly increase their participation in the workforce. The Ministry of Aboriginal Relations and Reconciliation will guide the development of an approach to Aboriginal skills training, in conjunction with other provincial ministries, the federal government and Aboriginal partners.

This will include a focus on the LNG and mining sectors and gathering input from First Nations on barriers and best practices to help in the development and delivery of skills training programs for Aboriginal people. A comprehensive listing of programs and support services will be developed.

Government is reaching out to First Nations communities and Aboriginal groups to provide them with information on workforce opportunities and developing targeted labour market programming.

Government is working on a variety of fronts with the goal of increasing Aboriginal student training completion and transition to the workplace. Over the next 10 years, we are aiming to have 15,000 more Aboriginal youth working across the province. Many of these young Aboriginal workers will work in Northern communities and directly or indirectly support LNG development.

Our Blueprint includes the following actions to reach these goals:

- Supporting skills training for urban Aboriginal people through the Off Reserve Aboriginal Action Plan.
- Establishing and supporting Aboriginal youth worker networks at the regional and provincial levels.
- Supporting and engaging Aboriginal youth to advise government on skills training programs and policies.
- Engaging the federal government to identify opportunities to partner and better align programs and services to support Aboriginal skills training.
- Capitalizing on opportunities to facilitate and coordinate broad sector engagement on socio-economic opportunities that support the Plan.
- Developing an approach to Aboriginal skills training in conjunction with provincial ministries, the federal government and Aboriginal partners.
- Working on LNG agreements with First Nations, which includes gathering information from First Nations on barriers and best practices, to then be shared across government to help in the development and delivery of skills training programs to communities.
- Working across government to ensure that the approach to Aboriginal skills and training is informed by the research and feedback from aboriginal people.

BACKGROUND

BC to shift education and training to better align with BC jobs

Aligning funding to training for high-demand occupations:

Currently, about 10 per cent of provincial operating grants provided to public post-secondary institutions are targeted for medicine, nursing and other health related programs. Government plans to target an additional \$40-million in 2014-15 of provincial operating grants to target high-demand occupations as well as programs for Aboriginal people, and programs for people with a disability. By 2017-18, total targeted funding will be increased by \$270-million annually to about 25 per cent of operating grants. Funding may be redirected if institutions are unable to provide seats in high demand areas.

Supporting students to study for jobs our economy needs:

Student financial assistance grant programs worth an estimated \$40-million a year will be refocused to align with labour market priorities. A comprehensive suite of programs will target high-demand occupations by providing grants to encourage British Columbians to enrol in high-demand programs, complete their studies and work in under-served or designated communities.

The BC Access Grant for Labour Market Priorities will be expanded to provide up-front money to cover the costs of relocation for training and tools for students who enrol in targeted priority programs at specific public post-secondary institutions.

The BC Completion Grant will replace the Loan Reduction Program to better reflect the program's purpose of rewarding students who complete a year of study in a program of two years or longer, with a focus on programs that are in high demand.

The Loan Forgiveness Program will also be refocused to make sure that it aligns with jobs that meet our economy needs. The program currently forgives 100 per cent of the B.C. portion of a student's loan over a three-year period when eligible graduates agree to work in an under-served or designated B.C. community.

Together, the BC Completion Grant, BC Access Grants and the BC Loan Forgiveness Programs will make it easier for students to get out of debt faster by reducing or forgiving their loans.

Increasing trades training seats:

Through the Ministry of Advanced Education, government is providing an additional \$6.6-million this year for critical trades seats – a 10 per cent increase over the current Industry Training Authority funding to public institutions. This funding will significantly reduce wait lists

by adding spaces starting September 2014 for the jobs needed in our economy such as: heavy equipment operators, heavy-duty equipment mechanics and electricians.

Providing better information on training space availability:

The Ministry of Advanced Education will publish information online so students can see where training spaces are available rather than waiting for spaces to open up. Currently, high demand, particularly for foundation courses, at some institutions primarily in the Lower Mainland has resulted in lengthy wait lists while there are no wait lists at other institutions elsewhere in the province.

Investing in new and expanded trades training facilities and equipment:

Over the next three years, government will invest \$185-million in trades and skills infrastructure and equipment projects. This includes a number of projects underway including the new Centre for Trades Education and Innovation at Camosun College and the trades expansion and renewal project at Okanagan College. A number of new capital projects throughout the province will be announced in the coming months.

Connecting Aboriginal people with post-secondary education and skills training:

Community-based skills training will focus on building partnerships between Aboriginal communities and public post-secondary institutions to increase access to employment-related training and education in Aboriginal communities. Funding will be available for programs to provide Aboriginal community members with post-secondary education and training in their communities that will lead to employment; support Aboriginal community needs and priorities, including responding to new economic opportunities and industry needs for a local skilled labour force; and provide recognized credentials or credits that are portable or transferable.

Supporting persons with disabilities to access trades and technical training:

Persons with disabilities may encounter unique challenges in accessing technical and trades training. Public post-secondary institutions will receive funding to pilot training and initiatives that can increase the success of persons with disabilities in programs with a high labour market demand.

BACKGROUNDER

Refocusing the ITA

The Industry Training Authority (ITA) is the Crown Corporation responsible for leading B.C.'s trades training system, including developing and implementing training programs and services that respond to industry need, and issuing Red Seal and other trades credentials to qualified workers.

B.C.'s trades training system is working. Today, B.C. has twice as many apprentices, and is issuing around three times as many credentials compared to 2004. But the ITA was created almost ten years ago, and since then B.C.'s economy has changed considerably.

BC is planning for the decade ahead to ensure that B.C.'s trades training system is ready to meet the demand for workers from the liquefied natural gas (LNG) sector and other growing resources industries, government announced that it would conduct an independent review of the ITA.

Consultations were conducted with trades training stakeholders throughout the fall of 2013, led by independent review lead, Jessica McDonald. The final report was submitted to government in February, 2014 and sets out 29 recommendations to enhance and strengthen B.C.'s trades training system.

Major shifts to the trades training system include

- Ensuring a demand-driven system that will meet the needs of workers and employers.
- Unifying cross-government decision-making with funding allocated based on labour market information and workforce targets.
- Putting in place a governance model that meets ITA's requirements to implement organizational changes.
- Holding the ITA and post-secondary institutions accountable for system results.
- Bringing the functions of Industry Training Organizations (ITOs) inside the ITA.
- Sector Advisory Councils established.

These shifts will in turn ensure:

- There is accountability in the system for outcomes that are evidence-based and demand driven.
- A high performing ITA with strong leadership.
- A meaningful role for industry and employers, including labour.
- An increased the supply of skilled trades people, in the right place, at the right time.

All 29 recommendations have been accepted by government and will be implemented as part of BC's Skills for Jobs Blueprint: Re-engineering Education and Training.

To view the complete McDonald Report, please visit:

http://www.jtst.gov.bc.ca/ITA_Review/docs/ITA_Review_Final_Report.pdf

BACKGROUNDER

Susannah Pierce, General Manager, LNG Canada -

"LNG Canada appreciates the government's vision and leadership in enhancing skills to employment training in the province. We look forward to continue to partner with the province, First Nations and local communities in skills training in BC."

Greg Kist, President at Pacific NorthWest LNG -

"Pacific NorthWest LNG will require skilled workers for construction and operations of our proposed facility," said Greg Kist, President of Pacific NorthWest LNG. "Time is of the essence, and we're encouraged by the positive and meaningful steps being made by the Province of BC to expedite and enhance access to skills training for British Columbians who want to take part in the generational careers that projects like ours present."

Laurie Sterritt CEO, Aboriginal Mentoring and Training Association (Previously aboriginal Mining Association) -

"This is a very ambitious undertaking for sure, and when fully implemented it will have a positive impact on people's ability to access trades training close to where the jobs are. This goes a long way to reducing some of the barriers we face in delivering training to our Aboriginal clients, as well. I'm supportive of this enhanced and holistic approach to education and apprenticeships."

John Winter President, BC Chambers of Commerce -

"Our members live and work in the communities of BC that are experiencing unprecedented economic change and growth. They want to actively participate in and comment on how to meet their own skilled labour shortages. Expanding the network of ITA Apprenticeship Advisors will be a significant resource for local business. Increasing access to trades training through focused training in communities, e-learning and mobile trainers will increase the likelihood of small company participation in apprenticeship training. This will bring strength to the community and strength to their business."

Manley McLachlan, BC Construction Association -

"With the new Jobs Blueprint the BCCA's membership is looking for three things: Accountability, Action, and Outcomes. We believe that the Provincial Government shares these goals and we see today as the start of a new era. BC construction employers are going to be looking hard at the targets set by government, to make sure that they're based on industry need and a real understanding of what's coming. A system shake-up is a good thing only if it extends past the board rooms into good results in the classrooms and on the job sites."

Jonathan Whitworth, Seaspan -

"With some ramp up time available to meet the impending labour shortages in the shipbuilding industry, we are confident that the new BC Skills for Jobs Blueprint: Re-

engineering Education and Training plan will help meet the needs of our industry. We are keen to be involved in working with government, schools and post-secondary institutions to facilitate career awareness and exploration activities that puts a career in the marine industry at the top of youth's career of choice. If we can do that we'll be well set up for the long run."

Phil Hochstein, Independent Contractors and Business Association -

"The government is taking a proactive rather than reactive approach with the Blueprint. They will find out where the skills shortages are and then dedicate scarce public resources to where they are needed most. That's exactly what businesses like my members do."

Taylor Cross, Deputy Chief Counsellor, Haisla FN (Premier's LNG working group) -

"Learning about trade's careers and then finding an employer to apprentices with is hard for aboriginal people especially young people who live in remote areas of BC. The revitalized trades training system includes a number of initiatives which establish positive actions to support aboriginal people's engagement in the trades training system. Commitment to establish Aboriginal youth networks, fund community based training, and connect ITA Apprenticeship Advisors with aboriginal communities increases the ability of aboriginal people to access good, high paying skilled jobs in areas of high economic activity."

Ken Tourand, president of Nicola Valley Institute of Technology -

"NVIT is B.C.'s Aboriginal public post-secondary institution with students from over 70 per cent of the 203 First Nations bands in the province. As an Aboriginal institute, NVIT is uniquely positioned to offer post-secondary programs that meet the education and training needs of Aboriginal people and communities, including trades training. Innovation such as our mobile trades training unit is one way that we are able to improve access to trades training by bringing training to Aboriginal students in their home communities, including rural and remote parts of the province."

Kathy Kinloch, president of British Columbia Institute of Technology -

"The BC Blueprint fits with BCIT's work towards the social and economic prosperity of our students, businesses and province. Refocusing the industry training system means collaboration and support on the part of all stakeholders. Changes are focused on outcomes that are evidence-based and demand-driven, while ensuring a role for industry and employers, including labour. We can grow our economy with all three pillars – K-12, post-secondary and industry – of the Blueprint working together."

Paul Lacerte, Executive Director of the of BC Association of Aboriginal Friendship Centres -

"Aboriginal people represent the fastest growing youth population in British Columbia and with the proper supports they are poised to participate in the growing economy. Creating pathways that link Aboriginal youth, training and jobs is a good first step."

Dave Betts, Asst. Superintendent, Sooke SD #62 -

“We support the goal of ensuring B.C. youth and workers are first in line for the jobs of the future. This plan will help students find their fit earlier and provide an important guide to helping students pursue a seamless education path from school to the workplace.”

Mark Fraser, Asst Superintendent, Saanich SD #63 -

“We want all of our young people to share in the future prosperity of B.C. This new plan will help more young British Columbians find rewarding, well-paying jobs and take advantage of the many thousands of career options that are opening up in the trades and technology fields.”

Kelly Betts, Coordinator of the South Island Partnership, Camosun, President of Skills Canada BC -

“Our students have tremendous potential in B.C.’s growing economy if they are given the opportunity and support they need to thrive. The ‘BC’s Skills for Jobs Blueprint’ is a map to how we will get there— by encouraging more students to take technical training through the ACE-IT program and graduate successfully, as well as building important partnerships between the K-12 school system, post-secondary institutions and industry.”

BACKGROUND

Giving students a head-start to hands-on learning

We are committed to expanding choices and supports for students in our K-12 system because we know the better prepared they are, the more successful they will be in finding meaningful jobs and careers.

Our Blueprint for action includes:

- **Doubling the number of ACE-IT spaces to 5,000 over the next two years** will not only increase student choices but also encourage more students to pursue skills and trades training.
- **Expanding dual credits in our schools to get students trained quicker** so they can move into post-secondary studies or the workplace faster with the skills they need.
- **Reforming Grade 10-12 graduation requirements to allow personalized graduation plans** so students have more options and have the skills as well as knowledge they need to better find the right fit after high school.
- **Applied Skills Curriculum in Grades K-9 should excite and prepare students** for the full range of career options they can pursue after school, with more information about skilled trades and improved school district capacity to support as well as deliver these programs.
- **More teachers qualified to teach skills foundation courses in high school** through innovative ways to encourage teachers to upgrade their existing skills.
- **Suggest making it faster and easier for qualified tradespeople** to earn teaching certificates so they can use their work experience and skills to improve school programs.
- **Increasing scholarships for skills training by 25 per-cent** to help students facing financial barriers to skills training.
- **Expand WorkBC website and web-tools to focus on youth**, including a dedicated section which will feature success stories to show how young people can overcome the challenges of finding work and achieving job satisfaction.
- **Providing students with the most current and accessible information** on waitlists and vacant seats available in post-secondary institutions for programs for high-demand jobs.
- **Informing students about the broadest range of career options** from professional and management to skilled and semi-skilled technicians and trades.
- **Informing and engaging parents, teachers and counselors** about training and labour market information so they can help students make the right career choices.

- **Involving education sector leaders in a skills outreach strategy**, which will include the work of the new Superintendent of Careers and Student Transitions to support and promote skills and trades in the B.C. school system.
- **Funding for apprenticeship trades ambassadors** who will promote trade careers and provide first-hand information and examples to students in various schools and communities.
- **Encouraging partnerships between school districts and industry using** incentives and tool kits so they can create new programs for students to get into high-demand jobs.

BACKGROUND

Liquefied Natural Gas Jobs and Projections

The LNG opportunity

- In September 2011, our government announced its intention to aggressively pursue liquefied natural gas' (LNG) potential to create jobs and boost our economy.
- Industry investments for the development of five major LNG projects will create an enormous demand for skilled labour, particularly in the Northern regions of the province.

Applying the Blueprint to LNG

- The Blueprint will meet the LNG industry's workforce challenges.
- British Columbia's apprenticeship system will be re-calibrated; education will be re-engineered, and training models will be more responsive to labour market demands.
- British Columbians will be first in line for the job opportunities associated with LNG development. Meeting the job opportunities created by LNG will require the full utilization of B.C.'s domestic supply of workers.
- Measures to recruit from across Canada, or internationally, will be taken only as required.

LNG Labour Projections

- *KPMG LLP was contracted to develop up-to-date workforce projections.
- The latest data assumes a scenario of five LNG plants constructed in B.C. between 2015 – 2024 which would create a total investment of \$175 billion and create up to 100,000 jobs: 58,700 direct and indirect construction jobs, 23,800 permanent direct and indirect jobs for operations, and thousands more of induced jobs as a result of households having more income.
- This economic activity will contribute up to a trillion dollars to the province's GDP.
- This new data updates the projections calculated by Grant Thornton over a year ago.

** KPMG provides audit, tax, and advisory services. KPMG LLP is the Canadian member firm of KPMG International.*

B.C.'s Skills for Jobs Blueprint: Re-engineering Education and Training

April 29, 2014

Key Messages:

- We are re-engineering our education system – from kindergarten straight through to post-secondary training and beyond – to ensure B.C. youth and B.C. workers are first in line for B.C. jobs of the future.
- By 2022, we are expecting 1 million job openings in B.C., along with an increase in demand for more and higher skills – more than 78 per cent of jobs will require some form of post-secondary education, and 43 per cent will be in trades and technical occupations.
- As part of our goal to maximize the potential of our existing workforce and our workforce of the future, we have developed a detailed, cross-government action plan that gives young people a clear and seamless path right from school through to the workplace.
- Our plan, the *B.C.'s Skills for Jobs Blueprint: Re-engineering Education and Training*, shifts funding and programs to a data-driven system where training dollars and programs are targeted to jobs in demand.
- Not only will our new system be data-driven, it will be outcome-driven. As the economy evolves, we will adjust funding and programming.
- Our Blueprint ensures B.C. has the trained workers needed to fill the top LNG related jobs, and other in-demand occupations
- It's focused on changing culture and attitudes that includes getting more young people involved earlier in trades and technical training.
- Our government currently invests more than \$7.5 billion each year in education and training. Re-engineering our system doesn't mean spending more, it means targeting more of the substantial resources already available to meet labour market priorities.
- That's why starting this fiscal year, we're targeting over \$160 million to do just that. In four years, this will reach nearly \$400 million annually. And over the

span of our 10 year plan, this represents about \$3 billion redirected towards training for high demand occupations.

- The blueprint we have developed sets out the actions we must take to make the most effective use of our existing resources and future investments in education and training. Actions such as:
 - Doubling the number of ACE-IT spaces to 5,000 over the next two years, giving students more choices and encouraging more students to pursue skills and trades training.
 - Targeting \$270 million annually by 2017/2018 of post-secondary operating grants towards in-demand jobs.
 - Investing \$185 million in infrastructure targeted for skills and trades training.
 - Investing \$6.6 million in critical trades seats.
 - Reforming the Industry Training Authority so that B.C.'s trades training system is ready to meet the growing demand for workers.
 - Using up-to-date industry-validated data to drive programming decisions.
 - Increasing apprenticeships in high demand areas.
- For kids and parents in the K-12 system, we want them to have a head-start to hands-on learning so they're ready for the workforce or more advanced training when they graduate.
- For students in college, universities or institutes, we're matching training with jobs-in-demand and maximizing the spaces available to provide the programs they need to compete successfully in the workforce.
- For people looking to get into the workforce or move up in the workplace, we're building stronger partnerships with industry and labour to better connect British Columbians with the on-the-job and classroom training they'll need to boost their skills or achieve certification.
- Our Blueprint for government, industry, labour and First Nations partnership is also our commitment to deliver the skilled workforce B.C.'s growing LNG and other sectors need, and create the opportunity for long-term, well-paying jobs that strengthen our families and communities.

The Industry Training Authority and Trades Training in BC: Recalibrating for High Performance

Report of the Independent Review Lead
Jessica L. McDonald

February 2014

This report has been prepared by the Independent Review Lead working closely with team member Danielle Van Huizen on all aspects throughout the review. The report has been greatly assisted by the dedicated support of the Industry Training Programs Unit of the Ministry of Jobs, Tourism and Skills Training, in particular Katherine Rowe, Bev Verboven, Bev Shuttleworth and Kim Buchanan. The review team is also particularly grateful to all of the individuals who made themselves available for interviews, as listed at the end of the report.

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Executive Summary

Context

Over the next 10 years, the province of British Columbia is expected to experience significant economic growth resulting from the emerging liquefied natural gas industry and the growth of other sectors, including mining and forestry. This growth is anticipated to yield thousands of jobs in all regions of the province and across many sectors. At the same time, British Columbia's aging demographic means that the rate of retirements is exceeding the rate of new entrants.

The federal and provincial governments across Canada have made skills training and development a priority and are taking steps to address a looming labour shortage. There are voices that argue to the contrary; that if a labour shortage exists there would be visible increases in wage rates, low unemployment rates and high job vacancy rates. Depending on the region or occupation in Canada, it is possible to draw that conclusion, with labour demand evident in the west while the east is facing excess supply in certain occupations. However, in British Columbia the reality of current and growing labour shortages is a clear message heard from all sectors.

Positions in the trades are anticipated to account for just over 10% of new labour market demand between 2010 and 2020 (104,640 out of an estimated one million positions), although some projections produced by industry sectors place these estimates much higher. The government has a core goal of positioning British Columbians to be first in line for these job openings. To successfully deliver on this vision, British Columbia must ensure an optimized training system that capitalizes on the province's full potential in planning and responding to labour needs.

The Premier, in her June 2013 Mandate Letter to the Minister of Jobs, Tourism and Skills Training (JTST) directed the Minister to conduct a review of the role and function of the Industry Training Authority (ITA), the Crown agency responsible for oversight of the industry training system for credentialed trades. This review was initiated on September 5, 2013. It examined the current mandate of the ITA, including governance, roles and responsibilities, the outcomes achieved to date, and the relationships and interactions with its key system partners. This report shares observations and provides recommendations to the Minister to lead to improved outcomes of the industry training system.

Key Observations and Recommendations

Since creating the ITA as part of a new industry-led system, government has achieved significant positive outcomes. There has been a substantial increase in the number of apprentices registered, as well as the number of credentials issued each year. There are increased opportunities for youth, Aboriginal people, women and immigrants to participate in the trades. Many program reviews have been undertaken across the approximately 100 apprenticeship programs, creating an up-to-date system. Red Seal pass rates surpass the national average in many trades.

Overall, there is broad support for the continuation of government's shift towards an industry-led system. There is also a welcoming of this review as a timely effort to give new consideration to some elements of the system and enable further progress. While many improvements have been made, there are opportunities to continue with further measures that will help ensure industry has access to labour supply in the trades and that British Columbians are first in line for opportunities. These areas for potential improvement are summarized below under the following headings:

- A seamless, outcome-oriented system

- Enhanced industry leadership
- A high-performance culture for ITA
- Improving access for apprentices

A Seamless, Outcome-Oriented System

Clarifying roles and working together

There are many partners in the system, including Industry Training Organizations (ITOs), public and private training providers, the K-12 system, labour organizations, employers, employer associations and others. There are also multiple government agencies and programs involved, largely led by the Ministries of Jobs, Tourism and Skills Training (JTST), Advanced Education (AVED) and Education (EDUC). While the ITA's role of allocating funding for trades training, reviewing and setting program standards and issuing credentials is still relevant, it does not currently operate within a seamless system with all partners and decision makers working towards the same identified priorities, strategies and targets.

There are significant differences in the points of view between sectors – and system partners – on many issues. Certain partners, particularly organized labour, feel marginalized. Others, particularly employers and employers' associations, do not feel heard within the system. Over the recent past, several new directions have been introduced such as de-regulation of trades and modular training that have caused strain because they were not fully inclusive during development, were seen to benefit single interests, and they impacted the whole system. Conflict between views as to the “right” policies, programs and funding priorities has led to deep silos in the system, with each partner focusing on their own interests. Because different concepts benefit different interests, these approaches have become associated with ideological positioning and the system is somewhat resistant to open discussion.

A shift towards multi-year planning based on common evidence, clear demand-related targets and consistent accountabilities is a key step that would enable the system to work together more closely and achieve the best possible outcomes. A system that today operates under clear and consistent government objectives should become one that focuses every effort on alignment with agreed targeted strategies to meet specific and measurable outcomes.

To work together more effectively, it is also important to make the roles of each partner in the system more clear.

Introducing common objectives with measurable outcomes

Currently, there are no overarching targets for the overall outcomes of the system, leading to one-off decisions and misalignment of funds. Without clear coordination between ministries and system partners driving towards the same outcomes, the system operates in silos and is not achieving optimized performance.

It is recommended that government's core role of providing strategic direction and accountability oversight be enhanced with the addition of a specific responsibility to deliver an annual plan with the best available data forecasting labour market demand by sector, priority trades and geographic region. In this role, government would take the responsibility of collecting and analyzing province-wide supply and demand data by sector and region based on fixed factors such as demographics as well as variable factors such as economic growth. To ensure industry supports the data outcomes, newly created Sector Advisory Councils should have an advance opportunity to inform and endorse the data sources selected and any planning assumptions, as well as the identification of priority trades for specific attention.

It is also government's responsibility to make public policy choices to govern a Crown agency's decision making process. In the case of meeting labour market demand, the Province has clearly stated that British Columbians should be positioned to be first in line for new positions. This means that the ITA's accountabilities must be guided by sub-targets to meet untapped potential amongst British Columbians. These sub-targets should reflect assumptions on the ability to increase participation by: unemployed or underemployed British Columbians; and other Canadians; with the balance then being filled by foreign skilled workers.

There is much debate about whether the recruitment drives for foreign workers is an appropriate approach to fill the gap. A cursory look at the demand projections for British Columbia's workforce leads to a reasonable assumption that foreign workers will be needed. The objective of the system should be to know the number that this remaining deficit represents, and to be disciplined about following a plan that focuses on meeting the targets set in the other categories at the same time.

The resulting demand targets and sub-targets, broken down by sector and for key trades, should form the key performance indicators for both the ITA and all related decision makers within government, as discussed below. Some consideration should be given to introducing these targets by regulation.

Recommendations

1. Government should introduce annual and multi-year planning to define province-wide sectoral and regional labour market demand targets for sectors and high priority trades that fall under ITA oversight. Planning should clearly identify fixed factors such as demographics, and variable factors, such as economic assumptions. Through this planning, government should set galvanizing targets for the overall outcomes of the system. Industry should be involved in endorsing the planning process in advance, including data sources and assumptions (see Recommendation 12 regarding Sector Advisory Councils).
2. Clear sectoral sub-targets should be set by government to address the potential to increase participation from aboriginal communities, and from the K-12 system. Annual evaluation of overall system outcomes should pay close attention to whether these sub-targets are being met.
3. The remaining projected trades-related supply/demand deficit should be analyzed to determine a minimum necessary target to be filled by temporary foreign skilled workers by sector.
4. As a separate initiative, the planning process should also be used to assess whether the right proportion of available funding is directed to trades training versus other academic and vocational programming, based on projections of relative labour market demand and costs of programming.

Coordinating priorities and decisions within government

With the entire system driving to common outcomes based on targets set by government, government must itself then ensure funding decisions and programs are coordinated between ministries and aligned to meeting targets.

Ideally, all trades-related funding – capital, training seats and special program funding - should be housed under one ministry to be allocated to the ITA and administered under one outcome-oriented plan. However, fully achieving this shift could result in unsustainable delays due to restructuring and may also cause some funding to be lost – for example, discretionary funding currently streamed to PSIs from AVED that is difficult to quantify. It is critically important that funding be centralized to the extent practical, and that all agencies are directed to support the same identified strategies and outcomes

identified by the ITA. Therefore, a shared service function should be created within government to ensure consistent and disciplined coordination and reporting on outcomes.

Recommendations

5. Government should confirm that its own decisions will be aligned with these targets in every way, and reinforce that every partner in the system has a role in meeting them. In addition:
 - a. Government should no longer independently direct training funding to PSIs or other organizations but instead empower accountability within the ITA for both decisions and outcomes. This will require transferring existing base and discretionary funding from AVED so overall funding levels are not reduced.
 - b. Capital funding decisions made by AVED related to trades must be directly linked to the same planning process and identified strategies to meet targets.
 - c. An appropriate portion of Labour Market Agreement (LMA) and Labour Market Development Agreement (LMDA) funding should be moved to the ITA, and integrated into its planning process to meet outcome targets.
6. Government should create a cross-ministry shared services mechanism to ensure alignment of funding decisions, including, but not limited to, trades training.

Governance and role of the ITA

The question has been frequently posed as to whether the ITA needs to continue to exist as a Crown agency, or whether its functions should be re-integrated into government. The core functions of the ITA – allocating funding for trades training and setting standards for credentials – are unquestionably an appropriate government responsibility. It is possible that government could effectively manage these functions itself. However, it is not readily apparent that there would be any cost-savings to a government-run model, and there would be much lost if the current “industry-led” system is not maintained and even enhanced. Simply put, government serves multiple objectives and is constantly attempting to balance interests as it governs. Meeting hard targets to align trades labour supply and demand in British Columbia requires a single-minded focus, which can only be achieved if a clear plan is set with targets and followed in a multi-year context.

It is also important that any potentially conflicting responsibilities or direction be resolved by government. Currently, there are several areas of overlap between the ITA and other bodies. While the ITA has authority to set standards for program content, exams and assessment processes, there are overlapping authorities granted to some public post-secondary (PSIs) institutions under their governing legislation. Separately, this jurisdiction also exists under the mandate of the BC Safety Authority and the BC Association for Crane Safety.

Recommendations

7. The ITA should be retained as a Crown agency, with its current role re-confirmed.
8. The Province should take steps to resolve any competing authority of PSIs to set program standards, if necessary introducing legislative change to clarify the roles and responsibilities of the ITA.
9. MOUs should be formalized between the ITA and the BC Safety Authority and the BC Association for Crane Safety regarding cooperation to avoid overlap or conflict in certification responsibilities.

Trades Training Consortium of BC as a Crown agency

The 14 public post-secondary institutions funded by ITA to deliver classroom training are represented by a committee called the Trades Training Consortium of BC (TTBC). In 2011, the TTBC became a Crown corporation due to a one-time funding grant that caused Cabinet, on the advice of the Office of the Controller General, to deem it an entity controlled by government.

TTBC does not receive any ongoing operational funding from the government, and is rather a not-for-profit entity funded primarily by dues paid by each member institution based on the size of each institution's funded training plan. Its inclusion under the Government Reporting Entity (GRE) as a Crown agency diverts its limited resources to meet government reporting requirements and does not serve any clear purpose in relation to the overall system.

Recommendations

10. The Trades Training Consortium of BC should no longer be designated as a Crown Agency.

Enhanced Industry Leadership

A more transparent and meaningful role for industry

To complement a new shift toward a demand-oriented and outcome-based system, government should continue, but enhance, its efforts to operate within an industry-led context. Currently, the system largely connects with industry through six Industry Training Organizations (ITOs) – independent, sector-specific bodies funded by the ITA to undertake prescribed activities such as program standards reviews and collecting industry advice.

Without ITA funding, most ITOs would not exist¹ and these contracted service arrangements have become frustrating over time for both the ITOs, who feel they are micro-managed in a marginalized role, and for the ITA, who must provide an adequate annual budget to support each ITO and therefore fund activities that are not always critical priorities for the system, and are sometimes more expensive than if procured directly by the ITA. ITOs also need to maintain a presence with their industry sectors, and some direct significant funding into re-branding ITA products and services under their own visual identity in order to enhance their visibility. This adds to frustration around perceived duplication and

¹ Other than go2, which delivers other ongoing industry programs and only receives 30% of its annual funding from ITA.

overlap, as well as questionable cost-effectiveness. In general, the concept of ITOs as they currently exist is not supported by other partners in the system.

Recommendations

11. The employer engagement, training plan development, and standards/program development setting functions of ITOs should be brought into the ITA, with industry expertise and the infrastructure of industry subject matter expert committees that ITOs have developed to inform standards development/updating incorporated into the ITA's core functions.

Given the critical role that employers play – and their own fundamental responsibility to plan for future labour needs – industry must become more closely connected to planning and decision making, within a new framework of evidence-based planning.

Recommendations

12. Sector Advisory Councils should be created to increase the direct role of industry in planning and decision making.

Re-constituting the ITA Board

The ITA Board plays an integral role in the outcomes achieved in trades training and apprenticeships in the province.

To complement the re-integration of ITO functions to the ITA, and the creation of Sector Advisory Councils, it is important for the ITA Board to be re-constituted. There is broad agreement that the former “interest based” Industry Training and Apprenticeship Commission (ITAC) Board model led to dysfunctional gridlock and win/loss decisions that did not reflect the outcomes needed by employers. A different approach to Board composition is an important step to ensure industry confidence in the system.

Of all the future enhancements that could be made to improve the system, it is critical that the ITA Board is respected as a driving force behind achieving future outcomes. In a system that is currently very siloed and must find new ways to work together to achieve overall goals, Board candidates should be selected very carefully for their endorsement by others as people who have a track record of thinking and acting beyond single interests and who have demonstrated particular leadership in hiring and training apprentices.

Recommendations:

13. The ITA Board should be re-constituted in the immediate term to reflect the following membership:
 - a. rejuvenation of board members; and
 - b. broad sectoral representation (although not on an “equal” or “interest-based” formula); and
 - c. long-term industry/trades experience, ideally at a senior level; and
 - d. inclusion of individuals with knowledge and experience in labour organizations; and
 - e. recognition by others as having demonstrated personal leadership achievements related to the goals of the system (e.g. innovative accomplishments in recruitment, training and retention of workers; partnerships between employers, trainers, equipment manufacturers or others); and
 - f. strong capability to fulfill Board responsibilities (knowledge and experience in the role and functions of an effective Board); and
 - g. widely recognized by others as a “corporate” player who can bring past experience yet rise above individual interests to focus on overall outcomes.

Participation by organized labour

Under the previous ITAC model, Board composition had equal representation of labour, employers, government and training providers, often leading to gridlock on decision-making. With the change to an industry-led model, labour organizations have been excluded from holding formal representation on the current Board and many ITO Boards.

A clearer, more meaningful and transparent role for industry should also be complemented by greater involvement by organized labour. While the system will only thrive if all partners work together towards common outcomes, each industry partner, including labour unions, brings significant expertise to help define solutions that will make the greatest difference in achieving overall outcomes. Where ideological differences have appeared to get in the way in the past, a new model that focuses on clear, evidence-based targets should allow for rational and inclusive discussion, and guide effective decision-making in the face of differing views.

Recommendations

14. Organized labour should be recognized in the definition of “industry”.

Recognizing variability between sectors and trades

In focusing on evidence-based planning targets, the system must recognize variability between sectors, and between trades. Over the recent past, the system has strained under new “one-size-fits-all” policy directions. These include examples such as modularized training and certification, the elimination of compulsory trades and apprentice ratios, a focus on competency-based assessments, and others. While each of these concepts has merit within the system, they are not right for every trade and circumstance. A shift toward evidence-based planning must include a clear realization that the solutions that will allow the fastest progress towards an alignment of supply and demand require differentiation between sectors and trades. Industry must have a role in advising on the appropriate measures that will best

target each trade, and this advice should be based on an evidence-based analysis geared to meeting demand targets.

Recommendations

15. Sector Advisory Councils should be asked to advise government on the relevance and need for specific policy directions for each sector, with resulting recommendations backed up by clear evidence relating to projected impact on achieving demand/supply alignment targets. These policy issues may include the need for re-introduction of compulsory certification, apprentice quotas/ratios, expanded opportunities for challenging for trades credentials, etc.

A High-Performance Culture for ITA

Accountability for responsiveness to users

The ITA has a pivotal role in responding to an outcome-based system. It has an opportunity – and a responsibility – to become viewed by its partners and users as a high performance organization with strong leadership and inclusive processes and it should have clear plans geared towards meeting these targets. Its internal culture must be driven to implement timely, responsive and predictable actions and deliverables, and reflect an understanding of the vital expertise industry and training partners have to contribute.

Recommendations

16. Working with its partners and users, the ITA should develop a clear and simple Service Charter to guide its operations, standards of service quality and to serve as the basis for annual feedback from users, system partners, and internal employees.

Key performance indicators

Currently, the system has been focused on general objectives, rather than outcome-based measures, and it is debated whether the ITA's current objectives are bringing the system closer to meeting labour market demands.

Once province-wide data has been compiled, the best performance measure to assess the health of the system is the projected alignment of supply and demand – specifically related to the provincial targets and sub-targets described earlier. Indicators, such as the pass/fail rates of apprentices, percentage of Red Seal completions, etc. only become relevant once evidence-based targets by sector/trade, and by source are defined – and how this gap is shifting. The key performance indicators that form the basis of annual performance evaluation should be focused on the quantifiable progress made towards meeting newly defined demand/supply targets.

Recommendations

17. Government's Letter of Expectations to the ITA, and its approval of the ITA Service Plan, should set out outcome-based measures rather than general objectives. Key performance indicators for the ITA should be tightly linked to meeting labour market demand targets, as well as achieving high feedback scores from its users.

Demand-driven funding decisions

As discussed throughout this report, to be successful in meeting British Columbia's looming labour challenges, the system must shift from a supply-driven system to a demand-driven system. In this model, training providers have a critical role as suppliers to industry. Based on this principle, public and private training institutions, union organizations and other training suppliers should compete for training funding based on best solutions to meet demand-based targets.

An enhanced demand-oriented model should also encourage innovation and a sense of common purpose by all partners, particularly training providers. Training organizations, whether PSIs or others, should be enabled to develop and advance their offerings in a transparent annual bid process, to be evaluated on common factors such as suitability to meet specific identified needs, quality, location and cost.

Alternative program elements such as smaller classes (<16 seats), use of mobile training units, online learning, front end loading, more flexible industry training modules, and dual credit programs with the K-12 system can be encouraged if they can demonstrate how they are tailored to be responsive to the needs of specific sectors and trades, and will deliver the outcomes needed to meet targets.

Basing funding decisions on multi-year planning to meet targets will also give foresight into training demands and the priorities of the system, thereby assisting training providers to make more informed investments into programs.

It cannot be stressed strongly enough that a shift toward demand-oriented funding can only be successful in meeting specific outcomes if existing fragmentation in funding decisions between government ministries, including capital funding, is consistently aligned with the same funding choices.

Recommendations

18. Involving Sector Advisory Councils and with input from training providers, the ITA should implement a new evidence-based, multi-year planning process to set priorities and allocate funding in direct alignment with demand/supply targets.
19. Through its annual training investment planning process, the ITA should work towards providing greater multi-year planning certainty for training providers. Involving advice from Sector Advisory Councils, the ITA should eliminate the present system of fiscal year-end holdbacks for courses that are not delivered by public training institutions and instead consider introducing new flexibilities for training providers including variable class sizes.
20. Government should consider the introduction of mechanisms to enable the ITA to undertake multi-year budgeting, with any surplus returned to government periodically on demand.

Increasing Access for Apprentices

The secrets to success: screening, tracking, and personal support

Despite various differences in view on many issues, we heard consistently that the key ingredients to high apprentice completion rates are screening, tracking and personal support. Upfront screening is an obvious way to increase completion rates. It is important for the individual, the trainer, and the funder to all be aware of whether the key requisite knowledge exists for the investment of time and resources to be successful.

While it is an important part of a cost-effective and successful system, it must be recognized that improved screening also has the effect of simply leaving youth and others behind. Fundamentally, the K-12 system must find ways to improve essential skills' outcomes for British Columbians to be effectively positioned for labour market opportunities.

ITA information systems currently do not collect or report on the progress of registrants in an accurate and useful manner. This is largely because interface systems were not originally developed with these functions in mind, and also because in-person supports have been reduced from the earlier system and so little interaction exists on an individual level. It is strongly recommended that improved data collection and accurate tracking become a priority for the ITA.

Under the formal ITAC model, regional apprentice counselors existed to provide advice to employers to facilitate training objectives, inspect workplace training programs to ensure adherence to standards, and provide information, advice, guidance and support to apprentices. Under the Skills and Training Plan, government and the ITA have announced the introduction of 15 new apprentice advisors; five each year over the next couple years. This is a very positive and important step, however the ITA should identify internal cost savings to introduce additional advisors to reach a minimum of 15 within the next year with an appropriate number targeted specifically to support untapped potential in Aboriginal communities.

Recommendation

21. The ITA should identify and apply internal cost savings to more rapidly introduce a larger number of regional advisors to coordinate, track and support apprentices, and liaise with employers and other partners such as training providers and the K-12 system. A minimum target of 15 advisors should be introduced within the next calendar year.
22. The ITA should develop a plan for improved data collection and reporting, focusing on accuracy and the ability to track registrants in the system more effectively. This data should be used to evaluate the effectiveness of programs and be provided annually to government to supplement other data sets to track demand/supply alignment.

Employer responsibility

Measures such as improving the availability of training to align with demand, and targeting strategies by sector to increase participation of under-represented British Columbians in the system, will not be successful unless employers are participating in training their future workforce. Currently there is an undeniable preference to attract skilled workers from other employers instead. Other jurisdictions in Canada have taken a tougher stance on this issue, while British Columbia has made the choice to rely on voluntary industry leadership.

Very simply, employers must take responsibility for their own future. A new discussion must be introduced with the assistance of the broader business community (who is also affected by resulting underperformance in the economy) that underscores this reality and encourages employers to confront their responsibility to work together and with other partners to attract their future workforce, to retain their workers, and to invest in developing their skills.

Small and medium sized businesses have challenges that restrict them from fully participating in apprenticeships, such as the ability to expose the apprentice to the full scope of the trade, or to sustain business during employee absence for 6-10 weeks to attend in-classroom training. This challenge is not unique to British Columbia and many jurisdictions are working to find innovative solutions. Australia, as an example, has established Group Training Organizations that hire apprentices and manage the training and administrative tasks for the duration of their apprenticeship. These organizations place apprentices with participating employers for specified periods of time and can move apprentices around to different work places to ensure they are fully trained. Components of this model have merit and it is recommended this model be studied further as a new function within the ITA.

As part of meeting demand sub-targets set by government, the ITA should also consider either working more closely with, or adopting, a Group Training Organization specifically oriented to meeting sub-targets to bring Aboriginal people into the trades.

Recommendations

23. Consideration should be given to the introduction of a new group training organization within the ITA geared towards SMEs.
24. Similarly, the ITA should consider creating an internal group training organization with a specific focus on achieving targets to increase participation for all sectors from Aboriginal communities.
25. Industry sectors and employer associations should be encouraged to work together with ITA, PSIs and the K-12 system to improve the culture of trades and bridging into training and employment for youth.

Public sector leadership

As the largest employer in BC, the provincial government has an opportunity to demonstrate leadership and set the example it expects other employers to model. While the provincial government does not directly employ all public servants in BC, it can spearhead collaboration with municipalities, schools, universities, hospitals and Crown agencies.

The public sector should take a leadership role and embark on a specific initiative to analyze workforce planning numbers, with a specific focus on understanding the numbers of apprentices that would be required in order to rejuvenate a retiring workforce and avoid the otherwise inevitable default to “poaching” skilled journey people from other employers, or resorting to foreign workers as a core strategy. A dialogue should be led as part of this exercise around possible innovative work arrangements to provide a suitable scope of experiential work for apprentices. This discussion should include labour unions, recognizing that creativity will be needed to find new solutions within existing budgets.

Government may also contemplate showing further leadership by assessing the opportunity for enhancing bid criteria on public sector procurement projects in relation to apprentice quotas (e.g. making the proposed apprentice quota a meaningful competitive factor in the evaluation of bids).

Recommendations

26. Government should lead an initiative with the broader public sector to analyze future workforce needs in relation to the trades, and to explore the potential for a collaborative plan to increase the number of apprentices employed in the public sector, including possible joint sponsorship and shared work experience opportunities.
27. Government should assess the opportunity to enhance bid criteria on public sector procurement projects in relation to apprentice quotas.

There are views among some employers that government can and should serve as the sole conduit between industry's needs and the labour market. Although government sets the direction and provides funding, government cannot possibly solve all the challenges. There are several examples where great things are happening between passionate and inspired system partners that are directly achieving outcomes. The key to each story is that visionary individuals found ways to connect to each other and develop new solutions. More opportunities to hear about such successes, and make new connections, could result in an exponential increase in such impressive leadership.

Recommendations

28. The Ministry of JTST and the ITA should jointly host an annual Innovation Forum where leaders from training institutions, the K-12 system, First Nations communities, employers and other stakeholders can learn from each other and make new connections to work together.

An Effective Transition

Transition to the proposed new evidence-based, outcome-oriented model will require the support of all system partners. At a time when the province and employers are facing significant existing and upcoming challenges in meeting labour market demand, it is critical that the system does not face unnecessary delays and uncertainty. A time-bound transition plan should be developed that is transparent to all partners, providing early and ongoing structured opportunities for inclusive participation. While it is important that system partners accept the new directions rather than re-opening debate, the system will only be successful if broad representation is involved in determining the best way to achieve implementation.

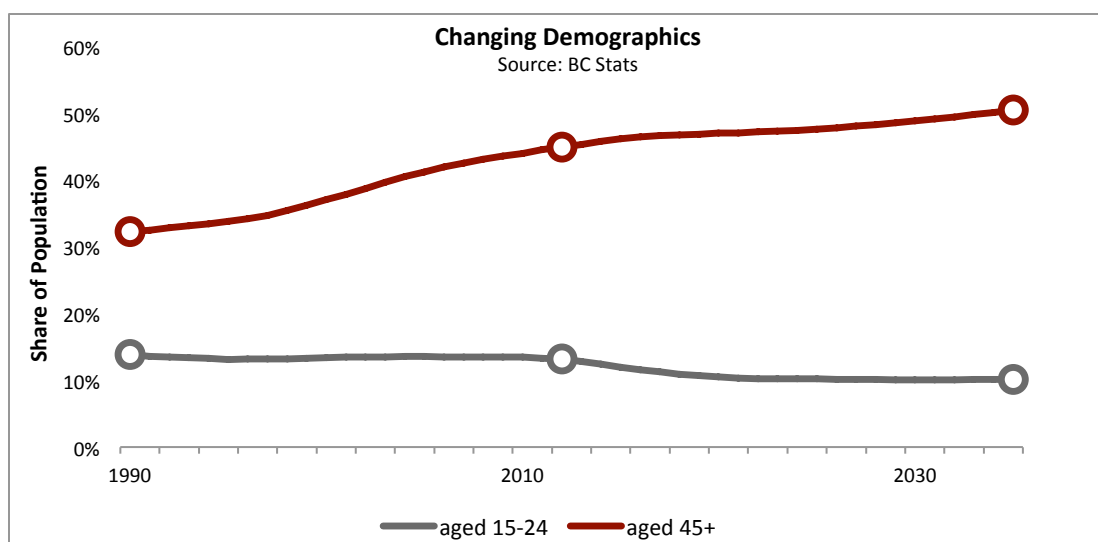
Recommendations

29. A 90-day transition plan should be developed with the participation of an oversight committee of industry representatives to ensure smooth and transparent implementation.

Background

Purpose and Scope of the Review

Over the next 10 years, the province of British Columbia is expected to experience significant economic growth resulting from the emerging liquefied natural gas industry and the growth of other sectors, including mining and forestry. This growth is anticipated to yield thousands of jobs in all regions of the province and across many sectors. At the same time, British Columbia's aging demographic means that labour market demand is growing as the rate of retirements is exceeding the rate of new entrants.



The government has a core goal of positioning British Columbians to be first in line for these job openings. To successfully deliver on this vision, British Columbia must ensure an optimized training system that capitalizes on the province's full potential in planning and responding to the labour needs of the province.

The Premier, in her June 2013 Mandate Letter to the Minister of Jobs, Tourism and Skills Training (JTST) directed the Minister to conduct a review of the role and function of the Industry Training Authority (ITA), the Crown agency responsible for oversight of the industry training system for credentialed trades. This review was initiated on September 5, 2013. It examined the current mandate of the ITA, including governance, roles and responsibilities, the outcomes achieved to date, and the relationships and interactions with its key system partners. This report shares observations and provides recommendations to the Minister that will lead to improved outcomes of the industry training system.

To inform the recommendations, a review of documents, reports, agreements, legislation and debates, group and individual consultations with system partners and key stakeholders, and a review of best practices were undertaken. A full list of consultation participants is provided in Appendix A.

Key Government Strategies

The current government introduced the BC Jobs Plan in September 2011, a core government strategy. The Jobs Plan focuses on securing a strong economy and - to achieve that vision - job creation,

strengthened infrastructure and expanded markets were identified as the three pillars. Underlying these efforts is the recognized need for a strengthened skills training system to ensure industry has access to the skills needed to realize economic growth.

The two-year progress report on the BC Jobs Plan highlights the extraordinary growth anticipated over the next 10 years. Significant investments in liquefied natural gas, an increase in trade with Asian markets, commitments to new mines and major mining expansions, growth in forestry exports, expanded and upgraded infrastructure and rising tourism are all evidence of this activity. It is expected the province will see one million job openings between 2010 and 2020, 43% requiring trades or some form of technical training. While government projections indicate that at least 100,000 of these openings will be specifically linked to trades, some industry projections place this number much higher. In meeting this economic potential for the province, a skilled labour supply is a top priority for government.

One year following the release of the Jobs Plan, a Skills and Training Plan was announced. The plan identifies what is required from industry, trainers and government in order to address the rising skills shortage, commits to several actions to improve the training system, and sets out key targets and strategies for action.

In addition to the Skills and Training Plan, other strategies have been introduced by the provincial government to identify and address labour needs. They include:

- BC Natural Gas Workforce Strategy and Action Plan
- Regional Workforce Tables in the Northwest, Northeast and Kootenays to produce Regional Skills Training Plans

The Minister's Mandate Letter underscores the government's objectives, making it clear that the province's industry training system must train the right people for the right jobs, and ensure British Columbians are first in line for the jobs. To achieve a robust training system, the Minister will work collaboratively with the education ministries and union partners to effectively meet the needs of students, employees and industry. In addition to reviewing the role and function of the ITA, the Minister has specifically been instructed to implement the following related tasks:

- work with the Ministries of Advanced Education and Education to develop a seamless 10-year skills training plan for students from high school through entry into the workforce;
- work with industry, training organizations and labour to identify areas of apprenticeship reform to improve results and reduce barriers to apprenticeship participation either on the part of employers or apprentices;
- review sectoral jobs round tables outcomes to ensure that government is meeting the needs of industries as they face the challenges of a growing economy; and
- work with the Ministry of Education to identify best practices and pilot new programs to ensure high school students are able to obtain applied trades skills while in high school.

Industry Training System in British Columbia

Every jurisdiction has a different industry training system but there are many similarities in the process to becoming a certified tradesperson, all stemming from a system developed in the Middle Ages and still recognizable today. Historically, apprentices were indentured to master craftsmen and learned their trades under this guidance, aiming to become journeymen entitled to charge for their work and gain

more experience, and possibly one day to be elected as masters themselves – a system run by guilds to regulate supply and demand and ensure standards of quality of the craft.

Today, to become a certified skilled tradesperson a person must still complete an apprenticeship. In British Columbia, an apprenticeship comprises 15-20% technical training at a designated training institution and 80-85% paid, work-based training. There are generally 4 levels of training in an apprenticeship and typically an apprentice moves through the training levels over a 3-5 year period. Once an apprentice completes training, they are issued a Certificate of Qualification (COQ), which is recognized across British Columbia, or an Interprovincial (IP) Red Seal, which certifies an individual to work across Canada. There are approximately 100 trades recognized in British Columbia, 50 of which are nationally recognized Red Seal trades.

There are various entry points into an apprenticeship program in British Columbia. They include:

- Employer sponsor (which can be an employer or a service provider such as a union joint board, described in more detail later in the report)
- Foundation programs
- High school dual credit programs
- Challenger certification

Employer Sponsor

To begin an apprenticeship, an individual must find an employer who will be the sponsor and train the individual for the work-based portion of the apprenticeship. The employer provides the workplace and the proper equipment for the training in a particular trade and has a certified journeyperson that oversees and is responsible for the training. The training can take place across a number of work sites and, if necessary, with various employers. The sponsor is responsible for tracking the hours completed by the apprentice and reports this to the ITA. Each trade has a prescribed number of work-based training hours, as defined by industry, that must be completed.

Throughout the apprenticeship, an individual is released for technical or in-classroom training. To pass and get credit for each level of training the individual must achieve a score of 70%. Once the individual has completed the levels of training and written the certification exam, the sponsor can recommend its apprentice for certification. The ITA reviews the recommendations and issues the trade certificate (also known as a “ticket”).

Foundation Programs

In cases where an individual cannot find an employer sponsor or who may want to learn the basic skills of a particular trade before signing a contract with an employer sponsor, they can enter a Foundation program at a college or training institute. This is also referred to as a pre-apprenticeship program. This 3-10 month program exposes an individual to the trade through technical training and shop work. Foundation training provides Level 1 technical training and equips the individual with the skills necessary to be immediately productive at a workplace. If an individual is hired after their foundation training they are not registered as an apprentice unless an employer agrees to sponsor them.

High School Dual-Credit Programs

In school districts across the province, secondary students are able to participate in dual credit programs that allow students in grades 11 and 12 to gain credits towards their secondary school graduation while also earning credit in a post-secondary trade or apprenticeship. The ITA and the Ministry of Education

have a program called ACE-IT (Accelerated Credit Enrolment in Industry Training) that provides funds to school districts for students to obtain a first level of technical training in a particular trade. The technical training is offered at a college or training institute or with the school district. Another program is the SSA (Secondary School Apprenticeship) program, a work-based training program where students concurrently work and attend high school. Successful completion of the program earns the student credits towards high school graduation and credit for apprenticeship training.

Challenger Certification

Individuals who come from other jurisdictions, or even those currently in British Columbia, who have years of experience in a trade but do not have their certification, may choose to write a challenger certification exam to prove their skills and experience. To be eligible to write a certification or challenge exam there are criteria that must be met, such as the number of working hours completed in the trade and an employer that will attest to the individual's hours and skills. If the individual is eligible to challenge the exam, he or she must achieve 70% on the exam to get their ticket, and some trades may also require an additional practical exam. An individual may also challenge certain levels of technical training rather than just the overall ticket or certification.

History of British Columbia's Industry Training System

Originally, the industry training system was positioned inside government as the Provincial Apprenticeship Branch (PAB) with various ministries taking on the responsibility of the Apprenticeship Act.

In 1997, the *Industry Training and Apprenticeship Commission Act* was passed and brought into force under the joint direction of the Ministry of Labour and the Ministry of Education, Skills and Training. ITAC was a partnership between business, labour, education/training and government with equal representation on a 25-member Board. It was responsible for designating trades and occupations, establishing and granting credentials, developing training programs, establishing advisory committees, establishing by-laws and making other decisions consistent with achieving the vision.

ITAC employed a "high-touch" system with 16 offices around the province and approximately 40 counselors who personally interacted with and supported apprentices through the system. It also had over 60 Trade Advisory Committees comprising 600 members representative of business, labour, education and government.

In 2002, after a Core Review, government announced the disbandment of ITAC. Regional offices were gradually shut down and the development of a new model was undertaken. In 2004, the provincial government introduced new legislation that replaced the Industry Trades and Apprenticeship Commission (ITAC) with the ITA. Responding to criticism that the system was slow to make progress with out-of-date program standards, had an unwieldy structure and was often in decision gridlock, government intended this shift to create a streamlined, industry-led system that more directly met the needs of employers.

Current Role of the ITA and its System Partners

The ITA leads and coordinates the province's industry training system. Its mandate is to manage, improve and expand the industry training system to ensure the province has the skills to meet labour market needs. As part of that mandate, it will collaborate with industry to set program standards to

ensure training standards are aligned with industry needs; assess skills and issue credentials; promote the industry training and apprenticeship system; and fund training programs.

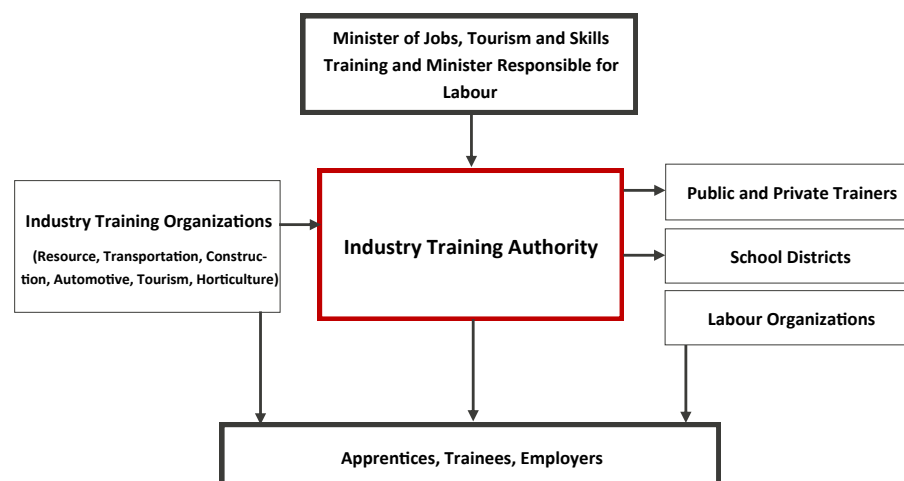
The ITA is a Crown agency of the provincial government and is accountable to the Minister of Jobs, Tourism and Skills Training (JTST). The ITA is governed by the *Industry Training Authority Act*. Every year the Minister of JTST, as a representative of the Government of British Columbia, issues a Government Letter of Expectations (GLE) to the Chair of the ITA confirming the mandate of the ITA and providing additional priorities and key performance expectations for the upcoming year.

Accountabilities set by government in the ITA's GLE include:

- Develop training that is relevant and responsive to industry, community and labour needs
- Expand access to training in all regions of the province for groups that are traditionally underrepresented or face barriers to participation
- Attract young people into the trades, promote the benefits of trades as a career and assist in transition from school to work
- Demonstrate the link between effective skills training and improved productivity and global competitiveness
- Create efficient, effective and flexible training delivery and certification processes
- Ensure labour mobility under trade agreements to ensure recognition of worker skills developed elsewhere

As illustrated in the figure below there are various partners in the industry system, all connected to the ITA as the driver of the trades training system. The key system partners, each discussed in more detail below, include:

- Government
- Industry Training Organizations
- Public and private training providers
- Labour organizations
- Other partners and stakeholders – employers, sector associations, First Nation organizations, and the general public



Government

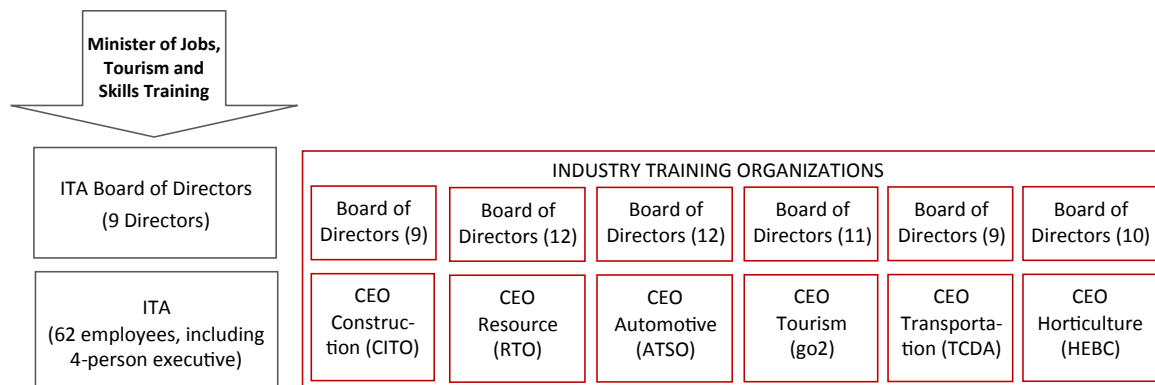
As mentioned above, JTST provides oversight of the system, however, other ministries are also involved in aspects of the training system. As described in more detail in the funding section below, the Ministry of Advanced Education provides capital funding directly to the training institutions and additional direct funding on request for trades-related programming – all outside of ITA’s annual funding. The Ministry of Education collaborates with the ITA on the dual credit programs offered with the school districts. The Ministry of Social Development and Social Innovation provides financial supports to EI-eligible apprentices. The Ministry of Finance authorizes the tax credits/incentives for both employers and apprentices. And finally, given the application of skilled trades across all sectors and industries, a number of ministries including Transportation and Infrastructure, Natural Gas Development, Energy and Mines, Forests, Lands and Natural Resource Operations all have an interest in a strengthened training system.

Industry Training Organizations

Between 2005 and 2007, the ITA introduced Industry Training Organizations (ITOs), currently representing six industry sectors:

1. Automotive
2. Construction
3. Horticulture
4. Resource
5. Tourism
6. Transportation

The ITOs are independent (non-controlled), not-for-profit societies each with their own Board of Directors and staff. Board composition is determined by industry. They are accountable to the ITA and are funded by the ITA through an annual Enterprise Partnership Agreement. Funding to the ITOs totals approximately \$5M annually, not including funding from industry contributions, Western Economic Diversification or one-time funding allocations for special projects. go2, the Industry Training Organization for the tourism sector, is somewhat unique in its funding profile. While it also operates under an ITA Enterprise Partnership Agreement it does not exist solely in relation to functions of the ITA but rather collects revenues through other program sources such as the “Serving it Right” program and is therefore independently sustainable.



The core focus of the ITOs is to consult with industry to understand the training needs for their sector. Based on the information gathered from industry, the ITOs propose modifications to program standards and, where necessary, recommend new sector programs to the ITA. Other roles funded by the ITA include engaging employers to participate in apprenticeship training, promoting the trades among youth, and providing some supports for apprentices and employers.

Public and Private Training Providers

The technical (classroom) training portion of the apprenticeship comprises 15-20% of the total training and is offered through 14 public post-secondary institutions and 24 private training institutions. The public post-secondary institutions deliver 90% of the technical apprenticeship training in the province and are represented by the Trades Training Consortium of BC.

The public and private training institutions are funded by the ITA to deliver both foundation and apprenticeship programs, totaling approximately \$75M in 2012/13. Public training institutions (PSIs), through Letters of Agreement with the ITA, are funded up-front based on projected intake, with a minimum threshold of 16 students per class. Each PSI has utilization targets that must be met, on average around 85%. If there is insufficient intake for a specific class, PSIs return 70% of the funds to ITA for that class at the end of the fiscal year, withholding 30% to cover administrative costs. The PSIs also have program advisory committees that network with over 2,000 employers throughout the province. These committees provide the training institutions with labour market demand insights that inform the planning for training seats and advise on program design recommended by industry.

Private training institutions, through Service Contracts, are funded notionally on intake but only receive funds for actual filled seats. With this funding model, private training institutions do not have the benefit of holding 30% of funds to cover administrative costs as do public institutions.

As previously described, there are also options for students in high school to participate in dual-credit apprenticeship programs. These K-12 apprenticeship programs are available in 52 of the 60 school districts in the province.

Labour Organizations

Trades unions in the province have a long history of both providing training and facilitating employment for British Columbians. They have a successful track record in attracting apprentices and training them to completion. Their success is largely premised on their ability to recruit and screen for strong candidates, provide ongoing support and mentorship to apprentices through counselors, and to indenture apprentices, allowing them to move apprentices around to different worksites thereby exposing them to the whole trade.

These services are enabled through collective bargaining agreements where contributions from employee wages go towards joint board union-sponsored apprenticeship programs. For example, the BC Building Trades spends over \$13M on trades training and training facilities (through contributions from collective agreements) and has over 5,000 registered apprentices with a purported 85-90% completion rate for its apprentices.

Some trades unions have their own training facility and others contract with an established training institution such as BCIT. Additionally, some trades unions offer their training programs to both union and non-union members. For example, the Electrical Joint Training Committee offers training to unionized members only and is designated by ITA for Level 1 training but do not offer Levels 2-4 because they have purchased classes from BCIT up to 2015. This partnership works well as BCIT is able to secure funding from ITA because the seats are guaranteed through the union. Alternatively, the International

Union of Operating Engineers is funded by the ITA and is a designated training provider that takes in both union and non-union apprentices.

Other Partners and Stakeholders

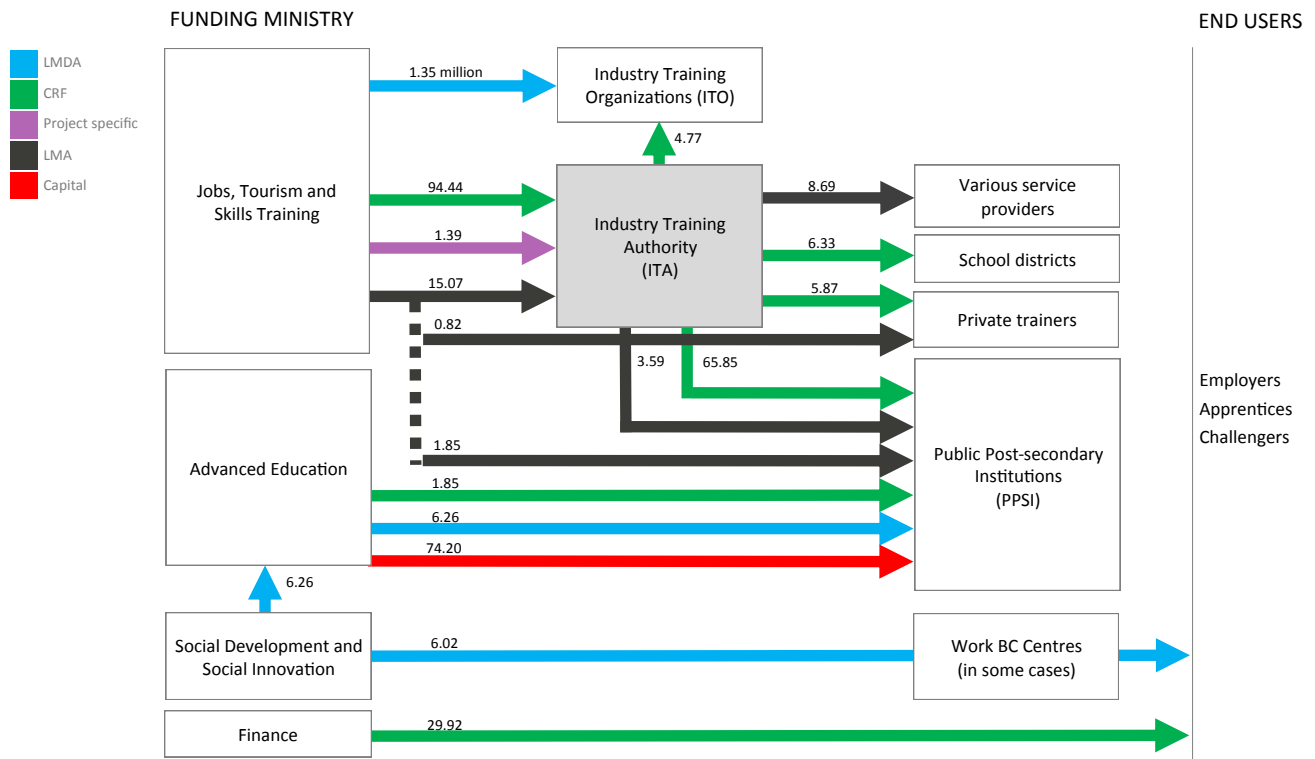
Beyond those that have a mandated responsibility to the industry training system, there are other partners or stakeholders with an important role in the system. Employers play an integral role to training delivery and certification due to the work-based training component of the apprenticeship system. Without an employer sponsor, an individual cannot become an apprentice. Employers are responsible for providing an adequate and safe training environment for apprentices and once the training duration is completed, recommend an individual for certification.

Like the union joint boards described above, there are other organizations and service providers that also play an important role in the trades training system. The BC Aboriginal Mine Training Association (BCAMTA), for example, attracts aboriginal individuals that have some trades skills and provides mentoring and customizable training services to equip each individual with the necessary skills or certification to be employable in the mining industry.

Lastly, the apprentices or trainees themselves are the labour supply that will meet the labour demand. Youth, First Nations, women and immigrants in particular are identified by the ITA as an underrepresented demographic in the trades system. Promoting the trades is a responsibility of all the partners in the system as a means to draw more British Columbians into the training system to meet the needs of the labour market.

Funding for the Industry Training System

BC trades training system—flow of provincially-administered funding (\$M) in 2012/2013



Funding for trades training flows from several provincial ministries: the Ministry of Jobs, Tourism and Skills Training, the Ministry of Advanced Education (AVED) and the Ministry of Social Development and Social Innovation (MSDSI). Total provincially administered funds for trades training in 2012/2013 was \$230.5M. The source of funds breaks down as follows based on the 2012/13 fiscal year:

- Consolidated Revenue Fund: Total of \$126.2M from the provincial government's budget. The funds are committed to AVED for foundation seats, Finance for BC Training Tax Credits, and ITA's core grant, which funds public and private trainers, school districts and the ITOs.
 - The funding for apprenticeship programs breaks down as \$46.4M to technical training (Levels 1-4/5) and \$21.1M to foundation seats.
- Labour Market Development Agreement (LMDA): Total of \$13.63M from the agreement with the federal government to deliver skills and employment programs for unemployed Canadians. The majority of funds are administered by the Ministry of Social Development and Social Innovation (MSDSI), with roughly half contributed as financial supports for apprentices while attending classroom training with the other half transferred to AVED to be allocated to PSIs for one-time trades training initiatives (separate from ITA-directed funding). A small portion of the LMDA was used by JTST to contract workforce planning from Industry Training Organizations (including, but not limited to, the trades) and training material development activities.

- Labour Market Agreement: Total of \$15.07M from the agreement with the federal government. \$12.4M of the total funds committed by JTST to the ITA for labour supply initiatives and to purchase foundation seats for eligible participants. The remaining \$2.67M used to support trades training available through other LMA programs delivered by public and private institutions.
- Capital Funding: Total of \$74.2M from AVED to PSIs for one-time allocations for trades facilities and equipment (as part of the Province's Skills & Training Plan).
- Project-specific funds: Total of \$1.39M from JTST to the ITA for foreign qualifications recognition (competency-based assessments) and youth initiatives.

The provincial government has a training tax credit for both apprentices and employers. Apprentices can claim up to \$3,750 per year depending on the level of training and whether it is Red Seal or Non-Red Seal programs. Employers who employ apprentices enrolled in apprenticeship programs administered through the ITA are eligible for a tax credit between 15-20% of eligible salary and wages up to \$4,000, depending on the level of training and whether it is Red Seal or Non-Red Seal programs. Additionally, there are "enhanced" tax credits available to employers that train individuals enrolled in trades programs who are aboriginal or persons with disabilities. In 2012/13, close to \$30M was administered for tax credit claims.

It is important to note that, in addition to regular planned funding for trades training, there are other sources of government funding directed to achieve broad training outcomes. Examples include a one-time funding allocation to the Resource Training Organization to develop training programs for the shipbuilding industry and funding for BC Hydro to address workforce needs for the Site C project. As described previously, there are also training funds created through wage contributions from employees, which are common among union organizations.

Planning to Meet Demand for Skilled Workers

The federal and provincial governments across Canada have made skills training and development a priority based on the view that population trends point to a labour shortage amid a growing economy and aging demographic. There are voices that would argue to the contrary; that if a labour shortage exists there would be visible increases in wage rates, low unemployment rates and high job vacancy rates. Depending on the region or occupation, it is possible to draw that conclusion, with labour demand evident in the west while the east is facing excess supply in certain occupations. However, in British Columbia the reality of a looming shortage is a clear message heard from all sectors.

British Columbia has prepared a Trades Occupation Outlook for 2010-2020, based on results from the British Columbia Labour Market Outlook (2010-2020) and the Labour Market Scenario Model. The results were released in November 2011 and point to 1-1.5% increases in overall occupation demand and trades' specific occupation demand.

Individual sectors have also prepared sector-specific labour supply forecasts. Reports include:

- Construction Looking Forward: 2013-2021
- British Columbia Hiring Requirements and Available Talent Forecasts (Mining Industry Human Resources Council)
- BC Tourism Labour Market Strategy, 2012-2016
- Renewing Canada's Greenest Workforce: A Labour Market Intelligence Report, Forest Products Sector Council

Labour market reports for each sector consider replacement demand (retirement, death) and economic demand (increased economic activity). The labour market report for BC Tourism, for example, projects 44,220 new job openings due to expansion and 57,210 due to replacement by 2020; a total of 101,430 total new job openings.

The construction industry cites an expected labour force increase of 22,500 due to expansion demand and 32,000 due to replacement by 2021. This increased workforce demand (54,500) is offset by 24,000 first-time new entrants (local residents, 30 years old and younger), leaving a supply gap of 30,500 workers.

According to the ITA's Performance Measurement Report, the ITA has recorded 35,564 active apprenticeships in the system as of September 30, 2013 and, at the end of the 2012/2013 fiscal year², 8,042 Certificates of Qualification were issued.

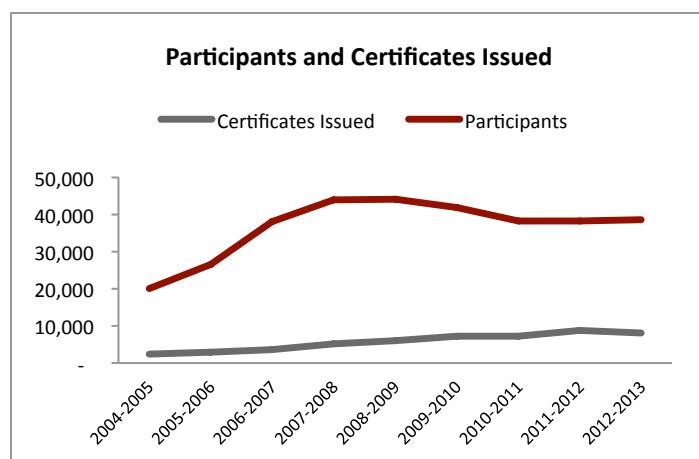
Annual funding decisions for training seats are currently made by the ITA through a process that starts with analyzing available labour market demand projection data for trades occupations, and asking post-secondary training institutions for their anticipated student demand. A second input is developed by looking at completion rates of each level of apprenticeship training for the past year. This information is assessed against labour market demand analysis provided by JTST and independent contracted analysis of other available data sources. This process results in a funding plan for the upcoming year to contract training seats. Where funding choices require specific industry input, an ITO may also be consulted for their opinion.

JTST has recently taken a very important step forward by developing a plan for workforce needs for the north. The ministry also established regional workforce tables comprising leaders from industry, labour, employers, training providers, First Nations and others to identify economic development opportunities and labour market needs and recommend ways to ensure local training programs are aligned with economic demand.

Current Supply/Demand Outcomes

Since the establishment of the ITA in 2004, there have been improved outcomes and system improvements over the previous ITAC model. An achievement recognized across the system is the improved and up-to-date standards for the trades.

Statistically, the number of Red Seal certificates and Certificate of Qualifications issued has steadily improved over the last 8 years, tripling the number of certificates issued³ from 2005 to 8,750 by the end of fiscal 2011/12. Total participants⁴ in the system have doubled since 2005 with



² Fiscal year is April 1 to March 31.

³ Certificates issued include apprenticeship completions and individuals who have successfully challenged the examination based on existing skills. Data provided by Labour Market Programs unit, Ministry of Jobs, Tourism and Skills Training.

⁴ Total participants include apprentice, foundation and youth program participants, except for 2004/05 and 2005/06 that do not include foundation participants. Data provided by Labour Market Programs unit, Ministry of Jobs, Tourism and Skills Training.

the number rising to 38,222 by the end of fiscal 2011/12.

As part of its mandate, the ITA will expand access to training for groups that are traditionally underrepresented, such as youth and Aboriginal people. The ITA has made considerable progress to improve the participation of these groups through its targeted initiatives. To illustrate the progress:

- Participation in ITA's youth programs has increased from 861 participants in March 2004 to 3,339 participants in February 2012
- Aboriginal participation in apprenticeship technical training has doubled since 2006/07, from 609 to 1,245 registrants
- 10% of all registered apprentices are women, up from 8% in 2009

To build on this success, the ITA has launched several strategies, including the "Kindergarten to Red-Seal" Youth strategy that will introduce students to a trades career as early as grade 4, expand access to the dual credit programs offered with the school districts, and introduce awards recognition for students and educators.

To improve access for Aboriginal people, the ITA provides funding from the Canada-BC Labour Market Agreement to sponsor entry-level trades orientation programs. The ITA also funds select service providers for entry-level training projects that will support access to the trades for Aboriginal people. In 2012-2013, there were nine projects in British Columbia that were sponsored by ITA Labour Market Agreement funds.

An initiative targeted for women is the Women in Trades Training Initiative (WITT) that supports women who want a career in trades. The ITA works with various service providers to deliver introductory trade programs that give women exposure to trades, and access to foundation programs and technical training. Program supports include funding for tuition or books, access to career counseling and subsidies for travel and childcare.

Expected Outcomes

The provincial government's Skills and Training Plan introduced a number of commitments to improve system outcomes. These include:

- Introduce 15 regionally-dispersed coaches and improve on-line resources
- Pilot approaches to improve timelines and outcomes (e.g. front-end-loaded training, competency-based skills assessment) and flexible training delivery
- Partnerships with industry to meet equipment and facility needs for technical training
- Student financial assistance for targeted trades programs
- Elevate the profile of trades
- Increase participation in the dual credit programs for apprenticeship programs

Since the Skills and Training Plan was introduced in September 2012, implementation of many of the commitments is well underway. For example, a \$3M trades campaign funded by the Province included trades promotion activities for K-12 students, parents and teachers and employer engagement events. The ITA has also announced its new Youth Mentorship program as part of the renewed Youth strategy that will pair youth interested in a trades' career with a journey person, employer or experienced apprentice to learn more about trades.

Key Observations

Government leadership has introduced the right foundation, and has continued to build new strategies with consistent directions

Government has kept a consistent focus on its Jobs Plan, and has established priorities and accountabilities across the system to continue this work. The Premier has issued a Mandate Letter to the Minister of Jobs, Tourism and Skills Training that requires the development of a 10-year skills plan for youth, which is exactly what is needed to take on the challenge of ensuring British Columbians are “first in line” for these opportunities. The Minister has already directed the development of evidence-based planning for the opportunities projected in the province’s north, and has created regional workforce tables to advise on needs in other parts of the province. Labour market analysis has been an important function in the ministry and will continue to play a critical role going forward. Overall, there is broad support for the continuation of government’s shift towards an industry-led system.

Continued improvements could help ensure British Columbians are first in line for opportunities

The system is highly siloed

When introduced in 2005, Industry Training Organizations (ITOs) expected that their role would continue to expand over time, and they would become fully responsible for funding allocation plans, quality of training reviews and communications. However, their role has been limited to a number of functions. Without funding from the ITA, most ITOs would not exist (other than go2 who only receives 30% of its funding from the ITA) and these contracted service arrangements have become frustrating over time for both the ITOs, who feel they are micro-managed in a marginalized role, and for the ITA, who must provide adequate funding for the ITOs to continue to exist and are therefore funding activities that are not always critical priorities for the system, and may be more costly due to an extra layer of overhead and administration that may not be required if delivered directly by the ITA. ITOs also need to maintain a presence with their industry sectors, and some direct significant funding into re-branding ITA products and services under their own visual identity in order to enhance their visibility. This adds to frustration around perceived duplication and overlap, as well as questionable cost-effectiveness.

At the same time, PSIs feel that the ITA has an inherent conflict of interest as the manager of both program standards and funding decisions. In essence, because the ITA must allocate funding within its available budget and is striving to meet other demands to continually evolve programming (e.g. reducing the number of days that apprentices are away from the work site), the ITA may insist that training programs be designed to fit a smaller number of classroom days. PSIs would prefer funding decisions to be removed from the ITA’s role, so that these interests are split and the PSIs are able to participate in program design separate from considerations around cost.

The system is designed around objectives, not measurable targets

The accountabilities set by government in the ITA’s 2013/14 GLE are high-level objectives rather than measurable outcomes and can therefore be used to justify a range of programs and priorities rather than targeting the most effective measures to align projected supply and demand. Subjective continuous improvement may be achieved as a result, but not specific outcomes.

There is no province-wide planning under the current system to ensure training programs are aligned with workforce needs. Funding decisions are fragmented between ministries, resulting in random outcomes. Annual funding decisions for training seats that are currently made by the ITA and government ministries are more responsive to the supply-side interests of PSIs than to the evidence-based demand-side needs of the economy.

There are also currently no overarching targets for the overall outcomes of the system, leading to one-off decisions and misalignment of funds. Without clear coordination between ministries and system partners driving towards the same strategies to meet specific and measurable outcomes, the system will fall back into silos and will not achieve optimized performance.

Stakeholders are straining against one-size-fits-all solutions and perceived ideological differences

There are significant differences in the points of view between sectors – and system partners (e.g. organized labour, trainers) regarding many different strategies for building and maintaining an optimized trades training system. Conflict between these views has escalated to the point where there are immediate reactions to discussion of programming priorities in the belief that a new agenda may be contemplated. Over recent years, many new directions have been introduced such as de-regulation of trades, elimination of apprentice ratios, and modular training and certification that have caused strain because they were not fully inclusive during development, were seen to benefit single interests, and they impacted the whole system. Because different concepts benefit different interests these approaches have become associated with ideological positioning and the system is somewhat resistant to discussion.

Stronger participation by employers is needed

Currently there is an undeniable preference by employers to attract trained workers from other employers instead of participating in the training of apprentices. In some cases, employers and employer associations view the promotion of trades as a career option, and the training of the future workforce, as government's responsibility rather than their own. Other jurisdictions in Canada have taken a tougher stance on this issue, while British Columbia has made the choice to rely on voluntary industry leadership. A strong economy with alignment of workforce demand and supply requires employers to recognize and act on their own responsibility to invest in their current and future workforce needs.

The ITA requires stronger leadership and more focus

ITA Governance and Performance

Despite all the frustration with the system as described above, there is little debate that the role of the ITA is relevant and that the ITA should continue to exist. It is regarded, however, as unfocused, bureaucratic and slow to set priorities, make decisions and implement change, often revising decisions once made. It is viewed as lacking in direct industry expertise and unable to capture and report data accurately regarding its registrants. The ITA Board was often cited as relying on lengthy studies, lacking in decisiveness, focused on operational matters such as pilot projects, and not representative of industry interests. An overall feeling exists that the ITA is reactive in its decision making rather than planning ahead to address training issues.

To some extent, these comments appear to revolve around certain explanatory factors. First, knowledgeable and decisive leadership may have been lacking at the senior executive level, with a change now underway. Second, as discussed above, the system is currently highly siloed, resulting in critical perspectives between and amongst multiple partners. Third, within the current planning and funding process for the training system, and with multiple ministries involved in funding allocations, the ITA is often forced to implement disjointed directions or be reactive. A stronger focus on meeting outcomes is needed within a system that works with its partners to address training needs and is nimble enough to capitalize on opportunities as they arise.

There is also broad sentiment that ITA has grown from its original planned size of 10-11 staff to a much larger organization. This understanding was established in the 2003-04 ITA Annual Report which stated, “the ITA will have 10 employees, when full staffing levels are reached.” Today, the ITA has 62 employees, including a 4-person executive. With overall annual funding and revenues of \$110M, the ITA’s direct staffing costs are approximately \$5.3M, or 4.8% of the ITA’s overall budget. The ITA’s original projected size was linked to the original notion that the ITOs would ultimately carry most of the functions of the organization. This has not transpired, as discussed elsewhere in this report, and issues of duplication and cost-efficiency have arisen as a result.

Recalibrating for High Performance

A Seamless, Outcome-Oriented System

Clarifying roles and working together

There are many partners in the system, including ITOs, public and private training providers, the K-12 system, labour organizations, employers, employer associations and others. There are also multiple government agencies and programs involved, largely led by the ministries of Jobs, Tourism and Skills Training (JTST), Advanced Education (AVED) and Education (EDUC). While the ITA's role of allocating funding for trades training, reviewing and setting program standards and issuing credentials is still relevant, it does not operate within a seamless system with all partners and decision makers working towards the same identified priorities, strategies and targets.

There are significant differences in the points of view between sectors – and system partners – on many issues. Certain partners, particularly organized labour, feel marginalized. Others, particularly employers and employers' associations, do not feel heard within the system. Over the recent past, several new directions have been introduced such as de-regulation of trades, elimination of apprentice ratios, and modular training and certification that have caused strain because they were not fully inclusive during development, were seen to benefit single interests, and they impacted the whole system. Conflict between views as to the “right” policies, programs and funding priorities has led to deep silos in the system, with each partner focusing on their own interests. Because different concepts benefit different interests, these approaches have become associated with ideological positioning and the system is somewhat resistant to open discussion.

A shift towards multi-year planning based on common evidence, clear demand-related targets and consistent accountabilities is a key step that would enable the system to work together more closely and achieve the best possible outcomes. A system that today operates under strong and clearly stated objectives should become one that focuses every effort on alignment with agreed targeted strategies to meet specific and measurable outcomes.

To work together more effectively, it is also important to make the roles of each partner in the system more clear.

Government's core role should be to:

- collect and analyze data related to labour market demand/supply, and identify targets for alignment for each trade
- set key public interest objectives that must be met as part of the alignment of demand/supply (e.g. capturing unmet potential for British Columbians to fill job openings)
- set accountability measures for its internal programs and external delivery agents (ITA)
- report publicly on outcomes

The ITA's role should be to:

- work with its partners and stakeholders to determine the strategies and actions that will best meet the targets set by government

- listen to, reflect on, and report transparently on an ongoing basis to its partners and users regarding advice and proposals for strategies and action that merit consideration
- produce a multi-year plan that is available to industry and training providers, and is reviewed and evaluated annually for effectiveness against outcomes
- align its funding allocations against these strategies and actions (including negotiating its own performance contracts with training providers and be held accountable for these decisions rather than being directed on funding decisions by government)
- offer a transparent bid system to training providers to deliver programs
- gear its internal staff resources and workplans toward the cost-effective and timely implementation of all programs
- report transparently on the measurable outcomes of its efforts, including the outcome of formal feedback from its partners and users

The role of training providers should be to:

- work together to find collaborative programs and other offerings that are cost-effective for the system
- propose individual training solutions to the ITA that best meet the targets identified by evidence based planning
- contribute expertise to program standards reviews and other initiatives

The role of employers and industry should be to:

- undertake workforce planning on an individual and sectoral scale to understand current and future needs
- invest in the training of individuals to meet future workforce needs
- provide safe, quality work experiences for apprentices and workers and to implement other measures to optimize retention
- work together to actively promote opportunities in their trades and recruit new entrants

Introducing common objectives with measurable outcomes

Currently, there are no overarching targets for the overall outcomes of the system, leading to one-off decisions and misalignment of funds. Without clear coordination between ministries and system partners driving towards the same outcomes, the system will fall back into silos and will not achieve optimized performance.

It is recommended that government's core role of providing strategic direction and accountability oversight be enhanced with the addition of a specific responsibility to deliver an annual plan with the best available data forecasting labour market demand by sector and geographic region. In this role, government would take the responsibility of collecting and analyzing province-wide supply and demand data by sector and region based on fixed factors such as demographics and variable factors such as economic growth. JTST's current labour market analysis will require enhancement to create predictable province-wide planning to set targets. To ensure industry supports the data outcomes, newly created Sector Advisory Councils should have an advance opportunity to contribute and /or endorse the data

sources selected and any planning assumptions, as well as the identification of priority trades for specific attention.

It is important to recognize that planning will not be perfect in its first years. Data collection and availability will be improved over time after the first plan is produced and is re-evaluated in future years. Even more importantly, while factors such as the aging demographic will not change, assumptions regarding the economy most definitely will, and the planning process should remain nimble rather than over-complicated by efforts to be comprehensive.

In addition to setting overall demand targets to align supply and demand, it is also government's responsibility to make public policy choices that should govern a Crown agency's decision making process. In the case of meeting labour market demand, the Province has clearly stated that British Columbians should be positioned to be first in line for new positions. This means that the ITA's accountabilities must be guided by sub-targets related to meeting untapped potential amongst British Columbians.

For example, to address the unmet potential in Aboriginal communities and youth in the K-12 system, the system must take a quantified approach to achieving success. It is important that these should not be "stretch targets" that are too difficult to achieve and are therefore excused if they remain unmet in the immediate future. Instead, hard targets should be set that are reasonably achievable if the right investments are made. Numerous programs and initiatives exist to reach this potential, however our assessment is that a voluntary focus on simply "doing better" is largely resulting in tokenism by industry and system partners. Introducing hard targets that must be met will enable programs with demonstrable track records of meeting measurable outcomes to take up the challenge to produce the results needed.

Sub-targets should then include assumptions regarding the ability to increase participation by: other unemployed or underemployed British Columbians; other Canadians; and then temporary foreign skilled workers. There is much debate about whether the recruitment drives for foreign workers is an appropriate approach to fill the gap. A cursory look at the demand projections for British Columbia's workforce leads to a reasonable assumption that foreign workers will be needed. The objective of the system should be to know the number that this remaining deficit represents, and to be disciplined about following a plan that meets the targets set in the other categories at the same time. Ideally, a plan should also assess the type of foreign worker that will provide the best advantage to British Columbians – whether focusing on lower skilled foreign workers to keep higher skilled opportunities for British Columbians, or recruiting higher skilled foreign workers to assist with mentorship of new apprentices in the system. These strategies will most likely vary by sector and/or by trade, as discussed further below.

The resulting demand targets, broken down by sector and for key trades, should form the key performance indicators for both the ITA and all related decision makers within government, as discussed below. Some consideration should be given to introducing these targets by regulation.

Through the planning process, it is also recommended government assess whether the right proportion of available funding is directed to trades training versus other academic programming. Currently there is a wide funding gap between academic and trades programs. It is unclear whether the industry training system, as it currently operates, is underfunded however an analysis of relative demand could guide government funding decisions.

Recommendations

1. Government should introduce annual and multi-year planning to define province-wide sectoral and regional labour market demand targets for sectors and high priority trades that fall under ITA oversight. Planning should clearly identify fixed factors such as demographics, and variable factors, such as economic assumptions. Through this planning, government should set galvanizing targets for the overall outcomes of the system. Industry should be involved in contributing to and/or endorsing the planning process in advance, including data sources and assumptions (see Recommendation 12 regarding Sector Advisory Councils).
2. Clear sectoral sub-targets should be set by government to address the potential to increase participation from aboriginal communities, and from the K-12 system. Annual evaluation of overall system outcomes should pay close attention to whether these sub-targets are being met.
3. The remaining projected trades-related supply/demand deficit should be analyzed to determine a minimum necessary target to be filled by temporary or permanent foreign skilled workers by sector.
4. As a separate initiative, the planning process should also be used to assess whether the right proportion of available funding is directed to trades training versus other academic programming, based on projections of relative labour market demand and costs of programming.

Coordinating priorities and decisions within government

With the entire system driving to common outcomes based on targets set by government, government must itself then ensure funding decisions and programs are coordinated between ministries and aligned to meeting targets. For example, at the same time the ITA is providing funding to training institutions to deliver trades programs, last fiscal year AVED provided \$74.2M to public post-secondary institutions to fund facilities and equipment purchases for trades programs, as well as providing \$8.11M for foundation programs and trades initiatives directly to PSIs. In addition, MSDSI administers \$6.02M of LMDA funding in relation to trades programs. It is recommended that capital and operating funding decisions made by ministries in relation to trades programming be directly linked to the same ITA planning process and strategic priorities selected to meet targets.

There are also occasions where one-time funding is made available for specific initiatives, for example in 2013, the provincial government provided \$340,000 directly to the Resource Training Organization (Resource ITO) to implement the strategies and specifications identified in the BC Natural Gas Workforce Strategy and Action Plan. As part of the BC Hydro Site C project, the Minister of Energy and Mines funded close to \$200,000 to support new school district career counselor positions to encourage students towards a trades' career and to assist with connecting skilled workers to jobs in the northeast.

Ideally, all trades-related funding – capital, training seats and special program funding - should be housed under one ministry to be allocated to the ITA and administered under one outcome-oriented plan. However, the efforts that would be required to make this shift could require more than one budget cycle to achieve, and it may be impractical to attempt to move every aspect of trades-related funding from ministries without unintended consequences to the system. As an example, a portion of funding currently streamed to PSIs from AVED is discretionary and difficult to define an annual contribution. However, it is critically important that funding be centralized to the extent practical, and that all agencies are directed to support the same identified strategies and outcomes as the ITA. Therefore, a shared service function should be created within government to ensure disciplined coordination and reporting on overall outcomes.

Recommendations

5. Government should confirm that its own decisions will be aligned with these targets in every way, and reinforce that every partner in the system has a role in meeting them. In addition:
 - a. Government should no longer independently direct foundation or other training funding to PSIs or other organizations but instead empower accountability within the ITA for both decisions and outcomes. This will require transferring existing base and discretionary funding from AVED so overall funding levels are not reduced.
 - b. Capital funding decisions made by AVED related to trades must be directly linked to the same planning process and identified strategies to meet targets.
 - c. An appropriate portion of LMA and LMDA funding should be moved to the ITA, and integrated into its planning process to meet outcome targets.
6. Government should create a cross-ministry shared services mechanism to ensure alignment of funding decisions, including, but not limited to, trades training.

Governance and role of the ITA

The question has been frequently posed as to whether the ITA needs to continue to exist as a Crown agency, or whether its functions should be re-integrated into government. Typically, Crown agencies exist for two complementary reasons: first, the mandate relates to a “public good”, an asset, service or function that benefits all citizens and could not effectively meet that objective through the private marketplace alone (in other words, strategic direction and performance accountability should be fundamentally linked to government); and second, enabling operational administration to be undertaken outside of government is expected to result in improved outcomes – for example, through the involvement of an external Board of Directors, partnership in delivery with other entities, and/or nimble decision making to capitalize on relevant opportunities as they arise.

The core functions of the ITA – allocating funding for trades training and setting standards for credentials – are unquestionably an appropriate government responsibility. It is possible that government could effectively manage these functions itself. However, it is not readily apparent that there would be any cost-savings to a government-run model, and there would be much lost if the current “industry-led” system is not maintained and even enhanced. Simply put, government serves multiple objectives and is constantly attempting to balance interests as it governs. Meeting hard targets to align trades labour supply and demand in British Columbia requires a single-minded focus, which can only be achieved if a clear plan is set with targets and followed in a multi-year context.

Fundamentally, government sets the strategic direction of a Crown agency – e.g. what it is to achieve – and the Crown agency determines how the outcomes can best be achieved, and is held accountable for delivering. For this relationship to work effectively, it is important for government to establish clear and measurable outcomes for the ITA, including any public policy choices that it mandates to be incorporated as part of its decision making, and then allow all operational decisions to be made by the ITA, including funding decisions (see Recommendation 5a).

It is also important that any potentially conflicting responsibilities or direction be resolved by government. Currently, there are several areas of overlap between the ITA and other bodies. While the ITA has authority to set standards for program content, exams and assessment processes, there are overlapping authorities granted to some PSIs under their governing legislation. Separately, this

jurisdiction also exists under the mandate of the BC Safety Authority and the BC Association for Crane Safety.

There is no apparent justification for the province's universities to have this authority and, indeed, potential problems may be created if an ITA-funded training provider is able to compete with the ITA in setting program standards. With the BC Safety Authority and BC Association for Crane Safety, however, the overlap in jurisdiction is a little more complicated. In the past, these organizations have worked together with the ITA to enable it to lead necessary revisions to program standards and credentialing in regard to trades that may have key safety considerations. In some cases the organizations discussed such matters and came to agreement, whether due to budget limitations or other priorities, that certification changes would be best led by another agency to meet regulatory requirements.

This approach appears to be sensible, as long as it is guided by a clear protocol that would sustain a reasonable process and outcome where differences of opinion may exist. The existence of multiple credentialing authorities should not be able to be used as a "back door" for other partners in the system to pursue special interests.

Recommendations

7. The ITA should be retained as a Crown agency, with its current role re-confirmed.
8. The Province should take steps to resolve any competing authority of PSIs to set program standards, if necessary introducing legislative change to clarify the roles and responsibilities of the ITA.
9. MOUs should be formalized between the ITA and the BC Safety Authority and the BC Association for Crane Safety regarding cooperation to avoid overlap or conflict in certification responsibilities.

Trades Training Consortium of BC as a Crown agency

The 14 public post-secondary institutions funded by the ITA to deliver classroom training are represented by a committee called the Trades Training Consortium of BC (TTBC). In 2011, the TTBC became a Crown corporation due to a one-time funding grant that caused Cabinet, on the advice of the Office of the Controller General, to deem it an entity controlled by government.

TTBC does not receive any ongoing operational funding from the government, and is rather a not-for-profit entity funded by dues paid by each member institution based on the size of each institution's funded training plan. Its inclusion under the Government Reporting Entity as a Crown agency diverts its limited resources to meet government reporting requirements and does not serve any clear purpose in relation to the overall system.

Recommendations

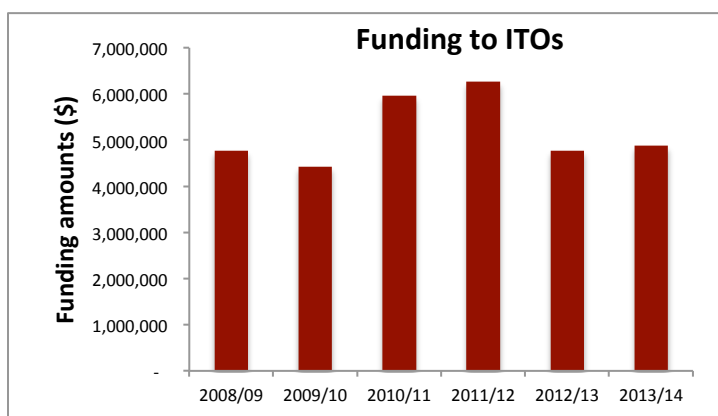
10. The Trades Training Consortium of BC should no longer be designated as a Crown Agency.

Enhanced Industry Leadership

A more transparent and meaningful role for industry

To complement a new shift toward an evidence-based and outcome-based system, government should continue, but enhance, its efforts to operate within an industry-led context. Currently, the system largely connects with industry through ITOs – independent, sector-specific bodies funded by the ITA to undertake prescribed activities such as program standards reviews and collecting industry advice.

When introduced in 2005, ITOs expected that their role would continue to expand over time, and they would become fully responsible for funding allocation plans, quality of training reviews and communications. However, their role has been limited to recommending program standards reviews, communicating with potential apprentices in their sector, screening and signing-off challenger applications, and engaging their industry sector to develop input to the system. CITO (construction) also provides direct counseling to assist apprentices who have failed certain levels of exams, and RTO (resource) is uniquely engaged in developing training strategies to help transition trades people to shipbuilding occupations. go2 is the most different from the others, in that it only receives 30% of its funding from ITA; it was a pre-existing industry body when the ITOs were established and it continues to deliver other tourism industry programs.



Core funding for the ITOs comes directly from the ITA with funding amounts fluctuating over the years. In 2011/12 funding allocations totaled \$6.2M, reduced to \$4.7M in 2012/13. The common functions funded by the ITA are prescribed in detail in annual “Enterprise Partnership Agreements”. The difference in funding in recent years is largely due to the newly negotiated fee-for-service agreements with the ITOs as a way for the ITA to better align ITO deliverables with its strategic plan. Funding for “Industry Engagement: Non-standards Work” in the 2012/13 ITA Service Plan was reduced by approximately \$1.2M, and for many ITOs this funding has been core to operations.

Without ITA funding, most ITOs would not exist⁵ and these contracted service arrangements have become frustrating over time for both the ITOs, who feel they are micro-managed in a marginalized role, and for the ITA, who must provide an adequate annual budget for each ITO to continue to exist and therefore funds activities that are not always critical priorities for the system, and are sometimes more expensive than if procured directly by the ITA. ITOs also need to maintain a presence with their industry

⁵ Other than go2, which delivers other industry programs and only receives 30% of its funding from ITA.

sectors, and some direct significant funding into re-branding ITA products and services under their own visual identity in order to enhance their visibility. This adds to frustration around perceived duplication and overlap, as well as questionable cost-effectiveness. Taken together, the governance of the trades training system includes ITA's Board of Directors, 6 independent ITO Boards of Directors, Chairs and CEO's totaling 72 Directors. As noted by one interviewee, "there is a very big system between an employer and its apprentice".

Although quarterly meetings are held between the ITO Board Chairs and the Chair of ITA, the relationship is not strong overall, with the ITOs feeling that their role is being progressively reduced, and the ITA feeling that its relationship with industry would be stronger if it had a direct connection rather than working through the ITOs. In general, the concept of ITOs as they currently exist is not supported by other partners in the system.

It is recommended that the core functions of the ITOs – employer engagement, training plan validation and standards setting – be brought into the ITA. Importantly, the expertise within the ITOs should also be brought into the ITA to manage these functions. This can be in the form of account managers dedicated to each sector, responsible for outreach to industry and working internally to develop solutions. Account managers would become the main point of contact for industry and ensure coordination between departments. The new functions inside ITA must recognize the unique variations between sectors, and keep each sector individually represented within the ITA rather than merging sectors together around line functions such as program standards review, etc. and therefore losing the important differentiation between sectors and trades that must be understood and reflected in order to successfully meet targets.

Recommendations

11. The employer engagement, training plan development, and standards setting functions of ITOs should be brought into the ITA, with industry expertise and the infrastructure of industry subject matter expert committees that ITOs have developed to inform standards development/updates incorporated into the ITA's core functions.

Given the critical role that employers play – and their own fundamental responsibility to plan for future labour needs – industry must become more closely connected to planning and decision making, within a new framework of evidence-based planning. It is recommended that Sector Advisory Councils be created to increase the direct role of industry in planning and decision making. Councils should strive for representation by employers rather than employer associations or consultants, and should include organized labour. All members should be selected on the basis of, and be guided by, visionary leadership for the sector as a whole rather than specific interests.

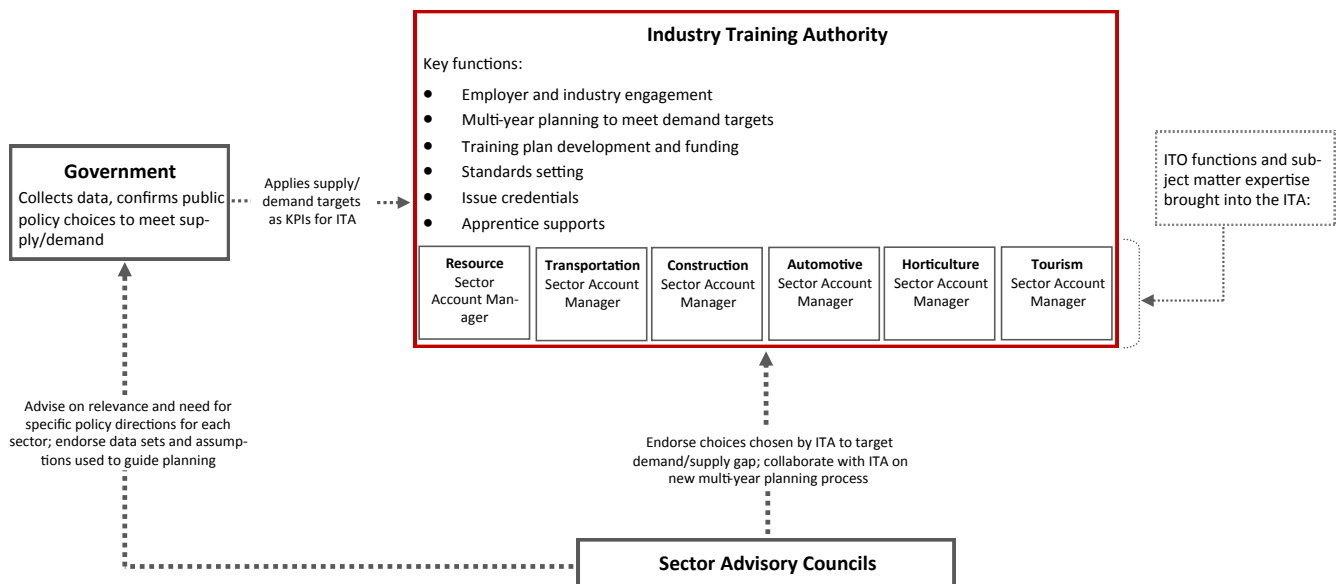
Sector Advisory Councils may be called upon to provide advice on many issues, but, through a designated annual meeting, should have a predictable role in the review of data sets and assumptions used to guide provincial-level planning, and in the choices made on specific priorities proposed by the ITA to target the demand/supply gap prior to final annual budget decisions being made.

Decisions should continue to rest with the Province and the ITA Board respectively in each case, however the advice and opinions of the Councils must be transparently presented to decision makers as part of the process, with reporting back on the outcomes of decisions.

Recommendations

12. Sector Advisory Councils should be created to increase the direct role of industry in planning and decision making.

The diagram below shows the organization of and relationships between government, ITA and industry (through the Sector Advisory Councils).



Re-constituting the ITA Board

The ITA Board plays an integral role in the outcomes achieved in trades training and apprenticeships in the province. The Board supervises the management of the ITA, determines the organization's strategic direction, approves the annual business plan of the ITA, sets key priorities and approves major budget decisions, and reviews annual performance outcomes. It is also a key influencer of industry and post-secondary priorities and initiatives, given their reliance on the ITA's functions and funding.

To complement the re-integration of ITO functions to the ITA, and the creation of Sector Advisory Councils, it is important for the ITA Board to be re-constituted. There is broad agreement that the former "interest based" ITAC Board model led to dysfunctional gridlock and win/loss decisions that did not reflect the outcomes needed by employers. However a different approach to Board composition is felt to be an important step to ensure industry confidence in the system.

Of all the future enhancements that could be made to improve the system, it is critical that the ITA Board is respected as a driving force behind achieving future outcomes. In a system that is currently very siloed and must find new ways to work together to achieve overall goals, Board candidates should be selected very carefully for their endorsement by others as people who have a track record of thinking and acting beyond single interests and have demonstrated leadership in hiring and training apprentices.

In the initial shift to an “industry-led” model, the equal ratio system of representative interests was abandoned and appointments were made to reflect general industry and geographic representativeness. However, a shift away from a structured ratio system naturally leaves partners and observers of the system unsure whether their voices are truly represented. Many feel that amongst the existing ITO Boards, better examples exist of strong industry experience with closer ties to leading employers and an understanding of how a complex system needs to respond to the specific immediate and long-term needs of individual sectors. Similarly, although there has consistently been at least one member of the ITA Board with a labour background for most of its past, most would agree that the experience and views of the labour organizations are not sought out to be included as part of the current ITA Board composition. As well, some board appointees have held positions longer than standard 3-5 years.

Some have commented that post-secondary and government are also notably absent from current Board composition. However, direct representation of private or public training entities on the Board would raise direct conflicts of interest in terms of specific funding decisions. An individual with previous involvement in post-secondary training could be appointed to the Board to draw on this important knowledge of trades and industry, but such an appointment should not be made in order to explicitly represent the interests of the post-secondary sector.

Similarly, it is not recommended for government representation to be included on the Board. Government already provides direction in the form of an annual GLE and does not need to be part of ITA strategic and operational decisions to implement this direction.

However, for a Crown agency to have a successful relationship with government, enabling both to work together effectively to achieve outcomes, it is important for the Board to understand government’s structure and operations, and current priorities. This point is often overlooked by Crown agencies, who are specifically intended to orient themselves to make independent business decisions, but may lack the knowledge to connect these decisions to government’s strategic direction and capitalize on opportunities to work together to solve problems and identify new ideas for mutual benefit. While government expertise should not be a core Board competency, if there is no such experience represented on the Board, the Board Chair should have regular interaction with an expert coach who can intermittently review issues and act as a sounding board to ensure solid coordination. In addition, ministry representatives should make themselves available to attend Board meetings if requested, in order to share information and answer questions.

Recommendations:

13. The ITA Board should be re-constituted in the immediate term to reflect the following membership:
 - a. rejuvenation of board members; and
 - b. broad sectoral representation (although not on an “equal” or “interest-based” formula); and
 - c. long-term industry/trades experience, ideally at a senior level; and
 - d. inclusion of individuals with knowledge and experience in labour organizations; and
 - e. recognition by others as having demonstrated personal leadership achievements related to the goals of the system (e.g. innovative accomplishments in recruitment, training and retention of workers; partnerships between employers, trainers, equipment manufacturers or others); and
 - f. strong capability to fulfill Board responsibilities (knowledge and experience in the role and functions of an effective Board); and
 - g. widely recognized by others as a “corporate” player who can bring past experience yet rise above individual interests to focus on overall outcomes.

Participation by organized labour

As discussed above, under the previous ITAC model, Board composition had equal representation of labour, employers, government and training providers, often leading to gridlock on decision-making. With the change to an industry-led model, labour organizations have been excluded from holding formal representation on the current Board and many ITO Boards. The ITO Boards with union participation (e.g. Transportation and Resource) have had success and demonstrate strong working relationships. The transCDA Board, for example, worked collaboratively with its union Board members to develop an innovative front-end loaded training program for commercial transport vehicle mechanics.

Collaboration between union and non-union organizations in training and employing apprentices also has proven success through union-sponsored apprenticeship programs, called joint boards. Joint boards are non-profit legal entities with the Board comprising both union and non-union representatives. Through a levy on all contracted work, joint boards provide services to support apprentices, such as recruitment, screening, registration, tracking, assignment to technical training and formal sign-off of completion, as well as mentorship and general support. They also have the ability to sponsor apprentices, relieving the administrative pressure from employers. Joint boards and union organizations, on average, have the highest completion rates for apprentices.

A clearer, more meaningful and transparent role for industry should also be complemented by greater involvement by organized labour. While the system will only thrive if all partners work together towards common outcomes, each industry partner, including labour unions, brings significant expertise to help define solutions that will make the greatest difference in achieving overall outcomes. Where ideological differences have appeared to get in the way in the past, a new model that focuses on clear, evidence-based targets should allow for rational and inclusive discussion, and guide efficient decision-making in the face of differing views.

Recommendations

14. Organized labour should be recognized in the definition of “industry”.

Recognizing variability between sectors and trades

In focusing on evidence-based planning targets, the system must recognize variability between sectors, and between trades. Over the recent past, the system has strained under new “one-size-fits-all” policy directions.

There are significant differences in the points of view between sectors – and system partners (e.g. organized labour, trainers) regarding many different strategies for building and maintaining an optimized trades training system. Certain sectors feel that 100% of the focus of the system should be on apprenticeship programs and Red Seal completion, while others feel that foundational programs play a vital role and are an important part of people achieving active employment. Some feel that competency-based assessments are critical to the system and that there should be a greater role and opportunity for challengers. Some feel that alternatives to the classroom such as mobile or online learning can work well as part of training and others feel these initiatives impact quality and safety outcomes.

Conflict between these views has escalated to the point where there are immediate reactions to discussion of programming priorities in the belief that a new agenda may be forced on the system as a whole. Over recent years, many new directions have been introduced such as de-regulation of trades, elimination of apprentice ratios, and modular training and certification that have caused strain because they were not fully inclusive during development, were seen to benefit single interests, and they impacted the whole system. Because different concepts benefit different interests these approaches have become associated with ideological positioning and the system is resistant to discussion.

While each of these concepts has merit within the system, they are not right for every trade and circumstance. A shift toward evidence-based planning must include a clear realization that the solutions that will allow the fastest progress towards an alignment of supply and demand require differentiation between sectors and trades. Industry must have a role in advising on the appropriate measures that will best target each trade, and this advice should be based on an evidence-based analysis driven by meeting demand targets.

Recommendations

15. Sector Advisory Councils should be asked to advise government on the relevance and need for specific policy directions for each sector, with resulting recommendations backed up by clear evidence relating to projected impact on achieving demand/supply alignment targets. These policy issues may include the need for re-introduction of compulsory certification, apprentice quotas/ratios, expanded opportunities for challenging for trades credentials, etc.

A High-Performance Culture for ITA

Accountability for responsiveness to users

The ITA has a pivotal role in supporting a successful outcome-based system. It has an opportunity – and a responsibility – to become viewed by its partners and users as a high performance organization with strong leadership and inclusive processes to develop clear plans geared towards these measurable outcomes. Its internal culture must be driven to implement timely, responsive and predictable actions and deliverables, and to reflect an understanding of the vital expertise industry and training partners have to contribute.

The ITA has not employed comprehensive and transparent feedback systems to understand, listen to, and report back on the experiences of its partners and users. These systems should be immediately implemented to set a new baseline for operational effectiveness and service quality. Annual results should be made available to partners and users, as well as provided to government. Reporting should also include the ITA Board's view of issues that are identified through these systems, and the actions that are being implemented to achieve change. It is similarly important that a meaningful annual employee engagement feedback survey is implemented, and it is particularly vital that this be in place to assist with managing through change.

Recommendations

16. Working with its partners and users, the ITA should develop a clear and simple Service Charter to guide its operations, standards of service quality and to serve as the basis for annual feedback from users, system partners, and internal employees.

Key performance indicators

Currently, the system has been focused on general objectives rather than outcome-based measures, and it is debated whether the ITA's current objectives are bringing the system closer to meeting labour market demands. The core measures of the system's success reported monthly through Performance Measurement Reports and annually include the following:

- Completion rates
- Registered sponsors
- New registrations
- Certificates of Qualification issued
- Satisfaction with ITA credentials

However, most of these should more appropriately be considered “indicators”, not performance targets. As an example, the current 33% (down from 40% in 2010/11) completion rate provoked a sense that the current system is not working. However, this is not the right measure to determine the health of the system, or the province's ability to align supply and demand. As has been described earlier, there is great variability between the sectors in terms of job opportunities, mobility, and the goals that industry believes are most important for a strong economy.

There are many reasons for low completion rates for apprentices. Most importantly, it should be recognized that there is a lack of comparability between jurisdictions on this measure due to different ways of collecting and reporting data. Secondly, there is a high drop-out rate after the first year of apprenticeship (close to half) as apprentices determine their level of interest and competency to continue. For this reason, jurisdictions such as Alberta do not include first year apprentices in their completion rates. Some apprentices may have life circumstances leading them to make the choice to delay completing the four-year program, while others may have no intention of completing the program.

To underscore the latter point, it is interesting to note that go2 challenged itself to find innovative ways to increase the number of apprentices in the system, working with the ITA within the existing spend. Part of the initiative was to introduce a progressive credential model for some trades such as a Professional Cook, meaning that specific training and certification is available for Professional Cook 1, 2 and 3 (Red Seal), enabling recognition of skills at various levels of the occupation. Successful completion of each level results in a credential. The goal of the initiative was accomplished; increasing the number of credentials issued nearly tenfold, from 116 to 971 credentialed Professional Cooks. However, while this increased the number of credentialed cooks available for job openings and doubled the number of registered apprentices, it did not change the actual proportion of apprentices reaching Red Seal completion, which remained at approximately 25%.

go2 states that this does not represent a failure, but rather a clear and differentiated focus on what this industry sector needs now in order to align supply and demand, and providing recognized credentials for individuals who only wanted to reach a level 1.

While there is clearly room to do better overall in terms of completion rates, it is equally clear that the assumption that 100% completion would be ideal is not a realistic goal, nor aligned with industry's needs in all cases. It is therefore fundamentally inappropriate to consider the 67% not reaching Red Seal completion as an indicator of failure of the system.

The ITAs key performance indicators should be focused on quantifiable progress towards meeting newly defined targets. Once province-wide data has been compiled, the best performance measure to assess the health of the system is the projected alignment of supply and demand – specifically related to the provincial targets and sub-targets described earlier. Indicators, such as the pass/fail rates of students, percentage of Red Seal completions, etc. only become relevant once we know the evidence-based target we are trying to reach by sector/trade, and by source – and how this gap is shifting.

Recommendations

17. Government's Letter of Expectations to the ITA, and its approval of the ITA Service Plan, should set out outcome-based measures rather than general objectives. Key performance indicators for the ITA should be tightly linked to meeting labour market demand targets, as well as achieving high feedback scores from its users.

Demand-driven funding decisions

As discussed throughout this report, to be successful in meeting British Columbia's looming labour challenges, the system must shift from a supply-driven system to a demand-driven system. In this model, training providers have a critical role as suppliers to the system rather than being funded to provide competing offerings to prospective students.

An enhanced demand-oriented model should also encourage innovation and a sense of common purpose by all partners, particularly training providers, by basing funding decisions on clear and consistent targets. Training organizations, whether PSIs or others, can then develop and advance their offerings in a transparent annual bid process, to be evaluated on common factors such as suitability to meet specific identified needs, quality, location and cost. Alternative program elements such as smaller classes (<16 seats), use of mobile training units, online learning, front end loading, more flexible industry training modules, and dual credit programs with the K-12 system can be encouraged if they can demonstrate how they are tailored to be responsive to the needs of specific sectors and trades, and will deliver outcomes consistent with transparent, multi-year targets.

A similar example of this model is the funding provided by AVED to fund foundation programs in order to address waitlists through a request for proposal process, which currently includes consultation with ITA. Approximately \$1.7M annually is used to fund these programs. As a similar example, we heard many times that the Province's focused efforts introduced in 2009 to address its nursing shortage was a positive process. It began with labour market demand analysis, set galvanizing targets, and opened up the opportunity for training institutions to propose solutions for consideration. Addressing the province's trades shortage is essentially the same process, but on a larger scale.

As part of the planning and procurement processes, training providers should be enabled to work within a multi-year planning process to give them foresight into training demands and allow them to make more informed, predictable choices for their training programs. As mentioned earlier in the report, it is very noteworthy that the Electrical Joint Training Committee has been able to determine its training needs for unionized members several years in advance, and has been able to contract these seats through BCIT through to 2015, in turn enabling BCIT to secure funding from the ITA on the basis of guaranteed delivery. This planned system optimizes the use of available funding, enabling the training institution to make any necessary investments to gear its programs to successfully meet the client's needs, and all partners know the target of fully certified electricians that should be produced through the delivery of Level 2-4 programs. In the recommended scenario to be applied across ITA-funded programs, training organizations would bid to provide the training, with the successful organization (or partner organizations) accountable for providing quality outcomes and benefiting from the ability to plan over a multi-year period as relevant.

It cannot be stressed strongly enough that a shift toward demand-oriented funding can only be successful if existing fragmentation in funding decisions between government ministries, including capital funding, is aligned with these funding choices.

Multi-year planning

The absence of multi-year planning, combined with certain administrative procedures, currently results in "lost" funds that would otherwise be available for training seats. For example, each year the ITA holds back a portion of available training funds at the start of each year to provide it with the ability to fund unexpected demand through the year, called the Learner Demand fund. If these funds are not taken up or re-allocated to fund other activities before the fiscal year winds down, they lapse because they cannot be rolled over to the next year. In the last fiscal year, \$1.18M remained unspent in this fund.

Similarly, as discussed earlier in this report, the ITA presently provides PSIs with funding on the basis of anticipated classes, and then requires the PSI to return 70% of these funds at the end of the year if the class did not occur. This results in lost training funding of both the 70%, which cannot be easily reallocated at the end of the year, as well as the 30%, which becomes a general contribution to the PSI's budget. The system must become nimble enough to reallocate unspent funds to target waitlists or

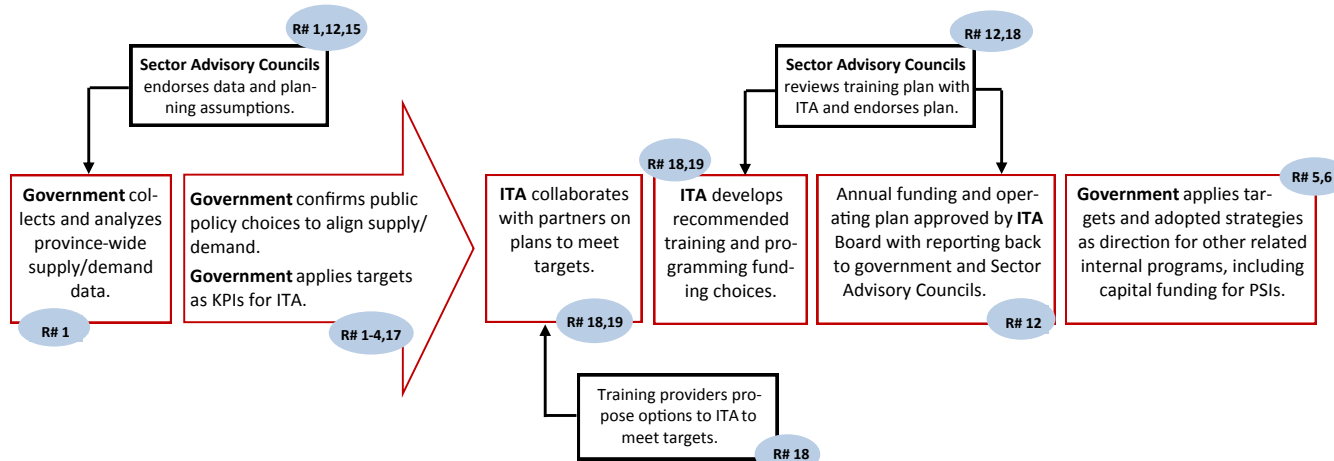
capacity issues in the training institutions, an issue commonly raised by partners in the system, and eliminate arrangements with partners will result in lost funds.

It is recommended that government consider introducing a mechanism to enable the ITA to undertake multi-year budgeting. This would reduce the occurrence of unspent funds at the end of the year that currently lapse and therefore become inaccessible to the training system. In the past fiscal year, unspent funds totalled \$4.7M within the training delivery budget.

Recommendations

18. Involving Sector Advisory Councils and with input from training providers, the ITA should implement a new evidence-based, multi-year planning process to set priorities and allocate funding in direct alignment with demand/supply targets.
19. Through its annual training investment planning process, the ITA should work towards providing greater multi-year planning certainty for training providers. Involving advice from Sector Advisory Councils, the ITA should eliminate the present system of fiscal year-end holdbacks for courses that are not delivered by public training institutions and instead consider introducing new flexibilities for training providers including variable class sizes.
20. Government should consider the introduction of a mechanism to enable the ITA to undertake multi-year budgeting, with any surplus returned to government periodically on demand.

The diagram below shows the basic elements of a new demand-oriented model, and identifies how key recommendations link to the model.

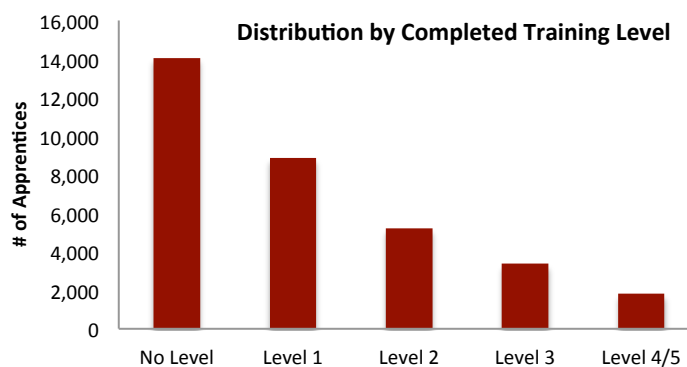


Increasing Access for Apprentices

The secrets to success: screening, tracking, and personal support

Despite various differences in view on many issues, we heard repeatedly that the key ingredients to high apprentice completion rates are screening, tracking and personal support. Upfront screening is an obvious way to increase completion rates. It is important for the individual, the trainer, the employer and the funder to all be aware of whether the key requisite knowledge exists for the investment of time and resources to be successful. While the ITA has an online screening tool and free online learning tools to acquire the skills, it is voluntary for registrants to use and addressing the results is equally voluntary.

The image below shows the distribution of apprentices across the various levels of training. (No level represents individuals in foundation programs and ACE-IT dual credit program).



The continuation rate from pre-apprenticeship (foundation program) to apprenticeship in 2012/13 was 51%. In that same year, \$21M was invested in foundation programs, resulting in over \$10M in lost investment or unknown outcomes. Similarly, continuation rates for high school students in a dual credit program that carry on to a Level 2 technical training was 24%. Increasing the return on investment within the training system would be greatly enhanced if registrants were required to demonstrate readiness prior to enrolment.

While it is an important part of a cost-effective and successful system, it must be recognized that improved screening also has the effect of simply leaving youth and others behind. Fundamentally, the K-12 system must find ways to improve essential skills outcomes to improve success at positioning British Columbians to be first in line in meeting new demand targets.

ITA information systems currently do not collect or report on the progress of registrants in an accurate and useful manner. This is largely because interface systems were not originally developed with these functions in mind, and also because in-person supports have been reduced from the earlier system and so little interaction exists on an individual level. It is strongly recommended that improved data collection and accurate tracking become a priority for the ITA.

Under the former ITAC model, regional apprentice counselors existed to provide advice to employers to facilitate training objectives, inspect workplace training programs to ensure adherence to standards, and provide information, advice, guidance and support to apprentices. In Spring 2013, the ITA undertook extensive consultations with apprentices, parents, employers, labour, ITOs and others to determine what kinds of gaps in support apprentices and employers are currently experiencing, and what steps

could be taken to address them. The outcome of these consultations, included in the Skills and Training Plan, is a commitment to hire 15 apprenticeship advisors. Five advisors will be hired this year and the following ten will be rolled out over the next couple years.

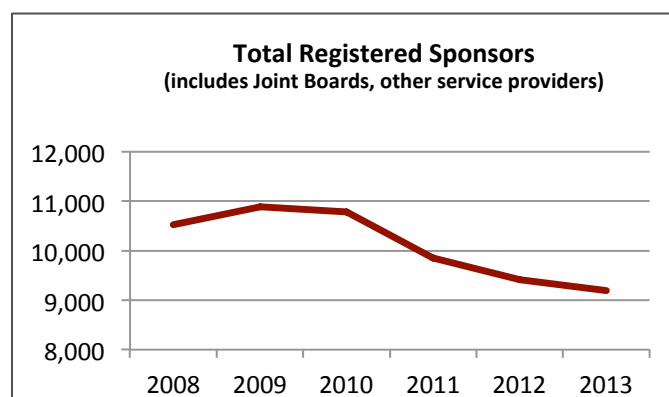
This is the right response but is broadly seen as inadequate in view of the regions, sectors and sheer number of apprentices and employers that need to be supported. As of September 30, 2013, there are 35,564 apprentices registered in the system, resulting in an unmanageable caseload for each advisor. The ITA should identify internal cost savings to introduce additional advisors to reach a minimum of 15 within the next year.

Recommendation

21. The ITA should identify and apply internal cost savings to more rapidly introduce a larger number of regional advisors to coordinate, track and support apprentices, and liaise with employers and other partners such as training providers and the K-12 system. A minimum target of 15 advisors should be introduced within the next calendar year.
22. The ITA should develop a plan for improved data collection and reporting, focusing on accuracy and the ability to track registrants in the system more effectively. This data should be used to evaluate the effectiveness of programs and be provided annually to government to supplement other data sets to track demand/supply alignment.

Employer responsibility

Measures such as improving the availability of training to align with demand and targeting strategies by sector to increase participation of under-represented British Columbians in the system will not be successful unless employers are participating in training their future workforce. The single greatest challenge to increasing apprentice participation is employer sponsorship. Without a sponsor an individual cannot begin their path to apprenticeship.



Although there has been a simultaneous increase in apprentices registered in the system, there has been a gradual decline in registered sponsors since 2009. In the absence of improved data, it is unclear what these trends represent, given that a registered apprentice requires a sponsor. It is possible that some larger companies are taking on more apprentices compared to small and medium sized businesses (SMEs) or perhaps that there are increased registrations in programs that do not require an employer sponsor such as the ladder credential programs (Cooking Level 1). Alternatively, it may involve an

increase in registrants by "sponsoring bodies" like the Electrical Joint Training Board (EJTB) or the Independent Contractors and Businesses Association (ICBA) discussed further below that count as one sponsor but actually place apprentices with hundreds of employers.

However, it appears that there is currently an undeniable preference to attract skilled workers from other employers instead of employers planning and investing in meeting their own needs. Other jurisdictions in Canada have taken a tougher stance on this issue, while British Columbia has made the choice to rely on voluntary industry leadership.

A differentiated approach may be warranted to address large-scale projects that are clearly beyond the existing system's potential such as LNG. Government and industry may wish to develop a clear partnership agreement with specific measures outlined to meet this need together, achieving the best possible outcomes for British Columbians while providing certainty for the sector. Innovative measures will certainly be needed, as LNG employers will not have workplaces available to train apprentices on time for when highly skilled workers will be needed during their construction and operations phases.

This points to a broader theme that must be confronted: the role of employers in meeting their needs for skilled workers. While there are many passionate and engaged employers across British Columbia, and many active employer associations that are working hard on innovative solutions to ensure quality and safety in the trades and to position to meet future labour market demand, there is a lack of clear understanding and acceptance across the system of the employers' role in meeting their own workforce needs.

Very simply, employers must take responsibility for their own future. A new discussion must be introduced with the assistance of the broader business community (who is also affected by resulting underperformance in the economy) that underscores this reality and encourages employers to confront their responsibility to work together and with other partners to attract their future workforce, to retain their workers, and to invest in developing their skills.

There are complementary measures that may assist, but not replace, this responsibility. While tax incentives exist, some employers are not aware of them. Regional advisors/counselors/connectors can assist with this, as well as provide advice on identifying appropriate candidates and assisting with the development of individual training plans that are workable for the employer.

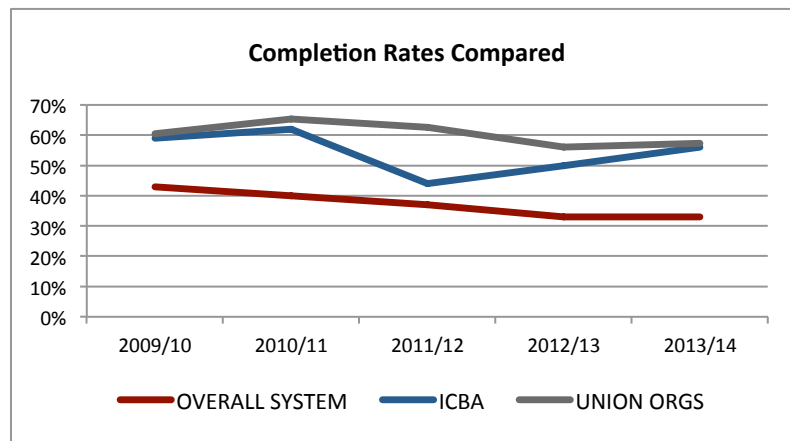
SMEs have particular challenges that restrict them from fully participating in apprenticeships, including:

- the apprentice must leave the workplace for 6-10 weeks per year to attend technical training leaves a company short-handed or causes disruption to workflow
- the financial commitment to sponsor apprentices with varying degrees of productivity in return
- the risk of investing in an apprentice and have them "poached" by another employer once they are certified
- lack of time or resources to train an apprentice

To remedy these challenges, service providers such as joint boards led by labour organizations and the ICBA coordinate apprentices on behalf of the employers. The ICBA serves as the sponsor for its members and takes care of the administration and paperwork that would otherwise be done by the employer. It has a database to track all apprentices in the system and can rotate apprentices among employers throughout their apprenticeship.

The EJTB, as another example, serves as the sponsor to all member apprentices, while the contractors are the employers of record and responsible for paying wages and benefits in accordance with the collective agreement. The services provided by the joint board include recruitment, screening, tracking apprentices through the system, assigning apprentices to technical training seats and requiring them to attend the training. The joint board can rotate apprentices among contractors to ensure they are exposed to the full scope of the trade.

The success of these two programs in terms of moving apprentices through to completion is undeniable when compared to the traditional method used for the overall system, as shown in the image below⁶.



The challenge to increasing employer sponsorship is not unique to British Columbia and many jurisdictions are working to find innovative solutions. Australia, as an example, has established government-funded Group Training Organizations that hire apprentices and manage the training and administrative tasks for the duration of their apprenticeship. These organizations place apprentices with participating employers for specified periods of time and can move apprentices around to different work places to ensure they are fully trained. Components of this model have merit and it is recommended this model be studied further.

As part of meeting demand sub-targets set by government, the ITA should also consider either working more closely with, or adopting, a Group Training Organization specifically oriented to bringing aboriginal people into the trades. Existing organizations focused on serving the Aboriginal population essentially already have the capability to operate as “hiring halls” but are underutilized by industry. The Aboriginal population represents the fastest growing youth population which not only presents a labour supply opportunity but also an opportunity to connect aboriginal people to long-term occupations near or within their communities throughout the province. While there are special challenges associated with successfully reaching these individuals, sufficient organizations exist with impressive track records in this regard that can be transparently assessed to demonstrate their knowledge and expertise. The existence of clear targets within a demand-driven system would enable such organizations to compete for funding to meet those targets.

A more coordinated, outcome-based approach in this area could also benefit proponents of major projects who may enter into bilateral commitments with local First Nations to bridge community members into new employment opportunities, but require skills training to be integrated as part of

⁶ Union organizations are those that hire and manage apprentices on behalf of their union members and are not individual union employers. Union organizations account for approximately 12% of total apprentices. ICBA represents 3% of total apprentices. The timeline represents cohort end dates. Source: ITADirectAccess.

success. Such commitments that provide a part of the puzzle in terms of potential future employer sponsorship will only be capitalized on if integrated supports are part of the picture, including counseling, essential skills upgrading, and training.

Promoting trades as a career

Although progress has been made to promote trades as a career, many feel there is a strong bias amongst administrators, teachers, counselors and parents towards career choices in professional fields such as teaching, medical, law, accounting, etc. Trades are generally viewed as an option for those that are not strong academically rather than promoting the high earning potential and career opportunities available to tradespeople.

The provincial government has led initiatives in the past that promote trades, such as the \$3M trades campaign as part of the Skills and Training Plan to promote the trades among students, parents and teachers. Additionally, AVED and the Trades Training Consortium of BC are funding Skills BC to undertake a speaker series, called “inSpire BC”, in schools highlighting trades opportunities. The ITA has a youth trades program – Youth Exploring Skills to Industry Training (YES 2 IT) – designed to increase awareness of the trades by providing funding for projects that target younger students between grades 6 and 9, as well as parents, educators and communities.

The missing ingredient in promoting the trades as a career is employers. While there are notable exceptions amongst employers and employer associations who are leading innovative approaches to reach high school students in particular, we heard frequently from employers that government is expected to take on this responsibility. Employers must step up and recognize that this is not only their role, but that they are uniquely positioned to create the direct inspiration that is likely to lead an individual to make a choice to pursue a career in the trades. From motivational stories of the benefits trades have to offer, to experiences visiting job sites, to the insider view teenagers can see on reality television shows such as automotive detailing, gold mining and home improvement, it is employers who can open up the world of their trades and draw new entrants to the field.

It is recommended existing programs and campaigns continue in a more coordinated fashion with employers and employer associations being encouraged to work with training providers and the K-12 system to promote the trades.

Recommendations

23. Consideration should be given to the introduction of a new group training organization within the ITA geared towards SMEs.
24. Similarly, the ITA should consider creating an internal group training organization with a specific focus on achieving targets to increase participation for all sectors from Aboriginal communities.
25. Industry sectors and employer associations should be encouraged to work together with ITA, PSIs and the k-12 system to improve the culture of trades and bridging into training and employment for youth.

Public sector leadership

As the largest employer in British Columbia, the provincial government has an opportunity to demonstrate leadership and set the example it expects other employers to model. While the provincial

government does not directly employ all public servants in British Columbia, there are opportunities for it to spearhead collaboration with municipalities, schools, universities, hospitals and Crown agencies.

The public sector has an opportunity to take a leadership role and embark on a specific initiative to analyze workforce planning numbers, with a specific focus on understanding the numbers of apprentices that will be required to rejuvenate a retiring workforce and avoid the otherwise inevitable default to “poaching” skilled journey people from other employers, or resorting to foreign workers as a core strategy. A dialogue should be spearheaded as part of this exercise around innovative work arrangements that could be created to create a suitable scope of experiential work for apprentices. This dialogue should include labour unions, recognizing the creativity that will be required to find new solutions within existing budgets.

Government may also contemplate showing further leadership by assessing the opportunity for enhancing bid criteria on public sector procurement projects in relation to apprentice quotas (e.g. making the proposed apprentice quota a meaningful competitive factor in the evaluation of bids). Many jurisdictions have moved, or are moving, towards required quotas. In Manitoba, in order to bid on publicly tendered capital projects, bidding contractors, mechanical contractors and subcontractors must engage in apprenticeship training by showing that they currently employ apprentices, or have employed an apprentice in the last 12 months. There are no specific policy targets, rather employers are required to be engaged in apprenticeship. The Alberta government is currently considering options to introduce measures on publicly funded projects. In Australia, quotas apply to the building and construction industry and require a minimum of 10% of the hours be worked by apprentices, trainees or indigenous workers.

As well, the federal government’s Economic Action Plan 2013 states that procurement methods will be changing to introduce measures to support the use of apprentices on federal construction and maintenance contracts. This would extend to provincial projects that receive federal funding and include housing. Specific measures have not yet been announced as the government is currently looking at variables such as minimum contract values, contract duration, size of the firm and its ability to hire apprentices, as well as a pooled approach to reduce the reporting burden and its applicability to subcontractors.

Recommendations

26. Government should lead an initiative with the broader public sector to analyze future workforce needs in relation to the trades, and to explore the potential for a collaborative plan to increase the number of apprentices employed in the public sector, including possible joint sponsorship and shared work experience opportunities.
27. Government should assess the opportunity to enhance bid criteria on public sector procurement projects in relation to apprentice quotas.

Partnerships to create opportunities

There are views among some employers that government can and should serve as the conduit between industry’s needs and the labour market. Although government sets the direction and provides funding, government cannot possibly solve all the challenges. There are several examples where great things are happening between passionate and inspired system partners that are directly achieving outcomes. For example, in the Powell River school district, less than 10% of students were continuing on to post-

secondary education until the Superintendent from the school district and Vancouver Island University partnered up to provide trades programs in the high school to expose students to alternative options as a career. To get real hands-on experience, the students worked with the local First Nation, Tla A'min, to build homes on the reserve. Now, 50% of Powell River students graduate with some form of post-secondary credit. All the students that received first year apprenticeship credits had jobs right out of high school.

For the commercial transport vehicle mechanic trade, a front-end loaded training program was piloted stemming from an interest brought forward by industry to introduce alternative training programs. Partnering with Thompson Rivers University, three industry employers and BC Transit, a 61-week front-end loaded training program was offered to 16 apprentices. All apprentices successfully completing the program will receive a job with their sponsor employer.

Many more inspiring examples of partnership and innovation exist across the province. The key to each story is that visionary individuals found ways to connect to each other and develop new solutions. More opportunities to hear about such successes, and make new connections, could result in an exponential increase in such impressive leadership.

Recommendations

28. The Ministry of JTST and the ITA should jointly host an annual Innovation Forum where leaders from training institutions, the K-12 system, First Nations communities, employers and other stakeholders can learn from each other and make new connections to work together.

An Effective Transition

Transition to the proposed new model will require the support of all system partners. At a time when the Province and employers are facing significant existing and upcoming challenges in meeting labour market demand, it is critical that the system not face unnecessary delays and uncertainty. A time-bound transition plan should be developed that is transparent to all partners, providing early and ongoing structured opportunities for inclusive participation. While it is important that system partners accept the new directions rather than re-opening debate, the system will only be successful if broad representation is involved in determining the best way to achieve implementation.

Recommendations

29. A 90-day transition plan should be developed with the participation of an oversight committee of industry representatives to ensure smooth and transparent implementation.

Appendix A: Consultation Participation List

Below is the list of participants in the ITA Review consultation. Close to 200 individuals were interviewed, including individual apprentices not listed below.

ITA

Gary Herman, Interim CEO

Jeff Nugent, Interim COO and CSO

Sue Thomas, CFO

Allan Bruce, Director

Frank Pasacreta, Chair

Kurt Krampfl, Director

Allan Cullen, Director

David Fehr, Director

Thomas Kirk, Director

Patty Sahota, Director

Laura Stanton, Director

Jack Davidson, Director

Judy Dickson, Employment Connections, Fort St John

Teresa German, Employment Connections, Fort St John

Rosolynn Kaib, Employment Connections, Fort St John

Doug Routley, NDP Opposition Critic, Skills Training

Catherine Roome, President, BC Safety Authority

Shelly Milne, BC Safety Authority

Abraham Van Poortvliet, BC Safety Authority

Cheryl Wenezenki-Yolland, Associate Deputy Minister, Crown Agency Resource Office

Maria Pavao, Labour Strategy, Site C, BC Hydro

Krista Drost, Human Resources, BC Hydro

GOVERNMENT

Shirley Bond, Minister, JTST

Dave Byng, DM, JTST

Dawn Minty, former ADM, Ministry of Advanced Education

Sandra Carroll, DM, Advanced Education

Bobbi Plecas, ADM, Advanced Education

Shannon Baskerville, Former ADM, JTST

Peter Fassbender, Minister, Education

Rod Allen, Acting DM, Education

Tim Winkelman, Director, Ministry of Education

Scott MacDonald, ADM, JTST

Amrik Virk, Minister, Advanced Education

Sheila Taylor, DM, Housing and Social Development

Tami Currie, Executive Director, Social Development and Social Innovation

Bindi Sawchuk, former Executive Director, Jobs, Tourism and Skills Training

INDUSTRY TRAINING ORGANIZATIONS

Russell Robertson, CEO, TransCDA

Grant Stevens, Chair, TransCDA

Doug MacLaren, CEO, RTO

Dave Coleman, CEO, CITO

Michelle McKinnon, Manager, CITO

Arlene Keis, CEO, go2

Ian Powell, Past Chair, go2

Debbie Yule, Vice President, go2

Kate Dodd, Chair, go2

Anne Kadwell, CEO, HortEducation BC

Glenn Vollhoffer, CEO, ATSO

Rob Lang, Chair, ATSO

Judy Jobse, ATSO

Mark Jiles, Consultant to ATSO

TRAINING INSTITUTIONS

Ralph Nilson, Chair, Trades Training Consortium of BC,
President, Vancouver Island University

Guy Ellis, Chair, BC Association of Trades and Technical
Administrators (BCATTA), Dean, Vancouver Island
University

Chris Goding, President, BCIT

John Bowman, President, North Island College

Laurie Rancourt, President, Northern Lights College

Denise Henning, President, Northwest Community
College

Jim Hamilton, President, Okanagan College

Angus Graeme, President, Selkirk College

Lindsay Langill, Dean, Thompson Rivers University

John English, Dean, University of Fraser Valley

Kathy Kinloch, former President, Vancouver
Community College

Pat Matthieu, Director, BCIT

Jim Soles, Consultant to Trades Training Consortium of
BC

Rene Tremblay, Dean, Trades and Apprenticeship,
Northern Lights College

Brent Deinstadt, VP, Corporate Services, Northern
Lights College

Jim Reed, Secretary, Trades Training Consortium of BC

Brian Badge, Dean, Northwest Community College

Carey Miggins, Program Delivery Manager, Thompson
Rivers University

Frank Rossi, Dean, College of New Caledonia

Harold Richins, Dean, Thompson Rivers University

Henry Reiser, Dean, Kwantlen Polytechnic

Kate Pelletier, Dean, Selkirk College

Pat Matthieu, Dean, BCIT

Patricia Rokosh, Dean, North Island College

Randy Werger, Dean, Okanagan

Rolf Arnold, Dean, University of Fraser Valley

Sandra Bailey, Dean, Vancouver Community College

Steve Perry, Dean, BCIT

Terry Knudson, Dean, BCIT

Trevor Williams, Dean, BCIT

Gord Turner, Dean, BCIT

Olaf Neilsen, Dean, Camosun College

Kathryn Laurin, President, Camosun College

Bryn Kulmatycki, President, College of New
Caledonia

David Walls, President, College of the Rockies

Russell Workun, Dean, College of the Rockies

Alan Davis, President, Kwantlen Polytechnic

Jennifer Bradbury, Pacific Vocational College

Rob Bradbury, President, Pacific Vocational College

Matt Buss, Joint Apprenticeship Refrigeration
Training School

Cindy Grantham, Roofing Contractors of BC

Ivan VanSpronson, Roofing Contractors of BC

Barbara Porth, Roofing Contractors of BC

ASSOCIATIONS, WORKING GROUPS

Manley McLachlan, CEO, BC Construction Association

Jeff Beale, Chair, Northeast Regional Workforce
Table

Philip Hochstein, President, Independent Contractors
and Businesses Associations

Jock Finlayson, EVP, Business Council of BC

Ken Peacock, Chief Economist, Business Council of
BC

George Douglas, Consultant to BC Construction
Association, and former CEO, CITO

Gavin Dirom, Member, Mining HR Task Force;
President, Association of Mineral Exploration of BC

MaryAnne Arcand, Executive Director, Central
Interior Logging Association

Mining:

Zoe Young, Member, Mining HR Task Force; Mining
Association of BC

Dave Bazowski, Chair, Mining HR Task Force

Larry Richardson, Member, Mining HR Task Force;
Director of Christian Labour Association of Canada
Laurie Sterritt, CEO, BC Aboriginal Mining Training
Association

Forestry:

Anne Mauch, Director of Regulatory Issues, Council of
Forest Industries (COFI)
Mark Stock, Vice President, Human Resources, Interfor
Vern Phillips, Manager, Human Resources, Catalyst
Paper
Tony Mogus, General Manager, Dunkley Lumber
Julie Rachynski, Human Resource Leader, Domtar Pulp
and Paper
Greg Wishart, President, IFLRA
Trudy Langform, Sinclair Group
Elaine Jensen, Vice President, Human Resources, West
Fraser
Liquefied Natural Gas:
Steve Swaffield, Acting President, BG Group
Kathleen Williams, Social Performance Coordinator, BG
Group
Geoff Stevens, Chair, Natural Gas Workforce Strategy
Committee

EMPLOYERS*

Dan Mott, President, Mott Electric
Margot Middleton, Owner/Operator, Middleton
Petroleum
Rod Butters, Owner/Chef, RauDZ Regional Table
Heidi Romich, Owner/Chef, Heidaway Restaurant
Jack Kuyer, Owner, Valley Bakery
Peter Gobeue Dueck, Dueck GM
Peter Foreman, Foreman Automotive
Shinobu Verhagen, Salt Spring Island
Steve Walker, Chef, Duncan
Owen Bird, Executive Director, BC Sport Fishing
Association

Don McInnes, Chair and CEO, Ocean Protein Canada

* This list does not represent all employers interviewed as
many employers play a role in ITOs, associations, etc. and
are represented under those categories

LABOUR

Jim Sinclair, President, BC Federation of Labour
Tom Sigurdson, Executive Director, BC Trades
Council
Dean Homewood, Training Society Administrator,
Labourers International Union of North America –
Construction and Specialized Workers Union, Local
1611
Michael Gardiner, Director, BC Federation of Labour
Brynn Bourke, Researcher, BC Building Trades
Cecil Damery, President, Ironworkers Local 97
Derek Dinzey, Trade Improvement Coordinator,
Ironworkers Local 97
Matt Buss, Director of Training, Refrigeration
Workers' Union
Jud Martell, Training Coordinator, Sheet Metal
Workers International Association, Local Union 280
Rob Tuzzi, President, Bricklayers & Allied
Craftworkers Local #2 BC
Terry Thomas, Clayburn Group
Tom O'Donnell, Business Agent, Ironworkers Local
712
Jeff Gorham, Training Coordinator, Operating
Engineers Local 115
Ken Jakobsson, Apprenticeship Coordinator, BC
Insulators
Andy Clevon, Training Director, Electrical Joint
Training Committee, IBEW Local 213
Graham Trafford, General Manager, Mott Electric GP
Adam Van Steinberg, Assistant Business Manager,
IBEW Local 213
Glen Hilton, Business Manager and Financial
Secretary, IBEW 993
Philip Venoit, Business Manager and Financial
Secretary, IBEW Local 230
Joe Barrett, Retired, BC Building Trades Council

Dean Nutter, UFCW
 Joanne Quirk, IATSE
 Megan Scott, BCGEU
 Leonora Stenersen, Unifor
 Glen Hansman, First Vice President, BC Teachers' Federation

Summer Crosson, Director, BC Federation of Labour
 Joe Elworthy, Unifor
 Cam McRobb, BCGEU
 Bill McRobert, UFCW

The ITA Review received 33 written submissions from the following individuals and organizations:

Coalition of BC Business	Art Wildeman, Canadian Independent Automotive Association
Construction Labour Relations Association	Arnold Bercov, Pulp, Paper and Woodworkers of Canada
Go2, Tourism HR Society	Bill Deutch, Instructor, College of New Caledonia
Automotive Training Standards Organization	Carl Burton, Millwright Articulation Chair, College of New Caledonia
transCDA Board	Craig Hull, College of New Caledonia
Trades Training Consortium of BC	Alain Lavoie, Electrical Instructor, College of New Caledonia
BCATTA, Deans of Trades and Technology for BC's Public Post-Secondary	Patricia Covington, Acting Vice President, College of New Caledonia
Asia Pacific Gateway Skills Table	Ray Fischer, Chair, Camosun College
BC Federation of Labour, Apprenticeship & Skills Training Working Group	Neil Coburn, Vice President, Selkirk College
BC Safety Authority	Patrick Lewis, Director, UBC
Marcus Ewert-Johns, Vice President, Canadian Manufacturers and Exporters	John Gordon, Chair, Plumbing and Pipe Trades, Camosun College
Kerry Jothen, CEO, Human Capital Strategies	Russel Workun, College of the Rockies
Alex Reuben, Executive Director, Industrial Marine Training & Applied Research Centre	Alan Cahoe, Retired Instructor, Okanagan College
Welding Articulation Committee	Lindsay Langill, Dean of Trades, Thompson Rivers University
Northern Sub Committee	Brian Lees, Apprentice
Teck Resources	
Peter Foreman, Manager, Foreman Auto Service	
Tom Simpson, Benchmark Automotive Services	

Appendix B: Sources

ITA Performance Measurement Report, September 30, 2013

ITA Annual Service Plan Report, 2012/2013

ITA Government's Letter of Expectations, 2012/13, 2013/14

Industry Training Authority Act

ITADirectAccess

BC Interprovincial Red Seal Exam Results, 2012

Ministry of Advanced Education, Innovation and Technology, 2012/13 Annual Service Plan Report

Ministry of Jobs, Tourism and Skills Training, 2012/13 Annual Service Plan Report

"Aboriginal Participation in Trades and Apprenticeship in B.C., Three-Year Review and Future Direction", Industry Training Authority

"BC Trade Occupations Outlook", BC Stats, November 2011

"British Columbia Labour Market Outlook (2010-2020)", BC Stats

British Columbia Labour Market Scenario Model

BC Jobs Plan

The Skills and Training Plan

Mandate Letter to Minister Shirley Bond

Hansard Estimates Debate 2013/14, Skills Training

"A Major Renovation: Trades Training in BC", Auditor General's Report, 2008

"Labour Demand Outlook to 2020 for BC's Natural Gas Sector", Petroleum Human Resources Council of Canada, February 2013

"Construction Looking Forward: 2013-2021", Construction Sector Council

"Towards 2020 BC Shipbuilding HR Strategy", BC Shipbuilding and Repair Workforce Table, July 2012

"Resource Labour Market Information Report", RTO, 2012

"Jobs In Canada, Where, What and For Whom?" TD Economics. October 22, 2013.

Northeast and Northwest Regional Workforce Tables Skills Plan

"Renewing Canada's Greenest Workforce: A Labour Market Intelligence Report", Forest Products Sector Council, May 2011

"People, Skills and Prosperity: The BC Labour Market in a Post-Recession Context", Business Council of British Columbia

Letter from BC Teachers' Federation to Minister Abbott (former Minister of Education), February 2012

"Doing, Learning, Earning: Enhanced Apprenticeship Key to Solving Canada's Skills Crisis", Canadians for a Modern Industrial Strategy, March 2013

"Culture Shift: Planning the Future of Trades Training and Apprenticeship in British Columbia", BC Construction Association, August 2013

British Columbia Technology Education Association Best Practices Guide

"SkillSource Advanced Entry Trades Training Program for the BC Resource Sector", RTO June 2013

"Training for the Future", BC Building Trades, September 2013

Estimates Note Advice to the Minister

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

Title: Industry Training Authority (ITA) Review

Revised: April 24, 2014

Issue: Receipt of the ITA Review report and implementation of its recommendations.

Recommended Response:

- B.C.'s trades training system is working. Today, B.C. has twice as many apprentices, and is issuing around three times as many credentials annually compared to 2004 when ITA was established.
- But, the ITA was created almost ten years ago, and since then B.C.'s economy has changed considerably.
- We are focused on making sure that B.C.'s trades training system is ready to meet the demand for workers, and is putting British Columbians first in line for jobs in the skilled trades. That's why government undertook an Independent Review of the ITA.
- All of the 29 recommendations outlined in Jessica McDonald's report to government will be implemented as part of B.C.'s Blueprint: re-engineering Education and Training plan.
- The recommendations will help re-engineer our apprenticeship system to better match industry needs, provide the highest level of training for our apprentices, and get students to the workplace quickly.

Background/Status:

- While B.C.'s current industry-led training model has generated some good outcomes, the system is fragmented between system partners, and confusion about their roles and responsibilities.
- Actions are being undertaken to overcome these issues which are limiting B.C.'s ability to meet projected industry demand for skilled trades people in critical sectors over the next decade.
- In August 2013, Government announced that the ITA review would begin in the fall to examine ITA's role and functions to ensure it is fulfilling its mandate and achieving the outcomes necessary to meet the future demand for skilled workers.

Estimates Note Advice to the Minister

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

- On September 5, 2013, Jessica McDonald was appointed as the Independent Review Lead for the ITA Review. Ms. McDonald consulted with over 150 system stakeholders, including employers, apprentices, industry representatives, labour, and trainers.
- Ms. McDonald her final report to the Government on February 7, 2014. We would like to thank Ms. McDonald for her efforts to conduct a thorough review and engage with so many stakeholders during the process.
- The McDonald Report sets out 29 recommendations to enhance and strengthen B.C.'s trades training system. All of these recommendations will be implemented as part of B.C.s Jobs Blueprint: Re-engineering Education and Training plan.
- Implementation plans, including timelines, were developed for each recommendation and, in partnership with ITA, other Ministries, and system stakeholders, the initial work has begun.

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Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	250-514-5553
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2014/15 Estimates Note Advice to the Minister

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

Title: LNG Workforce Initiatives

Revised: February 4, 2014

Issue: Skills training and workforce development plan for the LNG Sector

Recommended Response:

- We have a plan to ensure B.C. has the labour supply to meet the opportunities presented by LNG and major project development.
- This includes:
 - Detailed analysis of specific workforce needs for the LNG industry, which we are continuing to refine with industry;
 - A new 10 year skills plan for youth that will align skills training investments with sector needs;
 - Strategies to bring people to B.C. as required, both domestic and international; and
 - An integrated approach that involves government, industry and labour working together.
- We know B.C. faces a significant challenge to meet the labour force needs for LNG – but we have the resources and system necessary to meet the challenge.
- Our first priority is ensuring British Columbians are first in line for jobs – this includes First Nations communities.
- However, local workers won't be enough – it will be essential to get skilled workers from across B.C., Canada, and internationally.

Background/Status:

- Based on a scenario with 5 LNG plants, there will be approximately 74,700 jobs during peak construction in 2016. Over a nine-year build-out period, we anticipate on average more than 39,000 annual construction jobs will be created. Once the projects are constructed and fully operational they could result in the creation of 75,000 operational jobs.
- Trades are prominent in the top occupations in demand for construction, making up 57% of the workforce (e.g. pipefitters, welders, carpenters, heavy duty mechanics).
- Northern B.C., where most of the major projects and LNG development are expected to occur, has a unique labour supply marked by a smaller, less educated

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Advice to the Minister

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

workforce with a large percentage of First Nations individuals and lower than average immigration. Due to these unique characteristics, it will not be possible to meet the potential demand exclusively with local labour. This is why our training plans include domestic and international attraction components.

- We are aware of both the potential demand and the potential supply. Data and evidence are driving our policy and program solutions, including skills training and recruitment. We are working with industry to continually refine workforce needs to inform planning.
- Skills Training actions include:
 - Review of the Industry Training Authority – to ensure that the province has a strategic, co-ordinated, and responsive industry-training system.
 - 10 Year Skills Training Plan for Youth – to better align the education and training offered in elementary and post-secondary with labour market need and demand.
 - Renewing the Labour Market Agreement with the federal government – an opportunity to expand and invest in LNG programs in every region.
 - New WorkBC.ca website – using the ministry's data and labour market information to provide information and awareness on careers and job opportunities at a regional and provincial level.
 - Youth engagement – in complement to the 10-year skills training plan, the Ministry is investing in the "Find Your Fit" marketing campaign across the province to educate youth about career opportunities and associated training needs – particularly in areas of high demand.
- There is also work underway to attract skilled workers from across Canada through our labour mobility framework and to better recognize the qualifications of internationally trained skilled immigrants.
- Partnerships with industry and labour, like the Natural Gas Workforce Strategy Committee and the Premier's LNG Working Group, are also informing skills training decisions and development.

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market & Immigration Division	250-514-5553
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Reviewed by			
Dir: CN	ED: KG	ADM: DSM	DM:

2014/15 Estimates Note Advice to the Minister

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

Title: Premier's Liquefied Natural Gas Working Group: Final Report

Revised: April 24, 2014

Issue: Final Report's 15 Skills Training Strategies accepted by Premier

Recommended Response:

- In September 2013, the Premier's LNG Working Group was established to review the skills training and workforce planning challenges associated with the LNG opportunity.
- The Working Group included 18 representatives from organized labour, industry, First Nations and government. The Working Group met nine times from September 2013 – March 2014 to discuss planning, skills training, marketing and developing best practices within the LNG sector to attract a mobile workforce.
- The *Premier's Liquefied Natural Gas Working Group: Final Report* was presented to the Premier on April 3, 2014. All 15 recommendations were accepted by Premier Clark as a road map to ensuring that BC has the skilled labour force it needs to seize the opportunity of liquefied natural gas.
- The first recommendation pertains to establishing an on-going structure to continue the group's work by July 1st of this year. We are currently reviewing options to implement this recommendation.

Background/Status:

- In September 2013, the Premier convened a meeting between government and leaders of organized labour with an objective to outline the Province's vision for the LNG industry and engage labour in a discussion about their role in making the opportunity achievable.
- The result was the development of terms of reference and the establishment of the Premier's LNG Working Group with 18 representatives from organized labour, the Haisla Nation, LNG proponents and the Province.

2014/15 Estimates Note Advice to the Minister

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

- From November 2013 – March 2014 the Working Group met nine times resulting in a Final Report which was presented to the Premier in late March. The Final Report includes 15 recommended LNG skills training strategies.
- On April 3rd, all 15 recommendations were accepted by Premier Clark as a road map to ensuring that British Columbia has the skilled labour force it needs to seize the opportunity of liquefied natural gas.
- The report includes
 - One recommendation on developing a working group moving forward
 - Four recommendations on skills training planning and implementation
 - Two recommendations on marketing and promotions
 - Three recommendations on apprenticeship trades and mentoring
 - Two recommendations on a mobile workforce
 - One recommendation on timelines
 - Two recommendations on the use of workers from other jurisdictions.
- Government is currently reviewing options to implement the first recommendation – to create an on-going structure by July 1, 2014 to continue the work.
- See Appendix 1 – Summary of Recommendations
- See Appendix 2 – Working Group Participants

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market & Immigration Division	250-514-5553
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2014/15 Estimates Note Advice to the Minister

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

APPENDIX 1: SUMMARY OF RECOMMENDATIONS

Recommendation #1

- Develop a structure with equal representation from industry (including contractor associations), organized labour, First Nations, and governments to participate and enable the skills training and workforce planning issues leading to employment in the LNG opportunity on an on-going basis after March 31, 2014. The structure, membership, and Terms of Reference should be established no later than July 1, 2014 in consultation with the members of the Premier's LNG Working Group. In addition, the structure should be established in coordination with the other LNG workforce activities already underway.

Recommendation #2

- Begin planning and training British Columbians immediately for the LNG opportunity

Recommendation #3

- Training should be coordinated across B.C. and Canada to maximize the effectiveness of the existing labour pool and lead to employment

Recommendation #4

- Identify and remove barriers to entry into training while supporting literacy and essential skills development to support local and B.C. work-based training and employment.

Recommendation #5

- Increase the efficiency and effectiveness of the investment in training by leveraging successful government, union, and private training programs

Recommendation #6

- In conjunction with recommendation #7, industry, governments, organized labour, and First Nations should partner to conduct campaigns and career fairs in high schools, colleges, and cultural centres on the LNG opportunity.

Recommendation #7

- Promote awareness of job opportunities in B.C., including work-based training with a focus in rural, northern, and First Nations communities.

2014/15 Estimates Note Advice to the Minister

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

Recommendation #8

- Establish an inventory of individuals currently in apprenticeship programs and other non-apprenticeship skilled workers seeking employment. Include in the inventory journeypersons who are available to provide mentoring and on-the-job training to apprentices.

Recommendation #9

- Aspire to a goal of having 25 percent overall of the apprenticeable trades workforce on LNG-related construction projects and whether funding for apprentices can come from industry and/or government. In addition, government should consider having a minimum number of apprentices on public infrastructure projects.

Recommendation #10

- Review the approach used by private sector unions with respect to apprentices and by First Nations with respect to training to determine if their approach can be improved or applied more broadly.

Recommendation #11

- Explore and analyze projects that have used a mobile workforce. In addition, it is important to identify and resolve the barriers to worker mobility in relation to trades qualification and certification.

Recommendation #12

- Target areas of opportunity by focusing on workers finishing construction or other projects in all areas of the province.

Recommendation #13

- Explore best practices within the LNG sector and other competing industries with respect to the conditions necessary to attract a mobile workforce.

Recommendation #14

- Develop a plan to support workers from other jurisdictions to stay in B.C.

Recommendation #15

- Further refine and develop a process for the use of Temporary Foreign Workers in the context of an overall strategy that identifies the workforce needs of the LNG opportunity and immediately begins a skills training plan to develop as many British Columbian and Canadian workers as possible to meet those needs. The structure contemplated in Recommendation #1 will be seized with the responsibility to refine and develop a process for the use of Temporary Foreign Workers.

2014/15 Estimates Note Advice to the Minister

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

Appendix 2: Working Group Participants

Government	Industry	Labour
Trevor Hughes (chair), Assistant Deputy Minister, Labour Division, Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour Supported by Jennifer Goad and Nathan Nankivell	David Keane , Vice President Policy and Corporate Affairs, BG Canada. Supported by Andrew Burton , Kathleen Williams , and Rick Wojcik	Jim Sinclair , President, B.C. Federation of Labour Supported by Michael Gardiner and Joe Barrett
Rob Mingay , Assistant Deputy Minister, Labour Relations, Public Sector Employers' Council Secretariat, Ministry of Finance.	Bruce Wells , Director of Project Planning and Execution, TransCanada. Supported by Kiel Gidens	Tom Sigurdson , Executive Director, B.C. and Yukon Territory Building and Construction Trades Council
Scott MacDonald , Assistant Deputy Minister, Labour Market and Immigration Division, Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour Supported by Keith Godin	Sarah McCullough , Director External Affairs and Communications, Spectra Energy	Joe Shayler , Business Manager & Financial Secretary, United Association of Journeymen & Apprentices of the Plumbing & Pipefitting Industry of U.S. and Canada, Local 170. Supported by Jeff Chapman
Susan Brown , Executive Director, Strategic Policy and Planning, Ministry of Advanced Education	Rod Maier , Manager External Relations & Communications Kitimat LNG, Chevron Supported by Elio Artuso	Mark Olsen , Business Manager/Secretary-Treasurer, Construction & Specialized Workers' Union, Local 1611 (Labourers)
Kursti Calder , Director, Labour and Economic Planning, Ministry of Natural Gas Development Supported by Brian Hansen	Susanne Kajner , Director, HR & Corporate Services, Progress Energy Canada Ltd. Supported by Tessa Gill , Pacific NorthWest LNG Ltd.	Jud Martell , Training Co-ordinator, Sheet Metal Workers' International Association, Local 280

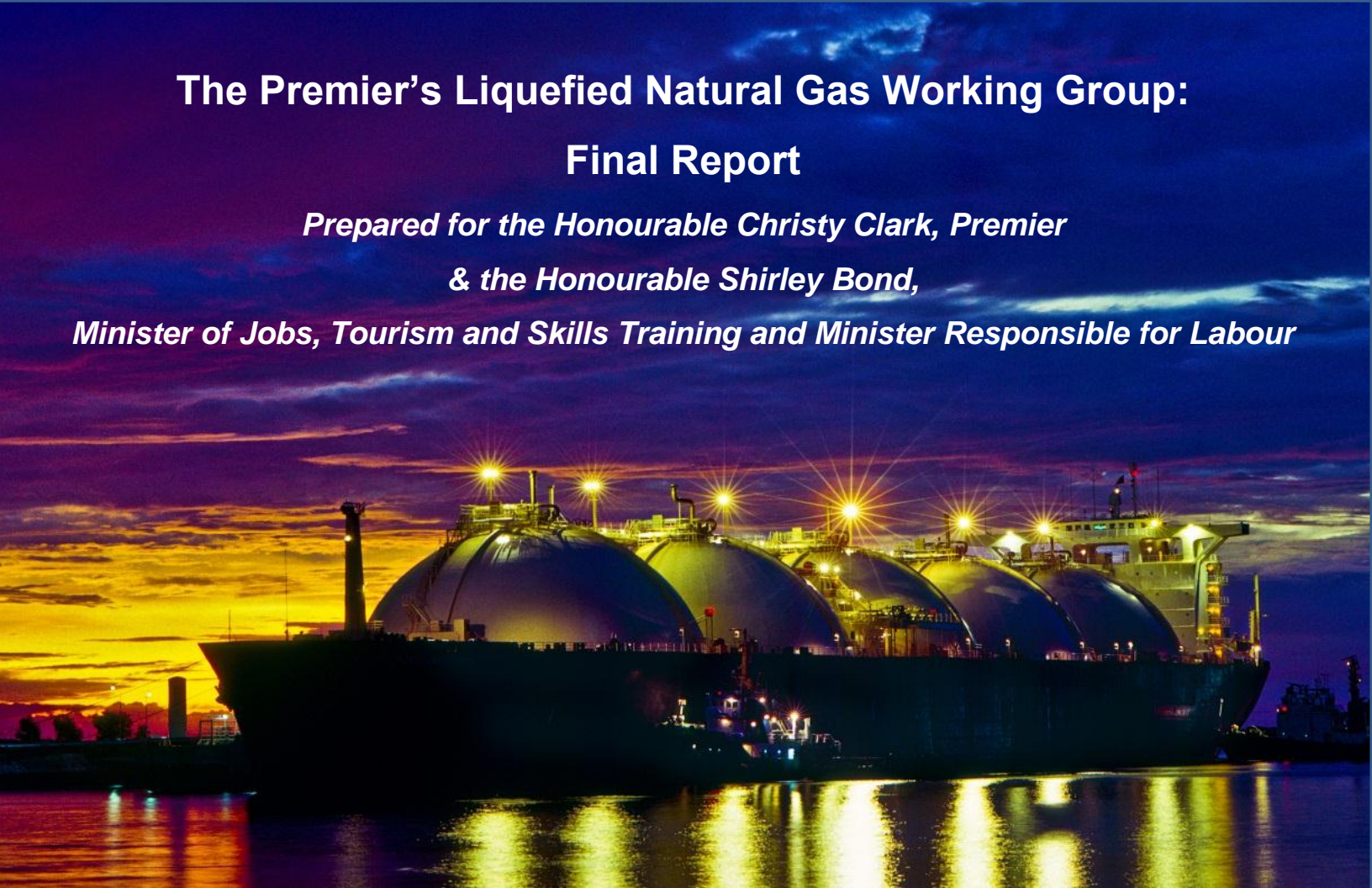
2014/15 Estimates Note Advice to the Minister

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

Government	Industry	Labour
Marc Maesele , LNG Plant Project Manager, Shell Supported by Ron Harry		Dan Bradford , Past Vice-President, B.C. Government and Service Employees' Union
First Nations		
Taylor Cross , Deputy Chief Counsellor, Haisla Nation Supported by Matthew Clayton		

The Premier's Liquefied Natural Gas Working Group: Final Report

*Prepared for the Honourable Christy Clark, Premier
& the Honourable Shirley Bond,
Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour*



*Prepared by the Premier's LNG Working Group
March 31, 2014*



**BRITISH
COLUMBIA**

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I. INTRODUCTION:

On September 9, 2013, the Honourable Christy Clark, Premier, convened an unprecedented meeting between herself and the Honourable Shirley Bond, Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour, with leaders of the organized labour movement, including Jim Sinclair, President of the British Columbia (B.C.) Federation of Labour, and Tom Sigurdson, Executive Director of the B.C. and Yukon Territory Building and Construction Trades Council. Also in attendance were representatives of many of the unions representing a variety of trades in the private sector, including, but not limited to, electrical workers, insulators, plumbers and pipefitters, operating engineers, and painters.

One of the objectives of the meeting was to outline the province's vision for Liquefied Natural Gas (LNG) as a generational opportunity to improve the state of the province's economy and improve the lives of the citizens of the province. In addition, the Premier intended to engage the labour movement in the challenge of ensuring the training and workforce opportunities associated with LNG go to British Columbians first. As a result, the Premier proposed the establishment of a government/industry/organized labour/First Nations working group to work together, under specific Terms of Reference (see Appendix I), to focus on how to work together to solve some of the complex challenges associated with the LNG opportunity.



The Premier's challenge was accepted by the represented members from organized labour, industry, and First Nations with all groups recognizing the significance of the economic opportunities at stake for British Columbians in terms of economic development, and creating a skilled workforce that can help to develop a myriad of other projects that are critical to B.C.'s future success.



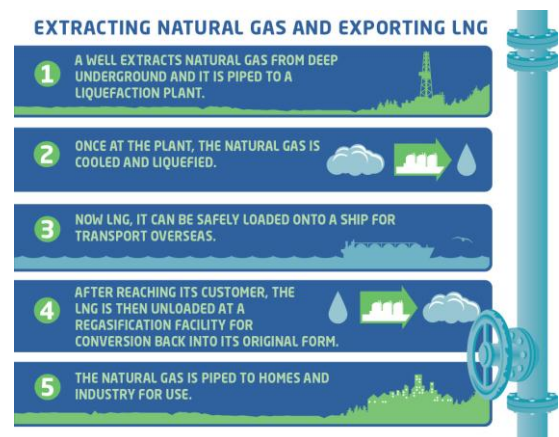
This unprecedented Working Group was established with representation from the groups identified below. Appendix II provides detail on each of the representatives for the organizations listed below.

Government	Industry	Labour	First Nations
Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour (Labour Division and Labour Market and Immigration Division)	Progress Energy Canada Ltd. and Pacific NorthWest LNG	United Association of Journeymen & Apprentices of the Plumbing & Pipefitting Industry of U.S. and Canada, Local 170	Haisla Nation
Ministry of Finance (Public Sector Employers' Council Secretariat)	Chevron Canada Ltd. (Kitimat LNG)	B.C. and Yukon Territory Building and Construction Trades Council	
Ministry of Advanced Education (Strategic Policy and Planning)	BG Canada (Prince Rupert LNG)	B.C. Federation of Labour	
Ministry of Natural Gas Development (LNG Task Force)	Shell (LNG Canada)	B.C. Government and Service Employees' Union	
	Spectra Energy	Construction & Specialized Workers' Union, Local 1611 (Labourers)	
	TransCanada	Sheet Metal Workers' International Association, Local 280	

II. BACKGROUND AND CONTEXT:

The LNG Opportunity:

Over the past year, much has been written in a variety of forums about the LNG opportunity that exists in B.C. LNG has the potential to be the start of a new industry, leading to the biggest energy development projects in B.C.'s history. The opportunity has the potential to reshape B.C.'s economy as well as transforming its labour force, leaving a legacy for skills development, and providing high paying employment opportunities for generations to come.



The LNG Challenge:

LNG development exists within a global market that is defined by both the competition to establish long-term supply contracts with foreign markets by providing LNG at a competitive cost and the requirement to attract a skilled labour pool that is essential to bringing LNG to market. The labour market, both domestically and internationally, is highly competitive. LNG as an industry has various projects that are seeking to attract skilled and trained labour, and there is also a level of competition external to the LNG sector that sees other major industrial projects within B.C., Canada, and around the world also working to attract and secure many of the same skilled workers. Adding to these challenges are other considerations that include the federal and provincial environmental assessment and permitting processes, the development of a clear and competitive fiscal framework for the LNG value chain, and the importance of gaining necessary support for the projects from First Nations, local communities and other stakeholders.

Further, attracting and retaining the required skilled labour (whether unionized or non-unionized) remains one of the largest challenges for the LNG industry. This includes engaging under-represented communities in the north of the province through to encouraging an even more mobile workforce that is able to transition from project-to-project as necessary. In light of the workforce challenges, the Working Group unanimously supported the principle of ensuring that as many British Columbians and Canadians as reasonably possible benefit from the skills training and employment opportunities that the full LNG value chain (upstream, pipelines, and LNG facilities) presents. The Working Group discussed the importance of the mobility of labour across B.C. and Canada to the success of the LNG opportunity. The Working Group also discussed the challenges associated with the use of temporary foreign workers to develop the LNG opportunity such that there was agreement to understand the lessons and best practices from other projects as a way to limit their use, but also to plan accordingly for their use if and when needed.

Top 10 Construction-Related Jobs with the Greatest Demand

- 1. Steamfitters & pipefitters**
- 2. Construction traders helpers & labourers (including riggers)**
- 3. Welders**
- 4. Concrete finishers**
- 5. Heavy equipment operators**
- 6. Carpenters**
- 7. Truck drivers**
- 8. Purchasing agents & officers**
- 9. Gas fitters**
- 10. Crane operators**



* Sourced from the B.C. Natural Gas Workforce Strategy and Action Plan
July 2013

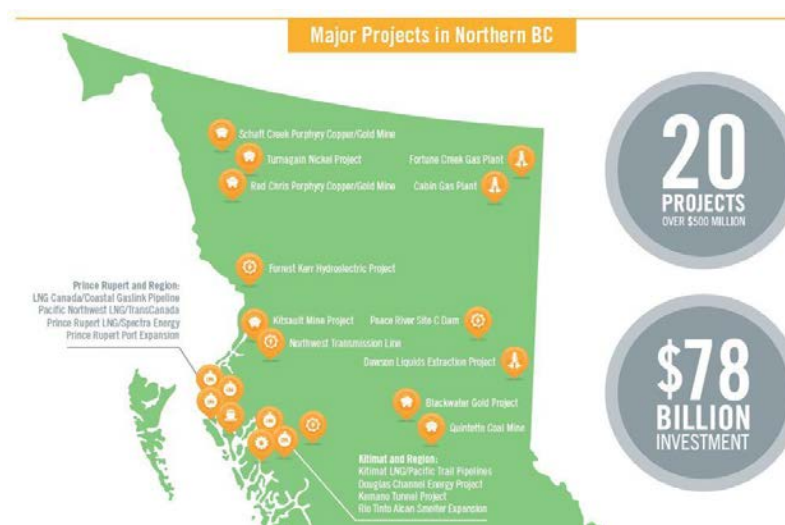
Major Projects Underway in B.C. – Now and to 2023:

The Working Group understands that the development of a new LNG industry is not occurring within a vacuum. Specifically, between now and 2023, there are a variety of major projects either underway or in the planning phase. Many of these projects will compete for the same skilled tradespersons and other skilled occupations – all at a time when B.C. already is facing challenges linking southern B.C. workers with northern B.C. jobs, which is compounded by an actual shortage of skilled workers needed to perform the work. Also of note is that many of these projects will be occurring at the same time, albeit in different phases, which presents a potential opportunity for the sequencing of labour.

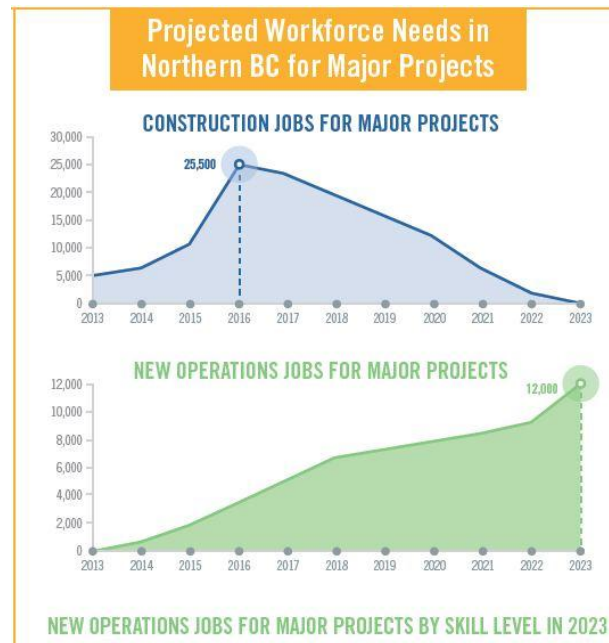
To provide some context to what this will look like, the Working Group reviewed the workforce needs estimated for major projects in northern B.C. provided by the Ministry of Jobs, Skills Training and Tourism and Minister Responsible for Labour (JTST). The Ministry updates this information periodically and, as of February 2014, provided the following description for major projects across all sectors and all regions of the province:

between 2013 and 2023, there are an estimated 47 projects planned worth more than \$500 million each, representing an expected total investment of \$165 billion (more information on major projects is available [here](#)). Each of these projects, like LNG projects, has a construction phase and an operations phase so will require significant skilled labour at various points during construction (although it should be noted that not all projects may come to fruition).

In addition to the planned LNG facilities and their associated upstream activities in B.C., there are several types of major projects that will be undertaken in B.C. and other jurisdictions in western Canada concurrently over the next ten years (thus, the competition for access to skilled labour). Key active sectors set to expand with project development include hydro-electricity (e.g., Peace River Site C Dam, Northwest Transmission Line, and Kemano Tunnel), oil and gas (e.g., Cabin Gas Plant, Fortune Creek Gas Plant, and Dawson Liquids Extraction Project), mining (e.g., Quintette Coal Mine, Red Chris Porphyry Copper/Gold, Avanti Kitsault, and Blackwater Gold), and other projects (e.g., Rio Tinto Alcan Kitimat Modernization Project and Prince Rupert Port Expansion). While construction timing will fluctuate, each project will be competing for highly qualified skilled and less-skilled labour at roughly the same period in time.



What is significant is that the peak years are as early as 2016 and 2017 (subject to final investment decisions) when thousands of construction jobs are projected to be needed. While many of these jobs will be tradespersons such as pipefitters, welders, electricians, carpenters, and millwrights, there will also be a need for skilled labourers as well as workers in a variety of occupations, including engineers, transportation and logistics, operators, technologists, and technicians (e.g., oil and gas well drillers), and management/supervisory personnel.



Labour Supply Conditions in Northern British Columbia:

The next component of the LNG challenge relates to the labour supply conditions, particularly in northern B.C. This is a key risk factor for the LNG proponents for a number of reasons. The large number of job opportunities in the north, including for LNG, present a challenge when one considers the size and make-up of the workforce in the northern part of the province. In general, the labour market in the north features a much smaller population than in the southern areas of the province. According to data provided by the Labour Market and Immigration Division of JTST, the northern B.C. labour force is estimated at 80,000 people which is 3.7 percent of the provincial labour force.

According to the same data, the median age in the north is 37 compared to the rest of the province which has a median age of 41. The northern workforce has a lower percentage of immigrants (9 percent compared to 29 percent provincially) yet a higher percentage of First Nations (28 percent compared to 5 percent provincially). In the north, unemployment for First Nations people with a trades or apprenticeship certificate is 21.9 percent and 8.3 for non-First Nations people. There is also an opportunity to address the workforce challenges of northern B.C. when one considers that there will be 25,000 new entrants to the labour market over the next decade as children graduate from the K-12 system. Further, there is the challenge of the mobility of labour as employers aim to facilitate the movement of people to where the work is (in this case northern B.C.). This challenge is not unique to B.C. as it exists across Canada and other developed nations.

Essential skills training for many British Columbians may be required to ensure access to this work. In order to maximize local hiring for LNG projects, this training needs to start well in advance of construction.

The Workforce Needs to Build an LNG Facility:

To understand the estimated workforce needs required to construct and operate one LNG facility and related infrastructure (upstream facilities and pipeline), the Working Group reviewed a theoretical model based on some of the past experiences of the Working Group's industry representatives. This model takes a five-year view, and assesses the pre-construction, construction, and operational phases. In doing this, it creates an approximation of the number and types of trades that are needed in each year and in each phase of a project. The aim of this approach is to create a framework that can be extrapolated to estimate the needs of multiple LNG facilities and pipelines, regardless of the number of projects that are realized, as well as the numbers and types of skilled labour that would be needed at any given time in construction. As final investment decisions are still pending for proposed projects, this approach was seen to be more flexible to determine labour needs and to inform how to maximize the existing workforce (and thus determining approximately how many more workers could be needed).

It is instructive to go one step further and analyze the needs to build one LNG facility. One of the LNG proponents shared detailed conceptual/approximate data to the Working Group showing the craft trade breakdown for the building of a hypothetical LNG facility. The LNG facility is for two "trains" producing a total of 8.5 million metric tons of LNG per annum. Note that a "train" is an LNG plant's processing unit which liquefies and purifies the natural gas.



On-Going Work on LNG: "B.C. Natural Gas Workforce Strategy and Action Plan":

In March 2012, the B.C. Natural Gas Workforce Strategy Committee was formed to review workforce needs related to LNG projects. Comprised of industry, government, First Nations, and the Resource Training Organization, the Committee issued a [Strategy and Action Plan](#) in July 2013 which highlighted high-level strategies and specific actions it views as being required to build capacity within industry, labour supply partners, and communities to address current and future LNG-related construction and operations workforce requirements.

The Strategy and Action Plan also examines the potential labour supply that will be available for the construction and operation of LNG facilities. One of the key observations is that B.C.'s labour force will "simply not be able to meet the labour demand generated by the growth of the province's natural gas industry" (from page 3 of the Strategy and Action Plan). The paper then identifies a series of actions designed to increase local talent (e.g., by addressing barriers to local labour force participation and by developing skills and qualifications in local labour pools) and to attract and retain talent from other locations (e.g., by relocating workers from other regions and/or jurisdictions). The Strategy and Action Plan informed the Terms of Reference for the Premier's LNG Working Group.

III. TERMS OF REFERENCE: PROPOSED STRATEGIES AND SOLUTIONS:

As noted above, following the Premier's meeting with private sector union leaders on September 9, 2013, Terms of Reference (TOR), which had been proposed at the meeting, were finalized and agreed by the Working Group (see Appendix I). An initial meeting was held on November 12, 2013 in Vancouver, followed by two meetings in each of December 2013 and January 2014. The purpose of the first meeting was to set the context for the task of the Working Group, including a presentation on the labour market challenges associated with the LNG opportunity. The two December and two January meetings focused on the TOR and the plan for the development of the interim report which was submitted on January 31, 2014. The two February and two March meetings focused on the development and content of this final report.

It is important for the acceptability of this final report by each participating organization to comment on how the Working Group approached its analysis of the TOR and the solutions and opportunities they present. There was unanimity on how to approach the task and the Working Group wanted to have an open and frank exchange of ideas. To support that dialogue, the Working Group agreed on the following principles. The first principle was that no idea or solution would be attributed to any member of the Working Group or representative organization. The second principle was that the interim report would not include specific recommendations or advocate for proposed solutions and opportunities. There was agreement that this final report would be the place for any recommendations or actions for consideration and implementation by government, industry, organized labour, and First Nations. Third, any recommendations or actions within the final report are expressly acknowledged as being non-binding on any members or organizations within or beyond the Working Group.

There were other important notions discussed in the Working Group's meetings. First, there was agreement that the industry representatives would provide as much information as possible to facilitate open discussion, but there would not be any disclosure of proprietary information. In addition, industry representatives were not asked to do anything to harm their competitive or negotiating position (in any respect). As noted in the meetings, there is a shared desire and some measure of agreement to work together on certain elements of how to address the skills training and workforce challenges presented by the LNG opportunity. There is also a very clearly expressed desire amongst all members of the Working Group that the LNG opportunity in relation to workforce needs should benefit as many British Columbians as reasonably possible. It was viewed by the entire Working Group that LNG facilities should be built and operated, where practical, by as many workers living within local communities and from within B.C and Canada as possible, followed by foreign workers either through immigration or foreign worker pathways. The Working Group viewed its structure and function as providing the opportunity to lay some of the groundwork for these shared objectives.

The Working Group agreed that the TOR should be split into three distinct groups by reviewing the first paragraph as TOR #1, paragraphs two and three together as TOR #2 (due to the linkages between them), and the final paragraph as TOR #3.

The interim report contained a summary of the discussion of a number of possible solutions and opportunities identified by the Working Group to each of the three TOR, along with a series of questions about each solution or opportunity. The thinking of the Working Group prior to the completion of the interim report would be that we would work on examining the utility of each of the solutions and opportunities to determine which would be priorities for the final report and which would fall away. However, in the meetings after the finalization of the interim report, it became clear to the Working Group that each of the categories of possible solutions and opportunities have significant value and should be pursued to the extent possible. In addition, what also became clear was the commitment from each of the Working Group participating organizations, notwithstanding the TOR noting a final report due on March 31, 2014, to continue to work together beyond this date. There is no question that the participating organizations have different mandates, priorities, and stakeholder interests – yet, over the term of our work together, there was clearly growth in the commitment to work together, both within groups (e.g., industry participants) and across groups (e.g., organized labour with industry). While each of the organizations took their participation seriously and were careful to note areas of concern, they were all surprised by the number of issues on which they agreed in relation to the TOR and the importance of making progress not only in this March 31, 2014 final report – but beyond and into the future for the benefit of all British Columbians.

Before proceeding with specific strategies and solutions related to the TOR, there is one over-arching recommendation that the Working Group identified as being fundamentally important to realizing a successful LNG industry and creating actual LNG-related jobs for British Columbians. As indicated above, the Working Group was established in September 2013 with this final report due on March 31, 2014 which effectively makes the Working Group time-limited. However, there is agreement that structure is necessary going forward, not only to follow-up on the recommendations in this report, but also to maintain and enhance the positive relationships and significant progress that has been achieved to date.



The Working Group agreed that this structure needs to have equal representation from industry (including contractor associations), organized labour, First Nations, and governments (provincial and federal). In addition, the group agreed that this structure needs to be established as quickly as possible after March 31, 2014. The Working Group noted that without the creation of a structure prior to July 2014, there will be significant limitations in relation to being able to continue collaborating on issues related to skills training and workforce planning to support the construction and operation of LNG facilities. The Working Group is of the view that a fragmented and uncoordinated approach to the skills training and workforce planning issues could inhibit the success of LNG projects, creating ineffective approaches to training and a risk of an increase in costs.

In addition, a challenge relates to the coordination and collaboration of LNG workforce activities. There are many LNG workforce-related initiatives underway or starting in B.C., including the B.C. Natural Gas Workforce Strategy Committee and the Canadian Apprenticeship Forum. LNG workforce planning and strategy development should be coordinated and linked by stakeholders to maximize LNG opportunities. The precise structure and membership along with issues of funding and Terms of Reference would be determined at a later date.

✓ **Recommendation #1:**

- ✓ **Develop a structure with equal representation from industry (including contractor associations), organized labour, First Nations, and governments to participate and enable the skills training and workforce planning issues leading to employment in the LNG opportunity on an on-going basis after March 31, 2014. The structure, membership, and Terms of Reference should be established no later than July 1, 2014 in consultation with the members of the Premier's LNG Working Group. In addition, the structure should be established in coordination with other LNG workforce activities already underway.**

TOR #1: Propose strategies and solutions to fill skills gaps via new entrant skills training and upgrading skills of current members as identified in the B.C. Natural Gas Workforce Strategy and Action Plan.

This TOR recognizes that there are labour and skills gaps that exist to construct and operate LNG facilities – regardless of the final number of facilities constructed in B.C. As noted above (on page 6), the Strategy and Action Plan has developed a number of action items that are important to facilitate building the necessary capacity and labour supply. Skills gaps will exist for apprenticed labour, other occupations, and skilled labour. This TOR also notes that skills gaps could be filled with new entrants to the labour force and by upgrading the skills of current members of the workforce (including those outside the membership of private sector unions). The Working Group has identified potential strategies and solutions in three categories to support this TOR – training; education and career path mapping; and planning for apprenticeships and skilled labour.

Training

A significant gap identified by the Working Group is the need for training. As outlined above, there are labour supply challenges to meet the workforce needs for both the construction and the operation of LNG facilities. It also takes significant time to attract, recruit, train (both technical instruction and on-the-job), and certify a worker in a trade. In addition, there are barriers to entry into certain trades and other occupations that limit access and barriers that delay completion of training. These barriers include requirements for a driver's licence, accommodation, and living expenses while training.

Recognizing that final investment decisions by LNG proponents are pending and that construction and operation may not come to fruition for a number of years, the critical point that the Working Group emphasizes with respect to training is that the planning for training needs to begin immediately. The importance of beginning training now is not just to have a robust and qualified workforce in place to meet demand, but to have projects that allow for on-the-job training for those who are still in the learning process (e.g., apprentices). The Working Group also recognized that there are a myriad of training opportunities that exist today that could and will be leveraged into the overall plan for staffing proposed LNG projects.

Before training can begin, it is important to know the workforce requirements. As described earlier under “The Workforce Needs to Build an LNG Facility”, we can begin to project the types and numbers of jobs needed and by when they will be needed. The training needs should also take into account the fact that, as noted above, there could be multiple projects on-going over the next several years that may require the same kind of workforce or, opportunistically, may provide some of the necessary workforce because of the timing of completion of certain work on the projects. Training is critical to improve the working lives of British Columbians and Canadians by providing the skills necessary for future opportunities like LNG. While not focused exclusively on apprenticeship training, the Working Group also noted the importance of examining what a realistic goal for apprenticeship training numbers might be. As noted above, the necessary training does pertain to skilled trades (apprenticeship) and to other occupations and skilled labour.



Another training challenge is that LNG facilities deal with flammable and combustible hydrocarbons. As a result, it is important that the workforce be properly trained and skilled in their safe operation.

- A. The Working Group is of the view that a coordinated and planned approach to training is crucial to the successful development of the LNG opportunity. This means determining what modes of training are needed, identifying potential gaps, and locating potential opportunities already in existence to better those currently in the training system with potential on-the-job learning experiences. At the same time, training needs to start as soon as possible to ensure that there is a large enough and sufficiently skilled workforce in place to support the proponents once they are ready to break ground on a project. The opportunity that exists with training is that while it enables the province to meet the LNG challenge, it can also establish a legacy in how it can result in a skilled workforce for the future.

To facilitate the development of training programs, the Working Group identified the opportunity to develop and share an inventory of workforce needs to support the construction and operation of multiple LNG facilities. The logic of an inventory includes facilitating the transition of workers from one project to another to reduce training needs. In order to do this, the Working Group discussed the importance of establishing one comprehensive and accepted data source (e.g., [BuildForce Canada](#)).

Another opportunity would be to determine the number of training placements already available in B.C. along with the number of people already in training and apprenticeship programs. It would also make sense to determine the role for organizations such as post-secondary institutions and the [Industry Training Authority \(ITA\)](#) in working with industry and organized labour on trades training to meet the LNG opportunity. The ITA is funded by government and leads and coordinates B.C.'s skilled trades system, including the issuance of credentials and the management of apprentices. Note that as of March 31, 2014, the ITA is going through a review of its role and function as directed by Minister Bond on August 21, 2013. There was discussion about the importance of the ITA Apprenticeship Coordinators and the role they can play in increasing the number of successful trades graduates.

The Working Group also identified the importance of engaging First Nations and training institutions to determine what role they can play in training. Finally, it was suggested that the province consider initiating discussions with foreign governments (e.g., Australia, Trinidad) about options to train B.C. workers in the operation of LNG facilities.

- ✓ **Recommendation #2:**
- ✓ **Begin planning and training British Columbians immediately for the LNG opportunity.**

- B. The skilled labour needed to construct, maintain, and operate LNG facilities is part of a larger labour pool that may be working on many of the other major industrial projects within B.C. and across Canada. This may result in workers in the skilled trades being mobile as they move from project to project. The need for a mobile workforce also means that workers need to have skills that are applicable to a variety of industries. For example, a pipefitter working on a pipeline may also be able to apply the trade to a mining project with minimal upgrading. With this in mind, there may be potential to better coordinate training across B.C. and Canada recognizing that the workers who perform work in one area may make up the workforce on another project only a few years later. In addition, there may be an opportunity to coordinate efforts by bringing industry resources and expertise together with in-house training and public and private sector training to maximize benefits.

An additional consideration is whether LNG proponents would be willing to offer job opportunities to workers who may move on to other projects with other proponents and/or other industries. It would also be worth discussing whether B.C. can augment, leverage, and/or promote the work already done by other jurisdictions and organizations to create a national inventory of skilled and other job opportunities and/or available apprentices. The Working Group also discussed whether government, industry, organized labour, and First Nations training initiatives can be combined to be more efficient. The Working Group also queried whether it would be possible to leverage industry funds with funds provided by the federal government through the Labour Market Agreement and Labour Market Development Agreements to create and fund industry specific-training programs.



There are likely lessons to be learned from the experience of LNG and major projects in other jurisdictions (including Alberta) so that B.C. can better coordinate workforce training and planning. The Working Group discussed how LNG proponents can engage contractors to manage the design and build of major projects on their behalf. These contractors, also referred to as EPCM (Engineering, Procurement, and Construction Management), engage in work that can include the hiring and management of subcontractors, through to managing procurement, construction work, and permitting. Generally speaking, the EPCM is active in the pre-construction and construction phases (or until an LNG facility becomes operational when the LNG proponent takes it over). As the EPCMs are responsible for managing a huge workforce comprised of thousands of skilled workers, including apprentices, there may be potential for the EPCMs to support the high-level training of various skilled professions, including apprenticeships that in turn can translate to an available workforce that can fill some of the operational jobs once construction concludes.

- ✓ **Recommendation #3:**
- ✓ **Training should be coordinated across B.C. and Canada to maximize the effectiveness of the existing labour pool and lead to employment.**

- C. Prerequisites like education and certification (e.g., driver's licence, first aid) are critical to developing workers who likely will have a higher degree of success once they get into a training program and then onto the job. However, these same requirements can also serve as a significant barrier and even as a deterrent to those who are interested in a career in the skilled trades. These barriers can be even more daunting if it is unclear what is required and how requirements can be obtained. There are programs that provide life skills development for youth from under-resourced communities that have reduced barriers and enabled access to apprenticeships in the building trades (e.g., the [Hammer Heads](#) program established by the Central Ontario Building Trades). [BladeRunners](#) is another example of a program that provides basic skills training and job readiness for at-risk youth (aged 15 to 30) as is the B.C. Construction Association's [Skilled Trades Employment Program](#).

It is also important to ensure the capacity for literacy and essential skills development to support local and regional work-based training and employment for LNG facilities. An example is [SkillPlan](#) a not-for-profit organization based in B.C. that provides learning solutions in the construction industry and in other sectors. SkillPlan works with employers to develop the skills of workers, including literacy and numeracy skills. SkillPlan has a Board of Directors that is made of up employer and union organizations that financially support the organization.

To support this work, it would be helpful to identify the prerequisites for entry into trades training along with any barriers other than job placements to entry into trades training. The next challenge would be how to address these prerequisites and barriers for those who are interested in seeking training in the trades.



- ✓ **Recommendation #4:**
- ✓ **Identify and remove barriers to entry into training while supporting literacy and essential skills development to support local and B.C. work-based training and employment.**

- D. It is well known that government provides significant funding in a variety of ways as an investment in training – from the K-12 system to advanced education and to the ITA. At the same time, other groups within industry and organized labour provide various degrees of funding and training support, all with differing results. There may be an opportunity to leverage resources by bringing industry resources and expertise together with in-house training and public sector training to maximize benefits. In discussing the issue of investing in training, the Working Group noted the importance of identifying ways to more effectively invest in training and determining how successful investments in training could be leveraged. The objectives are to make sure the right kinds of training are being delivered in ways that maximize results, to identify opportunities for industry to participate in training, and to learn from the training expertise and experience of the building trades unions.

✓ **Recommendation #5:**

- ✓ **Increase the efficiency and effectiveness of the investment in training by leveraging successful government, union, and private training programs.**

Education and career path mapping

The discussion around this principle focused on how to ensure people are aware of the career opportunities that exist around LNG, whether it is youth still in school or those in trades training now or those in industries where work is ending.

- A. High schools, colleges, and cultural centres are the best placed institutions for identifying people who have potential interests in the trades and in non-apprenticeable trades. Apprenticeship programs could start as part of some high school curriculums and high school counsellors and technology educators could serve as key contacts. Colleges provide the technical training that is required to complete apprenticeship programs or other programs to match workers to job opportunities. Multi-cultural organizations and immigrant service providers can be resources for engaging people who have experience in the trades in other countries about working in B.C. Campaigns aimed at these institutions present an outreach opportunity to the potential LNG workforce. The Working Group also discussed how career fairs provide an opportunity to engage people interested in the LNG opportunity; however, too often career fairs happen without industry participation and/or with no organization in attendance to actually offer tangible employment opportunities.

In addition, it is important to target technology education classrooms and career education coordinators in high schools and technical institutions for support and marketing. Teachers in technology education programs at all levels can provide coordinated training and mentorship opportunities. Technology programs within all educational institutions may be the most fertile recruiting grounds for the LNG

opportunity. The students in these programs are already actively engaged in learning about the trades and technical occupations and in many cases may be working towards an apprenticeship designation. There could be benefits from engaging the technology education teachers in these programs as well as career education counsellors to promote the LNG opportunity and to help prepare students for a career in the sector.

✓ **Recommendation #6:**

- ✓ **In conjunction with recommendation #7, industry, governments, organized labour, and First Nations should partner to conduct campaigns and career fairs in high schools, colleges, and cultural centres on the LNG opportunity.**

B. One of the biggest challenges facing major projects is finding ways to attract the workforce to where the work is actually located. Many of the training institutions and opportunities are located in southern B.C. which is away from the location of the work. However, programs like Northern Opportunities afford the chance to train in the north and stay in the north. [Northern Opportunities](#) is a partnership of three northeast B.C. school districts, Northern Lights College, First Nations, and industry that provides “young people with a seamless learning pathway from secondary school to post-secondary training leading to career success.” There may be an opportunity to expand this program into the northwest of the province. In addition, the [Coastal Pathways Partnership](#), a program in the northwest that provides skills training initiatives and projects that benefit the Northern Coastal region, could be expanded. One of the objectives would be to enable employers to take people from these programs and match them to job opportunities.



At the same time, there are relatively untapped labour pools such as some First Nations communities that may be well placed to realize benefits from participating in the LNG opportunity. Another challenge is ensuring that those prepared to enter the workforce understand the types of careers available for skilled and certified labour. An opportunity exists to create awareness in northern and rural B.C. communities about how to pursue meaningful employment and/or a career in the trades. A further opportunity would be to identify other cost-effective programs available that would accelerate young people's connection to the workplace, such as the [Aboriginal Training and Mentoring Association](#).

✓ **Recommendation #7:**

- ✓ **Promote awareness of job opportunities in B.C., including work-based training with a focus in rural, northern, and First Nations communities.**

Plan for apprenticeships and skilled labour

Creating a body of skilled workers is one of the more important legacies that the LNG opportunity can create for British Columbians. Apprenticeship programs often take four or more years to complete. Of this, roughly fifteen percent of the time is spent in technical training, which is learning offered in an institution like a college or a training facility. The other 85 percent is hands-on learning as apprentices engage in on-the-job learning with more experienced mentors who are able to teach apprentices about the trade. One challenge that has been identified is those in apprenticeship programs find it difficult to get the on-the-job experience. At the same time, industry, which often is responsible for offering the jobs, does not have access to information about those people who are in apprenticeship programs and are seeking employment opportunities. It is also important to recognize that the LNG proponents do not have apprenticeship placements available at this time. As noted above, the outstanding review of the ITA will be an important piece in the planning for apprenticeships and skilled labour.

Similar to apprenticeships, creating trained and certified workers in other skilled professions (e.g., engineers, technologists, and truck drivers) requires planning and coordination to ensure they are available when needed.

- A. The Working Group discussed the importance of establishing an inventory of individuals currently in apprenticeship programs who are seeking employment and an inventory of other non-apprenticeship skilled workers seeking employment. The challenge is to determine how to gather this data and whether there is a role for the ITA or the province (e.g., WorkBC). In addition, the building trades unions are engaged in the training of apprentices and have the ability to share information. The opportunity exists to provide individuals in apprenticeship programs with access to better information about work placements and on-the-job training opportunities.

The Working Group also noted the importance of identifying journeypersons in the system who are available to provide mentoring and on-the-job training to apprentices. Without an adequate supply of journeypersons, the ability to train and certify apprentices can be severely restricted. It is not clear if a natural ratio of journeyperson-to-apprentices that balances the quality of training, productivity, safety, and labour costs can be created.



- ✓ **Recommendation #8:**
- ✓ **Establish an inventory of individuals currently in apprenticeship programs and other non-apprenticeship skilled workers seeking employment. Include in the inventory journeypersons who are available to provide mentoring and on-the-job training to apprentices.**

- B. The Working Group discussed whether it is possible to increase apprenticeship spaces and other skilled worker positions in B.C. by leveraging other projects, including public infrastructure projects. These projects have the potential to provide opportunities to apprentices by providing the on-the-job training they need to complete their certification. Once apprentices are certified, these workers could potentially transition to other major projects like the construction and operation of LNG facilities. An assessment would be required as to whether government or other public works projects provide suitable opportunities to employ apprentices or other skilled workers. In addition, an assessment must be made as to whether it is possible to have a minimum number of apprentices on certain public infrastructure projects or other non-public projects, including LNG construction (while noting that such work is likely to be performed by third party contractors). Specifically, the Working Group agreed to aspire to a goal of having 25 percent overall of the apprenticeable trades workforce on LNG-related construction projects.

The Working Group also discussed other opportunities for apprentices and noted that government should consider having a minimum number of apprentices on public infrastructure projects.



The Working Group also discussed whether funding for apprenticeships and training to support the LNG opportunity can come from industry and/or government. In addition, there was some discussion about a need for investment in facilities to house training opportunities.

✓ **Recommendation #9:**

- ✓ **Aspire to a goal of having 25 percent overall of the apprenticeable trades workforce on LNG-related construction projects and whether funding for apprentices can come from industry and/or government. In addition, government should consider having a minimum number of apprentices on public infrastructure projects.**

- C. Some private sector unions have very high apprenticeship training completion success rates. Some of the private sector unions have joint training boards that include representatives from employers and organized labour that collaboratively coordinate and deliver training. Included in these apprenticeship training programs are annual investments in the millions of dollars. There are lessons to be learned from the approach that unions are taking which could be applied with success to other institutions. In addition, it should be noted that there are specific projects in place that have established training and employment benefits for First Nations communities.

Another of the strategies identified by the Working Group is to consider re-locating training to areas where jobs are needed. Enabling training to occur near worksites may encourage workers to stay in the area after completion of training and may reduce the likelihood of those workers returning to other areas of the province. If done in conjunction with LNG facility and infrastructure development, training near work locations could encourage the permanent redeployment of workers and their families into northern and rural B.C. once training is completed. A model to consider is the UA Piping Industry College of B.C. (UAPICBC) which supplies highly trained and qualified journeypersons and builds capacity in skilled labour in the construction industry in B.C. The model begins with promoting and advocating for careers in the trades followed by individualized action plans and monitoring for students to ensure their success. The UAPICBC has a significant network of employer and training partners which allows flexibility and expansion across the province. In addition, the UAPICBC offers apprenticeship training in plumbing, sprinklerfitting, steamfitting, and welding in two locations in northern B.C. (Fort St. John and Kitimat)

An opportunity exists to review how the profile of northern training institutions can be enhanced, including by identifying a role for private sector unions to enhance the profile of these institutions. Further, consideration could be given to whether there are training opportunities that could be shifted to different locations in B.C.

- ✓ **Recommendation #10:**
- ✓ **Review the approach used by private sector unions with respect to apprentices and by First Nations with respect to training to determine if their approach can be improved or applied more broadly.**

TOR #2: *Propose roles for private sector unions in recruiting members from southern British Columbia to the north to ensure British Columbians are first in line for these positions. Propose roles for private sector unions in accessing skilled workers from across Canada and the United States.*

This TOR is based on the recognition that private sector unions have experience and a track record of success in the mobility of its members to projects within regions and across jurisdictions, including into Canada from the United States. The Working Group has identified potential strategies and solutions in five categories to support this TOR – identifying organizations that have delivered via a mobile workforce; improving the perception of rural and northern B.C.; making LNG jobs attractive; understanding the role of private sector unions in training; and supporting workers from other jurisdictions to stay in B.C.

Identify organizations that have delivered by way of a mobile workforce

The development of LNG facilities is not the first development in B.C. to be constructed by way of a mobile workforce. There are examples of projects that have been completed or are currently underway in B.C. that have unionized and non-unionized workforces made up, in part, of workers from other areas of the province and indeed other jurisdictions. For example, the Kitimat Modernization Project (KMP) at Rio Tinto Alcan is a US\$3.3 billion project underway to modernize the aluminium smelter and is being constructed by way of a Project Labour Agreement with 16 building trades unions. At the peak of construction in the summer of 2014, there may be just over 3,000 workers. In the fall of 2013, there were just over 2,000 workers, with 92 percent from Canada. One in three of the workers were local (including five percent First Nations of which the majority are from the Haisla Nation). The balance of the workforce was made up of 42 percent from elsewhere in B.C., 17 percent from elsewhere in Canada, and eight percent from outside of Canada (exclusively workers from American building trades local unions with the same qualifications as Canadian workers). While KMP is a modern example, the use of Project Labour Agreements and mobile workforces have a significant history of use in B.C. stemming back to the 1960s with, for example, large-scale hydro-electric infrastructure development. This model continues today under the Allied Hydro Agreement. Local labour will only ever meet a portion of the skilled labour needs of a specific project such that there is need for a mobile workforce, particularly during peak construction periods. The pipeline industry is another example of success in using a mobile workforce, even though Project Labour Agreements are not the norm for the industry. Instead, the Pipe Line Contractors Association of Canada administers 10 collective agreements with the four pipeline craft unions and utilizes a co-operative joint labour/management panel (Canadian Pipeline Advisory Council) to discuss issues that affect the industry as a whole. This has led to successful and efficient use of mobile labour for decades. Much can be learned from organizations that have had success delivering projects using a mobile workforce.



There is also a role to inventory and determine best practices of trades training and mobility programs already available in Canada. One such program is [Helmets to Hardhats Canada](#) that, in partnership with Canada's building trades unions, offers apprenticeship opportunities to former members of the regular or reserve force of the Canadian Forces to transition into the construction industry. There also may be lessons available from the Canadian Forces or U.S. military in training workers and keeping their workforces mobile.

Another key role for private sector unions in delivering worker mobility is to ensure any barriers in accessing skilled tradespeople outside B.C. are addressed. Whether it is identifying any changes needed to the trades-focused inter-provincial Red Seal certification (Interprovincial Standards Red Seal Program) or clarification of regulated occupations or certifications and licensing across provincial and territorial borders, private sector unions can play a role in identifying challenges to enabling mobility of tradespeople and other skilled labour groups.

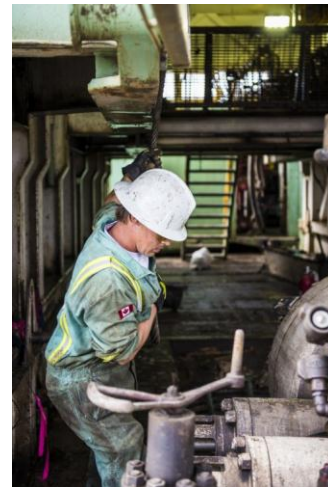
- A. It is clear that there are projects that have been completed by employing a mobile unionized workforce. The challenge is to identify as many such projects as possible to determine what lessons can be learned from the use of a mobile workforce. This may include developing an understanding of the advantages and disadvantages of a Project Labour Agreement. Further, when it comes to a mobile workforce, there are issues related to addressing qualification and certification with workers from outside B.C. whether they are in the trades or other skilled (non-trades) occupations. An objective is to maintain high levels of trades qualifications including Red Seal certification.

✓ **Recommendation #11:**

- ✓ **Explore and analyze projects that have used a mobile workforce. In addition, it is important to identify and resolve the barriers to worker mobility in relation to trades qualification and certification.**

Improve public perception in order to attract and retain workers to rural and northern B.C.

With approximately 70 percent of B.C.'s population living in the southwest corner of the province and a misunderstood or incomplete perception of rural and northern B.C., new strategies and approaches are needed to attract workers to these opportunity-rich areas. How these strategies are developed and who they involve requires more examination and involvement by a broader range of stakeholders, including examining approaches like having private sector unions encourage their members to temporarily leave southern B.C. to go north for work. It is important to ensure the migration of workers does not impact other projects, especially commercial and institutional, in southern B.C.



- A. The Working Group discussed whether there is a role for organized labour, industry, First Nations, or others in an advertising strategy about work and life in rural and northern B.C. It was noted that private sector unions have successfully encouraged their members to work and live in such areas.

There are opportunities for worker mobility as workers finish industrial and commercial construction projects in southern B.C. or as work in certain industries or projects winds down to be transitioned to work in other areas of the province on different projects. Targeting these areas should enable those already (or about to become) unemployed with the necessary experience and skills to be transitioned into similar work to support the LNG opportunity. A further opportunity to understand worker mobility opportunities would be engage in a discussion with other jurisdictions that have managed the same issues (e.g., Fort McMurray, the Northwest Territories, and Newfoundland). Finally, it is important to determine if there is a role for government, northern communities, and/or industry to encourage people to move to work and life in the northern parts of the province.

- ✓ **Recommendation #12:**
- ✓ **Target areas of opportunity by focusing on workers finishing construction or other projects in all areas of the province.**

Make LNG construction and operations as attractive as possible to workers in B.C. and other jurisdictions

As noted earlier, the LNG opportunity comes at a time when there is competition for skilled labour. This competition will require that industry identify the attractiveness of the employment opportunities. There is a need to compile and document best practices on working and living conditions to maximize the potential that the LNG opportunity offers, including those that will encourage workers to want to construct and/or operate an LNG facility, particularly in northern and remote B.C. In addition, recognizing that the construction and operation of an LNG facility will likely be conducted by large portions of a workforce from outside the geographic area of the facility, attention should be paid to a variety of issues including access to the work.



- ✓ **Recommendation #13:**
- ✓ **Explore best practices within the LNG sector and other competing industries with respect to the conditions necessary to attract a mobile workforce.**

Develop a plan to support workers from other jurisdictions to stay in B.C.

For skilled labour from other jurisdictions seeking work in B.C., there is an opportunity for government, industry, organized labour, and First Nations to support them in staying in the province on a more long-term basis. In addition, the pool of skilled landed immigrants in southern B.C. should not be overlooked. Approximately 85 percent of landed immigrants in B.C. have some post-secondary education. With attraction strategies and the recognition of skills and training (i.e., foreign qualification recognition (FQR)), they can supplement other skilled labour pools to support LNG development. The Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour has initiated a project to identify barriers to FQR in key LNG occupations and to develop an action plan. It may also be possible for LNG projects to need to recruit immigrants as permanent residents through the Provincial Nominee Program. It is important to identify the barriers for workers from other jurisdictions to stay in B.C. and the ways they can be reduced.

✓ **Recommendation #14:**

- ✓ **Develop a plan to support workers from other jurisdictions to stay in B.C.**

TOR #3: *Development of a protocol for the use of temporary foreign workers in B.C. as a way to ensure economic development is not impeded by skills shortages but conducted in a way to maximize British Columbian and Canadian access to jobs. The protocol would recognize that local workers, including those from First Nations communities, have priority access to jobs, followed by provincial, national, and international workers.*

Temporary Foreign Workers (TFWs) have a presence in B.C. and throughout Canada. TFWs gain access to work in B.C. through a program administered by the federal government. The TFW Program has come under public scrutiny recently due to allegations that TFWs are taking jobs in place of Canadian, and specifically British Columbian, workers.

These concerns are counter-balanced by, as noted earlier in this report, the legitimate workforce needs associated with the LNG opportunity and other projects planned between now and 2023. Simply put, B.C. does not have the labour supply to meet the challenge – and that is the challenge the Working Group was established to address, in addition to the work of the B.C. Natural Gas Workforce Strategy Committee. As a result, it is reasonable to conclude that at some point, it is possible that TFWs in some capacity will be needed to enable B.C. to meet the LNG opportunity. The challenge for the Working Group – collectively and each individual organization – is to begin planning in advance of the need and design a protocol that will enable the use of TFWs but that will also ensure that their use is a last resort. As the TOR clearly states, and as the Working Group unanimously agreed, the priority is to ensure that qualified local workers have priority access to jobs, with a radiating priority out to the rest of B.C. and Canada before using TFWs and those emigrating to B.C. by way of the Provincial Nominee Program or the federal Skilled Worker Program.

On a couple of occasions during the meetings of the Working Group, the discussion of the use of TFWs challenged the participants to balance the interests of their respective organizations and the language of TOR #3. Industry's interest with respect to TFWs generally means having the flexibility to employ the necessary skilled labour at the right time in either the construction or the operation of an LNG facility. For organized labour and First Nations, their interest with respect to TFWs generally means that all parties have done everything reasonably possible to ensure first access to British Columbians and Canadians for the jobs (skilled and unskilled) presented by the LNG opportunity. Government's interests with respect to TFWs generally means ensuring the balance between funding an education system (K-12, post-secondary, and ITA) that produces the workers of the future and access to TFWs for employers only when the necessary skills are not available in British Columbia or Canada at the time they are needed.

Within the interests outlined above, the elements of a protocol consistent with the language of TOR #3 begin to crystallize. The Working Group is of the view that if progress can be made on moving forward after March 31, 2014 on most of the preceding recommendations, including the structure to continue dialogue on skills training and workforce planning issues related to the LNG opportunity, then that will pave the path to ensuring as many British Columbians and Canadians as possible are trained and have access to jobs brought about by the LNG opportunity.

To support the development of a protocol, it is important to ensure that all stakeholders understand how the federal TFW Program works, including the steps that must be undertaken before an employer is able to gain access to TFWs. It is also important to review projects where the use of TFWs has been successful – that is, the circumstances of their use are clearly defined. For example, the Working Group identified the Kitimat Modernization Project (KMP) at Rio Tinto Alcan, which allows for the use of TFWs, as a project from which lessons can be learned. In addition, there is a need to understand the role of the provincial government in working with the federal government on issues related to the use of TFWs, especially as the TFW Program undergoes review and change by the federal government. Finally, it is important to ensure that when and if the use of TFWs is needed, that mechanisms are developed to ensure they are trained and certified to the same level (or a reasonable equivalency) as Canadian workers to enable their safe and efficient functioning – and of course to ensure the safety of others with whom the TFWs are working.

- ✓ **Recommendation #15:**
- ✓ **Further refine and develop a process for the use of Temporary Foreign Workers in the context of an overall strategy that identifies the workforce needs of the LNG opportunity and immediately begins a skills training plan to develop as many British Columbian and Canadian workers as possible to meet those needs. The structure contemplated in Recommendation #1 will be seized with the responsibility to refine and develop a process for the use of Temporary Foreign Workers.**

IV. NEXT STEPS AND CONCLUSION:

The opportunity presented by the possibility of the construction and operation of multiple LNG facilities in B.C. is exciting and promising. However, the opportunity also presents a significant skills training and workforce challenge recognizing that B.C. does not currently have the necessary workforce available and ready to support it. Great work has been undertaken already – and is in fact on-going – by the B.C. Natural Gas Workforce Strategy Committee to develop actions to address the challenge. The Premier's LNG Working Group, established in September 2013, has met and considered several specific issues that are in addition to the work of the Committee. The Working Group has, with the expertise and knowledge of industry, organized labour, and First Nations, identified a number of strategies and solutions, based on the Terms of Reference established by the Premier, that have the potential to address the LNG workforce challenge. Premier Clark and Minister Bond, we are pleased to submit our final report to you.

Respectfully submitted by the Premier's LNG Working Group.

Appendix I: Terms of Reference Premier's LNG Working Group

Working Group to be composed of representatives from Government, Labour and Industry as determined by the Premier's Office in concert with other partners.

For Discussion:

Propose strategies and solutions to fill skills gaps via new entrant skills training and upgrading skills of current members as identified in the B.C. Natural Gas Workforce Strategy and Action Plan.

Propose roles for private sector unions in recruiting members from southern British Columbia to the north to ensure British Columbians are first in line for these positions.

Propose roles for private sector unions in accessing skilled workers from across Canada and the United States.

Development of a protocol for the use of temporary foreign workers in B.C. as a way to ensure economic development is not impeded by skills shortages but conducted in a way to maximize British Columbian and Canadian access to jobs. The protocol would recognize that local workers, including those from First Nations communities, have priority access to jobs, followed by provincial, national, and international workers.

Proposed timelines:

Working Group formed by September 30, 2013.

Interim Report by January 31, 2014.

Final Report by March 31, 2014.

Appendix II: Working Group Participants and Meetings

The Working Group met in person in Vancouver on November 12, December 5 and 17, 2013, January 13 and 24, February 13 and 27, and March 14 and 20, 2014.

Government	Industry	Labour
Trevor Hughes (chair), Assistant Deputy Minister, Labour Division, Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour. Supported by Jennifer Goad and Nathan Nankivell .	David Keane , Vice President Policy and Corporate Affairs, BG Canada. Supported by Andrew Burton , Kathleen Williams , and Rick Wojcik .	Jim Sinclair , President, B.C. Federation of Labour. Supported by Michael Gardiner and Joe Barrett .
Rob Mingay , Assistant Deputy Minister, Labour Relations, Public Sector Employers' Council Secretariat, Ministry of Finance.	Bruce Wells , Director of Project Planning and Execution, TransCanada. Supported by Kiel Giddens .	Tom Sigurdson , Executive Director, B.C. and Yukon Territory Building and Construction Trades Council.
Scott MacDonald , Assistant Deputy Minister, Labour Market and Immigration Division, Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour. Supported by Keith Godin .	Sarah McCullough , Director External Affairs and Communications, Spectra Energy.	Joe Shayler , Business Manager & Financial Secretary, United Association of Journeymen & Apprentices of the Plumbing & Pipefitting Industry of U.S. and Canada, Local 170. Supported by Jeff Chapman .
Susan Brown , Executive Director, Strategic Policy and Planning, Ministry of Advanced Education.	Rod Maier , Manager External Relations & Communications Kitimat LNG, Chevron. Supported by Elio Artuso .	Mark Olsen , Business Manager/Secretary-Treasurer, Construction & Specialized Workers' Union, Local 1611 (Labourers).
Kursti Calder , Director, Labour and Economic Planning, Ministry of Natural Gas Development. Supported by Brian Hansen .	Susanne Kajner , Director, HR & Corporate Services, Progress Energy Canada Ltd. Supported by Tessa Gill , Pacific NorthWest LNG Ltd.	Jud Martell , Training Co-ordinator, Sheet Metal Workers' International Association, Local 280.
	Marc Maesele , LNG Plant Project Manager, Shell. Supported by Ron Harry .	Dan Bradford , Past Vice-President, B.C. Government and Service Employees' Union.

First Nations
Taylor Cross , Deputy Chief Counsellor, Haisla Nation. Supported by Matthew Clayton .

In addition, on December 23, 2013, the Working Group chair, Trevor Hughes, met with the chair of the B.C. Natural Gas Workforce Strategy Committee, Geoff Stevens. There was a discussion about the mandates of the two groups and opportunities to share ideas and initiatives moving forward in support of the LNG opportunity.

**Appendix III: Status of Liquefied Natural Gas (LNG) Projects in B.C.
as of March 31, 2014**

LNG Export Facilities					
LNG Project (Location)	Proponent	Volume (MTPA)	National Energy Board Export Licence	B.C. Environmental Assessment Office	Canadian Environmental Assessment Agency
Discovery LNG (Campbell River)	Quicksilver Resources Canada	Being assessed	Not Submitted	Not Submitted	Not Submitted
Douglas Channel Energy/BC LNG (Kitimat)	Douglas Channel Energy Partner-ship, Haisla Nation, Golar LNG, LNG Partners LLC	1.8	Approved	n/a	n/a
Kitimat LNG (Kitimat)	Apache Corp and Chevron	10	Approved	Certificate Issued	n/a
LNG Canada (Kitimat)	Shell Canada, KOGAS, Mitsubishi and PetroChina	24	Approved	Substituted EA* Pre-Application	
Pacific Northwest LNG (Port Edward)	PETRONAS, JAPEX, Petroleum Brunei, India Oil Corp.	18	Approved	Coordinated EA* Pre-Application	
Prince Rupert LNG (Port of Prince Rupert)	BG Group	21	Approved	Coordinated EA* Pre-Application	
Woodfibre LNG (Squamish)	Woodfibre Natural Gas Limited	2.1	Approved	Substituted EA* Pre-Application	
Triton LNG (location TBD)	AltaGas Ltd and Idemitsu Canada Corp	2.3	Under Review	Not Submitted	Not Submitted
WCC LNG Ltd. (location TBD)	Imperial Oil, ExxonMobil Canada	30	Approved	Not Submitted	Not Submitted
Aurora LNG	Nexen	24	Under	Not Submitted	Not Submitted

LNG Export Facilities					
LNG Project (Location)	Proponent	Volume (MTPA)	National Energy Board Export Licence	B.C. Environmental Assessment Office	Canadian Environmental Assessment Agency
(Grassy Point near Prince Rupert)	(subsidiary of CNOOC), INPEX Corp, JGC Corp		Review		
Woodside Energy LNG (Grassy Point near Prince Rupert)	Woodside Petroleum Ltd	Being assessed	Not Submitted	Not Submitted	Not Submitted
Kitsault Energy Project (Kitsault)	Kitsault Energy Ltd.	20	Under Review	Not Submitted	Not Submitted
Stewart Energy LNG (location TBD)	Canada Stewart Energy Group Ltd.	30	Under Review	Not Submitted	Not Submitted

* Substituted EA – projects reviewed by BC EAO on behalf of the federal government to fulfill requirements of both agencies. Ministers from each government make independent decisions based on the single process.

* Coordinated EA – processes are aligned to limit unnecessary duplication between federal and provincial information requirements. Canadian Environmental Assessment Agency leads both these EAs because both projects are proposed to be located on federal lands.

LNG Domestic Facilities					
LNG Project (Location)	Proponent	Volume (MTPA)	National Energy Board Export Licence	B.C. Environmental Assessment Office	Canadian Environmental Assessment Agency
Tilbury LNG Facility (Vancouver)	Fortis BC	Being assessed	n/a	n/a	n/a
Ferus (Vancouver)	Ferus, ENN	Being assessed	n/a	n/a	n/a

Natural Gas Pipelines				
LNG Project	Proponent	Capacity (Bcf/d)	B.C. Environmental Assessment Office	Canadian Environmental Assessment Agency
Westcoast Connector Gas Transmission	Spectra (Facility – Prince Rupert LNG)	4.2	Pre-Application	N/A
Coastal GasLink	TransCanada (Facility – LNG Canada)	1.7 – 5.0	Application accepted Feb 28; review starts March 7	N/A
Prince Rupert Gas Transmission	TransCanada (Facility – Pacific Northwest LNG)	2.0 – 3.6	Pre-Application	N/A
Eagle Mountain – Woodfibre Gas Pipeline	FortisBC Energy (Facility – Woodfibre LNG)	0.22	Pre-Application	N/A
Pacific Northern Gas Looping Project (PNG)	Pacific Northern Gas (Sub- EA Facilities)	0.6	Pre-Application	N/A
Pacific Trail Pipelines	Apache/Chevron (Facility – Kitimat LNG)	1.0	Amendment	N/A

Appendix IV: References and Resources

Premier's Office:

- News release – Action plan released for B.C.'s LNG sector.
http://www2.news.gov.bc.ca/news_releases_2013-2017/2013PREM0081-001146.htm
- News release – B.C. puts LNG on the world stage once more.
<http://www.newsroom.gov.bc.ca/2013/11/bc-puts-lng-on-the-world-stage-once-more.html>

Ministry of Natural Gas Development:

- Liquefied Natural Gas: A Strategy for B.C.'s Newest Industry.
http://www.gov.bc.ca/ener/popt/down/liquefied_natural_gas_strategy.pdf
- British Columbia's Liquefied Natural Gas Strategy – One year update.
http://www.gov.bc.ca/com/attachments/LNGreport_update2013_web130207.pdf
- LNG 101: A Guide to British Columbia's Liquefied Natural Gas Sector.
<http://engage.gov.bc.ca/Inginbc/files/2013/11/LNG101.pdf>
- International LNG in B.C. Conference, May 13 and 14, 2014.
<https://www.lnginbc-register.ca/register>

Ministry of Jobs, Skills Training and Tourism and Minister Responsible for Labour:

- B.C. Jobs Plan.
<http://www.bcjobsplan.ca/>
- B.C. Skills and Training Plan.
<http://www.bcjobsplan.ca/skills/bc-skills-and-training-plan/>

Ministry of Advanced Education:

- News release – Skills training in the oil and gas sectors gets boost.
http://www2.news.gov.bc.ca/news_releases_2013-2017/2013AVED0046-001901.pdf

Resource Training Organization:

- B.C. Natural Gas Workforce Strategy and Action Plan 2013.
<http://www.rtobc.com/Assets/RTO+Assets/About+RTO/BC+NG+Strategy+2013JUL.pdf>

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: KPMG LNG Workforce Projections

Prepared: April 28, 2014

Issue: Workforce projections in the LNG industry over the next ten years

Recommended Response:

- The LNG Workforce Projections produce workforce projections for occupations in the LNG industry for construction and operations under multiple scenarios.
- Projected workforce demand is based on direct input from industry proponents, including: Pacific Northwest LNG, Fortis BC, Apache Corporation, Shell Canada, BG Group, Spectra Energy Transmission, Chevron, Woodfibre, Imperial Oil, Progress Energy Resources Corp, Petroleum Human Resources Council, Petroleum Services Association Canada, and the BC Natural Gas Workforce Strategy Committee.
- Under a scenario of five LNG plants constructed from 2015 to 2024, industry investment would total \$175 billion and up to 100,000 jobs would be created; 58,700 direct and indirect construction jobs; 23,800 permanent direct and indirect jobs in operations; as well as thousands more induced jobs as a result of households having more income.
- The associated economic activity will contribute up to a trillion dollars to British Columbia's GDP.

Background:

The Liquefied Natural Gas (LNG) industry is a crucial emerging industry in British Columbia. To support labour market planning and investments that will ensure B.C.'s workforce has the skills necessary to meet the needs of the industry, the Ministry contracted KPMG to develop occupational workforce projections for the LNG industry. The project started in January 2014 will be complete in May 2014.

LNG proponents provided direct input on projects and provided feedback on preliminary results that was incorporated into the workforce projections. Direct input was provided by: Pacific Northwest LNG, Fortis BC, Apache Corporation, Shell Canada, BG Group, Spectra Energy Transmission, Chevron, Woodfibre, Imperial Oil, Progress Energy Resources Corp, Petroleum Human Resources Council, Petroleum Services Association Canada, and the BC Natural Gas Workforce Strategy Committee.

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
Responsible for Labour
Minister Responsible: Honourable Shirley Bond

LNG proponent input was used to develop the direct demand for LNG sector workers. Indirect and induced impacts were estimated using Statistics Canada's provincial input-output model for B.C.

The model produces workforce projections for occupations in the LNG industry for construction and operations between under three investment scenarios (high, medium and low). Furthermore, the LNG industry is divided into three segments; natural gas extraction and processing (upstream), pipeline transmission (midstream), and liquefaction and transportation (downstream).

KPMG provided supply estimates by occupation. However, the Ministry determined that the supply needs to be considered in the context of the overall economy. The Ministry is conducting a supply analysis internally.

Key Findings:

A scenario with five LNG plants constructed in B.C. between 2015-2024 would create a total industry investment of \$175 billion creating up to 100,000 jobs:

- 58,700 construction jobs at 2018 peak (second peak in 2022)
 - 31,700 direct construction jobs at 2018 peak
 - 27,000 indirect construction jobs at 2018 peak
- 23,800 permanent jobs for operations
 - 5,300 direct jobs (likely increasing to 9,000 by 2027)
 - 18,500 indirect jobs
- There will also be at least 12,000 induced jobs in 2018 (inclusive of construction and operations)

This economic activity will contribute up to a trillion dollars to the province's GDP.

LNG upstream activity, which involves drilling and processing of gas for transport, is already employing 13,000 people.

Top 10 Jobs Needed for LNG (at 2018 peak):

- Construction trades helpers and labourers: 11,800
- Steamfitters and Pipefitters: 3,800
- Welders: 2,200
- Concrete Finishers: 1,500
- Truck Drivers: 1,500
- Carpenters: 1,400
- Heavy Equipment Operators: 1,100
- Gas Fitters: 1,100
- Purchasing Agents and Officers: 875

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
Responsible for Labour
Minister Responsible: Honourable Shirley Bond

- Crane Operators: 800

Contact:

Position	Name	Division	Phone
Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration	250 514-5553

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond, Minister of Jobs, Tourism and Skills
Training and Minister Responsible for Labour

Title: LNG-Buy BC Program

Revised: February 27, 2014

Issue: LNG-Buy BC Program Budget and Description

Recommended Response:

- For FY 14/15, budget for the program is \$384,675. Budget for FY 13/14 was \$1,006,180.
- The program is supported by 1.5 FTEs and the LNG-Buy BC Advocate.
- The budget for the Advocate is \$54,675 for FY 14/15 which includes salary, benefits, travel, and cell phone costs.
- We're working to ensure the entire B.C. business community can participate fully in the opportunity LNG offers.
- Our vision looks beyond the opportunity of LNG itself.
- The LNG-Buy BC Program will provide a platform for major investors in a wide range of industries to tap into everything B.C.'s business community has to offer.
- The program will help link B.C.-based goods and services with investors looking to build their businesses in our province.
- Liquefied Natural Gas has the potential to unleash incredible opportunities for our province and our people.

Background/Status:

Premier Christy Clark announced at the Union of B.C. Municipalities convention in September 2013 that the LNG-Buy BC program would be established to connect Liquefied Natural Gas proponents with large and small B.C. businesses. This voluntary program will ensure British Columbia businesses across the province benefit from economic opportunities associated with LNG.

Program Components	Key Accomplishments To-Date	Planned Deliverables
Outreach - to advocate and raise awareness of opportunities from LNG development	Advocate visited at least 10 communities to raise awareness of program.	Advocate continues to promote program elements and the LNG conference.
Workshops and Resources -	Identified types of	Deliver five workshops on how

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond, Minister of Jobs, Tourism and Skills
Training and Minister Responsible for Labour

to help B.C. businesses become suppliers to LNG projects	workshops and resources useful to B.C. businesses. Contracted Northern Development Initiative Trust to deliver workshops on behalf of the province .	to become suppliers, and five workshops on how to respond to Request for Proposals to B.C. communities. Provide on-line resources on requirements to be a supplier to LNG projects. Pilot of entrepreneurship training for women entrepreneurs in the north.
LNG Conference/trade-show - to showcase B.C. capabilities and drive business-to-business connections	Qualified B.C. companies participating at the trade show will get 100% rebate of deposit. Begun production of videos of B.C. companies.	Two workshops of each type (described above) offered at the conference. Presentation by LNG proponents or contractors; B.C. success stories.
On-line registry - to help connect B.C. businesses with LNG project proponents and market internationally to highlight B.C. goods and services	Initiated building of the new LNG-Buy BC on-line registry.	Core functionality available by May. Full functionality by the end of 2014.

Program Budget for FY 13/14 and 14/15:

	FY 13/14	FY 14/15
Outreach	\$91,125	\$64,675
Workshops and resources	\$65,000	\$50,000
Conference	\$275,000	\$90,000
On-line tool	\$630,000	\$180,000
Total =		\$1,006,180 \$384,675

The LNG-Buy BC Program is supported by 1.5 FTE and the LNG-Buy BC Advocate.

Contact:

Executive Director Vera Sit ADM Office 250-387-6061

2014/15 Estimates Note Advice to the Minister

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

Title: Core Review

Revised: March 19, 2014

Issue: Core Review Outcomes

Recommended Response:

- One of government's priorities is to conduct a core review of government to make sure government is structured for success on all of its objectives.
- There is always an opportunity in our ministry or any ministry to deliver services and programs in a better manner.
- The refinement phase of core review is underway. Announcements will be made as decision are reached.
- At this time, these questions may be better canvassed with the minister responsible for the core review when his ministry is up for Estimates.

Background/Status:

- The ministry completed the Phase 1 ministry mandate review in January 2014.
- At the same time, WorksafeBC and the Labour Relations Board were also reviewed to look for efficiencies.
- For the two agency reviews, the refinement phase of the core review is underway. Our ministry is in the process of developing more detailed analysis and business cases. As these items will be referred back to the Cabinet Working Group on Core Review, we will not be discussing them until decisions are reached.
- Pending Cabinet decisions, it is expected that the ministry recommendations would be implemented within the existing ministry budget.
- The review of the ministry's Regulatory Reform program is included in the government-wide core review process currently underway to ensure BC remains the forerunner in building a modernized regulatory reform agenda in our efforts to reduce red tape and regulatory burden.

Contact:

Executive Director Vera Sit ADM Office 250-387-6061

Labour Market and Immigration Division Profile

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Labour Market and Immigration Division Overview

Over the next ten years, British Columbia is projected to have approximately 1 million job openings, 78 per cent of which will require some post-secondary education. British Columbia's population will only provide workers for two-thirds of those jobs and only 68 per cent of B.C.'s workforce currently possess the level of education required for these jobs. As the BC Jobs Plan accelerates job creation, these gaps will need to be filled.

The Labour Market and Immigration Division provides a leadership role in supporting the overall workforce development needs of the province. At its core, the division provides robust labour market information on which decisions related to skills development, labour mobility and immigration are based.

The division coordinates a range of skills training initiatives across government and the education and training system and oversees the Industry Training Authority, which manages trades training for the province. Additional investments through the federally-funded programs, including the Labour Market Agreement, provide supports to assist a range of clients to enter the workforce and increase their skill levels to meet labour market needs.

The division coordinates a range of immigration programs, including the Provincial Nominee Program, and ensures that they also drive growth in the provincial economy and improve the quality of life of B.C. families. The ministry addresses economic development priorities by developing immigration policy and programs that attract newcomers from around the world to work, invest and study in B.C.

To inform the public and promote job opportunities, the division maintains WorkBC.ca – a comprehensive website that provides job postings, labour market information and career profiles to all British Columbians. WelcomeBC.ca also provides information to prospective and new immigrants to B.C.

Economic Immigration Programs Branch Profile

Division: Labour Market & Immigration

ADM Responsible: Scott MacDonald

Program Objectives:

- Attract and retain foreign entrepreneurs, workers and international students through the BC Provincial Nominee Program (PNP) to help meet regional economic and labour market needs.
- Promote B.C. as a destination of choice and increase awareness of the PNP internationally and domestically through targeted promotion and outreach initiatives.

Program Description:

The branch is engaged in the following core functions:

- Process and assess applications for nomination from entrepreneurs, foreign workers and international students, leading to accelerated immigration.
- Promote the PNP domestically to B.C. employers, temporary foreign workers and international students.
- Conduct international skills and entrepreneur attraction initiatives in partnership with industry, employers, community economic development organizations and government partners such as the Ministry of International Trade.

Client Profile:

- Prospective and intending immigrant foreign entrepreneurs, workers and international students.
- B.C. employers, industry organizations and economic development organizations.
- Federal government, primarily:
 - Citizenship and Immigration Canada
 - Employment and Social Development Canada
 - Canada Border Services Agency

Service Provider:

- Branch staff

Economic Immigration Programs Branch Fast Facts

Program Outcomes/Service Statistics

- Nominated 3,820 foreign workers and entrepreneurs for permanent resident status in Canada in calendar year 2013.
- Since January 2008, the PNP has enabled B.C. employers to attract and retain almost 17,000 new workers in high demand occupations (excludes spouses and dependants).
- For 2013, approved 174 new entrepreneurs for initial temporary entry to develop businesses in B.C. From January 2008 to December 2013, business nominees have invested over \$600 million and created 1,338 jobs.
- In 2013 the PNP completed 3 international skills attraction missions (Ireland, UK, and US); 2 business immigration missions (China x 2); 32 domestic outreach events for employers & international students; and 35 domestic business immigration seminars.

2014/15 Priorities/Key Initiatives

- Nominate 4,150 foreign workers and entrepreneurs in 2014 (based on federal allocation for 2014 calendar year).
- Increase targeted domestic outreach activities targeting foreign workers and international graduates in the regions and provide information to employers on opportunities to increase skilled immigration through the new federal Expression of Interest system.
- Review the PNP Entry Level and Semi-Skilled category and assess options for expansion based on labour market demands, particularly from major projects and LNG development.
- Work with Citizenship and Immigration Canada (CIC) and the business community to develop and implement innovative, new pilot projects that directly advance B.C.'s labour market and economic development priorities.
- Attract more investment through the PNP's Business Immigration stream by further streamlining the application process and increasing processing capacity on a cost-recovery basis.
- Implement Business Immigration intake management measures to better align program capacity with demand and prioritize investments that offer the greatest economic benefits.
- Review PNP application fees to ensure cost-effectiveness and value for money, and examine opportunities to position the program for future growth.

Contact: Ian Mellor, Executive Director
604 775-2183

Last update: April 28, 2014

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Policy and Stakeholder Relations Branch Profile

Division: Labour Market & Immigration

ADM Responsible: Scott MacDonald

Program Objectives:

- Ensure B.C. has the workforce necessary to support continued economic growth including in the LNG sector.
- Develop and disseminate the latest and highest quality labour market information.
- Utilize labour market policy, immigration policy and stakeholder engagement as tools to advance British Columbia's workforce interests and development in all regions of B.C.

Branch Description:

- The branch undertakes comprehensive data development and policy analysis to provide strategic advice to senior executives and elected officials on all matters relating to labour market development and immigration.
- The branch leads inter-governmental relations for the division, including the ministry's participation in multi-lateral forums for labour market and immigration to ensure provincial interests are included in national policy development and programming.
- The branch manages WorkBC.ca and WelcomeBC.ca websites and associated marketing activities.
- The branch leads strategic and corporate workforce development initiatives, such as the 10-Year Skills Training Action Plan for Youth and the workforce development action plan for the LNG sector.

Key Stakeholders

- Employers, Industry Associations, Labour Organizations, provincial regulatory bodies.
- Federal Departments – Employment and Social Development Canada, Citizenship and Immigration.
- Provincial Ministries and Agencies.

Client Profile:

- Employers, job-seekers, immigrants and refugees in B.C. communities.

Service Providers:

- Staff; provincial regulators working with contractors.

Last update: April 28, 2014

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Policy and Stakeholder Relations Branch Fast Facts

Program Outcomes/Service Statistics

- Since its launch in April 2012, WorkBC.ca has attracted more than 8.5 million B.C.-based visits by providing the highest quality, most up-to-date labour market information. Since the November 2013 revitalization of the website and launch of the supporting marketing campaign there have been 1.2 million WorkBC.ca visits (from inside and outside B.C.), 40,000 new WorkBC Facebook page likes and 10,000 new WorkBC Twitter followers. Currently, there are 10,400 searchable B.C. jobs in the WorkBC.ca job bank database.
- The branch has assisted 65,000 clients per month through the award-winning WelcomeBC.ca website; assisted 4,000 visitors with the Ask the Expert widget; published resources in more than a dozen languages; added nearly 100 B.C. job profiles to WorkBC; and launched Canada's first comprehensive Cost of Living Calculator.
- The third edition of the BC Labour Market Outlook (Outlook 2012-2022) will be released in February 2014. The Outlook provides an up-to-date, prudent, and user-friendly presentation of the ten-year occupational forecast for B.C. and its seven development regions.
- In 2013/14, invested \$4.3 million in projects with provincial regulatory bodies to improve processes for foreign qualifications recognition. Investments are targeted towards high-demand occupations such as engineers, technicians, and several trades.

2014/15 Priorities/Key Initiatives

- Work with the ministries of Advanced Education and Education to develop and implement a 10-Year skills training action plan for youth to ensure a seamless transition of youth from high-school through post secondary and into the workforce.
- Influence reforms to the national immigration system, to ensure new initiatives such as the proposed Expression of Interest Model meet the needs of employers across all regions of the province.
- Continue to advocate for increases to economic immigration levels to B.C., including increases in B.C.'s Provincial Nominee Program, which directly meets the needs of employers.
- In fulfillment of the BC Jobs Plan commitment, the branch will continue to implement the foreign qualifications recognition investment plan addressing key barriers facing skilled immigrants in integrating into British Columbia's labour market.

- Implement enhancements to the WorkBC and WelcomeBC websites to simplify navigation and improve accessibility, and improve social media integration.
- Develop detailed workforce projections and implement a workforce strategy to ensure an adequate supply of skilled workers to meet the needs of LNG projects in B.C.

Contact: Keith Godin, A/Executive Director
Phone: 250 952-6567

Labour Market Programs Branch Profile

Division: Labour Market & Immigration

ADM Responsible: Scott MacDonald

Program Objectives:

Ensure British Columbians possess the necessary skills to succeed in today's economy and are prepared for the opportunities of tomorrow:

- Develop and deliver responsive and effective labour market programs and services for eligible participants under the B.C.-Canada Labour Market Agreement (LMA). Ensure new immigrants are supported by timely, results-oriented programming as they transition into the B.C. labour market.
- Administer the federal cost shared Targeted Initiative for Older Workers Program, for unemployed older workers affected by economic restructuring.
- Work with employers, sector associations, community groups and others to identify their unique human resource challenges and develop plans to ensure they have the employees they need to support economic growth via the Labour Market Partnerships (LMP) Program.

Program Description:

- The Branch is responsible for the design, delivery and administration of labour market programs for non-EI eligible, unemployed British Columbians and low-skilled, employed workers under the **Canada-B.C. Labour Market Agreement (LMA)**. The LMA is one of the primary funding mechanisms to address B.C.'s labour and skill shortage, a key commitment of the BC Jobs Plan. The current LMA ends March 31, 2014. Discussions continue between provinces, territories and the federal government regarding the renewal of the LMA moving forward.
- In addition, the Branch is responsible for administering three other labour market programs:
 - **Targeted Initiative for Older Workers (TIOW)** to assist older workers to re-enter the labour force (2013/14 budget: \$3.2 million; 400 participants). This is a federal-provincial cost-shared program that provides job skills, wage subsidy and other training supports to unemployed older workers affected by economic restructuring. It is available in communities of fewer than 250,000 people, with high unemployment and/or in which 20 per cent or more of the labour force is dependent on a single industry impacted by downsizing or closures.
 - **Labour Market Partnerships Program** to assist sectors, such as shipbuilding, mining and natural gas, to address their unique human resource challenges (funded under the Labour Market Development Agreement - up to \$7.9 million annually).

- **Skills Connect for Immigrants Program** to assist unemployed or underemployed immigrants to leverage internationally-acquired skills and experience to realize their full potential in the B.C. labour market (cost shared between the province and the Canada-B.C. Immigration Agreement – Fiscal 13/14 budget: \$14.8M; 3,000 participants).

Client Profile:

- Non-EI eligible unemployed British Columbians
- Low-skilled employed British Columbians
- Employers
- Sectors
- Job seekers
- Apprentices and individuals seeking certification
- Decision and policy-makers

Service Providers:

- Over 80 qualified, third-party labour market program service providers
- The public post secondary system
- Industry Training Authority

Labour Market Programs Branch Fast Facts

Division: Labour Market & Immigration

ADM Responsible: Scott MacDonald

Program Outcomes/Service Statistics

- Canada/B.C. Labour Market Agreement:
 - Over 94,000 participants served since 2008.
 - Over 90 per cent report that services sufficiently prepared them for employment opportunities.
 - 90 per cent average client satisfaction over the lifetime of the LMA.
 - Participants experienced positive employment outcomes: average rates of employment increased by nearly 35 per cent, with an additional 20 per cent, on average, seeking further training.
- Labour Market Partnership Program (LMP): continues to expand since its devolution from the federal government in February 2009. A total of 35 agreements were supported across the province in 2013/14, assisting seven of the eight BC Jobs Plan priority sectors (with exception of international education) to identify their human resource challenges and develop strategies to address them.
- Targeted Initiative for Older Workers (TLOW): in 2013/14 approximately 364 participants aged 55 to 64 received services in 16 communities through the program.
- Skills Connect for Immigrants program: assisted over 12,000 unemployed or underemployed immigrants since 2006. A recent outcomes survey concluded that more than 60 per cent of clients were successful in obtaining employment upon completion of the program.

2014/15 Priorities/Key Initiatives

- Deliver labour market programs that support economic growth in BC Jobs Plan sectors and respond to emerging labour market challenges and client needs.
- Provide Labour Market Agreement programs and services through a renewed B.C.-Canada agreement to clients in communities all across B.C. through continuing and new initiatives in 2014/15.
- Ensure that Labour Market Partnerships are in place for all key sectors identified in the BC Jobs Plan that would benefit from long-term human resource planning.
- Build on the success of programs like Bladerunners for at-risk youth and the Skills Connect for Immigrants program to maximize the skills development

opportunities available to key target groups like First Nations communities, women, youth, immigrants and older workers.

Contact: **Suzanne Ferguson, Acting Executive Director**
Phone: 250 387-3661

Business Strategy and Accountability Branch Profile

Division: Labour Market and Immigration

ADM Responsible: Scott MacDonald

Branch Objectives:

- Support a culture of continuous improvement in the Labour Market and Immigration Division, in which performance measurement and evaluation inform program design and implementation.
- Provide professional financial services and enables and supports effective financial management across the division by
- Ensure an effective accountability framework is in place for over \$70 million in federal funding transferred under federal/provincial agreements, including financial, evaluation and reporting components.

Program Description:

The Business Strategy and Accountability Branch is an internal service branch that supports the Labour Market and Immigration Division in the areas of financial management, evaluation and continuous improvement.

The branch is engaged in:

- Leading the development and implementation of performance measurement and evaluation of LMID policies, programs and initiatives in order to support continuous improvement of LMID programs, policies and initiatives.
- Follow-up tracking of implementation of recommendations and results of program and policy improvements.
- Lead the division's annual budget planning and forecasting process.
- Providing managers, directors and executive directors with accurate and timely financial management reports.
- Guiding and supporting the division's business processes in accordance with the BC Governments' Core Policy & Procedures Manual, Office of the Comptroller General and Treasury Board requirements to ensure fiscal accountability, accuracy and efficiency.
- Liaising with FSB to ensure the divisions financial reports and processes are timely and meet Ministry requirements.
- Coordinating annual audit according to federal funding agreement,

Client Profile:

- Other ministries
- Branches within the division

Last update: April 28, 2014

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- Federal government

Service Providers:

- Staff from within the branch and the ministry
- External vendors and contractors

Business Strategy and Accountability Branch Fast Facts

Program Outcomes/Service Statistics

- Professional year end financial statements and coordination of financial audits that meet the requirement of funding agreements
 - Canada Job Fund (\$65 M)
 - LMDA (\$15M)
 - TIOW (\$2.7M)
 - CBCIA (\$27.5M)
 - PNP (\$3.5M)
 - Provincial (\$17.2M)
- Accurate and efficient financial controls and timely financial management reports that support the division in making the best use of division resources.
- Program reviews, evaluations and recommendations to improve program design, delivery and alignment to BC's labour market and immigration priorities.
- Reporting on division performance against objectives

2014/15 Priorities/Key Initiatives

- Review of labour market programs to determine efficiency, effectiveness and alignment with BC priorities.
- Preparation of financial statements and coordination of financial audits for federal funding agreement
 - Canada Job Fund
 - LMDA
 - TIOW
 - CBCIA
- Development of an evaluation framework for the Canada Job Fund in coordination with the federal government by December 2014

Contact: David Muter, Executive Director

Cell: s17

Skills Training Branch Profile

Division: Labour Market and Immigration

ADM Responsible: Scott MacDonald

Program Objectives:

- Leads implementation of government labour market priorities established in the BC's Skills for Jobs Blueprint: Re-engineering Education and Training to ensure all regions of the province have a skilled work force needed to capitalize on economic opportunities.
- Leads the development of trades training strategies, policy and legislation to support government priorities including increasing aboriginal participation in skills training.
- Provides governance oversight of two Crown corporations: the Industry Training Authority (ITA), which is responsible for leading B.C.'s industry training and apprenticeship system, and the Trades Training Consortium of British Columbia (TTBC) which represents public post-secondary institutions that deliver the classroom components of apprenticeship training programs.
- Provides coordination, direction and funding for industry training and apprenticeship programs through the Industry Training Authority (ITA).

Program Description:

The branch is engaged in:

- Key initiatives to achieve government's labour market priorities established in the "BC's Skills for Jobs Blueprint: Re-engineering Education and Training"
 - Reforming the Industry Training Authority so that B.C.'s trades training system is ready to meet the growing demand for workers.
 - Using up-to-date industry-validated data to drive programming decisions.
 - Increasing apprenticeships in high demand areas.
 - Engaging with aboriginal communities to increase the participation of aboriginal people in apprenticeship and other skills training in high-demand occupations.
- Provision of oversight and funding to the Industry Training Authority, with a budget of over \$95 million per year.
- Industry training initiatives aimed at improving apprenticeship system results and reducing barriers to apprenticeship participation either on the part of employers or apprentices.

Client Profile:

- Employers, industry organizations and labour

Last update: April 28, 2014

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- Workers
- Educational institutions
- Other ministries – primarily AVED, EDUC, SDSI and MARR
- Labour Market Priorities Board
- Branches within the division

Service Providers:

- Staff from within the branch and the ministry
- Industry Training Authority
- Trades Training Consortium of BC
- External vendors and contractors

Skills Training Branch Fast Facts

Program Outcomes/Service Statistics

- The total number of registered training participants served by Industry Training Authority is expected to exceed 36,000 in 2013/14, with an ITA budget totaling over \$95 million and over 9,300 employers sponsoring apprentices.
- In 2012/13, ITA purchased almost 25,500 apprenticeship and foundation training seats at public and private institutions. In 2013/14 ITA plans to purchase about 26,000 training seats, an increase of 2%.
- In 2012/13, ITA issued 8,042 certificates of qualification. This is triple the number issued in 2004 when ITA was established.
- While, employer sponsorship has remained below its peak of 10,884 in 2008/09, the number of employers sponsoring and training apprentices has increased two percent from this time last year.
- Aboriginal participation in apprenticeship technical training has doubled since 2006/07.
- Over 10 per cent of all registered apprentices are currently women, up from 8 percent in 2009.
- Youth participation in high school programs has increased by over 250 per cent, from 861 in 2004, to over 3,000 in December 2013.

2014/15 Priorities/Key Initiatives

- Implementation of the recommendations resulting from review of the role and function of the ITA (undertaken in Winter 2013 – The McDonald Report).
- Implementation of the Skills for Jobs Blueprint initiatives related to trades training.

Contact: Shannon Baillie, Executive Director

Cell: s17

2014/15 Estimates Note Advice to the Minister

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

Title: BC Provincial Nominee Program Outreach & Promotion Activities

Revised: May 02, 2014

Issue: Domestic / International Skills and Entrepreneur Recruitment

Recommended Response:

- Strategic domestic outreach and international promotion activities are critical to support B.C.'s growing labour market needs and economic development priorities.
- Skills and labour shortages are not unique to British Columbia and global competition for skilled workers and entrepreneurs is intense.
- In addition to domestic outreach activities to provide accurate advice on immigration pathways, the B.C. PNP will conduct targeted international skills and entrepreneur attraction activities in established and new markets (see table below) to promote B.C. as a destination of choice to invest, work and live.
- Where appropriate, international activities will combine skills and entrepreneur attraction objectives to achieve economies of scale.

Background/Status:

- In 2013/14, the PNP participated in six international promotion and outreach events: two in China and two in the US for business attraction, and industry-led skills attraction events in the UK and Ireland.
- Domestically, the PNP delivered 24 business immigration seminars for visiting entrepreneurs, and eight program information sessions for B.C. immigration and economic development practitioners. The PNP also completed 56 domestic outreach events to inform employers, TFWs and international students about immigration options and employment standards. These included partner events with Citizenship & Immigration Canada and BC Employment Standards Branch.
- In 2014/15, the PNP will continue to conduct international skills attraction activities in with industry/employers and government partners in support of key BC Jobs Plan sectors and economic priorities.
- Skills attraction will be done in partnership with employers facing critical skills needs – skilled trades, health professionals & service occupations in regional short supply will be targeted.
- Entrepreneur attraction will engage regional economic development partners and promote regional opportunities to prospective business immigrants.

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Minister Responsible for Labour
Minister Responsible: Hon. Shirley Bond

- Target countries have been identified based on results from previous PNP activities, employer/industry consultations, and anticipated labour/skills supply based on market research and stakeholder engagement.

Table 1 Proposed Skills and Entrepreneur Attraction Activities for FY 2014-15

Timing	Proposed Locations	Focus
Q2 (Jul - Sep)	China	Strategic Investment Attraction (target corporate investors with MIT)
Q3 (Oct - Dec)	UK / Ireland France / Belgium/ Spain	Skills Attraction (WorkingIn job fair; trades attraction with BC Construction Association) Destination Canada (with federal partners CIC / DFATD; tourism / technology sectors)
Q4 (Jan – Mar)	China US	Strategic Investment Attraction (target corporate investors with MIT) Skills/Entrepreneur Attraction (technology; trades)

Contact:

Assistant
Deputy Minister

Scott MacDonald

Labour Market and
Immigration Division

(250) 514-5553

2014/15 Estimates Note Advice to the Minister

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

Title: B.C. Provincial Nominee Program (PNP) Priorities 2014/15

Revised: February 26, 2014

Issue: B.C. Provincial Nominee Program 2014-15 Priorities

Recommended Response:

- The PNP will continue to focus on supporting B.C.'s economic growth by attracting skilled workers and entrepreneurs to increase innovation, job-creation and investment in the province.
- B.C. will continue to work with the federal government to expand the PNP and ensure that provincial and federal immigration programs align to maximise the benefits of economic immigration for B.C.

2014/15 Estimates Note Advice to the Minister

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

Background/Status:

- The PNP is an immigration program operating under the 2010 Canada - B.C. Immigration Agreement and a key tool supporting the B.C. Jobs Plan. The PNP allows the Province to nominate economic immigrants for permanent residence based on B.C.'s economic needs, priorities and selection criteria.
- CIC makes the final selection decision and is solely responsible for issuing permanent resident visas to nominees and their eligible family members. CIC also sets the province's annual allocation of nominations: for 2014 the allocation has been increased to 4,150, a 9% increase over 2013.
- While the increase for 2014 is welcomed, it falls short of B.C.'s Nominations Levels Plan request and does not offset the overall decline in economic immigrants to the province; since 2010 BC has experienced a 30% decline in economic immigration through federal programs.
- B.C. will continue to work with the federal government to increase the province's annual nomination allocation and position the PNP for future growth.
- PNP demand from both skills and business applicants remains strong. With the recent cancellation of the federal immigrant investor program it is anticipated that more potential business immigrants will be looking to the B.C. PNP as a pathway to permanent residence.
- To ensure the continued success of the PNP Business Immigration stream and protect program integrity, the suspension of the Fast Track option remains in effect. The Fast Track option was not an effective model and the regular business immigration application process ensures that business nominations are only approved based on tangible and measureable investments and job creation in B.C.
- The success of the PNP is attributable to its ability to respond quickly to changing needs and priorities, focus on client service, and strong relations with business and community stakeholders.

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	250-514-5553
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2014/15 Estimates Note Advice to the Minister

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

Title: B.C. Provincial Nominee Program (PNP) 2013 Results

Revised: February 28, 2014

Issue: Attraction of new workers and entrepreneurs through the PNP in 2013.

Recommended Response:

- The PNP nominated 3,820 foreign workers and entrepreneurs in 2013, achieving 100% of the federal government allocation for the calendar year.
- The PNP also approved 180 entrepreneurs for initial entry on work permits to establish businesses prior to nomination, involving expected new investment of approximately \$68 million and 400 jobs to be created and/ or maintained over the next two years.
- 77% of these entrepreneurs intend to locate their businesses outside of Metro Vancouver, in communities across B.C. such as Chilliwack, Kamloops, Kelowna, Nanaimo, Squamish and Victoria.
- The PNP recovered approximately 60% of its gross expenditures (\$5.8 million) through application fees in 2013, meeting branch cost-recovery targets.
- To ensure the continued success of the PNP Business Immigration stream and protect program integrity, the suspension of the Fast Track option remains in effect.
- The Fast Track option was not an effective model and through the regular business immigration application process, we ensure that business nominations are based on in real investments and job creation in British Columbia.

Background/Status:

- The PNP nominates foreign workers and entrepreneurs for permanent residence based on B.C.'s economic needs and priorities.
- Citizenship and Immigration Canada (CIC) sets the province's annual allocation of nominations: this was raised to 4,150 in 2014, a 9% increase over 2013. (In 2013 B.C. obtained extra nominations under a reallocation of surplus nominations from other provinces).
- The PNP has two streams: Skills (workers) and Business Immigration (entrepreneurs). In the Business Immigration stream successful applicants are initially approved for a two-year work permit in order to establish a business and create jobs, and are nominated only when they meet their performance commitments.

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- From January 2009 to December 2013, the Business Immigration stream has attracted over \$500 million of new investment creating more than 1,300 new jobs – 75% of investment and 52% of jobs were outside of Metro Vancouver/ Abbotsford.
- The Strategic Occupations stream has enabled B.C. employers to attract and retain over 18,000 workers for hard-to-fill positions over the same period.

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	250 514-5553
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2014/2015 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour

Minister Responsible: Hon. Shirley Bond

Title: Foreign Qualifications Recognition (FQR) Budget 2014/15

Revised: April 28, 2014

Issue: Ministry investments in recognizing the skills of internationally-trained workers.

Recommended Response:

- Foreign Qualifications Recognition (FQR) policy and initiatives serve to support internationally-trained workers to fully utilize their skills in B.C.'s economy, both for their own benefit and to match the needs of employers.
- B.C. works collaboratively with the federal government to support provincial FQR initiatives. In 13/14, B.C. invested approximately \$4.3M in projects to ensure that internationally trained workers like engineers and high-demand tradespersons have their qualifications recognized and are able to work in their field of choice to support BC's economy and labour market.
- FQR investments prioritize B.C.'s high demand occupations such as the trades, technical occupations, and engineering to support the B.C. Jobs Plan and the Skills and Training Plan.
- As an example, a current FQR project has identified barriers to employment for internationally-trained workers in high priority LNG occupations and developed an action plan to address them.
- The previous funding agreement with Employment and Social Development Canada expired on December 31, 2013. The Ministry is in the process of finalizing a new three year agreement with the federal government to ensure the continuation of priority FQR initiatives. For 14/15, the Ministry will be allocating approximately \$1M in deferred federal immigration funding to FQR initiatives.

Background/Status:

- FQR determines if the education, knowledge, skills and work experience obtained in another country are comparable to the standards established for professionals and tradespersons practicing in B.C. The assessment of only academic credentials, referred to as Foreign Credential Recognition, is considered a subset of FQR.
- The assessment and recognition of qualifications in BC is the responsibility of 68 regulators that oversee more than 280 regulated occupations. B.C. regulatory bodies are mandated to ensure all individuals seeking licensure or certification meet and maintain occupational standards that uphold public health and safety.
- With approximately 38,000 immigrants coming to B.C. per year, FQR addresses a significant labour market challenge: the under-utilization of immigrants' skills. Many immigrants who arrive in B.C. face barriers to successful integration into B.C.'s labour market at a level commensurate with their skills. In 2012, the

2014/2015 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Hon. Shirley Bond

unemployment rate amongst very recent immigrants (5 years or less) was approximately 11%, as compared to 6.6% for the total population in B.C.

- FQR initiatives support internationally-trained workers to work in occupations that match existing skills and experience, ensuring that BC's economy is able to fully utilize the skills of internationally-trained workers.
- For example a current project to introduce competency-based assessments at the Industry Training Authority allows internationally-trained workers to have their existing skills and experience recognized, rather than an "all or nothing" approach to certification.
- FQR initiatives have been primarily funded by a contribution agreement with Employment and Social Development Canada (ESDC), with amounts historically of \$1M to \$1.5M per year.
- The 2010-2013 funding agreement with ESDC for \$4.1M expired in December 2013. In September 2013, the Ministry submitted an application to ESDC for a new funding agreement for \$3.3M over 3 years. The Ministry is in the process of finalizing this agreement with the federal government to ensure the continuation of priority FQR initiatives.
- In 2013/14 the FQR budget was supplemented with federal settlement funding through the Canada British Columbia Immigration Agreement (CBCIA). Total forecasted expenditure for 2013/2014 for CBCIA funded FQR initiatives is \$2.4M. For fiscal year 2014/15, the Ministry will be allocating approximately \$1M from CBCIA deferred funding to FQR initiatives.
- The Ministry' application for funding to ESDC for 2014-2017 includes the following objectives:
 1. Eliminate barriers to expedited recognition of international qualifications in high-demand occupations;
 2. Support regulatory bodies in harmonizing FQR processes with national processes and federal immigration reforms;
 3. Support regulatory bodies in developing more effective methods for qualifications recognition such as competency based assessments.
 4. Further enhance B.C.'s analytic capability and performance management.
- Action items arising from the review of the LNG sector to identify barriers to qualifications recognition will form the basis for a portion of B.C.'s 2014/2015 FQR investment plan, as outlined in the funding application to ESDC.
- The Ministry of Health (MoH) receives funding from Health Canada to lead initiatives addressing FQR barriers specific to Internationally Educated Health Professionals. JTST plays a supportive role in these occupational areas. For fiscal year 2014/15 MoH will access up to \$1.4M in funding.

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	250-514-5553
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2014/15 Estimates Note Advice to the Minister

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

Title: Immigrant Settlement Programs

Revised: April 7, 2014

Issue: Federal settlement funding ended March 31, 2014

Recommended Response:

- In April 2014, the federal government assumed responsibility for settlement services for most newcomers in B.C. Now that this transition has occurred, the Province has a very limited role in settlement services..
- We made it a priority to work with the federal government to identify possible service gaps and ensure newcomers continue to receive high quality settlement services.
- Funding decisions on CIC-delivered settlement services are the sole decision of the federal government. The Province had no role in the federal government Call for Proposal process to procure for immigrant settlement services that begin April 1, 2014.
- B.C. would have preferred that federal funding continued to flow through the province because we are closest to the local needs of immigrant communities.
- We are continuing to work with CIC to ensure that the transition in services is as seamless as possible with little disruption to clients.

Background/Status:

- Between 1998 and 2014, the province administered federally funded settlement services for new immigrants in B.C. under the Settlement Annex of the Canada-BC Immigration Agreement. In April 2012, the federal government informed B.C. of its decision to terminate the Settlement Annex of the Agreement and repatriate the delivery of settlement services to immigrants in B.C. as of April 1, 2014.
- Citizenship and Immigration Canada (CIC) conducted a call for proposals in the fall of 2013 and completed negotiations with successful service providers in March, for contracts that began April 1, 2014.
- CIC has indicated that most settlement services remain and that it will avoid any significant drop in service levels in 2014/15. CIC has advised service providers that their budgets will be reduced by 7% in 2015/16.
- To smooth the transition of settlement services, CIC and B.C. have entered a two-year Transition Settlement Agreement (TSA) dated April 1, 2014 to March 31, 2016. This Agreement outlines the use of remaining deferred federal funding in BC.

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- The TSA allocates the use of \$27.5M in deferred funds with \$13.8 million of that going to CIC indicated priorities, which include continuing to partner on the delivery of Skills Connect, continuing the Settlement Workers in Schools program to the end of the 2013/14 school year, and completing an evaluation of the Vulnerable Immigrants Population Program for the purposes of determining future services in this area.
- The remaining \$13.7M of deferred federal funding will be allocated according to provincial priorities, including support for English language training through Public Post Secondary Institutions. The proposed use of \$13.7 deferred federal funds is below:

WelcomeBC.ca	0.5
Targeted Community Programs	1.8
Foreign Qualifications Recognition	1.0
Business Immigrant Integration Support	1.0
Transition Staff/Admin	0.7
Multiculturalism programs through MIT	2.0
ESL funding through AVED programming (PPSI)	6.7
Total	13.7

- Under the previous agreement 17 B.C. post-secondary institutions received \$17 million per year in funding for English as a Second Language training. The federal government has negotiated with 7 institutions to continue to deliver community-based ESL, with an estimated budget of \$8 million.
- The Ministry of Advanced Education has developed a transition plan in partnership with post-secondary institutions to mitigate the impact on students, staff and faculty.
- Certain client groups, including temporary residents, naturalized Canadians citizens and refugee claimants in B.C., are not be eligible for federally funded settlement services. Under provincial administration, B.C. supplemented federal funding to ensure that some ineligible client groups could be served.
- In March, the province confirmed that it would spend \$4M on settlement services for ineligible clients and has issued contracts to 57 service providers across BC to enable them to continue to serve these clients.
- Any deferred funds remaining at the end of 2014/15 will be applied towards mutually agreed upon priorities of B.C. and CIC in 2015/16 and any unspent funds remaining at the end of 2015/16 will be returned to Canada.
- B.C. will have a limited role in settlement service after April 2014 with a narrow focus on underserved areas of provincial priority. B.C. is finalizing its funding

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plans for 2014/15, which will be a year of transition used for further determination of B.C. funding priorities on a go-forward basis.

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	(250) 514-5553
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2014/15 Estimates Note Advice to the Minister

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

Title: Settlement Services for Federally Ineligible Clients

Revised: April 28, 2014

Issue: B.C. is continuing to fund some immigrant settlement services for federally ineligible clients

Recommended Response:

- Settlement service are primarily a federal responsibility. On April 1, 2014, the federal government took back responsibility for directly funding settlement services for most newcomers in B.C.
- There has always been a group of immigrant clients who fell outside federal funding parameters: immigrants who have been granted citizenship, refugee claimants, provincial nominees and temporary foreign workers.
- B.C. made a decision years ago to provide top-up funding to organizations to support services to federally ineligible clients.
- Earlier this year, I decided that, despite the federal funding changes, B.C. would continue to support these important services for vulnerable populations.

Background/Status:

- Between 1998 and 2014, the province administered federally funded settlement services for new immigrants in B.C. under the Settlement Annex of the Canada-BC Immigration Agreement. In April 2012, the federal government informed B.C. of its decision to terminate the Settlement Annex of the Agreement and repatriate the delivery of settlement services to immigrants in B.C. as of April 1, 2014.
- Certain client groups, including immigrants who have received their Canadian citizenship (i.e. immigrants in Canada longer than 5 years), refugee claimants, provincial nominees and temporary foreign workers (TFWs), are not be eligible for federally funded settlement services.
- Under provincial administration, B.C. supplemented federal funding by approximately \$4M to ensure that some ineligible client groups could be served.
- In March, B.C. confirmed that it would continue to spend \$4M on settlement services for ineligible clients and has issued contracts to 57 service providers across the province to enable them to continue to serve these clients.
- Total funding provided for clients ineligible for federal services is \$3.919 million for three suites of immigrants settlement services:
 1. Information and referral services: \$2.687M (across the province)
 2. Language classes: \$832K (in rural communities only)
 3. Refugee Claimants: \$400K (in Metro Vancouver only)

2014/15 Estimates Note Advice to the Minister

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- TFWs are eligible for information and referral services only. These services help direct immigrants, including TFWs, to information on their rights under B.C.'s employment standards, their legal rights, and advice on other services in B.C. such as housing, as well as their responsibilities as residents and taxpayers in B.C.
- TFWs were not officially eligible for settlement services in the past but service providers reported that they frequently requested services and were not turned away. The province has now confirmed that service providers may serve TFWs with this funding.
- As a transitional year, the funding for 2014/15 is similar to the funding level provided in the previous years while the ministry evaluates an ongoing service model.

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	(250) 514-5553
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2014/15 Estimates Note Advice to the Minister

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

Title: Skills Connect for Immigrants Labour Market Program

Revised: May 5, 2014

Issue: B.C. continues to deliver the highly successful Skills Connect for Immigrants program in 2014/15

Recommended Response:

- Skills Connect for Immigrants is an employment program that helps skilled newcomers find jobs in British Columbia by building on their skills, knowledge and experience.
- Since 2006, more than 12,000 immigrants have participated in Skills Connect. For 2013/14, over 75% of participants ended the program with a job or enrolment in further post-secondary education.
- Ensuring that immigrants and newcomers can fully participate in their communities and the economy is critical. Skills Connect helps to meet this need, positioning B.C. to better respond to current and emerging labour market challenges.

Background/Status:

- Skills Connect has been broadly recognized for its innovative approach and strong employment and earnings outcomes. Skills Connect differs from other immigrant servicing programs in B.C. due to its focus on:
 - matching skilled and semi-skilled immigrants to employment and mentors, preferably in their chosen professional fields;
 - allowing clients to work while participating in the program and;
 - providing assistance with the credentialing process as well as financial support for skills upgrading such as courses, licensing and certification fees.
- Skills Connect helps each participant create a personalized action plan. The program has the flexibility to offer a portfolio of services to meet a participant's unique needs. These services could include: help to navigate the professional registration process; providing access to training for enhancement of existing skills; or assistance as the participant conducts a job search.
- Funding for Skills Connect is shared with the Government of Canada. The total program budget is \$13.6M for 2014/15 including a provincial contribution of \$3.5M.

2014/15 Estimates Note

Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
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- Many B.C. immigrants possess skills in occupations where there are labour shortages, but face numerous barriers to attaining work aligned with their pre-arrival skills, qualifications, and experience. Key barriers are a lack of Canadian work experience, insufficient language proficiency, non-recognition of qualifications and difficulty navigating an unfamiliar labour market. The Skills Connect for Immigrants program helps immigrants overcome these barriers.
- An extensive Program evaluation was recently completed to assess the relevance, effectiveness and efficiency of the Program. Key findings are as follows: Skills Connect is aligned with the labour market needs and strategic priorities of the province; Skills Connect is targeting the right clientele, but not necessarily the right occupations; and opportunities to improve the linkages between Skills Connect service providers and employers exist. The evaluation will inform a broader review of labour market programming for immigrants that B.C. will develop in fiscal 14/15.
- While the majority of immigrant settlement services in B.C. transitioned to the federal government as of April 1, 2014, management of Skills Connect will remain with the Province. The federal government has indicated it will continue to support the program in 2015/16 with deferred immigration settlement funding.
- **Client Success Story:** In May 2012, Christmas Asa moved to Canada with her family from Dubai. Christmas was a Dental Hygienist for 15 years before immigrating to Canada. In June of 2012, Christmas enrolled in the Skills Connect program and within 4 months she had secured a part-time job as a dental assistant and was promoted to a full time assistant 6 months later while she prepared for her licensing exams. Upon leaving the Skills Connect program in June 2013, Christmas reported that she passed all the required exams for professional registration as a dental assistant.

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	250-514-5553
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Estimates Note Advice to the Minister

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

Title: Temporary Foreign Workers

Revised: April 25, 2014

Issue: Temporary foreign workers in British Columbia

Recommended Response:

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Background/Status:

- The TFW Program is a federal program jointly administered by Citizenship and Immigration Canada (CIC) and Employment and Social Development Canada (ESDC).
- ESDC is responsible for issuing Labour Market Opinions (LMO), through which the Department confirms that employers have made reasonable attempts to fill their vacancies domestically, while CIC is responsible for issuing work permits.

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Hon. Shirley Bond

- The 2010 Canada-BC Immigration Agreement includes a Temporary Foreign Worker (TFW) Annex, which allows the Province to streamline the entry of TFWs by providing a recommendation to the federal government for the exemption of foreign nationals from the LMO requirement. B.C. is readying itself to exercise its authority in this regard, to support major projects such as those in the LNG sector.

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- A large proportion of TFWs in British Columbia (39 per cent) are admitted under youth mobility programs, which allow foreign nationals aged 18 to 35, to work for any employer while they experience Canada. Only 22 per cent of TFWs in the province are admitted to work for a specific employer under an LMO.
- TFWs are a key source of applicants to B.C.'s Provincial Nominee Program (PNP). Approximately 90 per cent of nominees under the PNP's Skilled Occupations stream were first TFWs working in the province.
- Even with efforts to ensure British Columbians/Canadians are trained and first in line for jobs, labour shortages will persist and a temporary workforce will be essential to fill the temporary positions in sectors such as liquified natural gas. Use of the TFW Program in this regard will be instrumental.

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s13

Contact:

Executive Director	John Blakely	Labour Policy and Legislation	(250) 356-9987
Executive Director	Chris Johnson	Employment Standards Branch	(250) 357-3314
A/Executive Director	Keith Godin	Labour Market and Immigration Division	(250) 952-6567
Associate DM	Tim McEwan	Major Investments Office	(604) 290-4012

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2014/15 Estimates Note Advice to the Minister

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

Title: WelcomeBC.ca

Revised: April 24, 2014

Issue: WelcomeBC.ca delivers important labour market and settlement information to new British Columbians and prospective immigrants

Recommended Response:

- The government of B.C. is committed to delivering labour market and settlement information to new British Columbians and prospective immigrants
- WelcomeBC.ca is a key portal for new and prospective British Columbians to access B.C.'s labour market and settlement information
- It is also an essential tool for government to respond to opportunities and issues related to immigration
- The website serves 1 million clients per year. Approximately 45 percent of that traffic is international
- \$1.7 million has been allocated to the development and implementation of WelcomeBC's information services in 2014/2015

Background/Status:

- WelcomeBC.ca services include:
 - 26 local editions of the *BC Newcomers' Guide* developed in partnership with municipal governments to showcase B.C. communities
 - More than 200 job profiles to help internationally trained professionals compare skills and experience to B.C. requirements and standards
 - Translation of settlement and labour market information in more than a dozen languages
 - Provincial Nominee Program (BC PNP) information and application forms, which enables economic immigration to B.C.
- WelcomeBC.ca was supported by a \$755,000 information marketing campaign February to make new and potential British Columbians aware of these important settlement and immigration resources. Elements include:
 - Cutting-edge social media strategy including Twitter, Facebook and Weibo

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Minister Responsible for Labour

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- Chinese and South Asian radio ads
- Targeted multi-language (Punjabi, Chinese, Korean and Filipino) newspaper print ads
- Transit ads in buses and trains in Lower Mainland and Victoria
- SkyTrain and Canada Line platform posters in Lower Mainland
- International online and search-engine advertising
- Information marketing campaign performance:
 - Visits to WelcomeBC.ca increased 183% to 330,000 during campaign
 - International visits increased to 58% of all traffic during campaign
 - Traffic from India increased 1033% to 60,000 visits
 - Traffic from China increased 531% to 29,000 visits
 - Traffic from Philippines increased 1215% to 25,000 visits
- Funding for WelcomeBC.ca is sourced from a combination of provincial (\$1.2M) and federal funding (\$0.5M deferred settlement).

Contact:

Assistant Deputy Minister Scott MacDonald Labour Market & Immigration 250 514-5553

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training
Responsible: Honourable Shirley Bond

Title: Industry Training Authority - Apprenticeship System Statistics

Revised: April 24, 2014

Issue: B.C. has tremendous economic opportunities approaching over the next 10 years from the growth of key sectors such as liquefied natural gas (LNG). Our trades training system is being refocused to keep up with the growing demand for skilled workers and put British Columbians first in line for new job opportunities.

Recommended Response:

- Government continues to provide ITA with a core budget of over \$94 million annually to support trades training in B.C. This investment level has remained consistent since 2010.
- There are now over 35,000 registered apprentices (including high school youth) in B.C., more than double the number registered when ITA was established.
- ITA awarded 8,042 Certificates of Qualifications to journeypersons in B.C. in 2012/13, almost triple the amount issued in 2004/05 when the ITA was established.

We are starting to see an increase in employer sponsorship, There are now over 9, 300 employers sponsoring and training apprentices, up two percent from last year. Under the BC Jobs for Skills Blueprint, actions are being undertaken to increase this by 2% by 2015.

See Attachment 1 for year-over-year details.

A. ITA Accomplishments (current to December 31, 2013)

Trainees and Credentials Issued

- There are now over 35,000 registered apprentices (including high school youth) in B.C., over double the number registered in 2004.
- In 2012/13, ITA purchased almost 25,500 apprenticeship and foundation training seats at public and private institutions. In 2013/14 ITA plans to purchase about 26,000 training seats, an increase of about two percent.
- In 2012/13, ITA once again surpassed their target of 7,500, issuing 8,042 certificates of qualification. This is triple the number issued in 2004.

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training
Responsible: Honourable Shirley Bond

Employer Sponsorship

- The number of employer sponsors is up 39 percent from 2004 (or 6,740); as of December 2013, 9,352 B.C. employers are sponsoring apprentices.
- While, employer sponsorship has remained below its peak of 10,884 in 2008/09, the number of employers sponsoring and training apprentices has increased two percent from this time last year.
- This increase is due, in part, to the recovery of the economy and ITA's continued focus on improving employer participation.

Attracting New Entrants to the Trades

- Since 2008/09, ITA has invested about \$44 million in Canada-BC Labour Market Agreement funding in initiatives aimed at increasing the participation of women, immigrants, Aboriginal people, and unemployed/low-skilled individuals in the trades. By March 2014, over 7,300 individuals will have participated in these programs.
- Aboriginal participation in apprenticeship training has doubled since 2006/07 (from about 600 in 2006/07 to over 1,100 in 2013/14).
- Over 10 percent (about 4,000) of all registered apprentices are currently women, up from 8 percent in 2009.
- Youth participation in high school programs have increased by over 250 percent, from 861 in 2004, to over 3,000 in December 2013.

Customer Satisfaction

- Key findings of the most recent (2012) Apprenticeship Student Outcomes Survey of trades trainees (APPSO) conclude that over 90% of respondents were satisfied or very satisfied with their in-school training and workplace experience.
- In 2012/13 ITA established baselines for three new measures intended to measure client satisfaction, these are: Satisfaction with ITA Credentials-credential holders; satisfaction with ITA credentials – employers; and the sponsor value index.

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Branch	(250) 514-5553
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Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training
Responsible: Honourable Shirley Bond

Attachment 1

Industry Training Apprenticeship System Statistics: 1997-2013

- 1) **REGISTERED APPRENTICES** *(includes high school students participating in secondary school apprenticeship programs)*

Industry Training and Apprenticeship Commission (ITAC)

Calendar or Fiscal Year	Total Registered Apprentices	Comments
1997	14,739	
1998	15,245	
1999	15,353	
2000	15,794	
2001	16,277	
2002	16,281	
2003/04	Not available	Transition year prior to formation of the ITA

Industry Training Authority (ITA)

Calendar or Fiscal Year	Total Registered Apprentices	Comments
2004	14,676	Baseline used in ITA Annual Reports
2004/05	20,050	
2005/06	26,525	
2006/07	34,049	
2007/08	39,797	
2008/09	40,281	
2009/10	38,208	
2010/11	34,645	Declines are due to downturn in the economy as fewer employers hire and train apprentices.
2011/12	35,245	
2012/13	35,041	
December 2013	35,959	

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training
Responsible: Honourable Shirley Bond

2) CREDENTIALS AWARDED

ITAC

Fiscal Year	Provincial Credentials	Red Seal Credentials	Total Credentials	Comments
1996/97	1,764	2,707	4,471	
1997/98	1,029	3,096	4,125	
1998/99	937	2,866	3,803	
1999/00	921	3,093	4,014	
2000/01	848	2,794	3,642	
2001/02	1,149	2,791	3,940	
2002/03	835	2,566	3,401	Transition year prior to formation of ITA
2003/04	445	1,883	2,328	Transition year prior to formation of ITA

ITA

Fiscal Year	Provincial Credentials	Red Seal Credentials	Total Credentials	Comments
2004/05	453	1,925	2,378	First year ITA was fully operational
2005/06	577	2,322	2,899	
2006/07	1,430	2,121	3,551	
2007/08	1,829	3,417	5,246	
2008/09	1,939	4,099	6,038	
2009/10	2,434	4,745	7,179	
2010/11	2,562	4,756	7,318	
2011/12	Not yet available	Not yet available	8,750	
2012/13	Not yet available	Not yet available	8,042	
December 2013	Not yet available	Not yet available	5,341	

Notes:

- a) Credentials awarded include individuals that received a credential upon successful completion of an apprenticeship program and those who successfully challenged the Certificate of Qualification exam.
- b) Due to differing methodologies for counting certificates of qualification, ITAC and ITA figures may not be directly comparable.

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training
Responsible: Honourable Shirley Bond

PROVINCIAL FUNDING

ITAC

Fiscal Year	Core Operating Contributions (\$ M)	Comments
1997/98	\$25,034	Four months only (Dec 1997 – March 1998)
1998/99	\$68,596	
1999/00	\$70,105	
2000/01	\$73,668	
2001/02	\$81,189	
2002/03	Not Available	Transition year prior to formation of ITA
2003/04	Not Available	Transition year prior to formation of ITA

ITA

Fiscal Year	Core Provincial Contributions (\$ M)	Total Provincial Contributions (\$ M)	Comments
2004/05	\$77,281		First year ITA is fully operational
2005/06	\$77,281		
2006/07	\$90,281		
2007/08	\$96,938		
2008/09	\$100,538		
2009/10	\$94,444	\$111.674	September 2009 Service Plan Update (core budget reduced 10% from \$104,938 to \$94,444) Total Provincial Contribution includes LMA and LMDA funding
2010/11	\$94,444	\$111.596	Total Provincial Contribution includes LMA and LMDA funding
2011/12	\$94,444	\$106.997	Total Provincial Contribution includes LMA and LMDA funding
2012/13	\$94,444	\$108.234	Total Provincial Contribution includes LMA funding
2013/14	\$94,444	\$109.415	Total Provincial Contribution includes LMA funding
2014/15	\$94,444	\$95.444	Total Provincial Contribution includes FQR funding

Notes:

- a) ITAC table does not include contributions the Province made to ITAC capital costs
- b) LMDA funding was provided to the ITA from 2009/10 – 2011/12.
- c) Reduction in 2014/15 ITA Total Provincial Contributions reflects the expiry of the LMA agreement on March 31, 2014.

Pages 360 through 363 redacted for the following reasons:

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Estimates Note Advice to the Minister

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

Title: Industry Training Authority (ITA) Board

Revised: May 5, 2014

Issue: Appointment of the new ITA Board

Recommended Response:

- We are focused on making sure that B.C.'s trades training system is ready to meet the demand for workers, and is putting British Columbians first in line for jobs in the skilled trades. That's why government undertook an Independent Review of the ITA.
- All of the 29 recommendations outlined in Jessica McDonald's report to government will be implemented as part of B.C.'s Blueprint: re-engineering Education and Training plan.
- The recommendations will help re-engineer our apprenticeship system to better match industry needs, provide the highest level of training for our apprentices, and get students to the workplace quickly.
- The recommendations include appointing a new ITA board that will help refresh and strengthen the leadership and accountability in B.C.'s trades training system.
- Gwynn Morgan has been appointed chair of the new Board of Directors for the ITA, announced on May 5. Members have been appointed for a one year term to April 30, 2015. I am meeting with Mr. Morgan and the new Board this week to review ITA's accountabilities including those identified in the BC Skills for Jobs Blueprint and the McDonald Report.
- We would like to thank the outgoing Board for their valuable contributions and the strong leadership that has brought the ITA to this point and wish them success in their next endeavours.

Background/Status:

- The McDonald Report found that while significant positive outcomes have been achieved since the ITA was created, improvements are needed within the apprenticeship system to ensure there are enough skilled tradespeople for B.C.'s growing economy.

Estimates Note Advice to the Minister

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

- The McDonald Report sets out 29 recommendations to enhance and strengthen B.C.'s trades training system. All of these recommendations will be implemented as part of B.C.'s Jobs Blueprint: Re-engineering Education and Training plan, and will ensure that:
 - a high performing ITA with strong leadership;
 - there is accountability in the system for outcomes that are evidence-based and demand driven;
 - a meaningful role for industry and employers, including labour; and
 - an increased supply of skilled trades people in the right trades for the right times.
- The report includes the recommendation to re-constitute the ITA Board of Directors to reflect the needs and interests of the broader industry training system, including organized labour.
- Appointing a new ITA board is a necessary step to refresh and strengthen leadership and accountability so that the industry-led trades training system can develop strategic plans that respond effectively to immediate and long-term needs of individual sectors.
- Board members have been chosen for their industry experience, broad sectoral representation, experience in labour organizations, and strong leadership skills. Members are not intended to represent a specific constituency.
- The new ITA Board will be responsible for leading the re-engineering of our trades and apprenticeship system to better match industry needs and provide the highest level of training for its apprentices.
- Board members are compensated based on remuneration levels outlined in the Treasury Board Directive. The Board Chair asked waived his remuneration and instead will be paid \$1 per year for his service.

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ATTACHMENT: News Release and Board Member Biographies

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	250-514-5553
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NEWS RELEASE

Not Approved
May 5, 2014

Ministry of Jobs, Tourism and Skills Training and
Responsible for Labour

New Industry Training Authority board of directors appointed

VICTORIA –

A new board of directors for B.C.'s Industry Training Authority (ITA) was appointed today by Shirley Bond, Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour. The new board will be responsible for building stronger partnerships with industry and labour to deliver training and apprenticeships as part of B.C.'s Skills for Jobs Blueprint.

Effective immediately, the new ITA board will begin implementation of the 29 recommendations resulting from the independent review of the ITA conducted by Jessica McDonald, and will be accountable for outcomes that are evidence-based and demand driven. This means ensuring B.C.'s trades training system is ready to meet the labour market demand for workers throughout the province, including the liquefied natural gas (LNG) sector and other growing resources industries.

Gwyn Morgan, founding CEO of EnCana Corporation and recognized as Canada's Outstanding CEO of the Year and Canada's Most Respected CEO, has accepted the position of chair of the ITA. Morgan has asked to waive the usual treasury board directives for remuneration for board members for himself, and instead will be paid \$1/year for his service.

The Industry Training Authority (ITA) is the Crown Corporation responsible for leading B.C.'s trades training system, including developing and implementing training programs and services that respond to industry need, and issuing Red Seal and other trades credentials to qualified workers.

Quotes:

Shirley Bond, Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour –

"This board has been designed as a team of leaders – highly skilled and respected people with a track record of getting things done. We have set out a bold and ambitious goal to provide the highest level of training for our apprentices, and get students from study to the workplace more quickly. Appointing a new ITA board is an important first step in this direction."

Gwyn Morgan, ITA Board Chair –

"I accepted this role because I strongly believe that increasing the supply of skilled trades is absolutely key to realizing the opportunities upon which our province's economic future will be built. I know that the other board appointees announced today share this view. We look forward to working with educational institutions, apprenticeship partners, labour unions and

other stakeholders in strengthening the ITA's focus to deliver on our crucial mission.”

Learn More:

- For more information on B.C.'s Skills for Jobs Blueprint, visit: www.workbc.ca/skills
- To find out more about the ITA review, visit: www.jtst.gov.bc.ca/ITA_Review
- To find out more about the ITA, visit: www.itabc.ca

Media Contact:

Media Relations
Ministry of Jobs, Tourism and Skills Training
and Responsible for Labour
250 387-2799

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BACKGROUND

Not Approved
May 5, 2014

Ministry of Jobs, Tourism and Skills Training and
Responsible for Labour

New ITA board of directors appointed

The following individuals have been appointed as the new ITA board of directors:

Gwyn Morgan, Chair

Gwyn Morgan was the founding CEO of EnCana Corporation, Canada's largest energy company, until the end of 2005. EnCana was Canada's most valuable company with a stock market value of approximately \$60 billion.

Mr. Morgan has been recognized as Canada's Outstanding CEO of the Year and also as Canada's Most Respected CEO. He has also written for the business section of the Global and Mail newspaper.

Previously, Mr. Morgan served on the Board of Directors of five global corporations. Additionally, he is a Trustee of the Fraser Institute, the Manning Centre for Building Democracy and the Dalai Lama Center for Peace and Education.

Mr. Morgan is a retired Honorary Colonel of the Canadian Air Force and has received numerous awards including the University of Western Ontario's Ivey Business Leader award, the University Of Victoria School Of Business Entrepreneur of the Year award and he is a member of the Alberta Business Hall of Fame.

Mr. Morgan holds four honorary degrees and as a Professional Engineer, he is a Fellow of the Canadian Academy of Engineering. Notably, Mr. Morgan was recognized as a Member of the Order of Canada in 2010 by Governor General the Right Honourable David Johnston.

Andries (Andy) Calitz

Andy Calitz is the Vice-President of LNG Canada. He was previously project director for the Shell-Chevron-ExxonMobil Australian Gorgon project.

Mr. Calitz was educated as an Electrical Engineer at the University of Stellenbosch in South Africa, with further qualifications in Commerce, Management and Business Administration at the Harvard Business School in the United States and University of the Witwatersrand, University of South Africa and Insead.

He joined Shell in 1996, working initially in the Power Group in India and on the Peruvian Camisea projects. Next he served as Shell International Gas' head of business development for Central and Eastern Europe and Russia, where he was actively involved in the Shell-Gazprom alliance, as well as energy projects in Ukraine, Romania, Bulgaria, Russia, Uzbekistan, Turkmenistan and Poland. He then followed an assignment on gas and power in Beijing on the strategic alliances between Shell and CNOOC and SINOPEC. He joined the Shell International

Trading and Shipping Company in 2000 as general manager for Liquefied Natural Gas Shipping. He was the commercial director of Shell-Mitsubishi-Mitsui's Sakhalin Energy, responsible for LNG and crude oil marketing into Japan, Korea, China and the United States.

Barj Dhahan

Barj Dhahan is the founder and chief executive officer of Sandhurst Group of Companies and the director of PCS Biofuels Ltd. He has over 30 years of successful experience in establishing and operating businesses in land development, construction, automotive centres and food services.

Barj is a founding donor and Board Member of the Canada-India Centre for Excellence at Carleton University in Ottawa, and founder of the Dhahan International Punjabi Literature Prize. He is also a member of the Royal Roads University Board of Governors, the University of British Columbia Nursing Advisory Council, and the RCMP's Cultural Diversity Advisory Committee in British Columbia.

Mr. Dhahan holds his Bachelor of Arts in Sociology and History from the University of British Columbia and a Diploma in Theological Studies from Regent College.

Gordon Grant

Gordon Grant is the Communications Coordinator for the First Nations Employment Society.

Mr. Grant was previously the marketing manager with VanAsep Training Society in North Vancouver, and the manager of Longhouse Seafood Market in the Dunbar area of Vancouver. He regularly volunteers by co-ordinating and administering community functions within Musqueam to promote "inclusiveness", being active and above all – fun and pride.

Mr. Grant completed the Business Management and Entrepreneurship Program at the UBC Sauder School of Business.

Lindsay Langill

Lindsay Langill is currently a professor and the dean of School of Trades and Technology at Thompson Rivers University. Previously, he was the senior director of Program Standards for the Industry Training Authority, a secondary school apprenticeship co-ordinator for the Ministry of Education and has taught at UBC, Aldergrove Secondary School, South Okanagan Secondary, Skaha Lake Middle School and James Nash State High School in Queensland Australia. He has served on the board of directors for BCAMTA Skills Canada BC-Chapter and currently is the director of certification on the board for Kamloops Basketball Association.

Active in his community, Mr. Langill has been the president of the British Columbia Technology Education Association, the president of the Langley Technology Teacher's Association and a senior advisor for the British Columbia Technology Association. He holds three Red Seal trade certifications. Mr. Langill holds his Master of Arts, Math, Science and Technology, and his Bachelor of Education from the University of British Columbia; and his Certificate of Industrial Education from British Columbia Institute of Technology. Currently he is defending his PhD through the University of Calgary.

Rick Kasper

Rick Kasper is a retired bricklayer and stonemason who operated a small business for many years. He served as District of Sooke Councillor from 2005-2008, and was re-elected to Council in 2011.

Active in his community, Mr. Kasper was involved with the Glen Lake Ratepayers Association in the 1970s. He also served as the CRD director for Langford from 1981-1990, where he helped plan and worked to create the Galloping Goose Regional Trail, region-wide blue box recycling, Island Highway improvements, low-income housing and local beautification projects.

In 1991 Mr. Kasper was elected to the B.C. Legislature and served as MLA for Malahat-Juan de Fuca for 10 years. During this time he headed a review of legislation governing manufactured homes, worked to get three new schools built in Sooke, helped get funding for the SEAPARC Leisure Complex and Juan de Fuca Marine Trail, and fought to protect funding for the Sooke Women's Transition House.

Mr. Kasper completed his trade qualifications for bricklaying at the Pacific Vocational Institute, which is now the British Columbia Institute of Technology (BCIT).

Tom Sigurdson

Tom Sigurdson is executive director for the British Columbia and Yukon Territory Building and Construction Trades Council. He was elected in the 1986 Alberta general election as a NDP candidate in the electoral district of Edmonton-Belmont. He defeated incumbent Progressive Conservative MLA Walter Szwender by a comfortable plurality. Swender and Sigurdson would face each other again in the 1989 Alberta general election, Sigurdson improved his popular vote total winning a decisive majority.

Edmonton-Belmont was abolished due to redistribution in 1993. Sigurdson ran for a third term in office in the new Edmonton Manning electoral district for the 1993 general election. Sigurdson would end up being defeated by Liberal candidate Peter Sekulic.

After leaving politics, Sigurdson became the British Columbia and Yukon Building and Construction Trades Council executive director. He worked as the training plan co-ordinator for Teamsters Local 213 in Vancouver, British Columbia. He returned as executive director for the BC and Yukon Territory Building and Construction Trades Council in 2011.

MJ Whitemarsh

MJ Whitemarsh is the former CEO of the Canadian Home Builders' Association British Columbia. Previously, she worked as a consultant for the Vancouver Division of Family Practice.

Active in her community, she is chair of the Advisory Committee for Conasys Inc., a private real estate company, as well as being a board member of the Technical Education Career Council, and a member of the Small Business Round Table.

Ms. Whitemarsh is also a former chair of the Residential Construction Industry Training Organization.

Jonathan Whitworth

Jonathan Whitworth is the chief executive officer of Seaspan. He assumed the role in 2009,

bringing over 20 years of seagoing, shore side, strategic planning, management, and leadership experience to the organization.

After graduating from the Texas Maritime Academy, Jonathan sailed for six years as an officer aboard tankers and chemical carriers in the international market. He also still holds an unlimited chief mate's license, and a 1600-ton captain's license. After completing his MBA at the University of North Texas, Jonathan came ashore and held a number of management positions at ExxonMobil and Teekay Shipping. He later became CEO of Maritrans Inc., the largest publicly held tug/barge and tanker operator in the US Jones Act trade. Maritrans was sold to Overseas Shipholding Group of New York, in 2006, and Jonathan was retained as president to continue the strategic plan created at Maritrans.

As CEO of Seaspan, Jonathan is primarily responsible for carrying out the strategic plans and policies as established by the board of directors. This includes developing and implementing high-level strategies, making major corporate decisions, managing the overall operations and resources of the company, and acting as the main point of communication between the board of directors and corporate operations.

Media Contact:

Media Relations
Ministry of Jobs, Tourism and Skills Training
and Responsible for Labour
250 387-2799

Connect with the Province of B.C. at: www.gov.bc.ca/connect

Estimates Note Advice to the Minister

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

Title: Industry Training Authority (ITA) Review

Revised: April 24, 2014

Issue: Receipt of the ITA Review report and implementation of its recommendations.

Recommended Response:

- B.C.'s trades training system is working. Today, B.C. has twice as many apprentices, and is issuing around three times as many credentials annually compared to 2004 when ITA was established.
- But, the ITA was created almost ten years ago, and since then B.C.'s economy has changed considerably.
- We are focused on making sure that B.C.'s trades training system is ready to meet the demand for workers, and is putting British Columbians first in line for jobs in the skilled trades. That's why government undertook an Independent Review of the ITA.
- All of the 29 recommendations outlined in Jessica McDonald's report to government will be implemented as part of B.C.'s Blueprint: re-engineering Education and Training plan.
- The recommendations will help re-engineer our apprenticeship system to better match industry needs, provide the highest level of training for our apprentices, and get students to the workplace quickly.

Background/Status:

- While B.C.'s current industry-led training model has generated some good outcomes, the system is fragmented between system partners, and confusion about their roles and responsibilities.
- Actions are being undertaken to overcome these issues which are limiting B.C.'s ability to meet projected industry demand for skilled trades people in critical sectors over the next decade.
- In August 2013, Government announced that the ITA review would begin in the fall to examine ITA's role and functions to ensure it is fulfilling its mandate and achieving the outcomes necessary to meet the future demand for skilled workers.

Estimates Note Advice to the Minister

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

- On September 5, 2013, Jessica McDonald was appointed as the Independent Review Lead for the ITA Review. Ms. McDonald consulted with over 150 system stakeholders, including employers, apprentices, industry representatives, labour, and trainers.
- Ms. McDonald her final report to the Government on February 7, 2014. We would like to thank Ms. McDonald for her efforts to conduct a thorough review and engage with so many stakeholders during the process.
- The McDonald Report sets out 29 recommendations to enhance and strengthen B.C.'s trades training system. All of these recommendations will be implemented as part of B.C.s Jobs Blueprint: Re-engineering Education and Training plan.
- Implementation plans, including timelines, were developed for each recommendation and, in partnership with ITA, other Ministries, and system stakeholders, the initial work has begun.

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Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	250-514-5553
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Estimates Note Advice to the Minister

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

Title: Industry Training Authority (ITA) Service Plan and Budget

Date of Last Revision: April 24, 2014

Issue: ITA's 2014/15-2016/17 Service Plan shows a significant reduction in its 2014/15 budget due to the expiry of the current Labour Market Agreement.

Recommended Response:

- By helping to ensure there are the right number of workers, with the right skills, in the right place, at the right time, and across all sectors, B.C.'s industry training system will play a critical part in achieving the workforce goals outlined in the BC's Skills for Jobs Blueprint: Re-engineering Education and Training.
- Government continues to provide ITA with a core budget of over \$94 million annually to support trades training in B.C. This investment level has remained consistent since 2010.
- The ITA Service Plan reflects a decrease in "Total Contributions from the Province" due to the expiry of the current Canada BC Labour Market Agreement on March 31, 2014.
- Subsequent to the release of ITA's 2014/15 Service Plan, the Province is taking next steps for service delivery under a renewed Canada – BC Labour Market Agreement. Steps include a nine month extension of ITA's training programs for Aboriginal people, Immigrants and Women beyond March 31, 2014.
- Since 2001, Government has provided almost \$238 million in capital funding to support trades training in the province. This includes \$17 million provided for trades equipment at post-secondary institutions.
- Currently, there are approximately 35,000 apprentices (including high school and youth participants) in the system – more than double the number registered since the ITA was established in 2004.
- Since 2004, the ITA has issued over 56,000 Certificates of Qualification to journeypersons in B.C.

2014/15 Service Plan priorities

ITA will continue to work closely with industry, government and training providers to support the implementation of priority initiatives identified in the Skills and Training Plan, and actions outlined in the Minister's June 2013 mandate letter, including the recently actions outlined in the recently released BC's Skills for Jobs Blueprint.

Estimates Note Advice to the Minister

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

Key initiatives noted within ITA's 2014/15 Service Plan include:

- Implementing the trades-related elements of a 10 year skills plan to achieve a seamless path for students from high school to post-secondary and into the workforce (now part of BC's Skills for Jobs Blueprint).
- Working with government and other systems partners to implement recommendations resulting from the ITA review.
- Developing a strategic plan for liquefied natural gas (LNG) trades training that aligns with regional and sectoral demands.
- Promoting and facilitating entry into industry training for underrepresented groups, such as Aboriginal people, women and immigrants, with an increased focus on youth.
- Expanding opportunities for high school youth to begin training for trades careers prior to graduation.
- Improving continuation and completion by increasing supports for participants and employers who sponsor them (e.g. apprentice advisors, on-line resources, web site improvements).
- Supporting flexible delivery options that decrease apprentices' time away from the workplace and accelerate completion times.
- Improving skills assessment capacity for those with existing skills through the development of additional competency-based/practical assessments for high demand trades.

2014/15 – 2016/17 Service Plan Budget

a) 2014/15 Budget

- ITA's 2014/15 Total Revenue forecast is \$96.452 million, \$13.566 million less than the \$110.018 million revenue forecast in the previous Service Plan (see Attachment 1).
- The vast majority of the \$96.452 million budget is made up of contributions from the B.C. government (\$95.444 million). The remainder comes from user fees and royalty revenues (Curriculum materials sold through Queen's Printer).
- The B.C. government's \$95.444 million contribution is broken out into two components:
 - \$94.444 million in core funding; and

Estimates Note Advice to the Minister

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

- \$01.000 million from the Foreign Qualification Recognition (FQR) program¹

b) Budget Reductions in 2014/15

- It is anticipated that concerns will be raised regarding the \$13.556 million reduction in the total “Contributions from the Province” in 2014/15 (i.e. from \$109.010 million in 2013/14 to \$95.444 million in 2014/15).
- This budget reduction was based on the assumption that the Labour Market Agreement (LMA) will not be renewed once it expires on March 31, 2014.
- This financial assumption regarding LMA funding is reflected in the “Training Delivery” and “Labour Supply Initiatives” budget line items:
 - **Training Delivery** – Reduced by \$3.5 million; from \$77.72 in 2013/14 to \$74.22 million in 2014/15. Over the past two years, ITA has used LMA funding to purchase Foundation seats (approximately 360 each year) at post-secondary institutions for LMA eligible participants.
 - **Labour Supply Initiatives** – Reduced by \$9.89 million; from \$15.05 million in 2013/14 to \$5.16 million in 2014/15. Since 2008/09, ITA has used LMA funding to deliver trades exploratory programs aimed at increasing participation of Aboriginal people, Women, and Immigrants in the trades.
- Subsequent to the release of ITA’s Service Plan, Government has confirmed that the Province will continue Service Delivery under a renewed Canada Job Fund (CJF); existing contracts (for targeted initiatives) will be extended beyond March 31, 2014 for a nine-month period.
- The ITA will be allocated about \$6.7 million in CJF funding to extend existing training programs for Aboriginal people, Women and Immigrants for a nine month period (up to December 31, 2014).
- CJF funding for Foundation training seats at public post – secondary institutions (PSIs) will not continue, however seats will continue to be funded through ITA’s core budget. In 2014/15 it is expected that approximately \$20 million will be invested in Foundation training seats at PSIs (over 4,000 seats).
- During this contract extension period, the Province will complete a thorough review of these programs and services to ensure programming is aligned with the new Canada Job Fund Agreement and meets BC’s labour market needs and priorities.

¹ Funding available through the Canada-BC Foreign Qualification Recognition (FQR) Agreement has not been confirmed for 2014/15.

Estimates Note Advice to the Minister

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

c) 2013/14 Surplus

- For the past several years, ITA has reported significant surpluses (e.g. \$3.4 million in 2010/11; \$5 million in 2011/12; and \$3.6 million in 2012/13)².
- Historical surpluses (prior to 2013/14) are due, in large part, to a softening in demand for technical training during the economic downturn (i.e. the demand for apprentices is typically lowered following a recession and as a result the uptake on apprenticeship training seats is lower than anticipated).
- For the 2013/14 fiscal year, ITA is forecasting a much lower surplus than in past years, of \$1.8 million (almost 50 per cent lower than the \$3.6 million surplus in 2012/13). The reduction in the surplus is the result of an increased number of technical training seats being filled (i.e. less slippage in the Training Delivery budget) than in previous years combined with an increased demand for Youth programs.

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	(250) 514-5553
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² In its 2012/13 Annual Report, ITA reporting an accumulated surplus of \$21 million dollars since it became operational in 2004.

Industry Training Authority 2014/15 Service Plan Budget
COMPARISON OF PREVIOUS and CURRENT YEAR BUDGETS

Budget Category	Description	2013/14 Service Plan Budget \$M	2013/14 Preliminary Actuals \$M	2014/15 Service Plan Budget \$M	Variance 2013/14 & 2014/15 Budgets \$M	Reason for Variances between 2013/14 & 2014/15 Budgets
Training Delivery	Primarily investments in apprenticeship and foundation training seats.	\$ 77.720	\$74.530	\$ 74.220	Down \$3.500	Decrease due to expiry of LMA. Impacts LMA funded foundation seats.
Standards Development	Includes funding for ITOs to develop/ update programs to current industry standards.	\$ 2.370	\$2.373	\$ 2.370	No change	
Industry Engagement	Primarily other ITO activities such as employer engagement, training plan review.	\$ 2.949	\$3.124	\$ 2.949	No change	
Credential Brand Awareness	Promotion of the value of the ITA credential to employers, trainees and the public.	\$ 0.350	\$ 0.388	\$ 0.250	Down \$0.100	Decrease due to completion of BC Trades Campaign funded by AVED
Assessment & Certification Services	Challenger assessments, exam invigilation, and Enhanced Assessment initiative.	\$ 0.678	\$0.878	\$ 1.043	Up \$0.365	Increase due to implementation and delivery of enhanced assessments (FQR funding and activity levels TBC)
Labour Supply Initiatives	Youth programs and LMA-funded initiatives for Aboriginal people, women and immigrants	\$ 15.047	\$16,674	\$ 5.160	Down \$9.887 ³	Decrease due to expiry of LMA. No impact to youth programs only initiatives for women, Aboriginal people, and immigrants
Core Expenditures	Staffing, info systems, communications, travel, professional services, Board costs, building occupancy admin.	\$ 10.047	\$9.666	\$ 9.603	Down \$0.445	Decrease reflects move of a portion of enhanced assessment budget to Assessment for service delivery
Amortization		\$0. 857	\$0.780	\$0. 857	No change	
Total Expenditures		\$110.018	\$108.796	\$96.452	Down \$13.566	Reflects expiry of LMA.
Year end surplus	(Transfer to Capital Reserve)	0	\$ 1.803	0	0	
Contributions from the Province	Core Grant	\$ 94.444	\$ 94.444	\$ 94.444	No change	Reflects expiry of LMA End of Trades Campaign
	Other Grants – eg LMA, FQR	\$ 14.466	\$ 14.921	\$ 1.000	Down \$ 13.466	
	Deferred Revenue	\$ 0.100	\$0.000	\$0.000	Down \$0.100	
	Sub-total	\$ 109.010	\$109.365	\$ 95.444	Down \$13.566	
Contributions - Other	Federal contributions	\$ 0	\$ 0.015	\$ 0	No change	
	Other income (e.g., fees)	\$ 1.008	\$1.219	\$ 1.008	No change	
Total Revenue		\$110.018	\$110.599	\$96.452	Down \$ 13.566	Reflects expiry of LMA.

³ Subsequent to releasing the 2014/15 Service Plan, ITA will receive about \$6.7 million in LMA funding to continue delivering training programs for targeted groups (Aboriginal people, Women, and Immigrants) for a 9 month period beyond March 31, 2014.

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Canada-BC Job Fund Agreement

Revised: April 28, 2014

Issue: Signing of a new Canada Job Fund, including the implementation of the
Canada Job Grant

Recommended Response:

- My goal is to ensure that labour market funding enables all British Columbians to connect with the skills training they need to be at the front of the line for jobs.
- As we transition to the new Canada Job Fund, our goal is to ensure that existing skills training programs and services are not interrupted for British Columbians.
- That's why we are providing bridge funding that will help current Labour Market Agreement recipients continue offering services until the end of the year.
- We will implement procurement for the new Canada-BC Job Fund by the fall, and service providers across BC will be able to submit proposals for funding at that time.
- The Canada Job Grant will provide opportunities for some service providers, in partnership with employers, to access new funding for skills training programs and services.

Status

- The Canada-BC Labour Market Agreement (LMA) expired on March 31st 2014 – the same day that the new Canada-BC Job Fund (CJF) was signed.
- B.C.'s strategy in the transition period is to ensure that skills training programs and services are not interrupted. For this reason, programming is being extended to December 31, 2014.
- Over the coming months, government will be reviewing all existing Labour Market Agreement programs and services to ensure they are aligned with the new Canada Job Fund Agreement and meet B.C.'s labour market needs and priorities.
- JTST will implement procurement for the new Canada Job Fund in the late summer and fall, and service providers across BC will be able to submit proposals for funding at that time.

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
Responsible for Labour
Minister Responsible: Honourable Shirley Bond

The Canada Job Fund Agreement

- The new CJF includes three streams (\$65M per year):
 1. Canada Job Grant (CJG): to begin rollout on July 1, 2014
 2. Employer-sponsored Training: will include both new and existing programs.
 3. Employment Services and Supports: will include similar programming to the current LMA.
- The CJG will help workers get the training they need for available jobs, and put skills training decisions in the hands of employers. BC has the flexibility to design specific CJG parameters based on local labour-market needs, and as such it can be tailored to the needs of key industries in BC, such as LNG.
- The CJG will provide up to \$15,000 per person for training costs, including tuition and training materials, which includes up to \$10,000 in federal contributions. Employers would be required to contribute on average one-third of the total costs of training.
- As an employer-driven program, through the CJG, employers and/or employer groups will be eligible to apply for a grant for anyone who is unemployed, as long as the employer intends to hire that individual, or anyone who is employed within their organization who wants to improve their skills to get a better job.
- There is flexibility for small business to contribute towards the CJG – small businesses can contribute as little as 15% cash towards training costs, and count wages to make up their 1/3 contribution.

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration	250-514-5553
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2014/15 Estimates Note Advice to the Minister

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

Title: Labour Market Agreement – Outcomes Statistics

Revised: April 28, 2014

Issue: B.C. achieved consistently strong outcomes throughout the life of the 6 year Labour Market Agreement (LMA)

Recommended Response:

- Programming under the LMA was highly successful with over 90% of participants reporting that services sufficiently prepared them for employment.
- The most recent outcomes survey (2012/13) shows average rates of employment increasing by 45% in programs targeted specifically at unemployed individuals and 35% overall.
- B.C. met or exceeded its LMA targets and accountabilities in every year of the agreement. A comprehensive performance management framework for the Canada Job Fund (successor agreement to the LMA) is currently in development in collaboration with other provinces and territories and the federal government.

Background/Status:

- Since 2009/10, LMA programs have supported approximately 94,000 British Columbians with over 17,500 utilizing services in 2012/13 including:

	Since 2009/10	2012/13
Aboriginals	15,200 (16%)	4,700 (27%)
Immigrants	19,200 (20%)	3,800 (21%)
Women	41,500 (44%)	8,400 (48%)
Persons with Disabilities	5,900 (6%)	2,000 (11%)
Youth (≤29)	32,800 (35%)	8,000 (45%)
Older Workers (≥55)	8,300 (9%)	2,000 (11%)

- For 2013/14, B.C. will exceed the LMA participant target of 16,750. Final participant numbers and outcomes from BC Stats will be available in July.

Contact:

Assistant Deputy Minister Scott MacDonald Labour Market and Immigration Division 250-514-5553

2014/15 Estimates Note Advice to the Minister

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

Title: Immigration Trends – Permanent Residents

Revised: April 25, 2014

Issue: Characteristics of immigrants coming to B.C.

Recommended Response:

- In 2012, 36,242 new immigrants came to B.C.
- Economic immigrants make up the majority of incoming immigrants to B.C., representing 61% of immigrants in 2012.
- B.C. continues to be the primary province of settlement for immigrants from the Asia-Pacific region.
- Immigrants in B.C. have higher levels of university education than the Canadian-born population.
- Immigrants coming to B.C. want to work, with over 70% of working age immigrants intending to enter the labour market.

Background/Status:

- Over the past five years, B.C. received an average of 40,000 new immigrants annually. In 2012, 36,242 new immigrants came to B.C., showing a decrease in numbers from the five year average.
- B.C. received the third largest share of immigrants to Canada at 14.% in 2013, following Ontario (38%) and Quebec (21%) and Alberta (14%).
- In 2012, Economic Immigrants (22,116) continued to account for the majority of immigrants to B.C., at 61%. Family Class immigrants (11,855) accounted for 33%, and Refugees and Other accounted for 8% (2,766).
- 5,943 Provincial Nominee Program immigrants arrived in B.C. in 2012, a slight increase from 2011 (+3%). PNPs represented 27% of total economic immigrants to B.C.
- In 2012, 9,939 Federal Skilled Worker immigrants arrived in B.C., a decrease of 9% from 2011. This stream represented 45% of total economic immigrants to B.C.

2014/15 Estimates Note Advice to the Minister

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

- Fewer Business Class immigrants arrived in 2012 for a total of 2,814, down 30% from 2011. This was due to the hold that the federal government placed on this stream part way through the year.
- More Family Class immigrants arrived in 2012 for a total of 11,855, up 17% from 2011.
- China, India and the Philippines were the top three source countries of B.C. immigrants in 2012, accounting for over half of all immigrant arrivals. The United States and Korea rounded out the top five.
- Two thirds of immigrants to B.C. came from the Asia-Pacific region (69%).
- In 2012, 73% of immigrants aged 15 and over arrived in B.C. with English language skills. This is based mostly on self-reported language ability.
- In 2012, 51% of those who immigrated to Canada within the previous five years and living in B.C. (aged 25-54) were university educated. This compares to 23% for Canadian-born population aged 25-54 living in B.C.
- Of all new immigrants aged 25-64, over 70% declared an intention to work. Of those who intended to work in a specific occupation, 87% intended to work in a high-skilled or management role. Note that many new immigrants work in a different occupation and at a different skill level than originally intended.

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	250-514-5553
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2014/15 Estimates Note Advice to the Minister

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

Title: Immigration Trends - Temporary Residents

Revised: April 25, 2014

Issue: Characteristics of Temporary Residents in B.C.

Recommended Response:

- In 2012, there were 74,345 Temporary Foreign Workers (TFWs) in B.C., representing 22% of Canadian TFWs.
- Of the TFWs in B.C., 39% had International Experience Canada visas. These visas include Working Holiday and other youth-targeted programs.
- Australia, the Philippines and the United States were the top three source countries for TFWs in B.C. in 2012.
- There were 68,324 International Students in B.C., representing 25% of International Students in Canada.
- China, Korea and India were the top three source countries for International Students in B.C. in 2012.
- Three quarters of International Students in B.C. were in post-secondary programs.

Background/Status:

- Temporary Residents in B.C. are made up of TFWs (46%), International Students (42%), and the Humanitarian population, including refugee claimants (3%). In 2012, there were 168,323 Temporary Residents in B.C.

s13

- Among B.C. TFWs in 2012, 22.2% required a positive Labour Market Opinion from HRSDC to work. A positive Labour Market Opinion indicates that there is sufficient need for a foreign worker because the position cannot be filled domestically, and is requested by employers seeking to hire TFWs.

2014/15 Estimates Note Advice to the Minister

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

- 39.4% of TFWs in B.C. in 2012 were on an International Experience Canada visa. These visas include primarily the Working Holiday program and other programs for young professionals to gain international work experience. 9.6% of TFWs had International Arrangement visas (NAFTA, for example). 11.6% of TFWs are in B.C. on a research related permit, including the Post-Graduate Work Permit program. These visas do not require a positive LMO.
- Of those TFWs with an intended occupation, 32% planned to work in High Skilled occupations (management, professional or skilled and technical occupations).
- Australia, the Philippines and the United States were the top three source countries for TFWs in 2012, representing 34% of TFWs in B.C. Mexico and the U.K. rounded out the top five.
- In 2012, there were 68,324 International Students in B.C., a 50% increase from the number of International Students in 2003. International students accounted for 42.4% of Temporary Residents in B.C. These include students in post-secondary programs and the K-12 system.
- B.C. ranked second with 25.7% of International Students in Canada, behind Ontario with 41.9%. Quebec was third with 14.4% of International Students in Canada.
- China, Korea and India were the top three source countries for International Students in 2012, accounting for 54.8% of those in B.C. Saudi Arabia and Japan rounded out the top five.
- Three-quarters of International Students in B.C. were engaged in post-secondary studies. This figure does not include visitors with short term visas (under 6 months).

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	250-514-5553
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Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Labour Force Survey – March 2014

Revised: April 4, 2014

Issue: B.C. unemployment rate is 5.8%

Recommended Response:

- B.C.'s unemployment rate at 5.8 per cent is the fourth lowest in the country (behind Saskatchewan, Alberta, and Manitoba) and is below the national rate of 6.9 per cent.
- Compared to one year ago, job gains were seen in both the goods-producing sector (+8,200) and the service-producing sector (+15,000). Industries that have driven the increase are: Health Care and Social Assistance (+24,700), Transportation and Warehousing (+17,700), Accommodation and Food Services (+13,800) and Natural Resources¹ (+10,300).

Background/Status:

- Employment in B.C. was 2,324,700 (people working) in March, up by 18,300 jobs from February and up by 23,200 jobs from this month last year as both full-time and part-time positions went up (by 10,900 and 12,300 respectively). Since August 2011, B.C. has added 54,400 jobs representing a gain of 67,700 full-time jobs and a decline of 13,300 part-time positions.
- In March there were 2,466,800 British Columbians in the labour force (people either employed or looking for work), 10,300 fewer people than one year ago.
- March's unemployment number was 142,100. Unemployment decreased by 33,500 compared to March 2013. There are approximately 57,500 fewer British Columbians unemployed now than during the peak of the 2009 recession. Employment is up 120,300 since its lowest month of the recession.
- B.C.'s unemployment rate in March was 5.8 per cent. This was the fourth lowest rate in the country (behind Saskatchewan, Alberta, and Manitoba) and is 1.3 percentage points lower than it was in the same month last year.
 - At 11.1 per cent, B.C.'s March youth unemployment rate ranks fourth in the country for the lowest rate (behind Saskatchewan, Alberta, and Manitoba). It is 3.3 percentage points lower from March 2013. The unemployment rate for youth remains more than double that of those aged 25 and over (4.8 per cent).
 - The unemployment rate for immigrants in March was 6.8 per cent. The immigrant unemployment rate is 0.6 percentage points higher than that of

¹ Natural Resources refers to Forestry, Fishing, Mining, Quarrying, Oil and Gas.

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
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the Canadian-born population (6.2 per cent). Compared to a year ago, the unemployment rate for immigrants decreased, by 0.3 percentage points, while the Canadian-born rate declined 0.8 percentage points from 7.0 per cent.

- Since March 2013 the goods-producing sector has seen an increase of 8,200 jobs. The largest increase was in Natural Resources which gained 10,300 jobs and Manufacturing (+8,400), over the 12-month period. Compared to one year ago, the service-producing sector has added 15,000 jobs. The largest job gains were Health Care and Social Assistance (+24,700), Transportation and Warehousing (+17,700) and Accommodation and Food Services (+13,800).
- Compared to one year ago, three regions have made employment gains: Mainland/Southwest (+21,500), Thompson-Okanagan (+9,100), and Cariboo (+3,300). Losses were seen in Kootenay (-11,700), Vancouver Island/Coast (-6,700), North Coast and Nechako (-2,900) and Northeast (-1,100).

Contact:

Position:	Name:	Division:	Phone:
Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration	250 953-3585

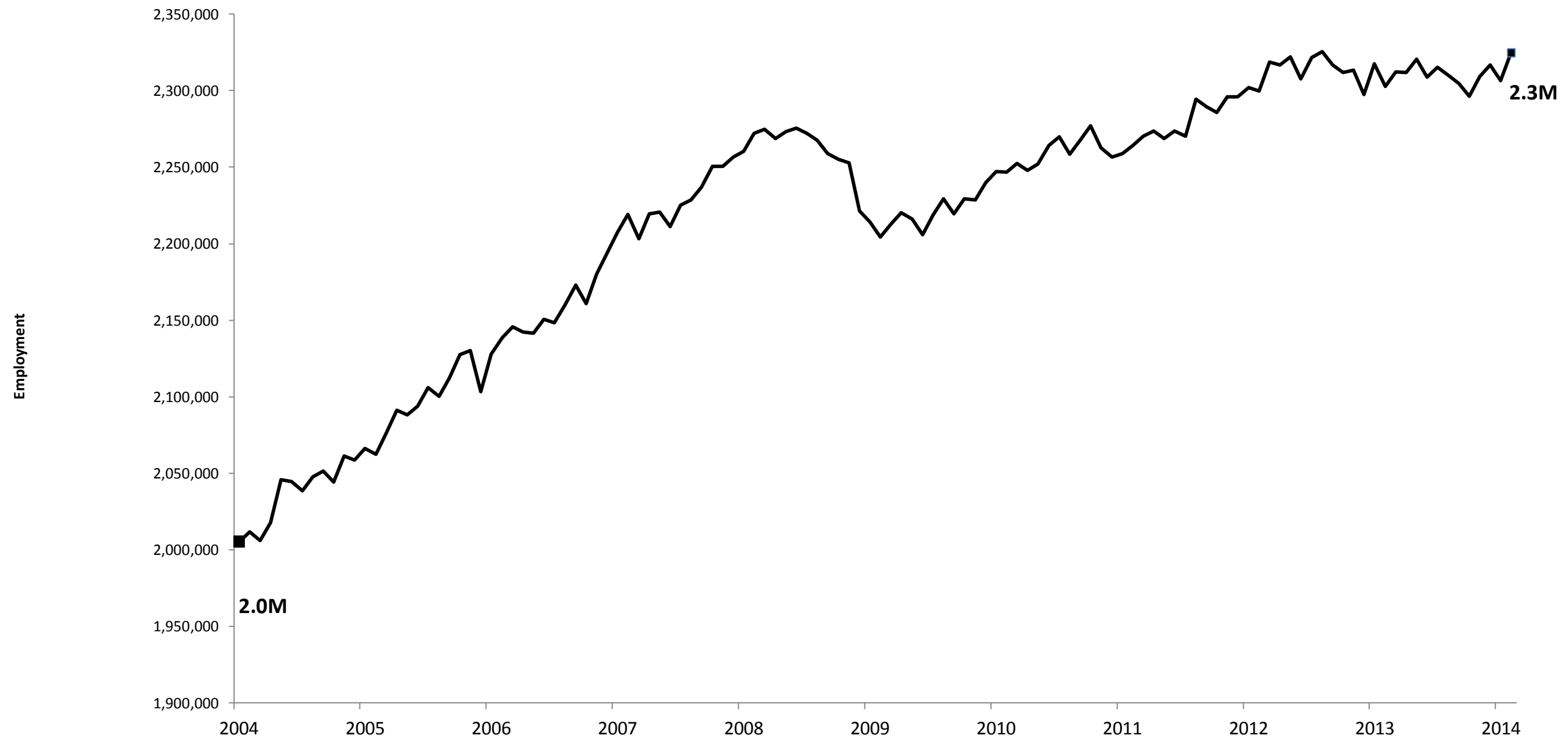
British Columbia's Labour Market Indicators

A monthly report highlighting current and 10-year labour market trends in British Columbia. Updated for March 2014.

PAGE		PAGE	
1	10-Year Employment Level	14	Labour Force
2	National 10-Year Employment Growth	15	Population
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5	Public/Private Sector Employment		
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12	Outlook 2010-2020		
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10-YEAR EMPLOYMENT LEVEL

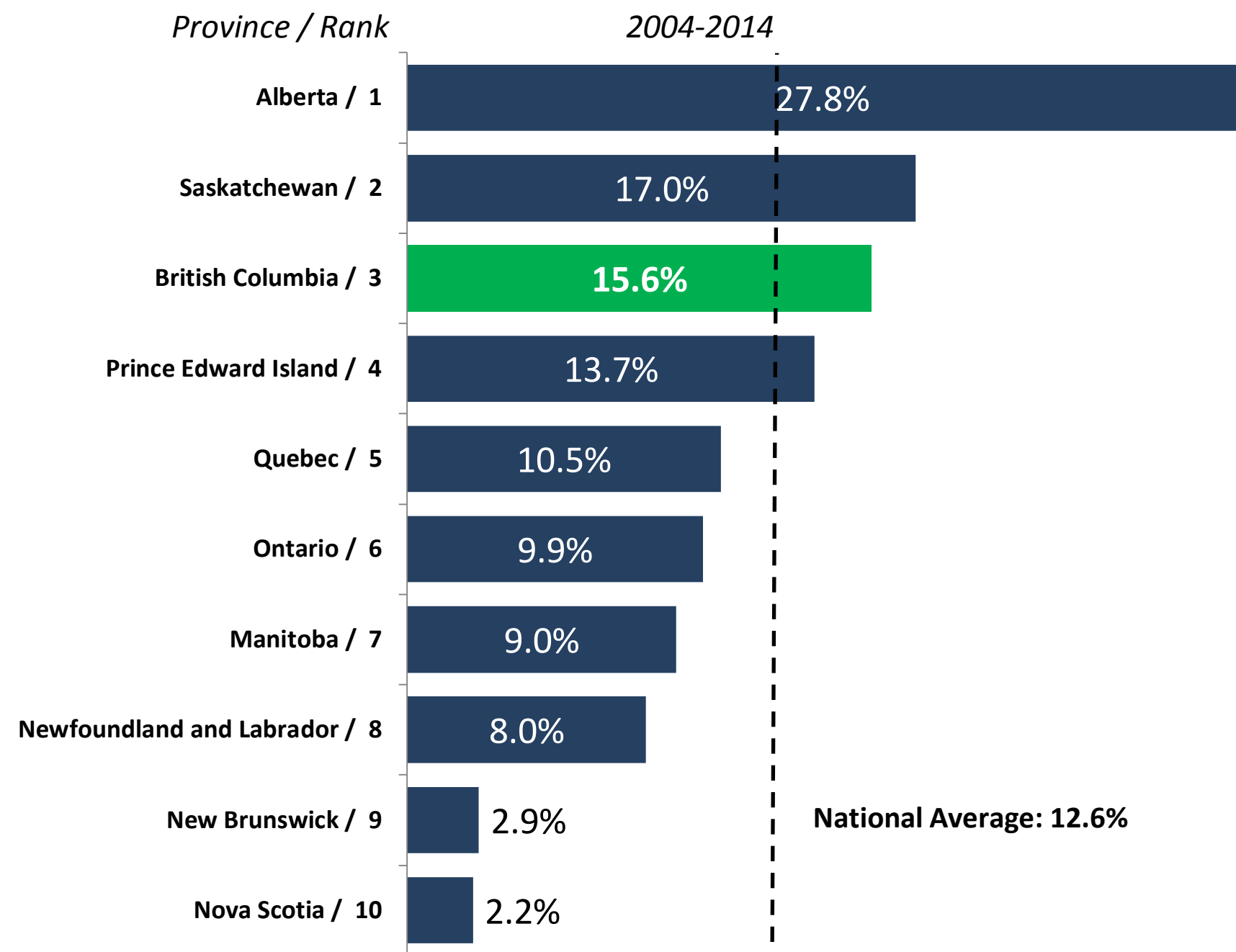
Over 290,000 new jobs in last ten years



- From March 2004 to March 2014, employment in B.C. has gone up from 2,011,600 to 2,324,700 - an increase of 313,100.
- Full-time employment makes up the bulk of job gains (+165,100).
- Since the launch of the Jobs Plan, B.C. has created 54,400 new jobs.

NATIONAL 10-YEAR EMPLOYMENT GROWTH

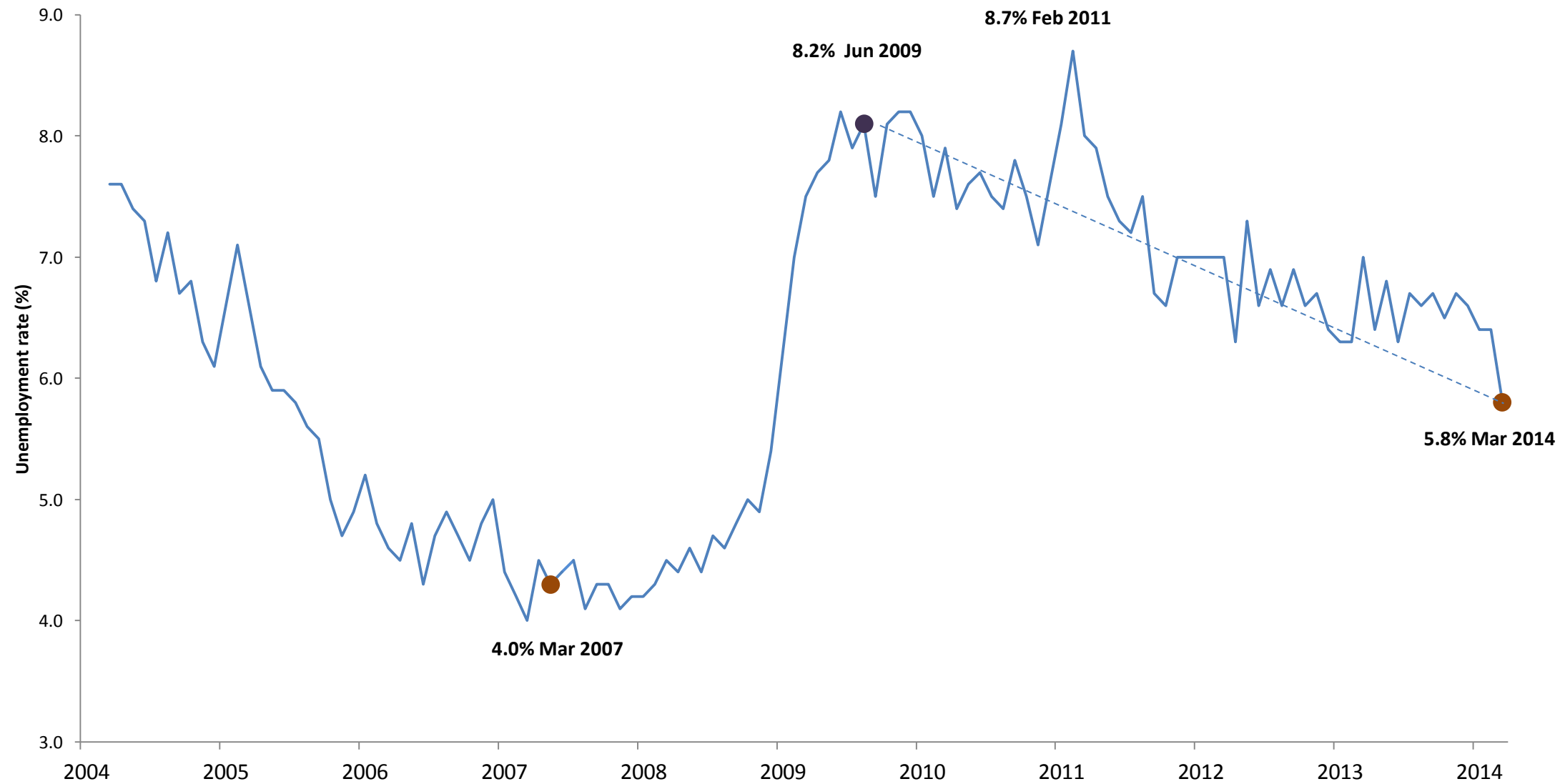
B.C. ranks 3rd for employment growth



- In the last ten years employment in B.C. expanded by 15.6%, the third highest rate in the country
- B.C. outperformed the national rate of employment growth of 12.6% for this period.

UNEMPLOYMENT RATE

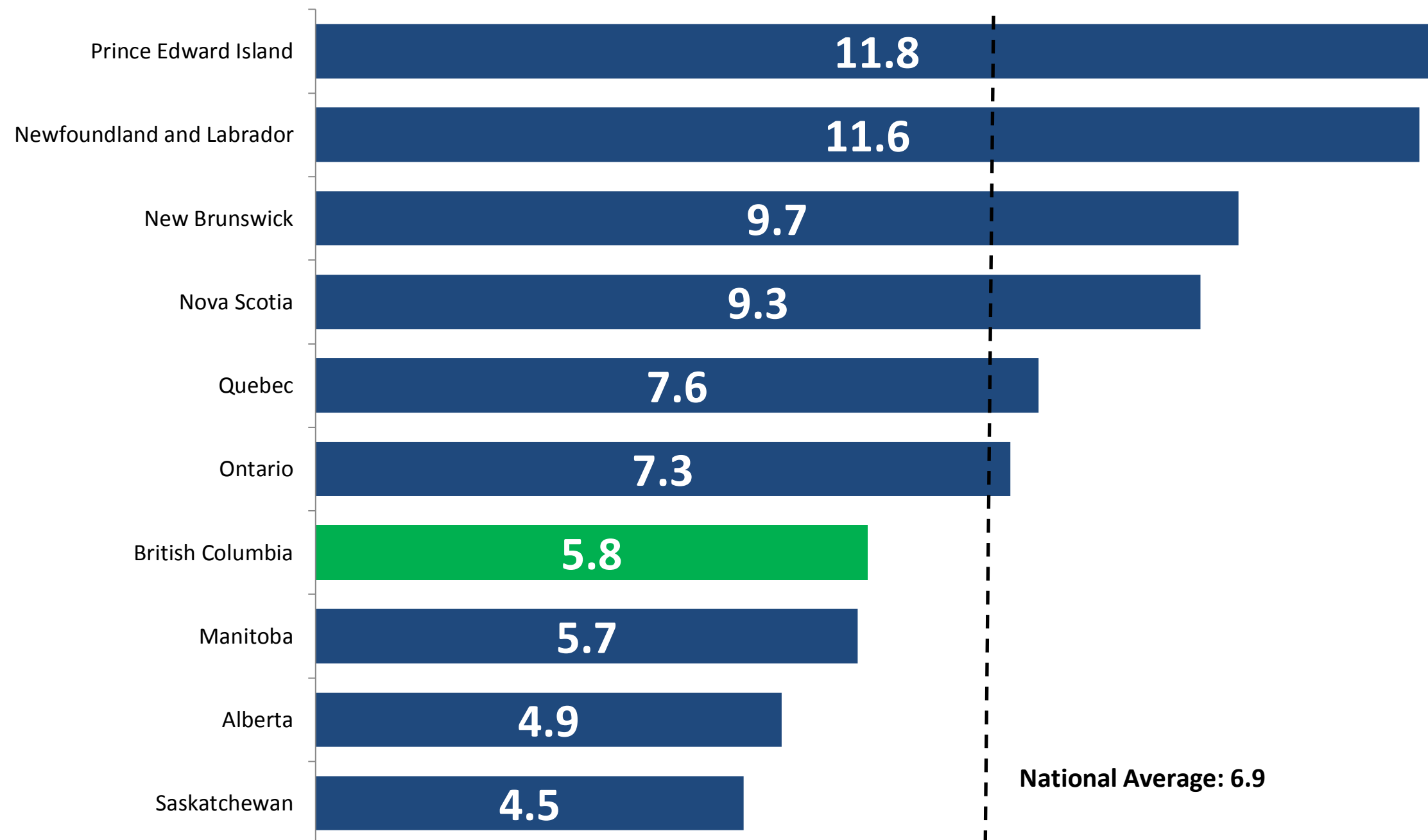
B.C. unemployment rate is on the decline



- B.C.'s unemployment rate is hovering around its lowest level since the downturn.
- There are 65,900 more British Columbians employed now than at the peak of the downturn (Feb 2011).

Unemployment Rates Across Provinces

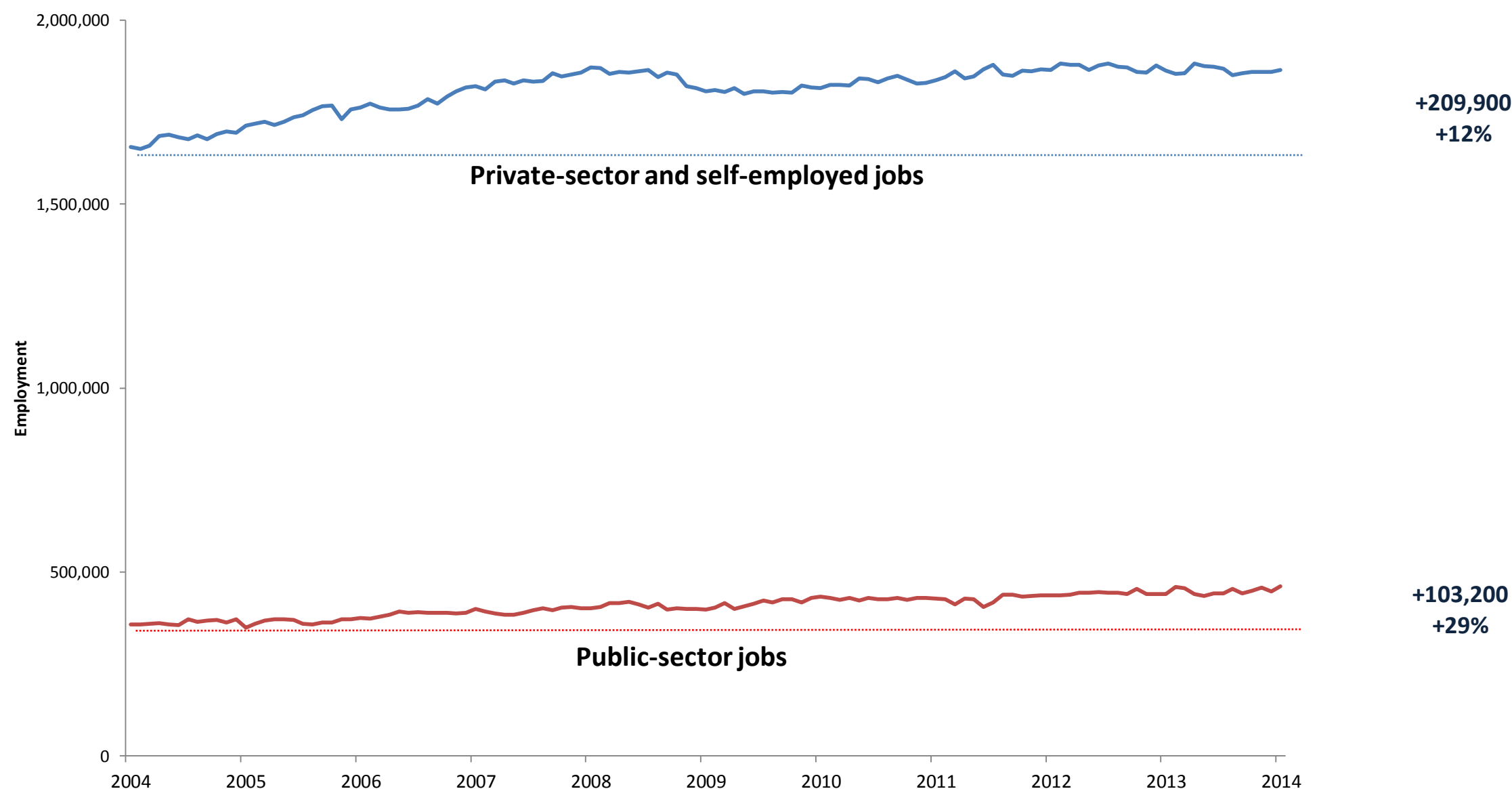
B.C Ranks 4th for lowest unemployment rate in the country



- B.C.'s current unemployment rate is below the National average of 6.9%
- B.C. ranks 4th for lowest current unemployment rate in the country behind Saskatchewan: 4.5%, Alberta: 4.9%, and Manitoba: 5.7%

PUBLIC/PRIVATE SECTOR EMPLOYMENT

Private-sector employment has been major driving force in B.C. economy over the last decade



- In the last decade the B.C. economy has created 209,900 private-sector and self-employed jobs and 103,200 public sector jobs.
- The private-sector was most affected by the recession but has since rebounded to its pre-recession level.

INDUSTRY EMPLOYMENT

Employment gains for all but two industries in last decade

	Employment in Mar-2014	Change from Mar-2013		Change from Mar-2004	
		Jobs	%	Jobs	%
Trade (wholesale and retail)	353,100	-25,000	-7.6%	37,700	9.6%
Health care and social assistance	276,700	24,700	8.2%	62,600	18.4%
*Accommodation and food services	189,000	13,800	6.8%	20,400	9.7%
*Professional, scientific and technical	186,700	2,500	1.3%	49,200	20.9%
Construction	184,700	-5,900	-3.3%	57,800	23.8%
*Educational services	176,400	0	0.0%	44,700	20.2%
*Manufacturing	171,600	8,400	4.7%	-34,500	-25.2%
Finance, insurance and real estate	150,600	11,000	6.8%	26,800	15.1%
*Transportation and warehousing	136,800	17,700	11.5%	22,700	14.2%
Information, culture and recreation	111,100	-6,700	-6.4%	2,500	2.2%
Public administration	108,600	-8,800	-8.8%	7,400	6.4%
Other services	94,500	-9,500	-11.2%	500	0.5%
Business, building and other support	90,900	-4,700	-5.5%	9,200	9.2%
*Forestry, fishing, mining, oil and gas	58,200	10,300	15.0%	21,700	27.2%
*Agriculture	21,400	-6,800	-46.6%	-15,300	-250.8%
Utilities	14,400	2,100	12.7%	5,800	28.7%

- Health Care and social assistance gained the most jobs since 2004 (+62,600). Manufacturing lost the most jobs over the last ten years (-34,500). Agriculture also experienced losses (-15,300).

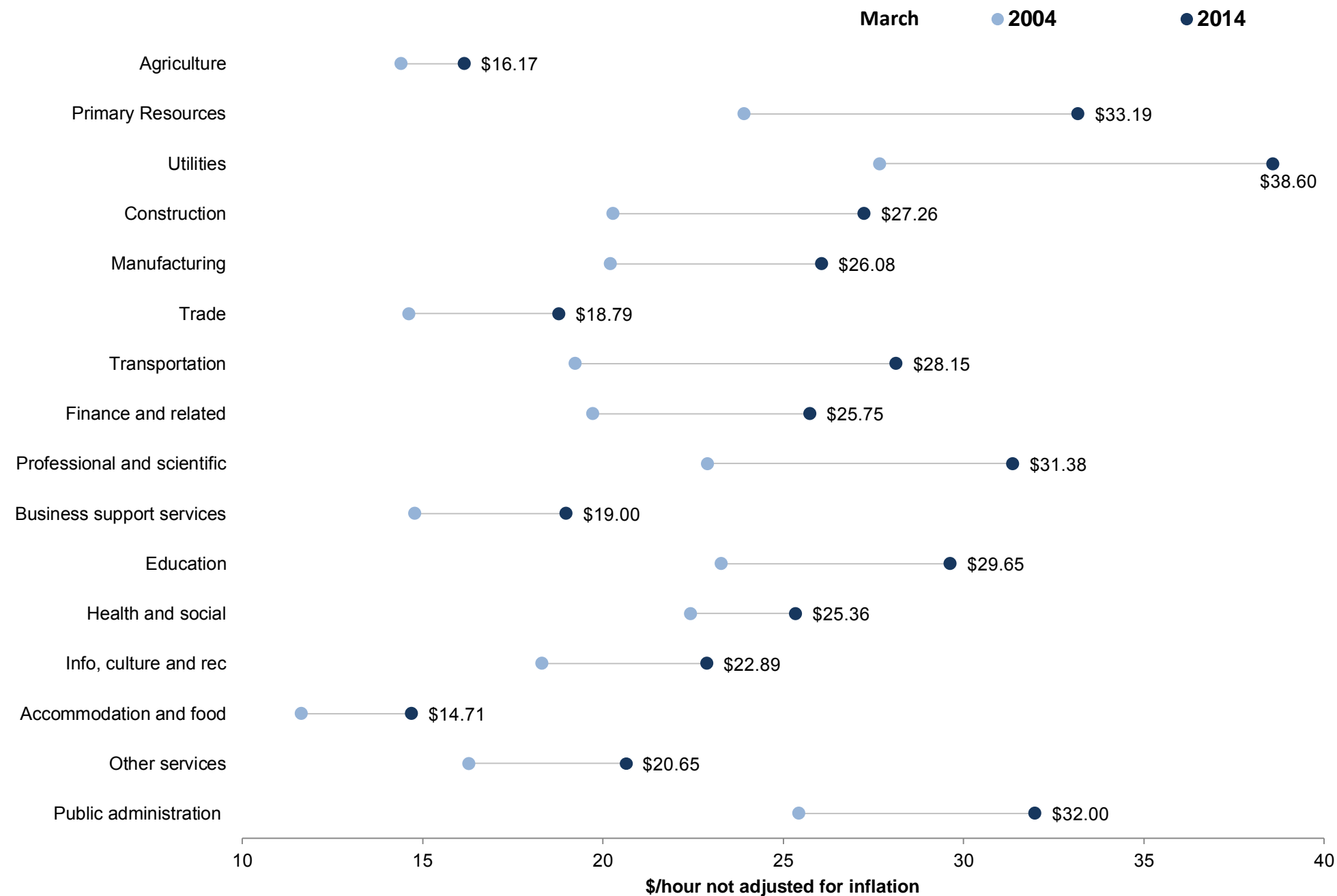
* Identifies industries closely related to Jobs Plan

All data is monthly and adjusted for seasonality. Source: LFS 282-0088, Statistics Canada

6

WAGES

Some industry wages growing faster than others



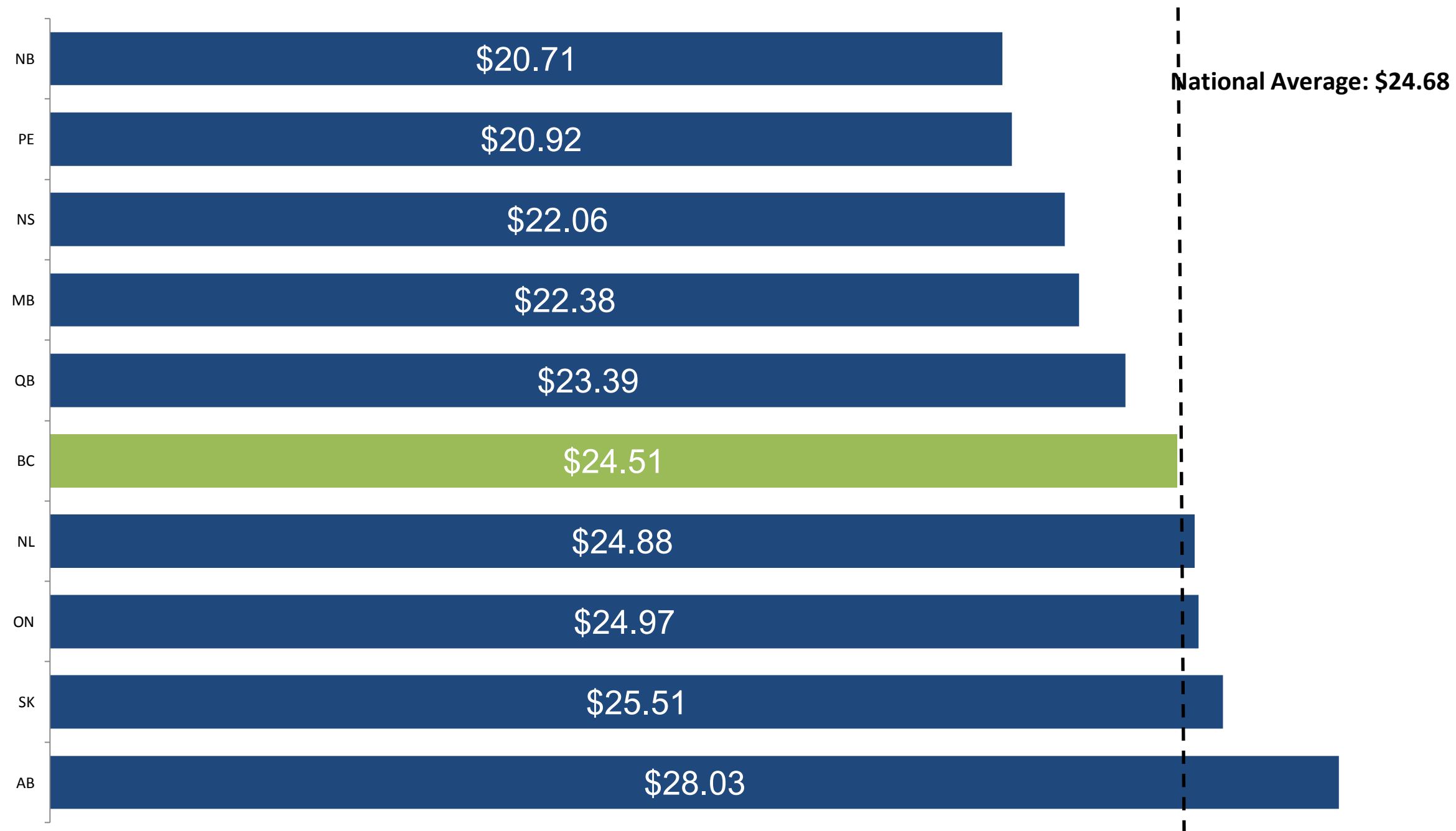
- Utilities, Primary Resources, and Transportation experienced the highest wage growth over the last ten years
- Growth was also strong in Finance and Public administration, as well as in Professional and scientific services.

All data is monthly and NOT adjusted for seasonality. Source: LFS 282-0071, Statistics Canada

7

WAGES ACROSS PROVINCES

B.C ranks 5th for highest wage in country



\$/hour in March 2014

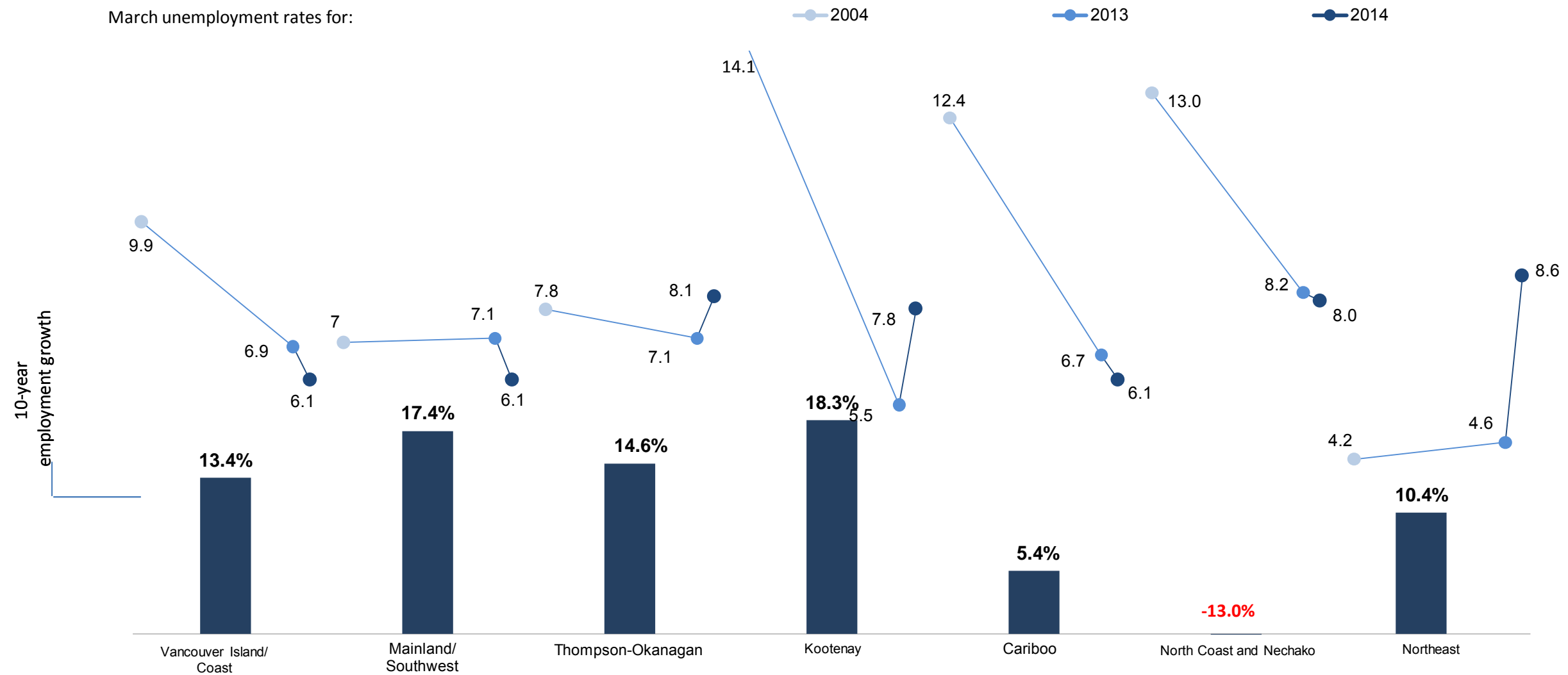
- B.C's average hourly wage ranks 5th in the country in March. It is 17 cents lower than the national rate of \$24.68

10-YEAR REGIONAL OVERVIEW

Falling unemployment across the province since 2004

10 year job growth and unemployment rates by region

March unemployment rates for:

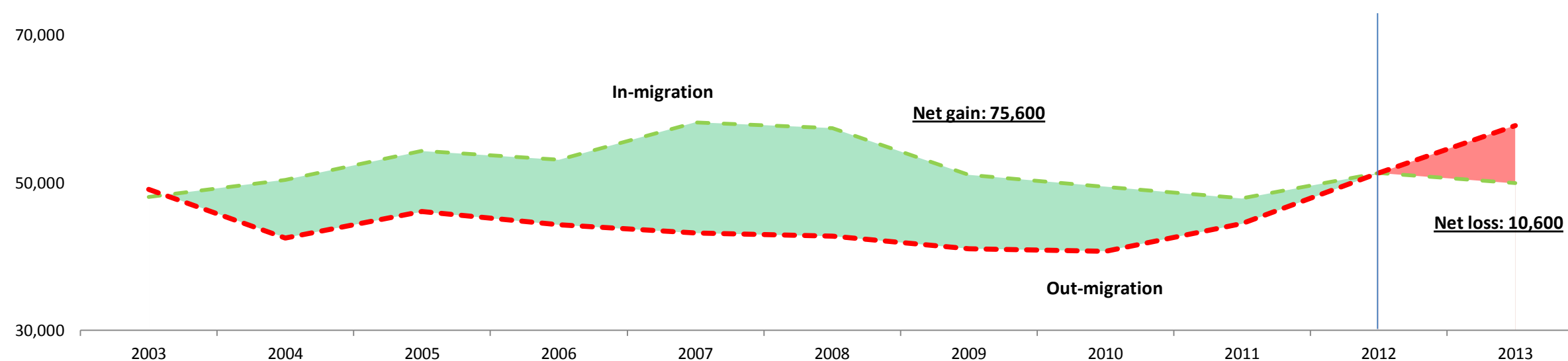


- Since 2004, six of B.C.'s seven regions have experienced employment gains.
- Since 2004, four regions experienced substantial drops in unemployment rates, as well as growing employment
- North Coast & Nechako was the only region with employment losses since 2004, but the unemployment rate has fallen nearer the all-time low

INTER-PROVINCIAL MIGRATION - ANNUAL

A net gain of 65,000 inter-provincial migrants in last decade

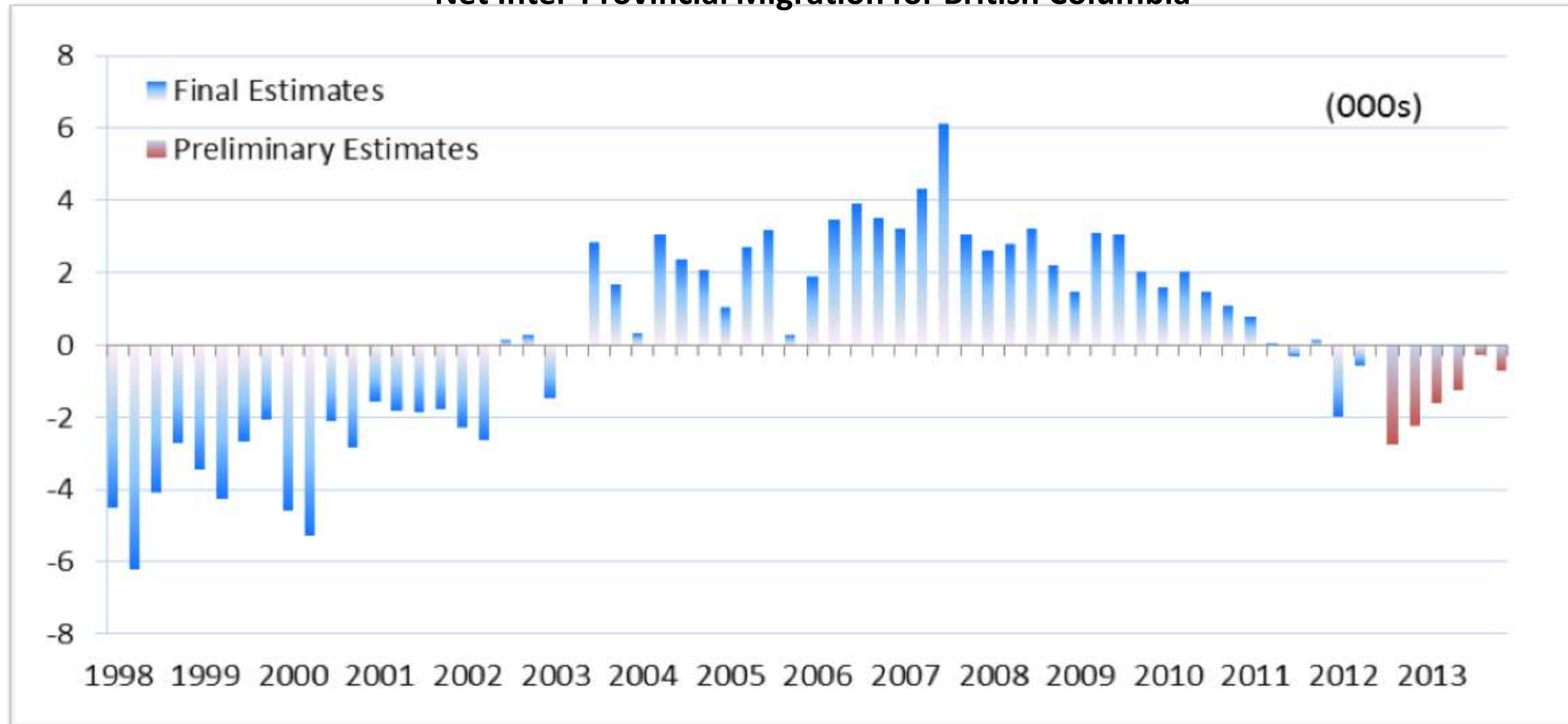
Flows in and out of B.C. to and from other provinces 2003-2013



Flows into BC	Province	Flows out of BC
44%	Alberta	50%
30%	Ontario	27%
6%	Saskatchewan	6%
6%	Manitoba	4%
6%	Quebec	5%
8%	Atlantic Provinces and Territories	8%
568,000	Total	503,000

- From 2003 to 2011, more people moved to B.C. from the rest of Canada than left for other provinces. Since 2011, this trend has reversed.
- Half of all people who left B.C. for another province went to Alberta. Roughly a quarter went to Ontario. These provinces were also the largest sources of people moving to B.C. from other parts of Canada.

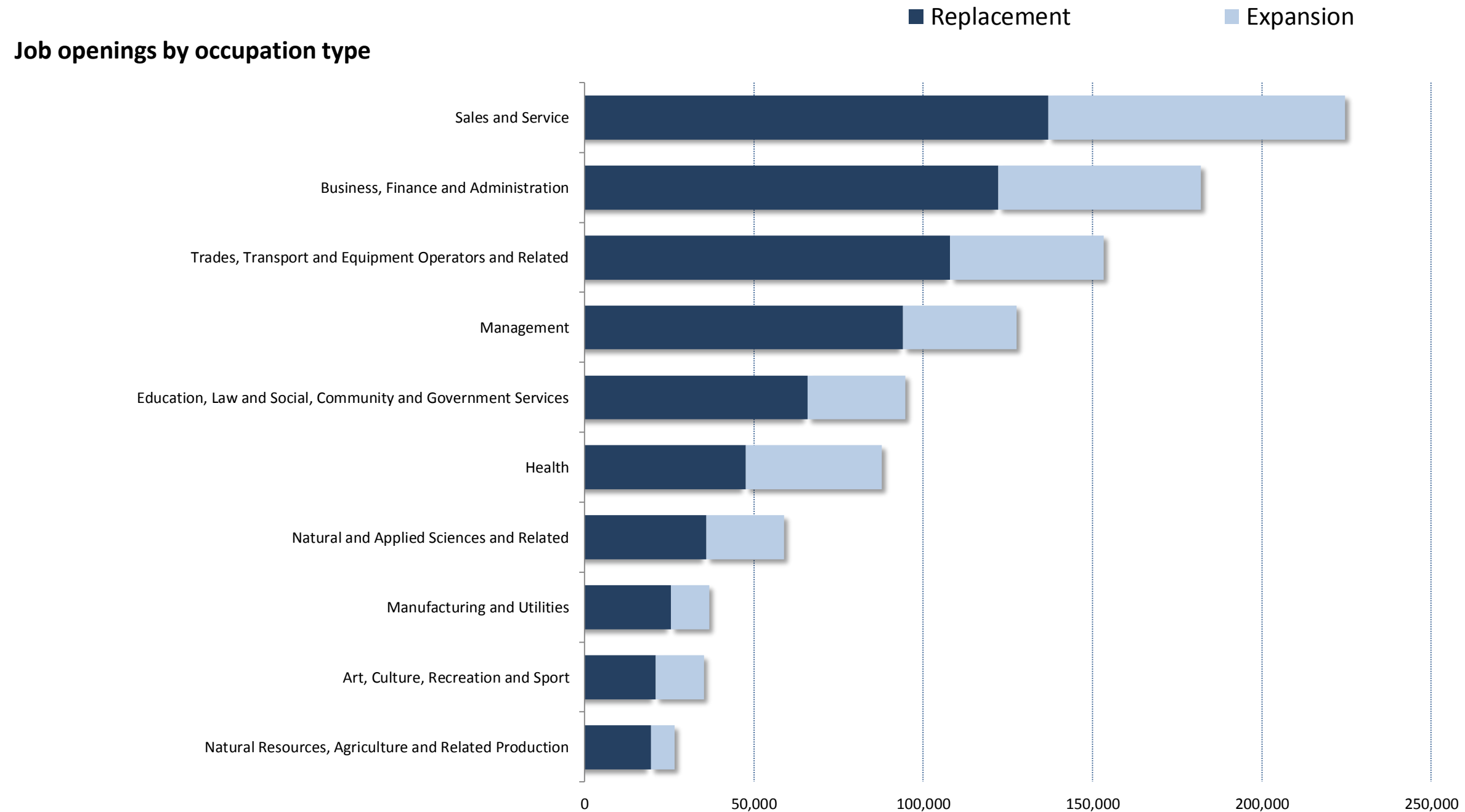
Net Inter-Provincial Migration for British Columbia



- Between 1998 and 2002, and again since 2011, more people moved out of B.C. than came to the province. In 2003, net inter-provincial migration began to be positive, but was trending downward, starting in 2008/2009.
- Since Q3 in 2012, net inter-provincial migration has shown an upward trend.

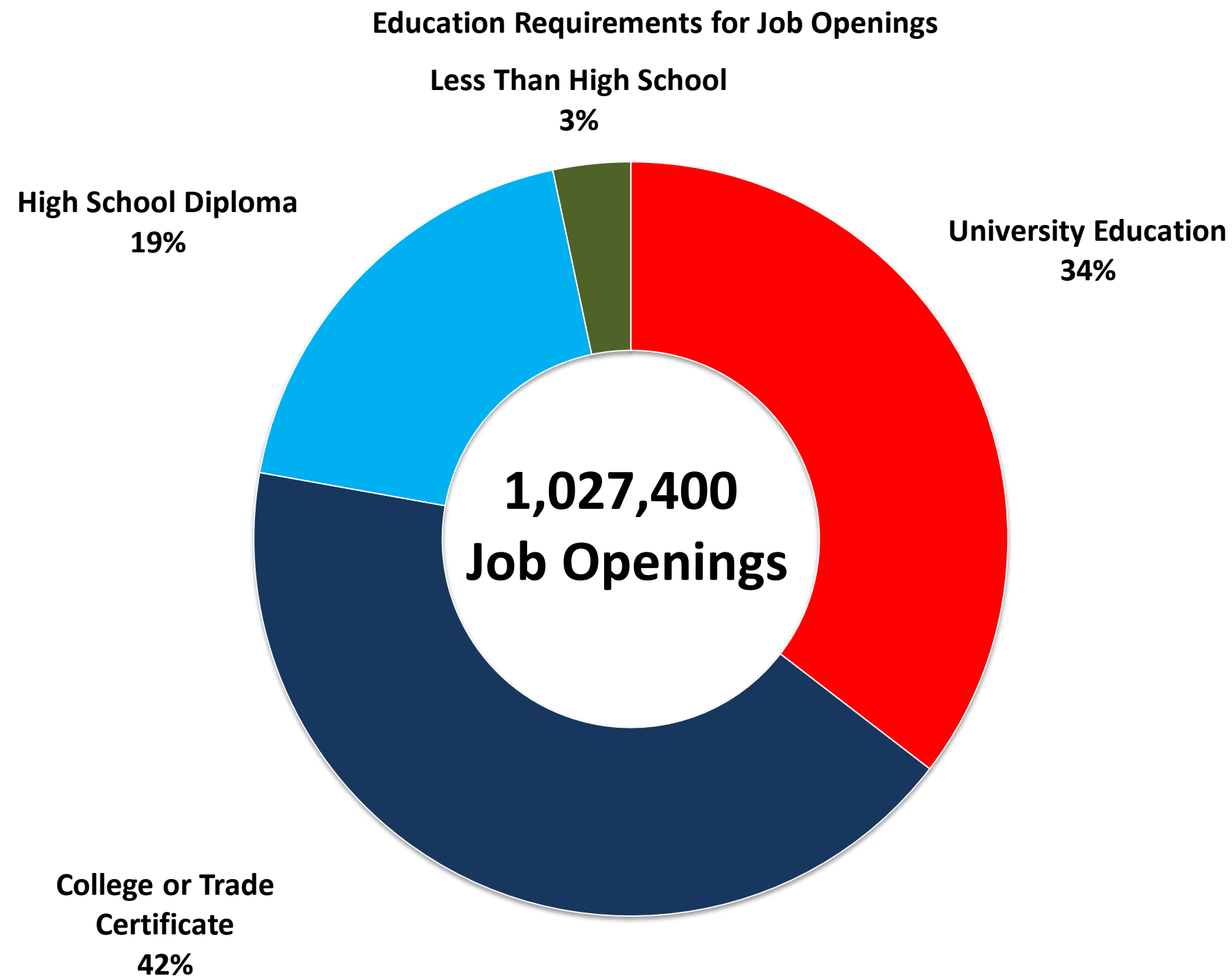
OUTLOOK 2010 - 2020

Over 1,000,000 job openings between 2010 and 2020



- Approximately two-thirds of job openings will be to replace retiring workers.
- A higher proportion of replacement demand is reflective of occupations with more retirement-aged workers such as Management and Trades.

EDUCATION REQUIREMENTS OF OPENINGS 2010-2020

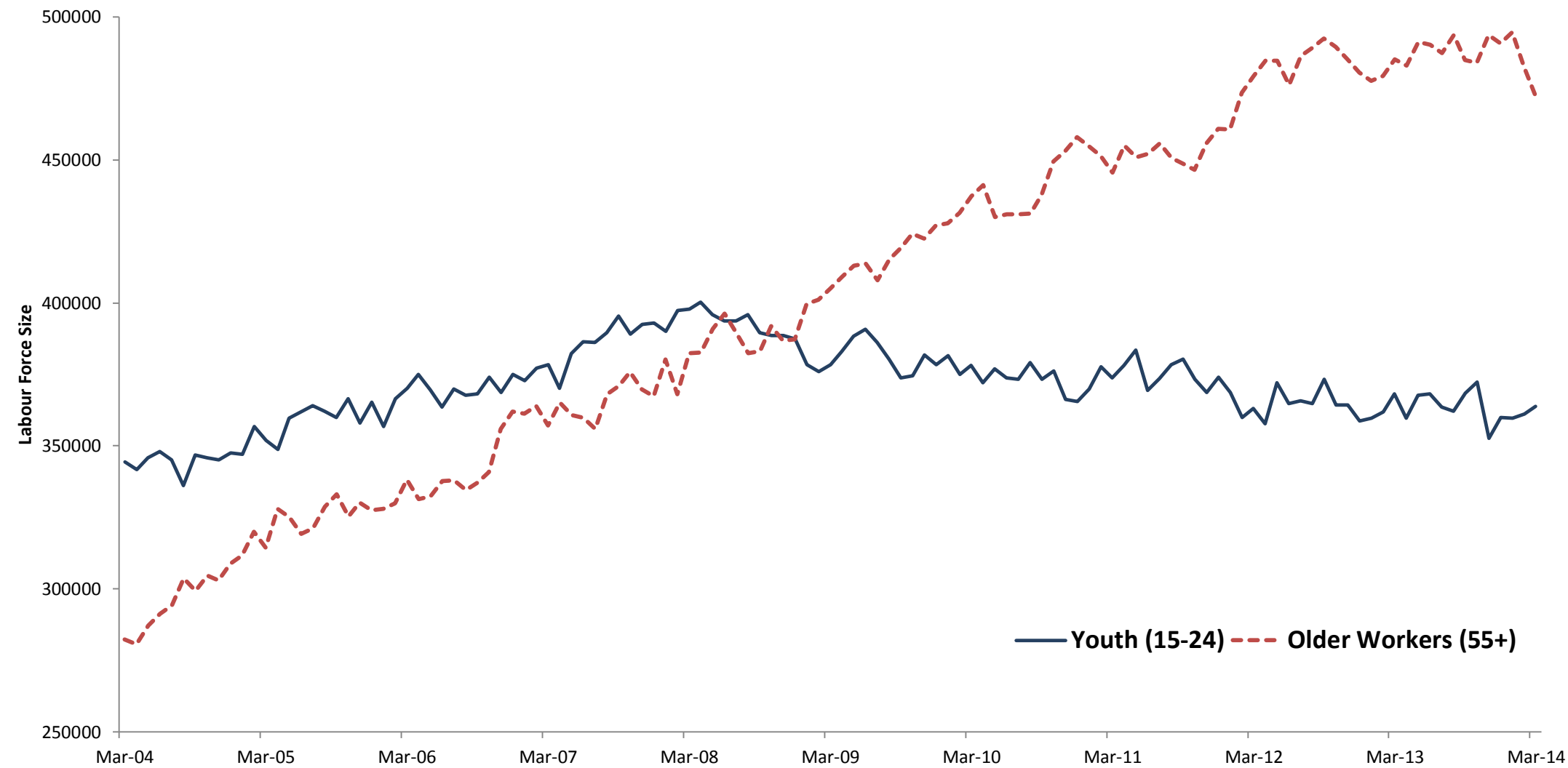


- Over three quarters (76%) of openings will require some post-secondary education

Labour Force*

Older labour force surged in last decade

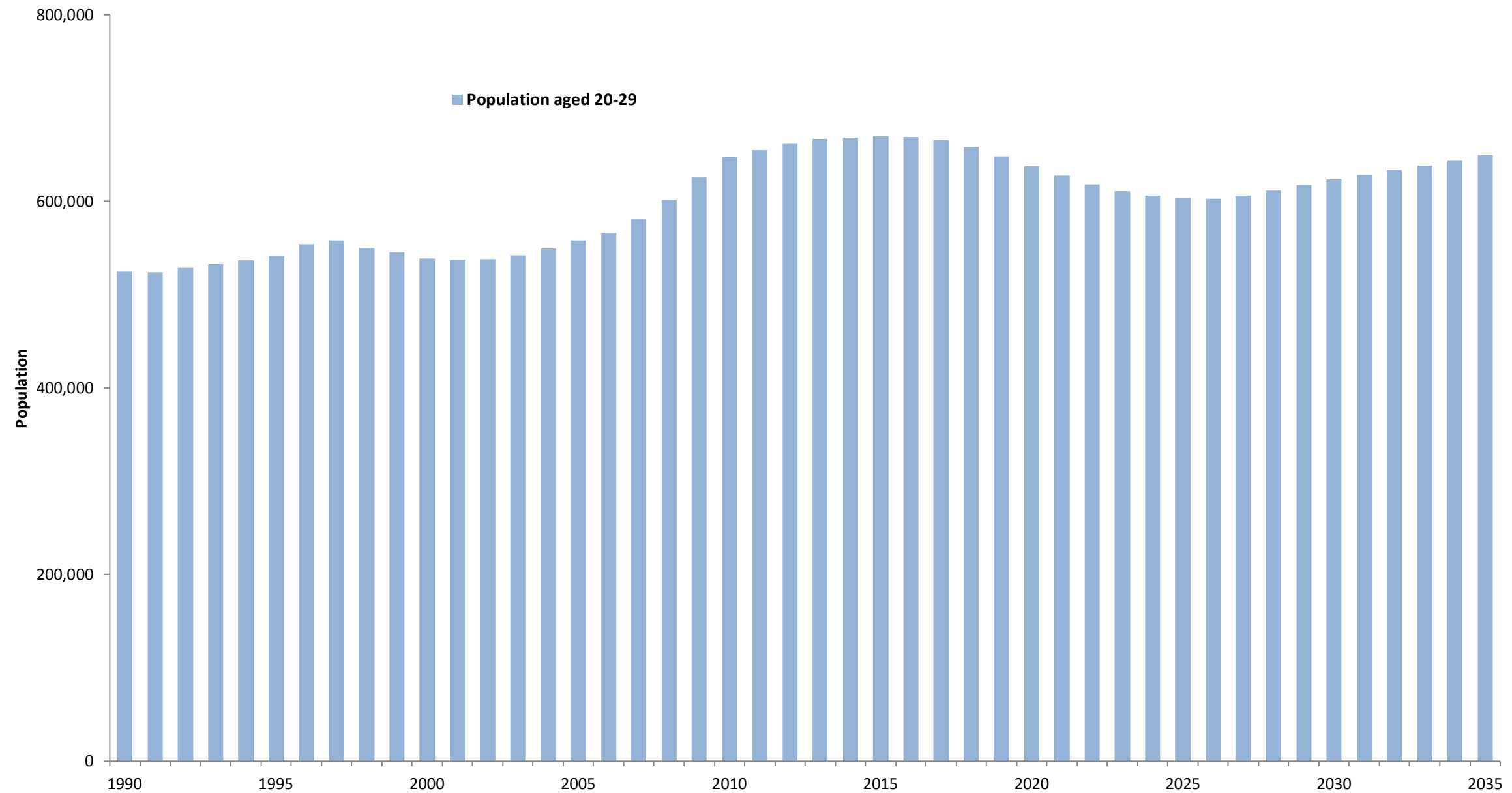
* Labour Force is the working age population either employed or actively looking for work



- Almost 220,000 older workers joined the labour force in the last ten years as population and participation both increased.
- The youth (aged 15-24) labour force has been on a downward trend since the downturn as a result of lower youth participation.
- Participation rates for B.C.'s core labour force (aged 25-54) have remained relatively steady over the last decade.

POPULATION AGED 20-29

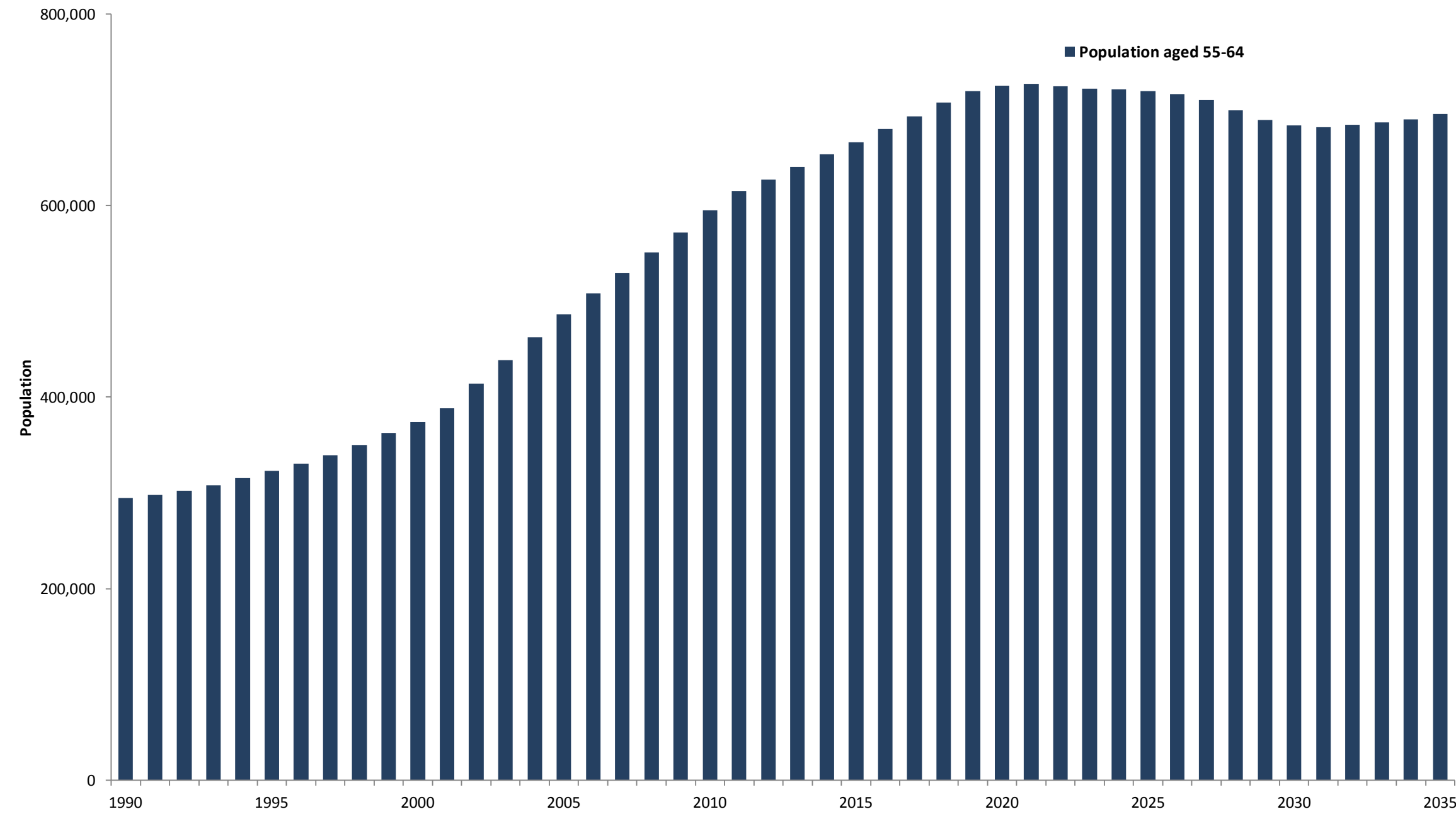
Slow growth of potential new entrants expected



- Decline and slow growth of the number of population aged 20-29 (potential new entrants)

POPULATION AGED 55-64

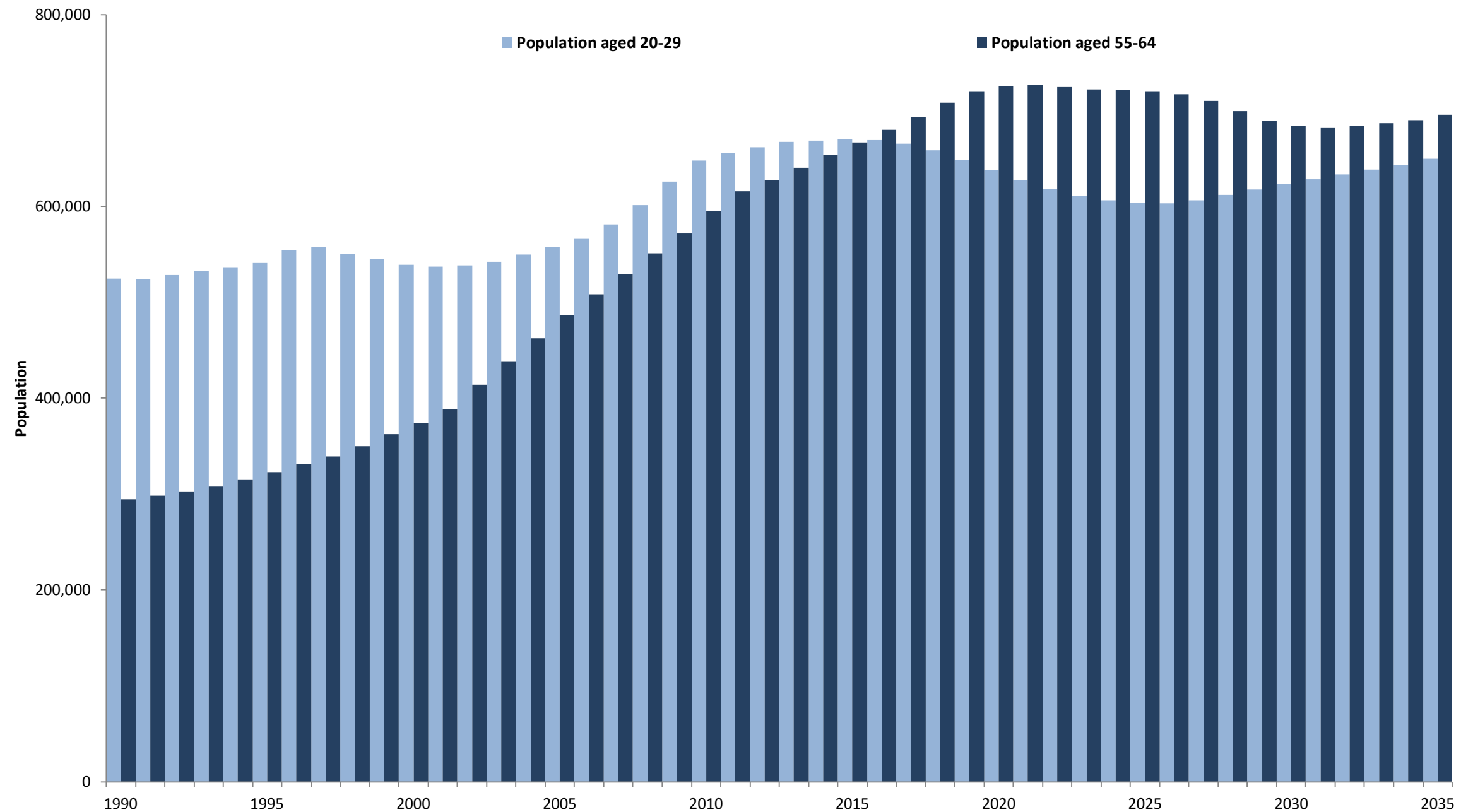
Retirement-aged population to experience significant growth



- The number of British Columbians at retirement age (55-64) will hit its peak in 2021.

AGING POPULATION

Retirement-aged population to exceed potential new entrants by 2016



- In 2016 the number of retirement-aged British Columbians (55-64 years) will surpass the population of those aged 20-29 (potential new entrants)
- The number of British Columbians at retirement age (55-64) will hit its peak in 2021.

Historic High and Low Unemployment Rates for Regions (since 1995)

Historic High and Low Unemployment Rates for Regions (Since 1995)													
March 2014													
	Data for 2014			Data for 2013									Record High Record Low
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Vancouver Island/Coast	10.7 6.0 4.5	11.0 6.1 5.1	11.7 6.1 5.2	11.1 6.6 4.6	10.3 6.5 4.3	9.4 6.1 3.9	9.5 6.4 3.8	9.4 6.2 3.8	9.0 6.2 4.1	9.1 6.0 3.8	9.3 5.6 3.4	9.9 5.7 3.4	Mar 1998: 11.7 Dec 2007: 3.4
Mainland/ Southwest	8.4 6.3 3.6	8.8 6.3 3.7	9.3 6.1 3.8	9.2 7.0 3.8	9.2 7.0 4.1	9.0 6.6 4.1	9.0 6.8 4.3	8.5 7.0 4.2	8.3 7.1 4.2	8.6 6.8 4.2	8.9 6.5 3.9	8.9 6.2 3.6	Mar 1998: 9.3 Jan 2008: 3.6
Thompson/ Okanagan	11.0 8.4 3.9	11.6 8.6 4.8	12.8 8.1 4.9	12.6 6.7 4.4	11.9 7.0 4.1	11.0 6.5 4.3	10.3 6.6 4.6	10.7 6.1 4.7	10.5 6.8 4.2	9.0 7.2 3.8	9.1 7.5 3.9	10.0 7.9 4.0	Mar 1995: 12.8 Oct 2007: 3.8
Kootenay	12.8 6.7 4.8	13.6 7.3 4.5	14.1 7.8 3.4	14.7 4.7 2.5	13.0 6.2 2.2	11.6 6.1 2.5	11.3 5.5 3.9	11.5 3.8 3.8	11.2 3.0 3.0	11.2 3.7 3.7	11.6 4.8 4.8	12.3 6.2 5.5	Apr 2003: 14.7 May 2008: 2.2
Cariboo	16.3 5.5 4.9	15.5 5.9 5.4	15.3 6.1 5.2	15.2 5.6 5.4	15.1 5.5 4.7	14.6 5.0 4.6	14.3 5.9 4.8	14.2 6.6 5.8	14.3 6.5 5.3	14.5 5.4 4.8	15.8 4.4 4.3	15.9 4.5 4.4	Jan 1999: 16.3 Nov 2007: 4.3
North Coast and Nechako	13.7 7.1 5.9	13.8 8.1 6.6	14.5 8.0 6.2	15.5 8.0 5.7	16.0 7.7 6.6	15.0 6.7 5.1	13.2 6.0 4.7	12.8 6.2 5.5	12.3 5.5 5.5	12.5 5.5 5.5	11.7 5.0 5.0	12.3 6.1 6.1	May 2002: 16.0 Jul 2006: 4.7
Northeast	9.0 6.1 4.2	9.1 7.5 3.7	8.1 8.6 3.6	8.3 5.2 4.1	10.6 6.1 3.9	11.8 4.9 4.0	10.9 4.5 4.3	10.9 4.4 4.2	10.4 4.9 4.1	8.8 4.9 3.8	9.0 3.6 3.6	9.4 4.7 3.6	Jun 2002: 11.8 Nov 2013: 3.6

Glossary

Class of Worker	There are two broad categories of workers: those who work for others (employees) and those who work for themselves (self-employed). The first group is subdivided into two classes: public sector employees and private sector employees.
Employment	Employed persons are those who, during the reference week did any work for pay or profit, or had a job and were absent from work.
Unemployment Rate	Number of unemployed persons expressed as a percentage of the labour force.
Labour force	Civilian non-institutional population 15 years of age and over who, during the survey reference week, were employed or unemployed.
Public/private sector employment	<p>The public sector includes employees in public administration at the federal, provincial, territorial, municipal, First Nations and other Aboriginal levels as well as in Crown corporations, liquor control boards and other government institutions such as schools (including universities), hospitals and public libraries.</p> <p>The private sector comprises all other employees and self-employed owners of businesses (including unpaid family workers in those businesses), and self-employed persons without businesses.</p>
Wages	Beginning January 1997, information is collected on the usual wages or salary of employees at their main job. Respondents are asked to report their wage/salary before taxes and other deductions, and include tips and commissions. Weekly and hourly wages/salary are calculated in conjunction with usual paid work hours per week.
Seasonal Adjustment	Fluctuations in economic time series are caused by seasonal, cyclical and irregular movements. A seasonally adjusted series is one from which seasonal movements have been eliminated. Seasonal movements are defined as those which are caused by regular annual events such as climate, holidays, vacation periods and cycles related to crops, production and retail sales associated with Christmas and Easter. It should be noted that the seasonally adjusted series contain irregular as well as longer-term cyclical fluctuations.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: WorkBC.ca

Revision: April 24, 2014

Issue: WorkBC.ca is an essential source of high quality, accessible labour market information for British Columbians

Recommended Response:

- Labour market information empowers millions of British Columbians to make informed career, education and training decisions by providing current and future labour market trends in their communities.
- The WorkBC.ca website was completely refreshed and launched on Nov. 18th, 2013. The refresh demonstrates government's commitment to ensuring that job seekers and employers in B.C. have access to labour market information.
- The website receives 3/4 of a million visitors per month and is one of the top websites in the province. Currently there are over 13,000 active job postings on the site.
- WorkBC.ca receives \$6.4 million annually under the Labour Market Development Agreement (LMDA) – Research and Innovation in Labour Market Information (LMI) Dissemination Research Project.

Background/Status:

- WorkBC.ca services include:
 - Access to over 500 detailed career profiles
 - Comprehensive job-posting database
 - 96 CareerTrek videos that bring occupations to life
 - Labour Market Navigator tool that helps British Columbians compare career paths with labour market outlook information
 - Blog featuring work trends, job-search tips and employment programs
 - Interactive map of WorkBC Employment Services Centres
 - Tools for parents/educators to promote specific occupations

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
Responsible for Labour
Minister Responsible: Honourable Shirley Bond

- A province-wide information campaign was in market Dec. 5, 2013 to Mar. 31, 2014 to make British Columbians aware of WorkBC.ca's important employment resources.
- WorkBC information campaign performance:
 - Visits to WorkBC.ca increased 58% to 1.5 million during campaign period
 - 1.5 million #FindYourFit video views
 - WorkBC's Twitter, Facebook and LinkedIn engaged social audiences grew from total of approximately 4,000 to 100,000
 - Since WorkBC.ca's initial launch in April 2012 a total of 13 million visits
 - WorkBC Facebook page likes now exceed 72,000
 - WorkBC Twitter page followers number over 25,000
- The WorkBC #FindYourFit information campaign's \$1.7-million budget included:
 - Targeted digital online advertising throughout B.C.
 - Cutting-edge social media strategy including Twitter, Facebook, LinkedIn and popular blogs
 - Radio ads in B.C.'s interior and northern region
 - Province-wide transit ads in B.C. buses and trains
 - SkyTrain and Canada Line platform posters in Lower Mainland
 - Display ads in 16 post-secondary campuses in B.C.
- Direct outreach for WorkBC.ca tools and services is ongoing throughout the province to key stakeholders, including WorkBC exhibits at:
 - Community / secondary school career fairs throughout the province
 - Economic- or labour-force impacted communities (e.g. Community Information Open House, Canfor Mill closure, Quesnel)
 - First Nations events, such as the Aboriginal Youth Conference and the Esquimalt Nation Job Fair Expo
 - Special interest conferences / events such as UBCM

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	250 514-5553
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2014/15 Estimates Note

Advice to the Minister

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

Title: B.C.'s Skills for Jobs Blueprint: Re-engineering Education and Training

Revised: April 28, 2014

Issue: Ensuring British Columbians are equipped for the jobs that will be most in demand over the next ten years.

Recommended Response:

- Along with the Ministers of Education and Advanced Education, we have been tasked by the Premier to develop a seamless skills training plan for British Columbians from students in high school through to existing workers in the workforce.
- We have developed B.C.'s Skills for Jobs Blueprint, which ensures that British Columbian can create and capitalize on the career opportunities most needed by B.C.'s growing economy.
- The heart of the plan is to ensure that skills training is aligned with labour market demand in order to better address the needs of industry for high-demand occupations.
- The plan will build off of the *Skills and Training Plan*.

Background/Status:

- 1 million job openings are expected over the next decade, with two-thirds of those due to retirements and one-third due to economic expansion.
- Over the next 10 years 537,000 young people will exit the education system and enter the workforce in British Columbia.
- Growth in natural resource sectors, such as Liquefied Natural Gas, are a major driver in the need for skilled workers to fill anticipated openings.
- The vision is that everyone in British Columbia has access to the career opportunities most in demand by B.C.'s growing economy.
- The plan delivers on the direction provided in the mandate letters of the Ministries of Jobs, Tourism and Skills Training, Advanced Education and Education to develop a seamless 10-year skills training plan that outlines actions and strategies to make sure that that British Columbians are equipped with the right skills to meet jobs in demand and advance economic growth in every region of the province.

2014/15 Estimates Note Advice to the Minister

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

- Government currently funds education and training in excess of \$7.5 billion per year. The Skills for Jobs Blueprint targets more of those resources to meet labour market priorities.
- The plan introduces important improvements to education and training such as:
 - Doubling the number of ACE-IT spaces to 5,000 over the next two years, giving students more choices and encouraging more students to pursue skills and trades training.
 - Targeting \$270 million (25%) in post-secondary operating grants over the next three years towards in-demand jobs.
 - Investing \$185 million in infrastructure targeted for skills and trades training.
 - Investing \$6.6 million in critical trades seats.
 - Reforming the Industry Training Authority so that B.C.'s trades training system is ready to meet the growing demand for workers.
 - Using up-to-date industry-validated data to drive programming decisions.
 - Increasing apprenticeships in high demand areas.

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	250-514-5553
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2014/15 Estimates Note Advice to the Minister

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

Title: Labour Market Partnerships Program 2014/2015

Revised: April 28, 2014

Issue: Labour Market Partnerships Program (LMPP) provides funding to industry sector partnerships to help them identify and address workforce needs.

Recommended Response:

- The BC Jobs Plan commits the province to assist industry sectors and employer associations in identifying and developing human resource strategies to address critical labour market issues.
- Over the coming year, the Ministry will be conducting a review of the outcomes of LMPP projects to ensure investments are meeting the human resource needs of employers; and, addressing priority training and economic development issues across all regions of the Province.
- The Province has Labour Market Partnerships Program (LMPP) agreements in place for key Jobs Plan sectors: Mining, Natural Gas, Agrifoods, Tourism, Transportation and Forestry.
- In 2013/14, 34 LMPP agreements were funded, valued at approximately \$6.8M; and, new proposals are being considered for 2014/15.
- LMPP agreements ensures employers across all industry sectors have the human resources necessary to support job creation and a strong, growing economy.
- The LMPP has significantly expanded since 2009, reflecting the Province's commitment to help employers, industry and communities identify their skill and workforce needs. Results from LMPP funding include detailed labour market analyses by sub-sector, human resource planning guides, learning curriculum for new and emerging occupations, career awareness materials, and more.

Background/Status:

- Key deliverables for many LMPP projects include: collecting current labour market statistics, developing a workforce strategy, and piloting initiatives to address gaps in workforce supply, demand and skill levels.
- The 2013/14 budget for the program was \$7.9 million; for 2014/15 the budget will be \$6.37 million (\$1.53 million of the LMPP budget was reallocated to support the Skilled Trades Employment (training) Program for 2014/15).

2014/15 Estimates Note

Advice to the Minister

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

- There are currently 23 active LMPP agreements in place targeting growth sectors, including:
 - **Natural Gas:** the BC Natural Gas Workforce Committee, led by the BC Resource Training Organization - value \$434,500. Key deliverables include: develop a strategy for communicating labour market and career opportunities; develop a training program for entry level workers; define entry level requirements for potential new workers; analyze best practices and lessons learned from other jurisdictions for rotational workforce/fly-in-fly-out arrangements; and, update the workforce strategy and action plan at the close of the project. These actions were all identified as priority activities in the BC Natural Gas Workforce Strategy & Action Plan (released in July 2013).
 - **Transportation:** Ship Building and Repair Sector – value \$321,000. Key deliverables include: promoting shipbuilding as a career of choice; developing a recruitment campaign to focus on local sources of new workers; coordinating with the Industrial Marine Training & Applied Research Centre (IMTARC) to encourage more employers to provide apprenticeships; developing a retention strategy to focus on promoting workers from within the sector and retain the current workforce; and, developing sustainability options for a Shipbuilding and Ship Repair Board.
 - **Mining:** BC Mining Sector (Association for Mineral Exploration BC (AME BC), the Mining Association of BC, Aggregate Producers Association of BC) - value \$1,188,600 (over three years). Key deliverables include: coordinate, develop, and implement human resource strategies including conducting an underground miner occupational analysis and skills development plan, and developing a strategy to link immigrants to labour market shortages in mining communities across B.C.
 - **Forestry:** supporting various initiatives - value \$1 million. These initiatives focus on a range of HR issues in Pulp and Paper, Silviculture, the Solid Wood sector and the Coastal Forest industry.
 - **Agriculture:** value \$289,000 to support B.C.'s growing wine and grape industry. Key deliverables include: the development and implementation of training programs for key occupations (eg. viticulture technician); and to develop a communications strategy to identify and promote existing tools and resources that will support industry training and recruitment/retention.
 - **Tourism:** Go2 – Value \$200,000 (through two agreements). Key deliverables include: develop a tourism labour market strategy implementation framework

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
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(aligning regional and community tourism Labour Market Information with the Provincial Tourism Labour Market Strategy, developing a Tourism Labour Market Strategy Evaluation Framework to assess the on the progress of the framework, and to develop Career Awareness Marketing Plan); conduct B.C. resort community labour market analysis to support efforts for resort community recruitment, training and retention of workers.

- LMPP is funded through the Canada-British Columbia Labour Market Development Agreement (LMDA). LMDA programs were devolved from the federal government to the Province in February 2009.
- The Ministry of Social Development and Social Innovation (SDSI) has overall responsibility for the LMDA. The LMPP is co-managed by JTST and SDSI; within LMPP there are two complimentary funding streams – a local stream and a sectoral/provincial stream. JTST has responsibility for provincial and sectoral LMPP projects.
- The LMPP is a tool to support the Province's commitment to help employers, industry and communities identify their skill and workforce needs. JTST is planning a review of the performance of LMPP in relation to activity number six outlined in the Minister mandate letter. This review will inform a broader analysis of how the LMPP, among various JTST programs and initiatives, is contributing to government's role in meeting the human resource needs of industry in a growing economy.

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	250-514-5553
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2014/15 Estimates Note Advice to the Minister

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

Title: LNG Workforce Initiatives

Revised: February 4, 2014

Issue: Skills training and workforce development plan for the LNG Sector

Recommended Response:

- We have a plan to ensure B.C. has the labour supply to meet the opportunities presented by LNG and major project development.
- This includes:
 - Detailed analysis of specific workforce needs for the LNG industry, which we are continuing to refine with industry;
 - A new 10 year skills plan for youth that will align skills training investments with sector needs;
 - Strategies to bring people to B.C. as required, both domestic and international; and
 - An integrated approach that involves government, industry and labour working together.
- We know B.C. faces a significant challenge to meet the labour force needs for LNG – but we have the resources and system necessary to meet the challenge.
- Our first priority is ensuring British Columbians are first in line for jobs – this includes First Nations communities.
- However, local workers won't be enough – it will be essential to get skilled workers from across B.C., Canada, and internationally.

Background/Status:

- Based on a scenario with 5 LNG plants, there will be approximately 74,700 jobs during peak construction in 2016. Over a nine-year build-out period, we anticipate on average more than 39,000 annual construction jobs will be created. Once the projects are constructed and fully operational they could result in the creation of 75,000 operational jobs.
- Trades are prominent in the top occupations in demand for construction, making up 57% of the workforce (e.g. pipefitters, welders, carpenters, heavy duty mechanics).
- Northern B.C., where most of the major projects and LNG development are expected to occur, has a unique labour supply marked by a smaller, less educated

2014/15 Estimates Note

Advice to the Minister

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

workforce with a large percentage of First Nations individuals and lower than average immigration. Due to these unique characteristics, it will not be possible to meet the potential demand exclusively with local labour. This is why our training plans include domestic and international attraction components.

- We are aware of both the potential demand and the potential supply. Data and evidence are driving our policy and program solutions, including skills training and recruitment. We are working with industry to continually refine workforce needs to inform planning.
- Skills Training actions include:
 - Review of the Industry Training Authority – to ensure that the province has a strategic, co-ordinated, and responsive industry-training system.
 - 10 Year Skills Training Plan for Youth – to better align the education and training offered in elementary and post-secondary with labour market need and demand.
 - Renewing the Labour Market Agreement with the federal government – an opportunity to expand and invest in LNG programs in every region.
 - New WorkBC.ca website – using the ministry’s data and labour market information to provide information and awareness on careers and job opportunities at a regional and provincial level.
 - Youth engagement – in complement to the 10-year skills training plan, the Ministry is investing in the “Find Your Fit” marketing campaign across the province to educate youth about career opportunities and associated training needs – particularly in areas of high demand.
- There is also work underway to attract skilled workers from across Canada through our labour mobility framework and to better recognize the qualifications of internationally trained skilled immigrants.
- Partnerships with industry and labour, like the Natural Gas Workforce Strategy Committee and the Premier’s LNG Working Group, are also informing skills training decisions and development.

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market & Immigration Division	250-514-5553
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Reviewed by			
Dir: CN	ED: KG	ADM: DSM	DM:

2014/15 Estimates Note Advice to the Minister

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

Title: Premier's Liquefied Natural Gas Working Group: Final Report

Revised: April 24, 2014

Issue: Final Report's 15 Skills Training Strategies accepted by Premier

Recommended Response:

- In September 2013, the Premier's LNG Working Group was established to review the skills training and workforce planning challenges associated with the LNG opportunity.
- The Working Group included 18 representatives from organized labour, industry, First Nations and government. The Working Group met nine times from September 2013 – March 2014 to discuss planning, skills training, marketing and developing best practices within the LNG sector to attract a mobile workforce.
- The *Premier's Liquefied Natural Gas Working Group: Final Report* was presented to the Premier on April 3, 2014. All 15 recommendations were accepted by Premier Clark as a road map to ensuring that BC has the skilled labour force it needs to seize the opportunity of liquefied natural gas.
- The first recommendation pertains to establishing an on-going structure to continue the group's work by July 1st of this year. We are currently reviewing options to implement this recommendation.

Background/Status:

- In September 2013, the Premier convened a meeting between government and leaders of organized labour with an objective to outline the Province's vision for the LNG industry and engage labour in a discussion about their role in making the opportunity achievable.
- The result was the development of terms of reference and the establishment of the Premier's LNG Working Group with 18 representatives from organized labour, the Haisla Nation, LNG proponents and the Province.

2014/15 Estimates Note Advice to the Minister

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

- From November 2013 – March 2014 the Working Group met nine times resulting in a Final Report which was presented to the Premier in late March. The Final Report includes 15 recommended LNG skills training strategies.
- On April 3rd, all 15 recommendations were accepted by Premier Clark as a road map to ensuring that British Columbia has the skilled labour force it needs to seize the opportunity of liquefied natural gas.
- The report includes
 - One recommendation on developing a working group moving forward
 - Four recommendations on skills training planning and implementation
 - Two recommendations on marketing and promotions
 - Three recommendations on apprenticeship trades and mentoring
 - Two recommendations on a mobile workforce
 - One recommendation on timelines
 - Two recommendations on the use of workers from other jurisdictions.
- Government is currently reviewing options to implement the first recommendation – to create an on-going structure by July 1, 2014 to continue the work.
- See Appendix 1 – Summary of Recommendations
- See Appendix 2 – Working Group Participants

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market & Immigration Division	250-514-5553
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2014/15 Estimates Note Advice to the Minister

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

APPENDIX 1: SUMMARY OF RECOMMENDATIONS

Recommendation #1

- Develop a structure with equal representation from industry (including contractor associations), organized labour, First Nations, and governments to participate and enable the skills training and workforce planning issues leading to employment in the LNG opportunity on an on-going basis after March 31, 2014. The structure, membership, and Terms of Reference should be established no later than July 1, 2014 in consultation with the members of the Premier's LNG Working Group. In addition, the structure should be established in coordination with the other LNG workforce activities already underway.

Recommendation #2

- Begin planning and training British Columbians immediately for the LNG opportunity

Recommendation #3

- Training should be coordinated across B.C. and Canada to maximize the effectiveness of the existing labour pool and lead to employment

Recommendation #4

- Identify and remove barriers to entry into training while supporting literacy and essential skills development to support local and B.C. work-based training and employment.

Recommendation #5

- Increase the efficiency and effectiveness of the investment in training by leveraging successful government, union, and private training programs

Recommendation #6

- In conjunction with recommendation #7, industry, governments, organized labour, and First Nations should partner to conduct campaigns and career fairs in high schools, colleges, and cultural centres on the LNG opportunity.

Recommendation #7

- Promote awareness of job opportunities in B.C., including work-based training with a focus in rural, northern, and First Nations communities.

2014/15 Estimates Note Advice to the Minister

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

Recommendation #8

- Establish an inventory of individuals currently in apprenticeship programs and other non-apprenticeship skilled workers seeking employment. Include in the inventory journeypersons who are available to provide mentoring and on-the-job training to apprentices.

Recommendation #9

- Aspire to a goal of having 25 percent overall of the apprenticeable trades workforce on LNG-related construction projects and whether funding for apprentices can come from industry and/or government. In addition, government should consider having a minimum number of apprentices on public infrastructure projects.

Recommendation #10

- Review the approach used by private sector unions with respect to apprentices and by First Nations with respect to training to determine if their approach can be improved or applied more broadly.

Recommendation #11

- Explore and analyze projects that have used a mobile workforce. In addition, it is important to identify and resolve the barriers to worker mobility in relation to trades qualification and certification.

Recommendation #12

- Target areas of opportunity by focusing on workers finishing construction or other projects in all areas of the province.

Recommendation #13

- Explore best practices within the LNG sector and other competing industries with respect to the conditions necessary to attract a mobile workforce.

Recommendation #14

- Develop a plan to support workers from other jurisdictions to stay in B.C.

Recommendation #15

- Further refine and develop a process for the use of Temporary Foreign Workers in the context of an overall strategy that identifies the workforce needs of the LNG opportunity and immediately begins a skills training plan to develop as many British Columbian and Canadian workers as possible to meet those needs. The structure contemplated in Recommendation #1 will be seized with the responsibility to refine and develop a process for the use of Temporary Foreign Workers.

2014/15 Estimates Note Advice to the Minister

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

Appendix 2: Working Group Participants

Government	Industry	Labour
Trevor Hughes (chair), Assistant Deputy Minister, Labour Division, Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour Supported by Jennifer Goad and Nathan Nankivell	David Keane , Vice President Policy and Corporate Affairs, BG Canada. Supported by Andrew Burton , Kathleen Williams , and Rick Wojcik	Jim Sinclair , President, B.C. Federation of Labour Supported by Michael Gardiner and Joe Barrett
Rob Mingay , Assistant Deputy Minister, Labour Relations, Public Sector Employers' Council Secretariat, Ministry of Finance.	Bruce Wells , Director of Project Planning and Execution, TransCanada. Supported by Kiel Gidens	Tom Sigurdson , Executive Director, B.C. and Yukon Territory Building and Construction Trades Council
Scott MacDonald , Assistant Deputy Minister, Labour Market and Immigration Division, Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour Supported by Keith Godin	Sarah McCullough , Director External Affairs and Communications, Spectra Energy	Joe Shayler , Business Manager & Financial Secretary, United Association of Journeymen & Apprentices of the Plumbing & Pipefitting Industry of U.S. and Canada, Local 170. Supported by Jeff Chapman
Susan Brown , Executive Director, Strategic Policy and Planning, Ministry of Advanced Education	Rod Maier , Manager External Relations & Communications Kitimat LNG, Chevron Supported by Elio Artuso	Mark Olsen , Business Manager/Secretary-Treasurer, Construction & Specialized Workers' Union, Local 1611 (Labourers)
Kursti Calder , Director, Labour and Economic Planning, Ministry of Natural Gas Development Supported by Brian Hansen	Susanne Kajner , Director, HR & Corporate Services, Progress Energy Canada Ltd. Supported by Tessa Gill , Pacific NorthWest LNG Ltd.	Jud Martell , Training Co-ordinator, Sheet Metal Workers' International Association, Local 280

2014/15 Estimates Note Advice to the Minister

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

Government	Industry	Labour
Marc Maesele , LNG Plant Project Manager, Shell Supported by Ron Harry		Dan Bradford , Past Vice-President, B.C. Government and Service Employees' Union
First Nations		
Taylor Cross , Deputy Chief Counsellor, Haisla Nation Supported by Matthew Clayton		

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: KPMG LNG Workforce Projections

Prepared: April 28, 2014

Issue: Workforce projections in the LNG industry over the next ten years

Recommended Response:

- The LNG Workforce Projections produce workforce projections for occupations in the LNG industry for construction and operations under multiple scenarios.
- Projected workforce demand is based on direct input from industry proponents, including: Pacific Northwest LNG, Fortis BC, Apache Corporation, Shell Canada, BG Group, Spectra Energy Transmission, Chevron, Woodfibre, Imperial Oil, Progress Energy Resources Corp, Petroleum Human Resources Council, Petroleum Services Association Canada, and the BC Natural Gas Workforce Strategy Committee.
- Under a scenario of five LNG plants constructed from 2015 to 2024, industry investment would total \$175 billion and up to 100,000 jobs would be created; 58,700 direct and indirect construction jobs; 23,800 permanent direct and indirect jobs in operations; as well as thousands more induced jobs as a result of households having more income.
- The associated economic activity will contribute up to a trillion dollars to British Columbia's GDP.

Background:

The Liquefied Natural Gas (LNG) industry is a crucial emerging industry in British Columbia. To support labour market planning and investments that will ensure B.C.'s workforce has the skills necessary to meet the needs of the industry, the Ministry contracted KPMG to develop occupational workforce projections for the LNG industry. The project started in January 2014 will be complete in May 2014.

LNG proponents provided direct input on projects and provided feedback on preliminary results that was incorporated into the workforce projections. Direct input was provided by: Pacific Northwest LNG, Fortis BC, Apache Corporation, Shell Canada, BG Group, Spectra Energy Transmission, Chevron, Woodfibre, Imperial Oil, Progress Energy Resources Corp, Petroleum Human Resources Council, Petroleum Services Association Canada, and the BC Natural Gas Workforce Strategy Committee.

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
Responsible for Labour
Minister Responsible: Honourable Shirley Bond

LNG proponent input was used to develop the direct demand for LNG sector workers. Indirect and induced impacts were estimated using Statistics Canada's provincial input-output model for B.C.

The model produces workforce projections for occupations in the LNG industry for construction and operations between under three investment scenarios (high, medium and low). Furthermore, the LNG industry is divided into three segments; natural gas extraction and processing (upstream), pipeline transmission (midstream), and liquefaction and transportation (downstream).

KPMG provided supply estimates by occupation. However, the Ministry determined that the supply needs to be considered in the context of the overall economy. The Ministry is conducting a supply analysis internally.

Key Findings:

A scenario with five LNG plants constructed in B.C. between 2015-2024 would create a total industry investment of \$175 billion creating up to 100,000 jobs:

- 58,700 construction jobs at 2018 peak (second peak in 2022)
 - 31,700 direct construction jobs at 2018 peak
 - 27,000 indirect construction jobs at 2018 peak
- 23,800 permanent jobs for operations
 - 5,300 direct jobs (likely increasing to 9,000 by 2027)
 - 18,500 indirect jobs
- There will also be at least 12,000 induced jobs in 2018 (inclusive of construction and operations)

This economic activity will contribute up to a trillion dollars to the province's GDP.

LNG upstream activity, which involves drilling and processing of gas for transport, is already employing 13,000 people.

Top 10 Jobs Needed for LNG (at 2018 peak):

- Construction trades helpers and labourers: 11,800
- Steamfitters and Pipefitters: 3,800
- Welders: 2,200
- Concrete Finishers: 1,500
- Truck Drivers: 1,500
- Carpenters: 1,400
- Heavy Equipment Operators: 1,100
- Gas Fitters: 1,100
- Purchasing Agents and Officers: 875

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
Responsible for Labour
Minister Responsible: Honourable Shirley Bond

- Crane Operators: 800

Contact:

Position	Name	Division	Phone
Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration	250 514-5553

2014/15 Estimates Note Advice to the Minister

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

Title: Targeted Initiative for Older Workers Program

Revised: April 16, 2014

Issue: Ongoing delivery of the federal/provincial cost shared Targeted Initiative for Older Workers Program (TIOW)

Recommended Response:

- The Targeted Initiative for Older Workers program is an Employment and Social Development Canada (ESDC) federal/provincial cost shared program that provides unemployed older workers (age 55-64) with new skills to connect with employment in communities undergoing workforce adjustment and transition.
- The Canada-BC TIOW Agreement Amendment No.4 was signed on March 31, 2014 and extends the agreement for an additional 3 year term to March 31, 2017.
- Supporting older workers to remain active and participate in B.C.'s labour market is a key priority for the province.

Background

- The Canada-BC TIOW agreement was signed in July 2007 and BC TIOW projects began in February 2008. The Canada-BC TIOW Agreement was extended on March 31, 2014, for an additional 3 year term with a yearly maximum federal contribution of \$2.9M. This represents a small increase from 2013-14 of approximately \$200K.
- The Canada-BC TIOW agreement is a federal/provincial cost-shared program where the federal government contributes 84% to the direct project costs of BC TIOW agreements and the province contributes the remaining 16%.
- Over the past 6 years, total TIOW funding invested in B.C. has exceeded \$32M (\$26M contributed federally and \$5M contributed by B.C.).
- Additional operating funds (e.g. staffing, project contracting, monitoring and evaluation) are the responsibility of the Province.
- Programming aims to increase participant employability, integrating unemployed older workers into employment and ensuring they remain active and productive labour market participants while their communities undergo adjustment.

2014/15 Estimates Note Advice to the Minister

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

- Eligible (vulnerable) communities are those communities (cities/towns with a population less than 250,000):
 - (i) with ongoing high unemployment
 - (ii) in which 20 per cent or more of the labour force is dependent on a single industry which is impacted by downsizing or a closures
 - (iii) where employers are unable to fulfill their demand for workers; and/or
 - (iv) where the skills of workers do not match those required by the employer or industry
- In the March 31, 2014 amendment to the Canada-BC TIOW Agreement the Eligible Community definition was expanded (now includes items (iii) and (iv) above).
- The primary objective of TIOW remains the same and is to prepare participants for new and immediate employment. Projects can be from 10 – 16 weeks and participants must be engaged in project activities for a minimum of 25 hours per week for the duration of the project.
- Since the beginning of the agreement, approximately 3,900 participants have completed TIOW programs with a return to work result of 60%, 3 to 6 months after the end date of the program. In addition, direct internal telephone questionnaires with TIOW participants indicate an overall 75% satisfaction result with program delivery and the increased ability to achieve and access employment.
- A new Request for Proposals is being developed to continue program services in B.C. for the 14/15 fiscal year and beyond. New TIOW projects are expected to be in place in the Fall 2014.
- According to Stat's Can British Columbia was the only province west of Ontario whose median age was higher than that of the country as a whole, 41.1years. Its proportion of seniors was 15.3%, the highest among the western provinces. British Columbia was also the only province in western Canada with more seniors (700,500) than children (684,900). (<http://www.statcan.gc.ca/pub/11-402-x/2012000/chap/pop/pop-eng.htm?fpv=3867>)

Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	250-514-5553
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Estimates Note Advice to the Minister

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

Title: Apprenticeship Harmonization

Revised: May 5, 2014

Issue: Apprenticeship training is not the same across Canada, causing barriers to apprentice labour mobility.

Recommended Response:

- Harmonization is intended to align apprenticeship training requirements (hours of workplace training hours, delivery of classroom training content, number of program levels) among the provinces and territories to achieve the common Red Seal endorsement.
- B.C. is showing leadership to improve apprenticeship mobility by:
 - signing an MOU (March 31, 2014) with the federal government (on a Strong Resource Economy), which includes the goals of greater employer engagement in apprenticeships and reducing barriers to labour mobility;
 - releasing the BC's Skills for Jobs Blueprint (April 29, 2014), which identifies actions to support apprenticeship system reforms, including apprentice mobility;
 - NWP apprenticeship commissions were directed to develop a plan by September 2014 to remove barriers to mobility for apprentices between NWP jurisdictions through the New West Partnership Agreement, (March 13, 2014) we are working with AB and SK in the year ahead to harmonize apprenticeship training programs through a number of actions. B.C. is leading this work; and
 - exploring opportunities to partner with New Brunswick on the Atlantic work on apprenticeship to further champion harmonization at the Council of the Federation in summer 2014.

Background/Status:

- Through the federal Red Seal program, trades people can obtain a Red Seal endorsement on their provincial or territorial trades certificates, which allows them to practise their trade anywhere in Canada without having to write further examinations.

Estimates Note Advice to the Minister

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

- While Red Seal qualifications are the same across Canada for the majority of trades (there are currently 55 Red Seal trades), the level of apprenticeship training (classroom and workplace based) may not be.
- Harmonization is intended to align apprenticeship training requirements (hours of workplace training hours, delivery of classroom training content, number of program levels) among the provinces and territories to achieve the common Red Seal endorsement.
- Harmonizing the training processes will make training across provinces easier for apprentices, increase efficiencies for employers operating in more than one province, and facilitate the regional sharing of training resources.
- The existing protocols currently in place to remove barriers to apprentice mobility are being expanded through targeted harmonization efforts both nationally and regionally for high-demand trades.

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Contact:

Assistant Deputy Minister	Scott MacDonald	Labour Market and Immigration Division	250-514-5553
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Tourism and Small Business Division

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Division Overview Description

The division works to advance government goal's of job creation and economic growth by ensuring a competitive and sustainable tourism industry, supporting small business, promoting regulatory reform, and enhancing the competitiveness of the creative industry. The division also leads strategic initiatives in support of government's mandate:

- The LNG-Buy BC project aims to connect businesses large and small with the opportunities coming out of the development of Liquefied Natural Gas.
- The Supplier Development Initiative is in its early development stage, designed to help raise the level of operational excellence of B.C. manufacturers, thereby increasing the number of globally competitive B.C. suppliers.

Tourism Branch Program Profile

Division: Tourism and Small Business

ADM Responsible: Kaaren Lewis

Program Objectives:

- Propel economic growth of the “travel economy” of British Columbia.
- Lead policies that support tourism growth within all six industries: accommodations, food and beverage, transportation, travel services, retail, and the industry that is the primary travel motivator – the experiences/attractions sector.
- Lead policies that increase the competitiveness of B.C.s tourism sector and position B.C. as a competitive, safe and desirable destination.

Program Description:

- Work across all levels of government to ensure that actions in support of tourism are coordinated, critical and emerging tourism issues are addressed, and that tourism is recognized as a key driver of economic growth in B.C.
- Co-ordinate activities between government and Destination B.C. as well as other Provincial bodies with mandates that impact tourism (such as the Ministry of Forests Lands, and Natural Resource Operations, and B.C. Parks).
- Undertake high-priority and strategically significant projects and cross-government requests (e.g. Provincial Tourism Strategy, Air and Border Policy and Municipal and Regional District Hotel Room Tax Accountability Framework, Aboriginal Tourism Development).
- Develop government’s tourism strategy, policy and legislation, and strong inter-governmental relations.
- Oversee the implementation of government’s tourism-sector related activities, including *Gaining the Edge*, the provincial tourism strategy.

Client Profile:

- The branch works with governments and regulatory agencies whose policies and activities affect the tourism industry, as well as tourism associations and tourism businesses with common interests.

Service Provider:

- The Tourism Branch consists of 9 FTEs.

- Destination British Columbia - established to market BC and reports directly to the Minister of Jobs Tourism and Skills Training.
- Operational units for tourism - located in other Ministries, required to align their activities to the strategic direction for tourism. For Example:
 - Mountain Resorts Branch, FLNRO
 - Heritage Branch, FLNRO
 - BC Parks, MOE
 - Sports Branch, CSCD
 - Resort Municipality Initiatives, JTSTL
 - Recreation Sites and Trails, FLNRO
- GO2 - BC's tourism human resource association responsible for coordinating the BC Tourism labour market strategy.
- LINK BC - BC's tourism education network. They work to strengthen British Columbia's competitive edge as a tourism destination by connecting faculty, students, and graduates of the BC Tourism Learning System to the industry and communities.

Tourism Branch Fast Facts

Program Outcomes (Impacts)/Service Statistics:

- The tourism sector is growing in BC each year.
- There is business growth (expansion or new) across all regions of British Columbia, creating employment and tourism careers.
- Visitors have safe and welcoming experiences.
- There is improved awareness among governments and the public about the value of tourism to the local and provincial economy.
- BC remains a competitive jurisdiction within the highly competitive global marketplace.
- **Performance Statistics:** The following is a snapshot of the economic value of tourism to British Columbia from the most current data, which is 2012.
 - **Total revenue – 13.5 billion in 2012**, a 3% increase over 2011, and a 41% increase from 2002.
 - **Provincial tax - \$1.2 billion in 2012**, an increase of 5% over 2011, and of 73% since 2002. This increase since 2002 was largely due to the growth of the tourism industry and to consumer taxes, such as the Harmonized Sales Tax (HST).
 - **Accommodation room revenue - \$1.5 billion**, an increase of 2% from 2011.
 - **Export revenue - \$3.2 billion**, a slight, 0.2% increase over 2011, and a 13% decline since 2002.
 - **Gross domestic product - \$7.1 billion** (in 2007 constant dollars), representing a 2% growth over 2011 and 4% growth since 2007.
 - **Businesses - 18,387 tourism-related businesses** were in operation in BC, up 2% from 2011 and 2% from 2002.
 - **Employment - 127,300 people employed** in tourism-related businesses, similar to 2011 (up 0.6%), and a 15% increase since 2002.
 - **Wages and salaries - \$4.3 billion in wages and salaries**, up 4% from 2011, and a 31% increase since 2002. Average compensation in the tourism industry, in 2012 was \$34,069, up 3% from 2011 and 9% since 2002.

2014/15 Priorities & Key Initiatives:

- Oversee the refresh and implementation of *Gaining the Edge*, the five-year provincial tourism strategy.
- Work with Destination British Columbia to develop and grow revenue and employment in the tourism sector.

- Maximize benefits to tourism from provincial infrastructure, including coordinating the work of Agencies and Destination British Columbia to improve traveler services by investing \$3 million per year, beginning in 2015/16, to upgrade rest stops and visitor centers across British Columbia.
- Improve the experience and opportunities for travelers to access B.C. by working with the federal government and other provincial and territorial governments on border issues, visa issues and air access.
- Improve the effectiveness and accountability of the Municipal and Regional District Tax (MRDT) in order to better align and amplify results from community and provincial marketing activities.
- Reduce barriers for nature-based operators to access Crown land and tenures.
- Build on existing partnership networks with First Nations tourism entrepreneurs to support regional aboriginal business development and job creation.
- As a key employment sector in B.C., address workforce challenges and opportunities resulting from the diversity of careers, and flexible-job options, in the sector, including labour shortages.

Contact: Jennifer Davis, Executive Director
250 287.0130

Small Business Branch Profile

Division: Tourism and Small Business

ADM Responsible: Kaaren Lewis

Program Objectives:

- Support the growth and success of small business by enhancing the small business climate of British Columbia and removing barriers to doing business in B.C.
- Foster an entrepreneurship culture in the province by engaging the small business community and other key stakeholders in an ongoing dialogue to identify key issues and opportunities.
- Improve promotion and awareness of small business supports.
- Implement initiatives that result in streamlined interactions with government.
- Provide strategic leadership in cross-government initiatives to ensure they meet the needs of small business.
- Engage with partners and other levels of government to develop programs or supports that increase competitiveness and productivity among small businesses.

Program Description:

- The Small Business Branch is composed of three functional units, the Small Business Roundtable Secretariat, Small Business Programs and Strategic Initiatives for small business.
- Small Business Roundtable Secretariat: Support the work of the Small Business Roundtable Board, including planning and facilitating quarterly Board meetings, assist in the development and production of the Roundtable's Annual Report to Government, and organize and facilitate all consultations (co-chaired by the Minister of State for Tourism and Small Business) with small business owners throughout the province. Oversee Small Business Month (October) activities and the production of all Branch publications: *Small Business Roundtable Annual Report to Government*, *Small Business Profile*, *Starting a Small Business Guide* and *Import/Export Guide*.
- Small Business Programs: Work with public and private sector organizations to deliver tools, training and information to assist small business start-up and growth. Maintain extensive, collaborative relationships with federal, provincial, municipal and territorial governments, and with a variety of public sector organizations to provide ongoing support for small business. Major programs

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include support and oversight of Small Business BC, BizPaL, and Mobile Business Licence Program.

- Strategic Initiatives: Work in partnership with public and private sector organizations to develop and implement a variety of strategic projects in support of small business. Examples include the B.C. Small Business Accord and related action items, Premier's Small Business of the Year Award, and Small Business Awareness Strategy. Activities vary from year to year as projects are completed and new projects come on board.

Client Profile:

- Small Business Owners: Of the 392,800 businesses in the province, 98 percent (385,900) are small businesses (have less than 50 employees or are self-employed with no help). Small business:
 - employs over one million people, accounting for 55 percent of all private sector jobs;
 - generates 26 percent of the gross domestic product;
 - accounts for over 42 percent of the total value of goods exported from the province; and
- Federal, provincial and local governments.
- Organizations and associations that represent the small business community, such as the BC Chambers of Commerce, Canadian Federation of Independent Business, BC Food Services and Restaurant Association, and Retail Council of Canada (MySTORE).

Service Provider:

- The branch consists of 12 FTEs, formed into three working teams, each focusing on a specific set of Branch priorities.
- Small Business BC – a not for profit organization, jointly funded by the provincial (\$686,000 per year) and federal (\$1.054 million per year) governments, that provides small business with a variety of tools, training and services to support business start-up and growth. Small Business BC is a member of the Canada Business Network, which is supported by provincial, territorial and federal governments.

Small Business Branch Fast Facts

Program Outcomes (Impacts)/Service Statistics:

- Small business thrives, contributing to job creation and increased productivity and competitiveness of the province as a whole.
 - Between 2011 and 2012, small businesses created 4,500 net new jobs across British Columbia, an increase of 0.4 per cent.
- Small business has access to training, tools and services to support their growth and success.
 - In the third quarter of 2013/14, the number of small business clients *Small Business BC* served rose 40 per cent year-over-year. For the full year of 2013/2014, clients served rose 38 per cent over the previous year.
- Government programs aimed at supporting small business are designed in such a way that they meet the needs of, and are accessible to, small business.
 - The Mobile Business Licence program was expanded in 2013/14 to include two new agreements (Metro West and Central Vancouver Island) covering 18 communities.
 - The province maintains a database for five of the 10 existing Mobile Business Licence agreements - a combined 5,990 MBLs have been purchased.
- Small business has the opportunity to communicate directly with government.
- Government has a means of communicating directly to the small business community through the Small Business Roundtable.
- The complexity of dealing with multiple levels of government regulations is reduced, reducing the time and cost for business in complying with federal, provincial and local government regulatory requirements.
 - BizPaL is a web based service that makes it easier and faster for business to identify federal, provincial and local government permit and licence requirements to start a specific business at a specific location.
 - Since 2006, BizPaL has been rolled out in 113 communities across British Columbia, representing 87 per cent of the population.
 - There were 30,600 BizPaL searches for permits and licenses in British Columbia in the past year, the second highest provincial usage of BizPaL in the country after Ontario.
- Public recognition of the substantial contribution of small business to British Columbia's economy, fostering the continued growth of an entrepreneurship culture in the province.

- In 2013/14, Open for Business Awards were presented to seven communities to recognize local policies, projects and programs that support small business.
- The first Premier's People's Choice Award to small business was announced on February 27, 2014 at the Small Business BC Awards.

2014/15 Priorities/Key Initiatives

- Further expand the Mobile Business Licence Program in key locations throughout the province.
- Initiate and implement key actions that will work towards a 20% increase in procurement from the provincial government to small business.
- Implement the second annual Open for Business Awards program.
- Develop key publications, such as the *Starting a Small Business Guide*, *Import/Export Guide*, *Annual Small Business Roundtable Report to Government*, and *Small Business Profile*.
- Launch the Small Business Awareness Strategy, to help small businesses identify and learn about supports available to them.
- Create new tools, programs and projects that further support the BC Small Business Accord.

Contact: **Jackie Hunter, Executive Director**
250.387.1548

Film, Television and Digital Policy Program Profile

Division: Tourism and Small Business

ADM Responsible: Kaaren Lewis

Program Objectives:

Position British Columbia as a global leader in creative industries (services and content creation) including film, television, interactive digital media, music and publishing.

Program Description:

- Lead cross-ministry coordination, policy development and research to support the growth of BC's creative industries.
- Engage in strategic partnerships, stakeholder and media relations to promote the value of the creative industries to British Columbia.
- Administration of funding (\$2.32-million annually) and stakeholder relations with Creative BC, a government- established non-profit society responsible for the development of BC's creative sector.
- Support industry and agency efforts to build new opportunities for BC's screen-based content and services.
- Support the Ministry of Finance in ensuring an effective tax credit regime for film production.
- Work in partnership with key ministries such as International Trade to expand opportunities for value-added economic activities, including a one-stop shop for investors looking to start new digital ventures in British Columbia.
- Partner with BC Stats and sector stakeholders to evaluate the size and economic impact of BC's creative sector and work to raise awareness of the sector's contributions.

Client Profile:

- Foreign and domestic producers and creative executives (feature films, television series, documentaries, commercials), directors, studio executives, finance executives.
- Local Production Managers, Location Managers and Scouts.
- Digital production and post-production executives.
- Regional Film Commissions

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- Motion Picture Production Industry Association (MPPIA) and other industry associations and businesses.
- Local and regional governments, Federal Government – various ministries and departments.
- Local Unions and Guilds, Property Owners, Media, Suppliers of industry goods and services, and the general public.

Service Provider:

- The program is managed by one person, Director of Film Policy and Creative BC.
- Creative BC:
 - supports BC-originated film and TV content;
 - administers digital and market access programs for publishing, music and interactive content development;
 - assists BC's regional film commissions;
 - administers the provincial tax credit programs; and
 - promotes and markets BC's creative sector internationally.

Film, Television and Digital Policy Fast Facts

Program Outcomes (Impacts)/Service Statistics:

1. Ensured continued contributions from BC's film, television and related creative industries to BC's economy.
 - The motion picture industry continues to spend more than \$1-billion annually on production activity in BC, generating an estimated 25,000 direct and indirect jobs.
 - 73 per cent of all television and film production in BC is service based, this includes most animation and visual effects (VFX) work by Vancouver studios.
 - In 2013, BC saw \$1.37-billion in production spending by film and television producers.
 - This represents the shooting or completion of 124 foreign productions (largely from the US) and 234 domestic productions in BC.
 - Despite a slow start to 2013, and industry stakeholder claims of 3,500 job losses, 2013 ultimately proved a productive year for BC's Film/TV industry.
 - Month-by-month production comparisons for 2012 and 2013 revealed production through the last half of 2013 routinely outpaced 2012 results.
 - 2014 film and television production spending is expected to remain high given the lower value of the Canadian dollar.
 - In 2012 BC saw \$1.4-billion in spending by film and television producers.
 - This represents the shooting or completion of 124 foreign productions (largely from the US) and 180 domestic productions in the province.
 - 2012 was seen by industry as a "boom" year, compared to \$1.18-billion in production spending through 2011. Much of this increase however came from animation/visual effects (VFX) and domestic productions, rather than tradition feature films.
 - Creative BC continued to assist creative content producers wanting to produce and invest in BC by providing efficient one-stop access to information and services.
 - Approximately 90% of motion picture productions in the province use Creative BC's services.

2014/15 Priorities/Key Initiatives

- Support industry and agency efforts to grow competitive digital media, music, publishing, and film/TV industries in BC by:
 - revitalizing BC's presence in Los Angeles;
 - establishing a one-stop shop for investors looking to start new digital ventures in British Columbia;
 - attracting new Bollywood partnerships and initiatives for film and digital media; and
 - working with the Ministry of Finance to deliver tax credit enhancements, including redefinition of distant location eligibility to include Victoria, and the inclusion of post-production work in the Digital Animation or Visual Effects (DAVE) credit.
- Lead cross-ministry coordination, policy development and research to support the growth of BC's creative industries. This includes:
 - A partnership with BC Stats and sector stakeholders to evaluate the sector's economic contributions in two key areas: film/TV production, and digital media;
 - Working with the industry associations, federal, provincial and local government agencies to address issues and opportunities; and
 - Creation and coordination of a cross-ministry policy planning group for the creative industries.
- Continued financial support (\$2.3M) for Creative BC and sector relations to assist in the development of a creative industries strategy that capitalizes on the sector's strengths and identifying new opportunities.

Contact: Asha Bhat, Director, Film Policy & Creative BC
250.952.0305

Regulatory Reform Branch Program Profile

Division: Tourism and Small Business

ADM Responsible: Kaaren Lewis

Program Objectives:

- Support the modernization of British Columbia's regulatory environment.
- Promote the development of clear, simple regulations and policy that encourage prosperity, innovation and economic opportunity while protecting public health, safety and the environment.
- Support the Core Review in reducing regulatory burden, particularly in key economic sectors.
- Support ministries in streamlining business processes, in an advisory capacity, to reduce time and cost for government and the public in administering government programs.
- Provide transparency and regulatory reform accountability through public consultations and annual reporting.

Program Description:

Regulatory Reform Branch leads the Province's regulatory reform program through the following core activities:

- **Regulatory Count:** Work with all ministries to measure the regulatory burden placed on citizens and businesses (the count) and ensure a net zero increase through 2015. Maintain the regulatory count database and post progress on the net zero increase target on the Regulatory Reform BC website.
- **Regulatory Reform Policy & Checklist:** Oversee the application of the regulatory reform policy and checklist across government to ensure new regulatory requirements are necessary, results-based and not too onerous for citizens and businesses.
- **Red Tape Awareness Week (RTAW):** Partner with the Canadian Federation of Independent Business to draw attention to the business barriers created by government red tape and to celebrate government initiatives that address these barriers.
- **Red Tape Reduction:** Monitor and report on government's progress on streamlining regulatory requirements and improving service delivery. Provide expertise and technical support to ministries on streamlining and simplifying business processes, process mapping, and continuous improvement related to Lean initiatives.

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- Annual Regulatory Reform Report: Develop an annual regulatory reform progress report as required in the *Regulatory Reporting Act* (RRA). The report must cover government's reform activities during each fiscal year, and be made public on or before June 30 following the end of the reporting year.
- Regulatory Reform Refresh: Develop a plan to refresh the way government is tackling regulatory reform to ensure B.C. remains a national and global leader in minimizing regulatory burden and cutting red tape.

Client Profile:

- All businesses operating in British Columbia and all citizens who require simple, fast and inexpensive access to government programs, services and tools, and who must comply with regulatory requirements.
- All ministries that are required to apply the regulatory reform policy and who seek assistance in streamlining specific requirements or business processes.
- Other Canadian and international jurisdictions that seek British Columbia's input to enhance their own regulatory reform initiatives.
- Associations and organizations that represent the interests of citizens and businesses, such as the Canadian Federation of Independent Business and the BC Chambers of Commerce.

Service Provider:

- The Regulatory Reform Branch currently consists of 5 FTEs.
- Each ministry is required to designate a regulatory reform director and a regulatory reform file manager who works collaboratively with the Regulatory Reform Branch to ensure regulatory reform goals are being achieved.

Regulatory Reform Branch Fast Facts

Program Outcomes/Service Statistics:

- Citizens have faster, easier access to government services and information and businesses spend less time complying with government requirements:
 - Since June 2001, over 42% of regulatory requirements have been reduced.
 - In the past 13 years, the B.C. government has cut more than 154,000 regulatory requirements:
 - A net zero increase from the 2004 baseline must be maintained until 2015. As of March 31, 2014, the count is 206,566 or nearly 10 per cent below the 2004 baseline.
 - Since 2006, 86 projects to streamline government processes and reduce regulatory requirements to eliminate unnecessary red tape have been completed. For example, the Multi Tenure Agreement Implementation allows clients to now obtain over 50 natural resource approvals and reviews, from 14 agencies with just one document.
- British Columbia's regulatory environment is competitive relative to other jurisdictions as well as user-friendly for small business:
 - In 2014, for the third year in a row, BC was awarded an 'A' grade for their efforts in red tape reduction by the Canadian Federation of Independent Business.

2014/15 Priorities/Key Initiatives:

- Work collaboratively with the Core Review process to identify ways the government can reduce red tape and streamline, including proposals for modernizing the regulatory reform agenda and associated policy framework.
- Provide expertise and support to other ministries on streamlining and simplifying government business processes.
- Maintain net zero increase in regulatory requirements to 2015.
- Maintain regulatory count database and support other ministries in maintaining their count.
- Produce the third Annual Regulatory Reform Report.
- Review BC Jobs Plan commitment regarding developing Outcome Based Performance specifications for regulatory processes based on a review of international best practices and public consultation.

Contact: Jackie Hunter, Executive Director
250.387.1548

Last update: January 20, 2015

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Fact Sheet Film and TV Industry

Jan 27, 2014, Updated: Feb 20, 2014.

Film and TV:

- British Columbia is a key location for film and TV production in North America, and a growing hub for digital animation and visual effects.
- The motion picture industry spends approximately \$1.16-billion per year on production activity in British Columbia, generating an estimated 25,000 direct and indirect jobs.
- B.C. saw \$1.37-billion in production spending by film and television producers in 2013.
 - This represents the shooting or completion of 124 foreign productions (largely from the US) and 234 domestic productions in B.C.
 - Despite a slow start to 2013, and industry stakeholder claims of 3,500 job losses, 2013 ultimately proved a productive year for B.C.'s Film/TV industry.
 - Month-by-month production comparisons for 2012 and 2013 revealed production through the last half of 2013 routinely outpaced 2012 results
- B.C. saw \$1.4-billion in spending by film and television producers in 2012.
 - This represents the shooting or completion of 124 foreign productions (largely from the US) and 180 domestic productions in the province.
- During 2012-13, the B.C. government provided about \$352 million in tax credits for film and television and \$26 million for interactive digital media.
- Budget 2014 extended the Distant Location Tax Credit to Capital Regional District, effective immediately.
- 2014 production is expected to remain high given the lower value of the Canadian dollar.

Creative Futures:

- The B.C. government launched BC Creative Futures, a strategy to help foster a creative workforce and support the continued growth of creative industries in British Columbia. For details, visit: http://www.cscd.gov.bc.ca/arts_culture/bccf.htm

Emerging trend: The “feature film” is in decline.

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- s13 animation and VFX work for the blockbusters is booming:
 - Much of B.C.'s production spending increase in 2012 came from a jump in the animation/VFX industry, with more than 30 digital animation/VFX projects undertaken in BC with expenditures surpassing \$200-million.
 - This trend continued through 2013 with more than \$200-million estimated expenditures in animation/VFX projects.

Filming in BC:

- According to media reports, there are several film projects currently underway in B.C.
 - TV show **Gracepoint** is using Victoria's Oak Bay as the backdrop for the 10-episode series inspired by the British TV show Broadchurch. It's reported that the multimillion-dollar series are employing a 150-person crew.
 - **50 Shades of Grey**: a film based on the erotic book trilogy, shooting is already underway in Vancouver. http://www.huffingtonpost.ca/2014/01/16/fifty-shades-of-grey-movie-vancouver-dakota-johnson_n_4613085.html
 - **Warcraft**: A big screen adaptation of the video game series, filming of Warcraft is scheduled in Vancouver for mid-January to the end of May. <http://globalnews.ca/news/1011024/ben-foster-dominic-cooper-join-cast-of-warcraft-in-vancouver> and <http://yvrshoots.com/2013/12/start-date-world-of-warcraft-adaption-warcraft-to-start-filming-january-20th.html#.UubyJLTmpo>
 - **Night at the Museum III**: The third installment of the billion-dollar museum franchise. Filming in Vancouver is expected to start in early February and wrap in mid-May. <http://yvrshoots.com/2014/01/start-date-night-at-the-museum-3-expected-to-start-filming-february-1st.html#.Uubxj7TTmpo> and <http://www.comingsoon.net/news/movienews.php?id=108761>
 - **Monster Truck**: A movie capitalizing on the popularity of monster truck shows. Monster Trucks is scheduled to be filmed in Vancouver from early April until mid-July. <http://globalnews.ca/news/1053289/big-budget-monster-trucks-to-roll-into-vancouver-in-april/>
 - **Age of Adaline**: A feature film starring Harrison Ford, Blake Lively and Ellen Burstyn will start shooting in the Vancouver area this March, straight through to May 2014. <http://blogs.theprovince.com/2013/12/16/blake-lively-ellen-burstyn-to-star-in-b-c-filmed-epic-the-age-of-adaline/>

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond, Minister of Jobs, Tourism and Skills
Training and Minister Responsible for Labour

Title: Film Policy & Creative BC Branch

Revised: February 24, 2014

Issue: 2014/15 budget and key deliverables for the Film Policy and Creative BC Branch.

Recommended Response:

- The Ministry's Film Policy & Creative BC Branch administers the funding for Creative BC and works across the ministries to coordinate policy and program planning to ensure economic growth, investment and job creation are maximized for this important sector.
- The Film Policy & Creative BC Branch has a total budget of \$2.472-million, which includes the annual funding for Creative BC and one ministry resource (1 FTE) to lead the file.
- Creative BC streamlines assistance to the film and television production sector, while also supporting and stimulating the development of BC's digital media, music, and book and magazine publishing sectors.
- In FY2014/15, Creative BC will receive \$2.3-million in funding to support the film/television industries, and extend programs to the digital media, music, and publishing (books and magazines) industries; and to assist BC's regional film commissions.
- The success of British Columbia's creative sector rests on the ongoing development of international markets, the attraction and retention of highly skilled workers, a strong infrastructure, competitive industry supports and services, and industry collaboration.

Background/Status:

- On April 1, 2013, within government, the film/television and creative industries portfolio was moved from the Ministry of Community, Sport and Cultural Development into my economic development ministry.

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

- Creative BC is a non-profit society responsible for the development of the province's creative sector (including film, publishing, music, gaming and interactive industries).
- FY2013/14 funding was transferred from CSCD to cover the annual funding for Creative BC (\$2.3-million) and 1 ministry FTE.
- The success of British Columbia's creative sector rests on the ongoing development of international markets, the attraction of highly skilled workers, a strong infrastructure, and industry collaboration.
- In FY2014/15, the Ministry will work with government partners to reach these goals by:
 - Partnering with BC Stats and sector stakeholders to evaluate the size and economic impact of BC's creative sectors, and using these results to widely profile the employment generation, export expansion and overall economic performance of the province's creative industries;
 - Supporting opportunities to expand British Columbia's screen-based content and services, by increasing British Columbia's presence in Los Angeles and through new Bollywood partnerships and initiatives;
 - Supporting the Province's tax credit regime for film production, digital animation and VFX, and interactive digital media;
 - Crafting value-added economic activities including a one-stop shop for investors looking to start new digital ventures in British Columbia; and
 - Broadening Creative BC's focus to ensure the continued development and growth of film/television, music, digital media, and book and magazine publishing in BC.

Contact:

ADM	Kaaren Lewis	Tourism & Small Business Division	250.952.0367
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2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond,

Title: Creative BC

Revised: February 5, 2014

Issue: Creative BC launched as one-stop shop for film, television and creative industry services.

Recommended Response:

- In 2014/15, the province is providing \$2.3M to Creative BC.
- As an independent society, Creative BC is also able to raise own source revenues to reinvest into the industry; it presently earns over \$1-million annually from film tax credit administration and endowment funding.
- Creative BC streamlines assistance to the film and television sector, while also supporting and stimulating the development of BC's broader creative industries including digital media, music, book and magazine publishing.
- As a new agency, Creative BC benefits the province by centralizing industry resources, services, investment and expertise for the creative sectors under one roof.
- By combining the recognized strengths of the BC Film Commission and BC Film + Media, Creative BC works collaboratively with industry to encourage higher levels of production, job creation and investment across all sectors of BC's creative economy.

Background/Status:

- In January 2013, Government launched BC Creative Futures, a three-part strategy to support sustainable, long term success for the province's creative sector.
- As a part of this strategy, and in response to industry requests, Creative BC was launched and began operations on April 1, 2013.
- Creative BC is an independent, one-stop shop for services to the creative industries.
- The new agency combines services previously offered through the BC Film Commission and BC Film + Media, along with a new mandate to serve the broader creative sector (digital media, music, book and magazine publishing.)

2014/15 Estimates Note Advice to the Minister

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Minister Responsible: Honourable Shirley Bond,

- Creative BC's core programming includes film/TV tax credit administration, film production services, development funding, international marketing, market development, and industry research.
- The Province will provide \$2.3-million in funding to Creative BC in 2014/15, including approximately \$140,000 to support arts service organizations. Through the administration of these funds, Creative BC will be able to continue to grow its expanded mandate to support organizations such as Music BC, the Association of BC Book Publishers, and the BC Magazine Association.
- As an independent agency, Creative BC has been granted flexibility in how they distribute their funding, to ensure they are able to continue to meet emerging needs. The \$2.3-million 2014/15 funding to Creative BC will be roughly distributed by the agency to cover the following commitments:
 - \$0.95-million for agency operations
 - \$0.30-million to support the regional film commissions; and
 - Just over \$1-million to fund development programs and marketing.
- Creative BC has other sources of funding that are used primarily to cover the agency's administrative costs:
 - Revenue raised from the administration of the film/TV tax credits programs offers the agency another \$1-million annually;
 - Creative BC jointly administers another \$650,000 with the BC Arts Council (CSCD) for programs to support interactive digital media artists and companies;
 - Creative BC also has access to investment income from a \$5-million endowment originally created through BC Film + Media.
- In addition to \$2.3-million in funding to Creative BC in 2013/14, the Province gave Creative BC an additional \$2-million at the end of 2012/13 to enable Creative BC to further build the creative economy and help BC to become a leader in the creation and production of globally recognized creative media content. Results to date include:
 - Staff transition and amalgamation of two originating agencies;
 - Outreach to the publishing (book and magazine) and music industries;
 - Branding and marketing (logo, displays, website and materials development);
 - Continued programs and services (development financing, scouting, digital library and municipal liaison to manage on-the-ground issues on film shoots);

2014/15 Estimates Note Advice to the Minister

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Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond,

- and international marketing, including a UK mission, LA mission, and representation at key industry trade shows and conferences.
- 2014/15 funding for Creative BC will be used by the agency to address the following priorities:
 - Increasing support for the development of BC originated film and television content.
 - Extending program support to its expanded client base in publishing, music and interactive content development.
 - Marketing the province as an attractive destination for business investment and a desirable filming location; improving international market access for BC companies.
 - Working with BC's creative industries to develop a broad strategy to capitalize on the sector's strengths and identify opportunities for future growth.
- Detailed metrics for Creative BC (goals and performance measures) were negotiated through the development of their service plan, encompassing activities from 2013/14 – to 2015/16. These metrics include targets for:
 - Research, development assistance and outreach to emerging sub-sectors;
 - Increasing investment in the creative industries;
 - Strengthening the sector's corporate capacity;
 - Global marketing; and
 - Service delivery in the administration of tax credits.

Contact:

ADM, Tourism
and Small
Business

Kaaren Lewis

Film Policy & Creative
BC Branch

250.952.0367

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Film/Creative Sector Tax Credits

Revised: March 7, 2014

Issue: Overview of Industry Tax Credits

Recommended Response:

- Despite a challenging fiscal climate, our government maintains a strong support for the film and TV industry and is delivering on our commitments to industry.
- In FY2013/14, government allocated \$340.5-million for film & television credits and industry accessed \$268-million of these funds.
- In FY2014/15 government's allocation for film and television tax credits will change to \$277.5-million, which includes a \$10-million increase for our domestic industry.
- Budget 2014 extended the Distant Location Tax Credit to the Capital Regional District, effective immediately (Feb 19). That means more movie making and more TV productions and more jobs coming to the Island and to our province.
- The Province is also committed to supporting the interactive digital media industry. The Province's FY2014/15 allocation for Interactive Digital Media is \$50-million, representing a \$15-million increase from last fiscal.
- The film industry continues to support 25,000 direct and indirect jobs in our economy, and despite competition from other jurisdictions, BC has remained a top location for film and TV production and an emerging leader in digital animation and visual effects.
- In 2013, BC attracted \$1.37-billion in film and television production spending.

Background/Status:

- Although there are small falls and rises year to year, production spending in BC has remained relatively stable over the last decade. Each year, the motion picture industry spends on average \$1.16-billion on production activity in BC, generating an estimated 25,000 direct and indirect jobs.
- Despite a slow start, 2013 proved a productive one for BC's film/TV industry:
 - Creative BC estimates the motion picture industry spent \$1.37-billion in production activity in BC in 2013, compared to approximately \$1.4-billion in 2012.

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Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

- Month-by-month 2012 and 2013 comparisons show production gained momentum through the last half of 2013, routinely outpacing 2012 results.
- A good portion of the sector's success in 2012 was due to a rise in BC's animation and visual effects industries.

FILM/TV TAX CREDIT PROGRAMS:

- In FY2014/15 the estimated cost for film/TV tax credits has been set at \$277.5-million; \$63-million less than the FY2013/14 estimate.
 - This estimate favours the Province's domestic industry, with a \$73-million decrease in the estimated costs for foreign film production in BC (through the Production Services Tax Credit) and a \$10-million increase in the estimated cost for domestic productions (through the Film Incentive BC Tax Credit).
 - It is important to note that while the total estimated cost of \$277-million for the film/TV tax credits is \$63-million less than the 13/14 estimate (\$340.5-million), it is still higher than the actual amount accessed by industry that fiscal, which was \$268-million.
 - Also, there is no cap on these credits and a lower estimate in no way impacts industry's ability to continue to access the credit.
- In FY2013/14, the estimated cost for film/TV tax credits was set at \$340.5-million but according to the Ministry of Finance, industry only accessed 79 per cent of these funds (\$268-million).
- There are two tax credit programs for film and television:
 - **Film Incentive BC (FIBC)** for Canadian-controlled projects with sufficient Canadian content; and the
 - **Production Services Tax Credit (PSTC)** for other (generally foreign) projects that are made in BC.
- Both programs target qualified labour costs, based on amounts that are paid by qualified production companies to BC residents to work on eligible projects.
 - Wages, salary and remuneration paid to non-BC residents are not eligible.
 - Non-labour expenditures (i.e. rent, goods, etc.) are also not eligible.
 - The programs are available to film, TV, animation and visual effects projects.
- Both tax credit programs consist of a basic credit that forms the foundation of each program (See Appendix A.) Additional credits are then layered on top of this base, and two of these were been identified for consideration in the platform commitments:

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

1. Distant Location Regional Tax Credit (DLRTC)

Platform commitment: Apply the rural film distance credit of 12 percent to Victoria, putting it on a better competitive footing with the rest of Canada. (Lead: Ministry of Finance)

- **Budget 2014 extended the Distant Location Tax Credit to Capital Regional District, effective immediately.**
 - This credit now targets productions North of Whistler, East of Hope, and across Vancouver Island.
 - It offers an extra 6% under both tax credit programs.
 - It has been accessed by more than 550 productions since 2003.

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2. Digital Animation or Visual Effects (DAVE) Tax Credit

Platform commitment: Include post-production as eligible for the Digital Animation or Visual Effects (DAVE) Tax Credit to encourage further post-production in British Columbia. (Lead: Ministry of Finance)

- **This platform commitment was not implemented in Budget 2014.**
- Ministry of Finance leads this initiative and has advised the commitment has been deferred.
- This credit offers an extra 17.5% under both tax credit programs.
- It has been designed to encourage productions (domestic & international) to hire BC talent for digital animation and visual effects (VFX) projects.
- It allows for limited post-production work, such as green screens, basic computer graphics, and visual effects photography; but not modern digital processes such as audio effects, subtitles, and in-camera effects.
- The credit has been accessed by more than 1,121 productions to cover more than \$215-million in wages since 2003.
- Vancouver is becoming a post-production hub, in some ways out pacing feature film work. Most VFX features today include some work from BC.
- Given the growth potential of this sector, this platform commitment is the most requested change from film/TV stakeholders.

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Film/TV Tax Credit Costs:

FY2013/14: Government estimated the cost for these tax credits at \$340.5-million.

The actual amount accessed by industry in FY13/14 was \$268-million.

- \$80-million was accessed under FIBC; and
- \$188-million was accessed under PSTC.

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FY2012/13: Government estimated the cost for these tax credits at \$287.4-million

As there are no caps on these programs, industry accessed \$352-million in film/TV tax credits that fiscal.

INTERACTIVE DIGITAL MEDIA TAX CREDIT PROGRAM:

- Vancouver has become a global hub for video games development with major publishers including Electronic Arts, THQ and Capcom Game Studio.
 - 86 interactive studios, employing 5,000 full-time highly-paid employees, with thousands more under contract.
- The BC Interactive Digital Media Tax Credit (IDMTC) offers a 17.5 percent credit on eligible BC labour costs for companies that produce interactive products that educate, inform or entertain. This includes, but is not limited to, video games.
- The Province remains committed to supporting the interactive digital media industry. **The FY2014/15 allocation for Interactive Digital Media is \$50-million, representing a \$15-million increase from last fiscal.**
 - This estimate favours the Province's growing digital media industry.
 - Registrations for the credit have increased since 2011 – from 28 registrants in FY2011/12 to 49 registrants in FY2012/13.
 - As of January 31, 2014, there were 52 registrants in FY13/14.
- BC also supports this industry by investing in the training and educational programs that provide the skilled workforce this industry needs and have supported the expansion of the Centre for Digital Media (CDM), a school operated by four of our local post-secondary institutions (UBC, Emily Carr, Simon Fraser University, BCIT), that focuses on training digital workers.

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Minister Responsible: Honourable Shirley Bond

IDMTC Costs:

FY2013/14: Government estimated the costs for the IDMTC at \$35-million.

- Budget 2014 lists the actual cost as \$63-million but after prior year adjustments, we can confirm the **FY13/14 cost was actually \$50-million.**

FY2012/13: Government estimated the costs for the IDMTC at \$37.9M.

- Budget 2013 listed the actual cost at \$26-million but after the prior year adjustments to the FY2013/14 were calculated, **the Ministry of Finance advises the FY12/13 cost was actually \$39-million.**

IDMTC Expiry:

- BC introduced the IDMTC in 2010, with legislation set to phase out in Fall 2015.
- The IDMTC expires September 1, 2015.
- All tax credit programs are reviewed by the Ministry of Finance in the final year before their sunset clause end date. The IDMTC will likely be reviewed in the fall of 2014.

Stakeholder feedback on the credit:

- Industry has advised the IDMTC is helpful but could benefit from enhancements to make it more competitive with other jurisdictions:
 - Ontario's credit program, for example, allows for a 40 percent refund on expenditures that can include marketing and distribution activities.
 - In Ontario, companies can apply for both the Ontario IDMTC and the Scientific Research and Experimental Development Tax Credit (SR&ED), (with measures to prevent double dipping on expenses) which offers as much as 73 percent coverage of eligible costs and can be claimed in cash. This is not allowed under the BC program.

Contact:

ADM	Kaaren Lewis	Tourism & Small Business Division	250.952.0367
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2014/15 Estimates Note Advice to the Minister

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Minister Responsible: Honourable Shirley Bond

APPENDIX A: FILM/TV TAX CREDIT OVERVIEW

Film Incentive BC (FIBC)	Value	Tax credit amount calculated on...
Basic	35%	The qualified BC labour expenditure of the corporation to a maximum of 60% of the total cost of production.
Regional	12.5%	For projects filmed primarily outside of the designated Vancouver area. This tax credit must be accessed in conjunction with the Basic tax credit.
Distant Location	6%	For projects filmed in locations beyond the Regional area. This tax credit must be accessed in conjunction with the Regional tax credit.
Training	30%	The amount paid to a BC-based individual registered in an approved training program. This tax credit is capped at 3% of the corporation's qualified BC labour expenditure and must be accessed in conjunction with the Basic tax credit.
Digital Animation or Visual Effects (DAVE)	17.5%	The BC labour expenditures directly attributable to digital animation or visual effects activities. This tax credit must be accessed in conjunction with the Basic tax credit.

Production Services Tax Credit (PSTC)	Value	Tax credit amount calculated on...
Basic	33%	The accredited qualified BC labour expenditure of the corporation.
Regional	6%	For projects filmed primarily outside of the designated Vancouver area. This tax credit must be accessed in conjunction with the Basic PSTC.
Distant Location	6%	For projects filmed in locations beyond the Regional area. This tax credit must be accessed in conjunction with the Regional PSTC.
Digital Animation or Visual Effects (DAVE)	17.5%	The accredited qualified BC labour expenditures directly attributable to digital animation or visual effects activities. This tax credit must be accessed in conjunction with the Basic PSTC.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Times of India Film Awards 2013 (TOIFA)

Revised: April 8, 2014

Issue: Post TOIFA Benefits

Recommended Response:

- The April 2013 Times of India Film Awards, hosted in Vancouver, enhanced BC's profile internationally and strengthened our well established ties with India.
- Hosting the TOIFA was one piece of the government's strategy to open new doors to growing markets in India so that we can create more jobs at home.
- From April to December 2013, BC saw a 9.4% increase in visitors from India compared to the same time period in 2012. Across Canada, visitors from India only increased by about 1.5% during the same time period.
- BC's total goods exports to India were up 45% in 2013 over 2012.
- A number of key account relationships were initiated during the *BC-India Global Business Forum* such as with the Tata Group and Aditya Birla that have resulted in ongoing engagement and benefits for BC companies.
- The *Film Executives Program* during TOIFA has greatly increased the knowledge and connection between the film industry in BC and India and with the signing of the Canada-India Audio-visual Co-production Agreement (February 24, 2014) can now look to bear fruit.
- The number of outbound and inbound delegations with India has more than doubled since April 2013. In this fiscal year since April 2013, MIT has hosted 11 inbound missions from India and 9 outbound missions to India in a range of Jobs Plan sectors.

Background/Status:

- The Times of India Awards was held in Vancouver on April 4 through 6, 2013.
- The total funding committed for the event was \$11 million: \$9.5 million to Times of India for production costs and an additional \$1.5 million for promotional activities (Global Business Forum; B.C. opening act; advertising and promotion of the event in B.C.; 30 second tourism commercial and; resourcing for B.C. project team.) These amounts were set and could not increase.

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Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
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- Estimates of immediate economic impact provided by the Times Group include: 6000 direct and indirect employees hired in British Columbia to stage TOIFA events; 24 local corporations contracted to provide services to the Times Group in British Columbia (including security ground transportation, media relations, catering, technical support, logistics, printing); and 3000 hotel room nights booked by the Times Group in Vancouver for TOIFA. Over \$9 million was spent in British Columbia to produce and deliver the awards show and related activities.
- From April to December 2013, BC received over 42,000 visitors from India, an increase of 9.4% from the same period in 2012. Indian visitors to Canada only increased by about 1.5% for the same time period in comparison.
- BC goods exports to India were worth \$468 million in 2013, an increase of 46 per cent over 2012.
- In March 2013, in conjunction with the TOIFA, the Province organized the BC-India Global Business Forum to enable BC businesses to connect with opportunities in India through both formal program and informal networking.
- A number of key account relationships were initiated during the BC-India Global Business Forum such as with the Tata Group and Aditya Birla that have resulted in ongoing engagement and benefits for BC companies.
- A *Film Executives Program* was also held during TOIFA. It has greatly increased the knowledge and connection between the film industry in BC and India. Two follow-up events were held last year to capitalize on success of TOIFA to attract Bollywood productions to BC:
 - On November 13, 2013, the event: *British Columbia: a Creative Media and Entertainment Partner for India*, was hosted by MIT in Mumbai, India which brought together approximately 20 entertainment industry leads from Bollywood for a seminar on BC opportunities.
 - On December 13, 2013, a *Bollywood-BC Breakfast Session* was held in Vancouver to build on BC's interest in exploring business opportunities in Bollywood's animation/VFX and video games sectors. As a result, meetings were set between some of the BC and India representatives and initial interest was secured in a mission to India.
- In mid-March Indian Oil Corporation announced an initial \$1 billion investment in Pacific NorthWest LNG that could eventually grow to \$3.8 billion.
- MIT has more than doubled the number of outbound and inbound delegations with India since April 2013. In this fiscal year since April 2013, there have been 11 inbound missions from India and 9 outbound missions to India in a range of Jobs Plan sector.

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- MIT hosted a small delegation to India, using the March 2014 *Ficci Frames* conference in Mumbai as a focal point. *Ficci Frames* is India's largest digital entertainment trade conference.
 - BC hosted an exhibit at the Canadian Pavilion at *Ficci Frames*.
 - Four BC delegates (VanArts, Best Entertainment, Silo Entertainment, and Principia Productions) attended the conference.
- The Canada-India Audio-visual Co-production Agreement signed in New Delhi on February 24, 2014 will be useful in encouraging production activity between Canadian and Indian producers.

Contact:

Executive Director Vera Sit ADM Office 250-387-6061

Reviewed by			
Dir:	ED: VS	ADM: KL	DM:

2014/15 Estimates Note

Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
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Appendix: TOIFA Funding, Commitments, and Outcomes

The total funding committed for the event was \$11 million: \$9.5 million to Times of India for production costs and an additional \$1.5 million for promotional activities (Global Business Forum; B.C. opening act; advertising and promotion of the event in B.C.; 30 second tourism commercial and; resourcing for B.C. project team.) These amounts were set and could not increase.

Economic Impact: Preliminary estimates of immediate economic impact provided by the Times Group include: more than 6000 direct and indirect employees hired in British Columbia to stage TOIFA events; more than 25 local corporations contracted to provide services to the Times of India Group in British Columbia (including security, ground transportation, media relations, catering, technical support, logistics, printing) and; 3000 hotel room nights booked by the Times Group in Vancouver for TOIFA. Over \$9 million was spent in British Columbia to produce and deliver the awards show and related activities.

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Viewership: *TOIFA Vancouver 2013* was telecast worldwide on Sony Entertainment Television, and in North America on the Asian Television Network (ATN) on June 16, 2013. The 5 hour program included 35 minutes of promotional material on Vancouver and British Columbia. While the B.C. government has yet to receive a final report from the Times Group, we were able to obtain the following audience data from them:

- The number of people who watched the Sony telecast on the 16th of June stands at 32 million.
- The show was also telecast around the world, watched by approximately 20 million South Asian diaspora .
- In addition, Sony also simulcast the TOIFA show on Sonyliv, their internet arm, which had a viewership of 8 million.
- So, as per Times Group estimates the numbers for the original telecast stand at 60 million.

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Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
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These are only the numbers from the first telecast. Sony will be running the show several times through the year (a maximum of 11 more times). Re-broadcasts of TOIFA by Sony TV have happened on June 23, August 15, August 20. The Times Group estimates they should ultimately have audience numbers close to the 400 million mark.

As part of the TOIFA contract, a travelogue television program (2 episodes) about Vancouver was air in India on June 29 and 30, 2013, and repeated on June 30 and July 1, 2013. Viewership data for these broadcasts is unavailable at this time.

TOIFA Key Commitments: As part of the Province's contract with the Times Group, major initiatives included:

1. BC-India Global Business Forum
2. Travel/Trade activation (marketing initiatives in Times publications, including three trade inserts in The Economic Times)
3. International Women's Day fundraiser
4. TOIFA Musical Extravaganza
5. TOIFA Technical Awards
6. TOIFA Awards Gala
7. Celebrity Travelogue

All of these commitments have been met by the Times Group.

TOIFA: Key Commitments and Details of how they were met

Key Commitments	Date	Overview	Highlights
News Conferences (Announcement)	Jan 22 –Vancouver Jan 29 – Mumbai	<ul style="list-style-type: none"> Created global awareness of the TOIFA event and Vancouver, BC 	<ul style="list-style-type: none"> In Vancouver: <ul style="list-style-type: none"> Attendance = 200 40 local media outlets reached an estimated 1 million viewers 20+ newspaper carried articles In India 50 media outlets reached an estimated 50 million viewers Official TOIFA website launched
Global Voting	January to March	<ul style="list-style-type: none"> People around the world casted votes from the official TOIFA web site and at the same time had access to information about BC as a preferred destination for travel and business 	<ul style="list-style-type: none"> Number of votes cast: 477,600 Website visits: 523,300 (5.9 million page views)

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Tourism Activation	January to March	<p>Events held in Mumbai and New Delhi resulting in increased awareness of B.C. as a preferred travel destination, marketing opportunities to capitalize on the awareness created from TOIFA media coverage, and opportunity to train travel agents.</p> <p>Included:</p> <ul style="list-style-type: none"> • Production of a 30-second commercial for airing during TOIFA broadcast • New Destination BC website in India launched in January • Travel trade activation events organized by ET Travel • Travel media articles – provided story ideas and images on an on-going basis • Hosted travel media familiarization tours before and during TOIFA • Participated in Canadian Tourism Commission's annual Focus Canada marketplaces 	<ul style="list-style-type: none"> • 200 travel agents attended the ET Travel event and presentations in Mumbai and Delhi on March 5 and 7 • 300 travel agents trained at the CTC destination presentations in Mumbai and Delhi on February 22 and 25 • Met with 45 travel agents at CTC's Focus Canada on February 27-March 1st • Negotiated 10 joint marketing programs with key travel agents for promotion of BC vacation packages beginning in March • 30+ BC tourism stories placed in ET Travel from November to March • 9 media outlets (includes TOI's) participated in media familiarization tours during TOIFA
International Women's Day Fundraiser	March 2	<p>An event held to mark Women's Day – included a panel of motivational women in conversation about their careers in India and B.C., two fashion designer collections, and a \$20,000 charitable donation to the Minerva Foundation (its mission is to develop women for leadership).</p>	<ul style="list-style-type: none"> • Attendance: 300 + • Venue: River Rock Resort, Richmond • Capacity: 300 • Opportunity for BC representatives to participate in the program • Event was re-broadcasted in India to promote BC as a career choice for women and includes BC's 30-second tourism commercial.
BC-India Global Business Forum	March 11, 12	<p>Enabled BC businesses to connect with opportunities in India through both formal program and informal networking. Program featured prominent Indian-based business and media representatives, as well as BC companies with experience in India.</p> <p>Leads are being further pursued by B.C.'s overseas Trade and Investment Representatives based in India.</p>	<ul style="list-style-type: none"> • Attendance: 450+ • Venue: Vancouver Convention Centre • Some of India's top investors travelled to Vancouver for the event, including Praveen Kadle, CEO of Tata Capital, part of a multi-billion dollar conglomerate.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
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Small Business

TOIFA Musical Extravaganza	April 4	An event aimed at introducing high profile Indian entertainers and performers to a BC audience.	<ul style="list-style-type: none"> Attendance: Approx 6,000 Venue: PNE Coliseum Capacity: 7,000 Event was broadcasted on Indian TV. BC's 30-second tourism commercial was part of the broadcast.
TOIFA Technical Awards	April 5	<p>This event attracted participation from film executives and their teams who were recognized for their technical expertise.</p> <p>This event enabled the Province to hold a program for BC and Indian film executives to share information and network.</p>	<ul style="list-style-type: none"> Attendance: 800 Venue: Vancouver Convention Centre Opportunity for BC representatives to participate in awards program Event is to be broadcasted on Indian TV. BC's 30-second tourism commercial will be part of the broadcast. (TBC) Separate working program was attended by 13 Indian executives and 50 from B.C.
TOIFA Awards Gala	April 6	<p>A celebration of India's film industry and culture primarily aimed at TV production for future broadcast in India and on international ethnic networks (including Canada's).</p> <p>BC produced a 4-minute promotional video, highlighting the ties between BC and India, which was incorporated into the opening act of the Awards show.</p>	<ul style="list-style-type: none"> Attendance: 35,000+ Venue: BC Place Stadium Capacity: 40,000 Opportunity for BC representatives to participate in awards program Event was broadcasted on Indian TV and on ATV in North America on June 16 and BC's 30-second tourism commercial was part of the broadcast Event was re-broadcast by Sony Entertainment on June 23, August 15, and August 20.
Celebrity Travelogue	May / June	A television program, featuring a youth icon, was produced to showcase BC as an exciting travel destination for the younger generation Indian travellers.	<ul style="list-style-type: none"> A variety of BC locations – including Vancouver, Whistler and Victoria – and activities were highlighted. Television program was broadcasted on Indian TV on June 29 and again on June 30. BC's 30-second tourism commercial was part of the broadcast.

Bennett, Coleman and Co Ltd, or known as *The Times of India Group* is the largest mass media company in India with businesses in newspaper, magazines, television stations, radio stations, and on the internet. It is estimated their products reach 90 million people per day.

Regulatory Reform - Key Messages

Jan. 28, 2014

- Reducing red tape for small business is a top priority for government.
- We want entrepreneurs to be able to focus on what matters – creating jobs and spurring innovation.
- We're the first government in Canada to enshrine in law the requirement to publish annual reports about regulatory reform.
- We've reduced regulatory requirements by over 42 per cent since 2001. That's more than 154,000 regulatory requirements off the books – and we've committed to holding the line right through to 2015.
- Our hard work is being acknowledged. This year the Canadian Federation of Independent Business (CFIB) awarded B.C. an 'A' for reducing red tape for the third year in a row.
- As the only province in the country to receive an 'A' grade, we appreciate being a national leader in regulatory reform.
- We were also nominated for a national Golden Scissors Award by CFIB for our work on the Mobile Business Licence program, which allows business to operate across multiple municipalities with a single licence, rather than needing one in each community.
- But we're not going to sit back and let red tape pile up.
- After consulting with the small business community, we recently announced five new priority projects to further reduce red tape in British Columbia.
- These projects include everything from making it easier for entrepreneurs to find out how to start a new restaurant, to simplifying the way to apply for government contracts.
- Our end goal is to ensure that every single regulatory requirement in British Columbia is necessary, meaningful and serves a purpose.
- I believe this is a key ingredient in driving job creation and spurring innovation.

2013/2014 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Regulatory Reform Branch Overview

Revised: May 5, 2014

Issue: Regulatory Reform Branch – 2014/15 Budget and Key Deliverables

Recommended Response:

- The fiscal year 2014/15 budget allocation for the Regulatory Reform Branch is \$745,990 (based on the current branch complement of 5 funded FTEs).
- Since 2001, the Province has reduced regulatory requirements by more than 42 per cent.
- Reducing red tape for small business remains a top priority for government.
- Streamlining and simplifying government processes and reducing the regulatory burden on citizens and businesses are key to ensuring B.C.'s economic competitiveness.
- Regulatory reform reduces the cost and time of doing business in the province, which can be reinvested in the business to create more jobs.
- Modernizing B.C.'s regulatory environment is not just about reducing regulations, it is about transforming the way we do business.
- B.C. is the first jurisdiction in Canada to enact regulatory accountability legislation.
- B.C. is the only province to receive an 'A' rating by the Canadian Federation of Independent Business for its effort to reduce red tape - for the third year in a row.

Background/Status:

As the province's central agency responsible for leading, coordinating and championing regulatory reform in British Columbia, the Regulatory Reform Branch's primary focus is to:

- Support the modernization of British Columbia's regulatory environment.
- Promote the development of clear, simple regulations and policy that encourage prosperity, innovation and economic opportunity while protecting public health, safety and the environment.

2013/2014 Estimates Note

Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

- Support the Core Review in reducing regulatory burden, particularly in key economic sectors.
- Support ministries in streamlining business processes to reduce time and cost for government and the public in administering government programs.
- Ensure a net zero increase in regulatory requirements is achieved from now until 2015.
- Provide transparency and regulatory reform accountability through public consultations and annual reporting.

In its advisory capacity, the Regulatory Reform Branch's primary function is to monitor and publicly report on the province's regulatory requirements count, provide Ministries with expert advice and manage relationships with key external stakeholders, such as the Canadian Federation of Independent Business.

- The fiscal year 2014/15 budget allocation for the Regulatory Reform Branch is \$745,990 (based on the current branch complement of 5 funded FTEs).
 - Discretionary budget: \$220,000
 - Salary budget: \$525,990 based on currently funded FTE complement

Contact:

Executive Director Jackie Hunter Regulatory Reform 250-387-1548

Reviewed by			
Dir:	ED: JH	ADM: KL	DM:

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Cutting Red Tape for Small Business in B.C. Initiative

Revised: February 5, 2014

Issue: Five priorities for continued red tape reduction

Recommended Response:

- B.C. is the only province to receive an 'A' rating by the Canadian Federation of Independent Business (CFIB) for its effort to reduce red tape - for the third year in a row.
- Reducing red tape for small business remains a top priority for government.
- Small businesses throughout B.C. were canvassed to identify five new strategies to further reduce red tape for business owners.
- The projects selected include everything from making it easier for entrepreneurs to find out how to start a new restaurant, to simplifying the way to apply for government contracts under \$250,000.
- The Province is taking steps to reduce red tape for small businesses impacted by a new recycling program which shifts costs from B.C. taxpayers to industry.
- Government intends to introduce a new regulation which will exempt small businesses, that meet certain criteria, from any reporting or recycling costs.

Background/Status:

- In November 2012, the Minister of State for Tourism and Small Business (MoS) met with Laura Jones, Executive Vice President of CFIB, to discuss various small business and regulatory reform issues. During the meeting, Ms. Jones proposed a joint project which would involve identifying and addressing five red tape issues raised by small business owners.
- In January 2013, as part of Red Tape Awareness Week 2013, the MoS formally committed to conducting a joint review with CFIB to identify five specific things government can do to reduce red tape.
- From September through December 2013, Regulatory Reform Branch (RRB) canvassed the small business community to identify the five key projects through a Twitter Town Hall and online surveys.
- On November 1, 2013, RRB met with CFIB to review consultation findings and develop a combined list of red tape reduction projects.

2014/15 Estimates Note

Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

- In January 2014, as part of Red Tape Awareness Week 2014, the MoS announced the final five priority projects to further cut red tape. The projects include:
 - **Procurement for Small Business:** a simplified two-page form for request for proposals to make it easier for small businesses to do business with government on opportunities less than \$250,000.
 - **“How to start a restaurant in B.C.”:** develop an online roadmap that clearly explains to entrepreneurs how to start up and operate a restaurant in B.C. This project will also involve research to find ways to reduce the time a restaurant spends interacting with government.
 - **Regulatory Reform Refresh:** a commitment to develop a plan to refresh the way government is tackling regulatory reform to ensure B.C. remains a national and global leader in minimizing regulatory burden and cutting red tape.
 - **Citizen Centred Web Services:** a commitment to simplify and unify government’s online presence and forms to create quality experiences for citizens and businesses.
 - **WorkSafeBC Strategy:** A WorkSafeBC-led project to simplify registration documents and make improvements to their website to reduce complexity and clarify requirements for small businesses.
- On January 31, 2014, CFIB also released its first annual Paperweight Award, which recognizes agencies that place excess burden on businesses. This year’s award winners were the Federal Temporary Foreign Worker Program and Multi-Material British Columbia (MMBC).
- On February 4, 2014, Government announced that it intends to amend the Recycling Regulation to exempt small businesses from any reporting or recycling costs if they meet any one of the following criteria:
 - Under one million dollars in annual revenues;
 - Under one tonne of packaging and printed paper supplied to B.C. residents; or
 - Operate as a single point of retail sale and are not supplied by or operated as part of franchise, a chain or under a banner.
- MMBC is a not-for-profit stewardship agency developed by producers of packaging and printed paper, for producers of packaging and printed paper, to meet their Extended Producer Responsibility obligations under the Recycling Regulation.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

- MMBC will also be giving an option to businesses for an annual flat fee if they are considered a low volume producer of packaging and printed paper. Businesses producing between one and five tonnes can pay a pre-determined recycling fee and will not have to provide detailed reporting.

Contact:

Executive Director Jackie Hunter Regulatory Reform 250-387-1548

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and Small
Business

Title: Regulatory Reform – Regulatory Count

Revised: April 24, 2014

Issue: Continued commitment to a net zero increase in regulatory requirements to 2015.

Recommended Response:

- Regulatory reform continues to be a key priority for government.
- Government is committed to maintain a net zero increase in regulatory requirements through to 2015.
- Since 2001, government has eliminated over 42 per cent of regulatory requirements while continuing to protect public health, safety and the environment.
- The goal is to make it easier, faster and less costly for citizens and businesses to access government information and services and to comply with regulation.
- To meet government's open data commitments, progress on the regulatory count is reported annually on the Regulatory Reform BC website and our regulatory count data is posted on the DataBC website.

Background/Status:

- In 2001, government committed to reducing the regulatory burden by one-third within three years. A comprehensive count of all regulatory requirements contained in legislation and regulations was conducted to establish a baseline against which to measure and a central database was created to monitor the count.
- In 2001, the baseline count of regulatory requirements was 360,295. By 2004, government surpassed its initial goal, reducing the number of requirements by 131,354 – a 36.5 percent reduction. At that time, a new baseline count of 228,941 regulatory requirements was established and became known as the net zero increase.
- In 2004, government announced it would maintain a net zero increase in the regulatory count through 2008.
- In June 2008, government extended the net zero increase to 2012 and in June 2011, government further extended the net zero increase to 2015.
- As of March 31, 2014 the count was 206,566. Since 2001, government has reduced the number of regulatory requirements by a total of 42.7 percent. This represents a

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
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Business

nearly 10.0 per cent reduction (Actual: -9.8%) in regulatory requirements since establishing the net zero increase in 2004.

Adjustments to Regulatory Baseline Count

- Historically, adjustments to the 2001 and 2004 baselines were made biannually to correct errors and omissions. The last adjustment occurred in December 2010 when the *Regulatory Reporting Act* (2011) was developed. In an effort to maintain the baseline numbers for public reporting no further adjustments have been made. The adjustments equate to less than one percent net change in the baseline and performance reported.
- As the Initiative has matured, counting methodology has improved. The adjustments made to correct errors and omissions ensure the integrity of the regulatory count.

Reporting and Transparency

- To ensure an ongoing commitment to transparency, the regulatory reform initiative reports the regulatory count on its website (www.gov.bc.ca/regulatoryreform) and in the Regulatory Reform Annual Report.
- The Regulatory Reform Annual Report is also published on the website to meet the requirements of the *Regulatory Reporting Act*, which was enacted in November 2011.
- To meet the B.C. Jobs Plan commitment to open information and data, an overview of the count, by ministry, is published on the regulatory reform website. In addition, the data from the regulatory count database is posted on the DataBC website (www.data.gov.bc.ca)

British Columbia's Leadership in Regulatory Reform

- British Columbia (B.C.) is considered an international leader in regulatory reform and our success has been used as a model in other jurisdictions including Ontario, Alberta, New Zealand, California, Mexico, Australia and Scotland.
- In January 2014, the Canadian Federation of Independent Business (CFIB) awarded B.C. its third 'A' grade in regulatory reform, the highest grade of all provinces. CFIB recognized B.C.'s achievements in reducing regulatory requirements by over 42 percent and for legislating regulatory reporting.

Contact:

Executive Director Jackie Hunter Regulatory Reform 250-387-1548

Reviewed by

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and Small
Business

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Regulatory Requirement Count as of March 31, 2014

Baselines		Targets June 2004	Results to				
			Jun 2004	March 31, 2011	March 31, 2012	March 31, 2013	March 31, 2014
June 2001	360,295	-33% by June 2004	228,941 -36.46%	206,228 -42.76%	206,049 -42.81%	206,059 -42.81%	206,566 -42.66%
June 2004	228,941	0% increase to 2015		-9.92%	-10.0%	-10.0%	-9.8%

Results by Ministry

Ministry	Jun 2004 Baseline	Net Change (+ or -)	Count as of Mar 31, 2014	% Increase or Decrease in Requirements since 2004	
Aboriginal Relations & Reconciliation	61	0	61	0.00%	No change
Advanced Education	1,281	8	1,289	0.62%	Increase
Agriculture	3,645	-227	3,418	-6.23%	Decrease
Children & Family Development	8,597	-283	8,314	-3.29%	Decrease
Community, Sport & Cultural Dev	14,286	-2,160	12,126	-15.10%	Decrease
Education	17,607	-3,071	14,536	-17.44%	Decrease
Energy & Mines	9,498	-287	9,211	-3.02%	Decrease
Environment	10,245	-966	9,279	-9.43%	Decrease
Finance	60,885	-3,113	57,772	-5.11%	Decrease
Forests, Lands & NRO	21,192	-4,714	16,478	-22.24%	Decrease
Health	7,410	-1,349	6,061	-18.21%	Decrease
International Trade	925	-32	893	-3.46%	Decrease
Jobs, Tourism & Skills Training	29,150	-3,126	26,024	-10.72%	Decrease
Justice - Attorney General	4,875	206	5,081	4.23%	Increase
Justice - Public Safety & Sol. General	14,976	-1,106	13,870	-7.39%	Decrease
Natural Gas Development	6,202	133	6,335	2.14%	Increase
Premier's Office -Intergovernmental	9	0	9	0.00%	No change
Social Dev & Social Innovation	1,268	27	1,295	2.13%	Increase
Tech, Innovation & Citizens' Services	679	-35	644	-5.15%	Decrease
Transportation & Infrastructure	16,150	-2,280	13,870	-14.12%	Decrease
Total for All Ministries	228,941	-22,375	206,566	-9.8%	Decrease

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and Small
Business

Title: Regulatory Reform Annual Report

Revised: February 5, 2014

Issue: Publication of Regulatory Reform Annual Report by June 30 each year

Recommended Response:

- Under the Regulatory Reporting Act, enacted in 2011, government is required to publish an annual report on its progress with regulatory reform by June 30th each year.
- The Regulatory Reform Annual Report is a cross-government report that provides comprehensive information on corporate regulatory reform activities and programs.
- The 2013/14 Annual Report is being developed with input from all ministries and will be released on the Regulatory Reform website (www.gov.bc.ca/regulatoryreform) by June 30, 2014.
- This is the third year the annual report will be published.

Background/Status:

- Under the *Regulatory Reporting Act* (RRA), enacted in 2011, government is required to publish an annual report on its progress with regulatory reform by June 30th each year.
- If the report is not posted by June 30th of each year, the Minister must release a public statement providing a rationale for the delay, as required under section 1(4) of the RRA.
- The RRA requires that the report include the following information:
 - goals and objectives of government's regulatory reform initiative;
 - number of regulatory requirements (the count) as of March 31st;
 - an explanation of the count and the methodology used to determine the count;
 - a historical comparison of the number of regulatory requirements; and
 - an overview of government's regulatory reform initiatives undertaken during the fiscal year ending on March 31st .

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour

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

- The 2013/14 Regulatory Reform Annual Report is currently under development with input from all ministries and from Government Communications and Public Engagement staff.

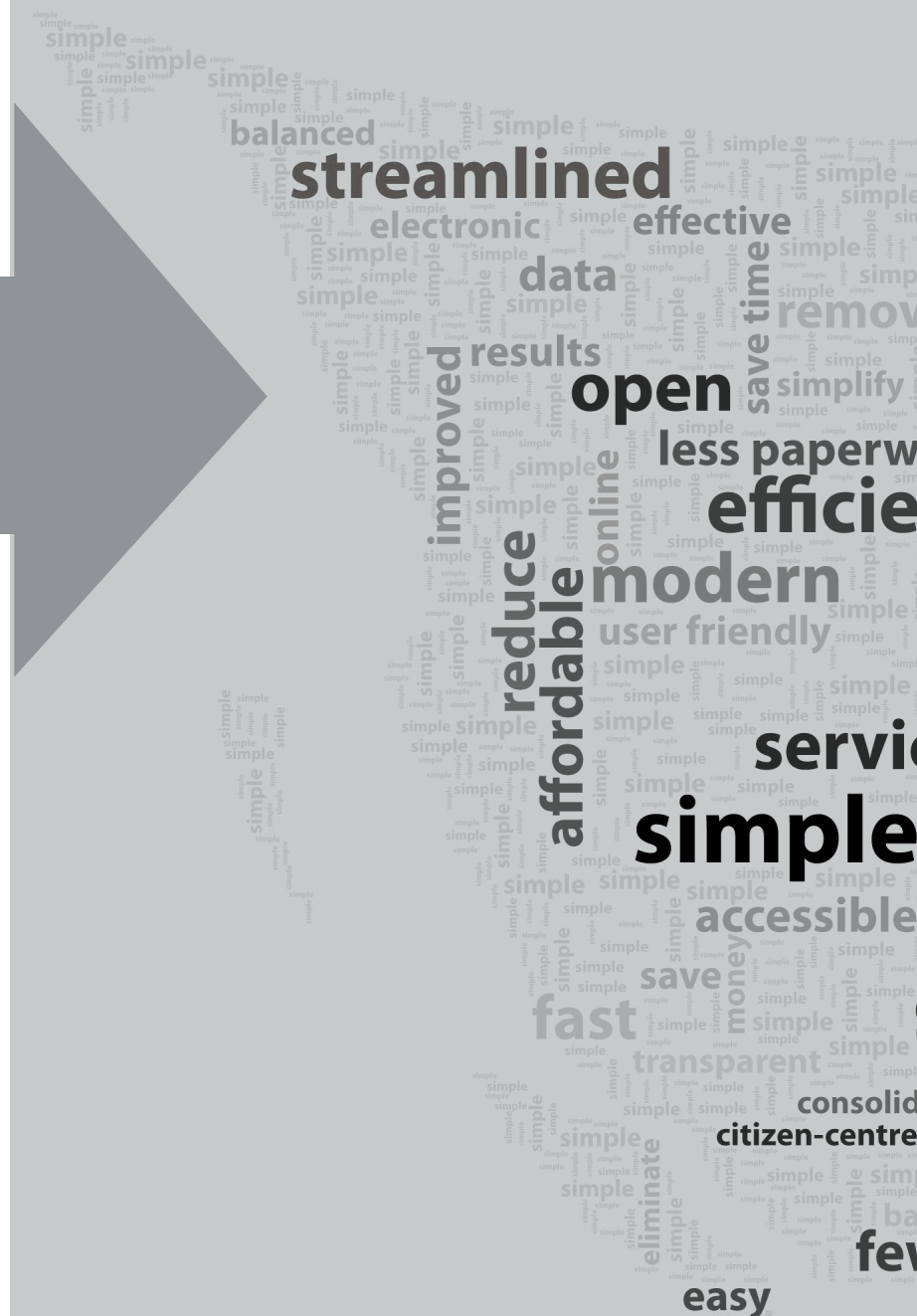
Contact:

Executive Director Jackie Hunter Regulatory Reform 250-387-1548

REGULATORY REFORM BC

ACHIEVING A MODERN REGULATORY ENVIRONMENT
B.C.'s REGULATORY REFORM INITIATIVE

SECOND ANNUAL REPORT
2012/2013



< "British
Columbia is the
only province
that has
demonstrated
a sustained
commitment to
measuring red
tape." >

*Laura Jones,
Canadian Federation of
Independent Business*

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MESSAGE FROM THE MINISTER



Honourable Shirley Bond

Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour

British Columbia is leading the way in the fight against unnecessary red tape and regulatory requirements. We are the first jurisdiction to put into law the requirement to report annually on regulatory reform, and this Annual Regulatory Reform report is part of that commitment.

As part of Canada Starts Here: The BC Jobs Plan, we have committed to follow through with smart regulation. We have expanded the Mobile Business Licence program into 12 more communities in B.C. By purchasing a Mobile Business Licence, certain businesses can operate in multiple municipalities without having to purchase a business licence for each municipality they operate in, saving them time and money.

We have also reduced regulatory requirements by over 42 per cent since 2001, and will ensure no increases in the number of requirements through to 2015. We have accomplished many regulatory reform goals during the last year, and we are pleased to present them in the Annual Regulatory Reform Report.

The time business owners spend filling out forms is time away from focusing on and growing their businesses. Our government is committed to developing a streamlined regulatory environment so citizens and businesses can operate more efficiently and effectively. This type of regulatory environment is the foundation for strategies that enhance competitiveness and

innovation and attract investment to build a vibrant and self-sustaining economy that benefits all British Columbians.

B.C. has maintained its triple-A credit rating and our commitment to regulatory reform is a key part of that. Moving forward, we will continue to be recognized as a world leader in regulatory reform as we remain committed to streamlining government processes and reducing the regulatory burden on citizens and small business owners.

The small business sector forms the backbone of British Columbia's communities and its economy. Small business makes up 98 per cent of all businesses, employs over one million people and generates approximately 29 per cent of B.C.'s gross domestic product.

One of the key barriers that small business owners and operators face is unnecessary red tape and regulatory requirements. We understand that red tape is not always the result of regulations. It is often the little things, like an overly complex form or information that is too technical and difficult to understand that frustrates businesses and causes delays and misinterpretations that can be costly to business.

The Province remains committed to reducing

these barriers to make B.C. the most business-friendly jurisdiction in Canada. Since 2001, we have reduced regulatory requirements by 42 per cent and have committed to a net-zero regulatory gain up to 2015.

Our Province enacted the *Regulatory Reporting Act* in November 2011, and this Annual Regulatory Reform Report is the second report as part of that legislation. This report highlights the Province's achievements in regulatory reform reduction over the past year, showing how and where we are making changes to improve B.C.'s business climate.

This report will show that not only does cutting red tape benefit businesses; it also

Honourable Naomi Yamamoto

Minister of State for Tourism and Small Business

benefits the citizens of British Columbia. For example, the Province has implemented changes that benefit citizens, including improvements to the Bus Pass and Provincial Nominee programs, a new time frame for labour dispute resolution, and adoption services information that's more easily accessible.

We have done some great work in cutting red tape and making B.C. the most business-friendly jurisdiction in Canada, but there is still much to do. B.C. has maintained its "A" rating with the Canadian Federation of Independent Business (CFIB) in 2013 for regulatory reform, and government continues to work with CFIB to find new, innovative ways to reduce unnecessary red tape even further.



GOAL OF REGULATORY REFORM

The overarching goal of British Columbia's regulatory reform initiative is to enhance the lives of all British Columbians by eliminating unnecessary red tape, minimizing the time and cost for citizens and businesses accessing government services or complying with regulatory requirements. A streamlined regulatory environment attracts new investments to the province and encourages growth and innovation in the business community, which creates new jobs to the benefit of all British Columbians.

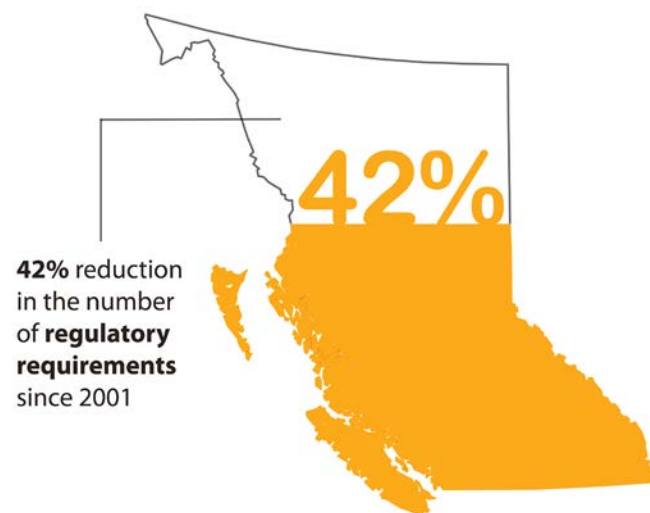
From 2001 to 2013, B.C. has focused on the development of comprehensive strategies to improve regulatory systems on the following four fronts:

- > **Measuring progress:** Reducing and capping the number of regulatory requirements, while maintaining those that protect public health, safety and the environment.
- > **Red tape reduction:** Reducing red tape through streamlining, clarifying and simplifying regulatory requirements and related business processes to reduce the time and cost of compliance and accessing government information and services.
- > **Open government & citizen engagement:** Establishing a policy of open government and open information to expand access to government information and provide opportunities for citizens to participate in finding solutions.
- > **Partnerships:** Working with federal, provincial and local governments to reduce duplication and establish coordinated and efficient processes.

DELIVERING ON OUR COMMITMENTS

In June 2012, B.C. released the first report on its regulatory reform program — *"Achieving a Modern Regulatory Environment, B.C.'s Regulatory Reform Initiative — First Annual Report 2011-2012."* The report described B.C.'s regulatory reform vision and the projects and initiatives from past years that help create a modern regulatory environment. The report also outlined key commitments government would pursue to continue reducing the regulatory burden on citizens and businesses.

The Second Annual Report presents an overview of the results achieved in meeting our commitments over the past fiscal year (2012/2013), and highlights initiatives planned for the coming years to accelerate B.C.'s progress in achieving a modern, streamlined regulatory environment. The report delivers on the B.C. government's commitment to accountability and transparency in its regulatory reform program.



DELIVERING ON OUR COMMITMENTS

1. Measurement and Accountability

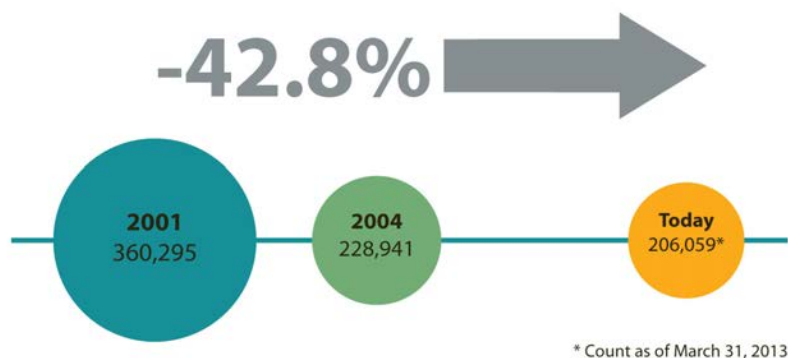
The foundation of B.C.'s regulatory reform initiative has been establishing a count of all regulatory requirements imposed, eliminating unnecessary requirements and implementing measures to maintain the gains in regulatory reductions overtime.

Since 2001, B.C. has eliminated over 42 per cent of regulatory requirements while continuing to protect public health, safety and the environment.

To maintain this achievement, the B.C. government implemented a policy of a zero net increase in the count of regulatory requirements, measured against the 2004 baseline count, until 2015.

The B.C. government continues to exceed its regulatory count goal, having achieved a further 10 per cent reduction from the 2004 baseline count, for a total reduction of 42.8 per cent since 2001.

OUR PROGRESS



PROGRESS ON MEASUREMENT AND ACCOUNTABILITY

2011/12 Commitments	Status	2012/13 Achievements
> Update the Regulatory Reform BC website to enhance transparency of the Regulatory Reform program.	Achieved	The Regulatory Reform BC website has been revised to provide more comprehensive information and achieve full transparency on B.C.'s regulatory reform program. The website includes access to the regulatory count database, a summary of the regulatory count by ministry, and a "Have Your Say" function that invites the public to identify and comment on burdensome or overly complex regulatory requirements.
> Maintain a net zero regulatory gain until 2015.	On Track	In 2013, we successfully achieved net zero increase of regulatory requirements. Our total reduction in regulatory requirements since 2001 stands at 42.8 per cent. For more information, see Regulatory Count .
> Develop a meaningful measure of the overall regulatory burden.	On Track	Following a review of international best practices, it became clear that all three commitments must be considered as a whole. A discussion paper is being developed that explores various options to address all three issues. A public consultation process will be undertaken in the coming year.
> Establish process for regular reviews of legislation and regulations.	On Track	
> Develop outcome based performance specifications for provincial regulatory processes.	On Track	

DELIVERING ON OUR COMMITMENTS

2. Streamlining, Simplifying and Clarifying Government Processes

Since 2006, the B.C. government has focussed on finding ways to simplify and streamline business processes to reduce government costs and to make it easier to access government programs and services, or to comply with regulatory requirements.

Considerable progress has been made over the past year on streamlining initiatives. Through Citizen Centred Regulatory Reform (CCRR) and Lean initiatives, B.C. has made significant progress in streamlining government processes and reducing regulatory requirements to eliminate unnecessary red tape.

Citizen Centred Regulatory Reform

The CCRR program is at the heart of our red tape reduction initiatives. It's about reviewing government requirements and business processes from the citizen's or business' point of view to understand and improve their experience with government.

Since 2006, 86 CCRR projects have been completed and many are still underway, which over time will have a significant impact on reducing the overall regulatory burden in B.C.

Lean Initiatives

The B.C. government has adopted a Lean culture. Lean is a collection of principles, methods and tools that improve the speed and efficiency of processes by maximizing the flow of activities from the client's perspective.

As outlined on the following pages, government has worked to identify bold innovations to provide services based on the needs of British Columbians.

PROGRESS ON STREAMLINING

2011/12 Commitments	Status	2012/13 Achievements
> Continue to apply the principles of smart regulation to legislative and regulatory development processes.	Achieved	The regulatory policy checklist continues to be applied to all proposed legislative and regulatory changes.
> Develop in-house expertise in continuous improvement methodology and business process mapping to assist all ministries in completing business streamlining processes.	Achieved	Regulatory Reform BC staff completed training in continuous improvement and are actively assisting other ministries in business streamlining projects.
> Adopt and apply Lean as a methodology to support a culture of continuous improvement. This will include identifying Lean projects across government that may lead to reductions in cost for government and improvements in service delivery for the public.	On Track	Ministries across government have undertaken over 47 Lean projects, each with the goal of improving customer satisfaction, increasing staff engagement and improving business performance. Completion of the projects will streamline delivery of government programs and services. In six months, Lean training was provided to over 5000 public servants. This is helping to build the awareness, knowledge and skills necessary to drive a culture of Lean where employees come to work every day asking how they can improve processes.

Citizen Centred Regulatory Reform

A complete list of [CCRR projects](#) is available on our website. The following are some examples of projects completed in 2012.

> **Better Complaint Policy and Adoption Information** — The Ministry of Children and Family Development created new, easy to navigate online resources to support its [complaints process](#) and [adoption services](#). The ministry complaints policy is now consistent across all program areas and new user-friendly brochures help explain the policy in plain language. The adoption services site has a new friendlier layout that makes it easier for the public to navigate and find the information they need.

> **Clear and Accessible Corporate Law for Financial Institutions** — The Ministry of Finance broadened the application of the *Business Corporations Act* to B.C. trust and insurance companies, allowing them to reap the benefits of a streamlined, clear and modern corporate framework. Credit unions have similarly been provided with a corporate framework in a transparent and accessible form, in their own stand-alone Act. B.C. financial institutions no longer have to wade through a web of cross-references in a repealed Act to find the specific provisions that are applicable to them.

> **Mortgage Brokers Electronic Filing System** — Mortgage and sub mortgage brokers can now file and pay online for registrations, renewals, amendments, transfers and terminations under the *Mortgage Brokers Act*. This new [mortgage broker electronic filing system](#) reduces time and errors and improves service for registrants and applicants. The service replaces paper forms that would otherwise be required and reduces processing times.

> **New Time Frame for Dispute Resolution** — The Ministry of Jobs, Tourism and Skills Training established a 180-day statutory time limit for all decisions made by the B.C. Labour Relations Board, decisions which could previously have taken up to a year or more. The [B.C. Labour Relations Board](#) is an independent, administrative tribunal with the mandate to mediate and adjudicate employment and labour relations matters related to unionized workplaces. The new statutory time limit will ensure timely resolution of workplace disputes.

> **WorkSafeBC** — [WorkSafeBC](#) has improved its services to small business owners by providing clear, concise, easy-to-understand information to those navigating the WorkSafeBC system. By creating a small business liaison “one-call” phone number and email address, small businesses can now direct questions or comments on the Fairness and Service Code or concerns about other related matters to [wearelistening@worksafebc.com](#) or toll-free at 1-855-214-5438.

A streamlined regulatory environment is crucial to attracting new investments to the province. It encourages growth and innovation in the business community, which creates new jobs that benefit all British Columbians.

Lean Initiatives

A few examples of Lean projects currently underway across government include:

- > **Bus Pass Program** — The Ministry of Social Development and Social Innovation implemented changes that have improved the call-answer ratio for the bus pass program renewal period by 50 per cent and decreased call demand by 46 per cent. Over 3,700 bus pass email requests were responded to within 24 hours.
- > **Conservation Office Call Intake & Resolution** — The Ministry of Environment has been working to address public confusion and frustration about which government agency to contact to address emergency and non-emergency issues, including environmental issues such as wildlife control and pollution incidents. The project has reduced the time and costs associated with resolving and tracking calls, improved the quality of decision making and data collection, and most importantly, has ensured calls are routed to the right service centers and that the correct actions are taken in a timely manner.
- > **Emergency Medical Assistance Licensing** — The Ministry of Health has improved its processes for delivering licensing exams, issuing licences and managing patient care complaints for first responders and paramedics. Enhancements allow clients to have their licences renewed 77 per cent faster and spend two minutes instead of 20 on pre-exam administrative tasks, a savings of about 450 hours annually.
- > **Streamlining Provincial Nominee Program** — The Ministry of Jobs, Tourism and Skills Training has streamlined application and decision making processes for the Provincial Nominee Program. The project improved operational efficiency and client service by simplifying submission requirements, reducing processing bottlenecks, and informing planning for IT system upgrades. As a result, the program has reduced nearly 60 per cent of the steps previously required during business immigration and reduced the time it takes to inform clients of an application decision by an average of five business days.
- > **Verification & Audit Improvement** — The Ministry of Children and Family Development has streamlined the verification and audit functions of its transactional programs, including the child-care subsidy program which supports approximately 50,000 children each year through approximately 12,000 child care providers. As a result, the project will provide better service to clients through improved business processes, will increase organizational wellness and productivity, and achieve a 50 per cent reduction in processing time, including a 60 per cent reduction in backlogged files.

improved
service
simple
effective
transparent
consolidated
citizen-centred
fewer steps
eliminate
easy

DELIVERING ON OUR COMMITMENTS

3. Open Government and Citizen Engagement

The B.C. government recognizes the importance and value of consulting with business, industry and community leaders when developing strategies that will position British Columbia to thrive now and in the future. In a modern regulatory environment, regulation is a shared responsibility where we can all provide input on identifying balanced regulatory solutions.

Along with public consultations, it is equally important that the Province ensure open and accountable governance. In July 2011, B.C. was the first province in Canada to implement an open data strategy to give the public free access to government data. The public can now find information on topics such as municipal taxes, carbon emissions and high school graduation rates. Providing free access to government information allows the public to make informed decisions, research topics of interest, or undertake statistical analysis more efficiently and effectively than ever before.

SERVICE DELIVERY AT ITS BEST...

Child Support Wage Deductions Easier for Small Businesses

An online calculator and secure e-messaging system is now available to help businesses comply with family maintenance enforcement’s complex wage attachments. The new tool provides a quick and accurate calculator for businesses to determine the amount of deductions and forward payments needed, effectively reducing the risk of human error. The tool also reduces processing time for payroll staff by about 15 minutes per case, bringing the total time savings across the business community to approximately 5,000 hours per year.

PROGRESS ON OPEN GOVERNMENT & CITIZEN ENGAGEMENT

2011/12 Commitments	Status	2012/13 Achievements
> Continue to refine citizen engagement processes to foster an open collaborative relationship with the public and invite the public to participate in the decision making process.	Achieved	In July 2012, government launched GovTogetherBC , bringing together public engagement opportunities from across government. Over the past year, GovTogetherBC launched 69 consultations reaching thousands of British Columbians. In addition, B.C. was recognized for its leadership in open government with awards from the Institute of Public Administration and GTEC, and was benchmarked as the leading Canadian provincial government in online services and open government by the Waterloo-based Stratford Institute.
> Expand the information available on the Open Data website, including providing access to the Regulatory Requirements Count Database.	Achieved	Since March 2012, 142 data sets have been added to the DataBC Catalogue, bringing the total to 3,112. This includes the Regulatory Requirements Count Database which was added in January 2013.

Citizen Engagement

A complete list of citizen engagement initiatives is available at [GovTogetherBC](#). The following highlights a few specific consultations with a focus on government reforms and red tape reduction.

> **B.C. Small Business Accord** — In October 2012, the Province began an extensive consultation process to develop the B.C. Small Business Accord. Over 35,000 individuals provided feedback through community meetings, an online survey and the #BCBizChat Twitter town hall. A B.C. Small Business Accord forum, made up of 15 business owners/operators from various regions and sectors around B.C., used the feedback from the consultation period to finalize the Accord principles and establish action items for the provincial government. The [B.C. Small Business Accord](#) and related action items were released in March 2013. The Accord consists of a set of principles to guide government to ensure it is doing all it can to support small business. It is a commitment to improve our interactions with small business and ensure government initiatives and services consider the needs of small business.

> **B.C. Justice Reform Initiative** — Since February 2012, the government of B.C. has been reforming B.C.'s justice system. Recognizing the importance of engaging citizens in this process, the public and those who work in the justice system were invited to share their views and comments to help shape the recommendations. Input was received from March to July 2012

through a number of online channels and social media forums to help shape government's overall vision for a transparent, timely, and balanced justice system. Since consultations have closed, two [White Papers on Justice Reform](#) and a [Final Report](#) on B.C.'s Justice System have been released which provide recommendations for a more accessible, modernized justice system.

> **Limitation Act** — Over the past five years, government has undertaken extensive research and stakeholder discussions with over 300 individuals, consumer groups, businesses, and legal and health-care professionals to modernize the *Limitation Act*. As a result, a new law that sets the amount of time people have to file civil lawsuits came into effect on June 1, 2013. There is now a single, two-year limitation period for most civil claims, such as those that involve personal injury. For legal matters that may not be discovered right away, people have up to 15 years to discover and file most civil lawsuits. These reforms are consistent with reforms happening throughout Canada. They simplify and clarify the law, while ensuring that people have enough time to become aware of their legal claim, consult with a lawyer and file a lawsuit.

< We are in the business to create the most small business friendly jurisdiction in Canada. >

DELIVERING ON OUR COMMITMENTS

4. Reducing the Burden Imposed by Governments

Another key strategy in B.C.'s regulatory reform program is to work with other local, provincial and federal governments to develop a coordinated approach to regulation. These partnerships are important relationships for governments. They support harmonized strategies for goals of mutual interest, the opportunity to learn from other's experiences, improve government, and can result in reducing the overall regulatory burden on B.C. citizens and businesses.

The projects highlighted below are some examples of our continued efforts in developing partnerships that benefit all British Columbians.

- > **Consolidated Commercial Vehicle Website** — [The New West Partnership Commercial Vehicle Website](#) was launched in June 2012. The Ministry of Transportation and Infrastructure, together with the Province of Alberta's Ministry of Transportation and Saskatchewan's Ministry of Highways and Infrastructure, created a single user-friendly website for the trucking industry to access information on permits, routes and other commercial vehicle information. The Ministry of Transportation and Infrastructure estimates the site will reduce time spent accessing information by a minimum of 65 per cent.

PROGRESS ON REDUCING BURDEN

2011/12 Commitments	Status	2012/13 Achievements
> Continue to work with local governments and business organizations to expand Mobile Business Licence (MBL) agreements. In 2012/13, our goal is to increase the number of MBL agreements in B.C. from six to eight.	Achieved	In November 2012, nine municipalities in the Fraser Valley agreed to pilot an inter-municipal licence agreement. This was followed in December by a similar announcement from the municipalities of Coquitlam, Port Coquitlam and Port Moody.
> Reduce the overlap of federal, provincial and local government regulatory requirements. Establish cross-ministry teams to identify areas where federal, provincial and local government regulatory requirements overlap in key sectors, and through consultations, work towards co-ordinated, streamlined processes.	On Track	B.C. has continued its partnership with local, federal and provincial governments in supporting and expanding the MBL program, BizPaL, and Domestic Trade Agreements.

harmonized
integrated

modern

Cross-Government Partnerships

> **Mobile Business Licence** — A partnership among provincial and municipal governments, the Mobile Business Licence (MBL) is designed to cut through red tape by allowing mobile businesses such as contractors, photographers, and caterers to operate their business across multiple participating municipalities by purchasing one business licence, rather than separate non-resident business licences in each municipality. This year, B.C.'s MBL program has expanded with the addition of the Fraser Valley agreement and the Tri-Cities agreement. As of March 31, 2013, the following MBL agreements are currently in place:

- Courtenay/Comox: Two communities
- Cowichan Lake area: Four communities
- Fraser Valley area: Nine communities (new)
- Greater Victoria: 13 communities
- North/West Vancouver area: Three communities
- Okanagan-Similkameen area: 19 communities
- Trail area: Five communities
- Tri-Cities area: Three communities (new)

> **BizPaL — *Business Permit and Licence Program*** – BizPaL provides businesses with a

“road map” to government requirements. Since it is the responsibility of business owners to correctly identify their permit and licensing obligations, this online tool streamlines the first steps in an often confusing and burdensome process. Businesses no longer have to contact multiple levels of government to acquire the various permits and licences; everything they need to know is located in one convenient place. The checklist generated by BizPaL takes approximately 20 to 30 minutes of a user's time. Without the tool the same results would take as much as a full day of research. The service is the result of a strong collaboration between the Government of British Columbia, the Government of Canada and the 112 local governments who currently participate in B.C.

> **OpportunitiesBC** — [OpportunitiesBC](#) is an online searchable database where B.C. companies and economic development officers list possible business opportunities to connect with foreign investors and potential immigrants interested in doing business in the province. The online tool is an example of how local governments are working with the B.C. government to streamline access to investment opportunities throughout the Province to attract more foreign investment to B.C.

DELIVERING ON OUR COMMITMENTS

5. Reintroducing the Provincial Sales Tax

The B.C. government recognized that the re-introduction of the Provincial Sales Tax (PST) would present significant challenges for the business community. Following extensive consultations, the new *Provincial Sales Tax Act*, was substantially rewritten so it is easier to understand and comply with than the previous PST legislation.

The Ministry of Finance also undertook an extensive outreach program, to ensure the business community had the right information to make the transition to the PST as smooth as possible.

- > **Provincial Sales Tax website:** Numerous simple, clear, plain language public information documents were posted online.
- > **Call Centre and CTBTaxQuestions:** Responded to over 72,000 questions from business and taxpayers.
- > **Seminars:** Presented 105 PST seminars to approximately 3,578 participants.
- > **Webinars:** Hosted 17 PST webinars to 1,796 attendees.
- > **One-on-One Consultations:** Responded to 1,896 requests for individual time with a tax specialist.
- > **Registration Call-Out:** Calls were made to businesses that had not responded to the mailings or had not registered. To date, over 116,500 businesses have been contacted.
- > **Newspaper and online advertisements** were placed to remind businesses to register prior to April 1, 2013.

PROGRESS ON PST

2011/12 Commitments	Status	2012/13 Achievements
> Provide online access for businesses, including the ability to register, update their account, and make payments.	Achieved	In January 2013, government created a new online service — eTaxBC for online registration, tax return filing and payment and account maintenance. Approximately 87 per cent of the applications for registrations have been submitted online, with 80 per cent of those registrants signing up for online tax return filing and payment.
> Make the due date for tax returns and payment the last day of the month to match GST remittances dates.	Achieved	Tax remittances and payments are now due the last day of the month. Matching the GST remittance dates simplifies administration for businesses.
> Incorporate the Hotel Room Tax into the Provincial Sales Tax	Achieved	The Provincial Sales Tax Act , as enacted in May 2012, includes the Hotel Room Tax. There is no separate registration and tax remittance process, making it simpler for business. Note: The Municipal and Regional District Tax (1 per cent or 2 per cent for some regions) is still a separate tax return process because it is collected on behalf of other governments. However, businesses can file and pay electronically through eTaxBC .
> Business to register using their federal business registration.	Achieved	As of January 2013, businesses can register using their federal business number. If registration is online, once the federal registration number is entered, businesses have the option of using a pre-populated screen with basic information. This reduces the time and complexity for business.
> Allow retailers to refund tax to customers in a broader range of circumstances.	Achieved	Retailers are now authorized to refund tax erroneously collected from customers who were eligible for an exemption, or to correct billing errors. For information on circumstances where tax may be refunded, see the Provincial Sales Tax website .

6. Streamlining Regional District Land-Use Bylaw Approvals

The previous Annual Report outlined a multiple-year pilot project to streamline the bylaw approval process for regional districts' land-use bylaws, including Official Community Plans (OCPs) and zoning bylaws. The pilot was to allow the B.C. government to test a streamlined approach to assist regional districts better serve citizens, businesses and communities.

Currently, 11 regional districts are participating in this project. Ministerial approval for land-use by laws in participating regions has been temporarily eliminated, respecting local government autonomy and accountability, and significantly reducing the regulatory burden. Approximately 100 bylaws from participating regional districts have been expedited under this process, saving them an estimated three to six weeks in the bylaw approval process.

Interim evaluations of the pilot project indicate it has been extremely successful. Although originally scheduled as a two-year pilot, it has now been extended to February 2015.

less paperwork

efficient

modern

accessible

data

open

COMMITMENTS GOING FORWARD

1. Measurement and Accountability

- > Continue to maintain a net zero increase in the regulatory requirements count until 2015.
- > Continue to update the [Regulatory Reform BC website](#) with information on the regulatory requirements count and produce the annual report on B.C.'s Regulatory Reform Initiative.
- > Develop outcome-based performance specifications for provincial regulatory processes.

2. Streamlining, Simplifying and Clarifying Government Processes

- > Continue to apply the principles of smart regulation, lean principles and citizen-centred reform in provincial government legislative and regulatory development processes, including working with the Canadian Federation of Independent Business on five priorities for continued red-tape reduction.

3. Open Government and Public Engagement

- > Continue to refine citizen engagement efforts to identify burdensome or overly complex regulatory requirements to achieve a more open and streamlined regulatory environment.
- > Ensure up-to-date regulatory requirements data is available online at www.data.gov.bc.ca.

4. Reducing the Burden Imposed by Governments

- > Seek opportunities to generate greater awareness of small business needs and identify and address regulatory challenges and red tape within federal, provincial and local governments.
- > Continue to promote BizPaL and the MBL program to help communities streamline services for small businesses.

CONCLUSION

Reducing red tape is one of the most important ways government can support a thriving business environment and improve services for citizens. The government of B.C. has shown a continued commitment to this goal. Through greater regulatory coordination with other governments, more streamlined processes for businesses, greater openness and transparency in our regulatory reporting and a continued commitment to citizen-centred reform, B.C. is well on its way to achieving a modern regulatory environment and becoming the most business-friendly jurisdiction in the country.

Over the past year, B.C. has undertaken key initiatives to streamline access to information for the trucking industry, implemented a statutory time-limit on labour relations decisions and employed client-centred approaches to programs such as the Bus Pass Program and Provincial Nominee Program. Through the initiatives outlined in this report, B.C. will achieve significant reductions in costs for government and the public, improvements in service delivery and increased job creation.

B.C. continues to enjoy an international reputation as a leader in regulatory reform, and is frequently consulted by other Canadian and foreign jurisdictions. In January 2013, the Canadian Federation of Independent Business recognized B.C.'s efforts by granting the B.C. government an "A" rating in regulatory reforms, the highest rating granted to any Canadian jurisdiction.

Going forward, the government of B.C. will continue its focus on reducing regulatory barriers for citizens and businesses to build on our long-term prosperity.

Red tape is not always the result of regulations. It is often the little things, like an overly complex form or information that is too technical and difficult to understand that frustrates businesses and causes delays and misinterpretation that can be costly to business.

service
effective
fast
save money

APPENDIX

List of Websites Referenced

Website

B.C. Government

B.C. Justice Reform Initiative

B.C. Labour Relations Board

BizPalBC

Canada Starts Here: the BC Jobs Plan

Commercial Vehicle Safety and Enforcement

DataBC

eTaxBC

Foreign Affairs and International Trade Canada

GovTogetherBC

JusticeBC

Ministry of Children and Family Development, Complaints Process

Ministry of Children and Family Development, Adoption Services

Provincial Sales Tax (PST)

Mortgage Broker Electronic Filing System

New West Partnership Commercial Vehicle Website

OpportunitiesBC

Regulatory Reform BC

WorkSafeBC

Link

www.gov.bc.ca

<http://www.ag.gov.bc.ca/justice-reform-initiatives/index.htm>

www.lrb.bc.ca

www.BCBizPal.ca

www.bcjobsplan.ca

www.cvse.ca/CTPM/Com_Circulars/compliance_circulars.htm

www.data.gov.bc.ca

www.etax.gov.bc.ca

<http://www.international.gc.ca/international/index.aspx?lang=eng&view=d>

www.govtogetherbc.ca

www.justicebc.ca

<http://www.mcf.gov.bc.ca/complaints/index.htm>

<http://www.mcf.gov.bc.ca/adoption/index.htm>

www.gov.bc.ca/PST

<https://mb-efile.fic.gov.bc.ca/>

<http://www.th.gov.bc.ca/NewWestPartnership/>

www.opportunitiesbc.ca

www.gov.bc.ca/regulatoryreformbc

www.worksafebc.com



2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: *Regulatory Reporting Act*

Revised: February 5, 2014

Issue: Regulatory Accountability Legislation

Recommended Response:

- The Regulatory Reporting Act, enacted in 2011, institutionalizes accountability and transparency of regulatory reform activities and fulfils a commitment made in Canada Starts Here: The B.C. Jobs Plan.
- The passing of the Regulatory Reporting Act re-affirms British Columbia's commitment and leadership on regulatory reform.
- British Columbia is the first province in Canada to enshrine in law a commitment to publish an annual provincial report on regulatory accountability.
- Under the Regulatory Reporting Act, the first annual report was published in June 2012. The third annual report is under development and will be posted to the Regulatory Reform BC website by June 30th, 2014.

Background/Status:

- In June 22, 2011, the Minister responsible for Regulatory Reform announced British Columbia (B.C.) would enshrine in law a commitment to publish an annual provincial report on regulatory accountability.
- On November 24, 2011, government enacted the Regulatory Reporting Act which requires government to produce an annual report on its progress in regulatory reform, by June 30th of each year.
- Under the related regulations, each report must include the following information:
 - goals and objectives of government's regulatory reform initiative;
 - number of regulatory requirements (the count) as of March 31st, of the year in question;
 - an explanation of the count and the methodology used to determine the count;
 - a historical comparison of the number of regulatory requirements; and
 - an overview of government's regulatory reform initiatives undertaken during the fiscal year ending on March 31st.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

- The objective of annual regulatory reform reporting is to:
 - institutionalize government's accountability for regulatory reform;
 - increase transparency of regulatory reform progress and achievements;
and
 - demonstrate government's ongoing commitment to reduce the regulatory burden on citizens and businesses.
- In 2011, B. C. was the first province to enshrine in law the requirement to publish annual reports about progress made on regulatory reform. Following B.C.'s lead Saskatchewan enacted their regulatory reform legislation in 2013 and the Government of Canada announced on January 29, 2014 it would introduce the Red Tape Reduction Act (Bill C-21) to enshrine a one for one requirement replacement principle into law. At this time, Regulatory Reform Branch is unaware of any other Canadian jurisdiction considering similar legislation.

Contact:

Executive Director Jackie Hunter Regulatory Reform 250-387-1548

Fact Sheet Small Business

April 28, 2014

Small Business in BC

- Small businesses make up 98 per cent of all businesses in B.C.
- Small businesses provides 55 per cent of all private-sector jobs
- Small businesses employ more than one million British Columbians.
- Small businesses generate 26 per cent of the province's GDP.

BC Small Business Accord

- Announced in 2013, the Accord commits government to doing all it can to create the most small business friendly jurisdiction in Canada.

Small Business taxes

- In 2008, government cut the small-business corporate income tax rate from 4.5 to 2.5 per cent – a 44 per cent reduction.
- This remains the third lowest rate in Canada, and we are committed to lowering the rate by a further 40 per cent under the BC Jobs Plan.

Red Tape Reduction / Regulatory reform

- B.C. is No. 1 in the country for regulatory reform.
- Since 2001 we have reduced red tape by 42.8%
- In January 2013, the Canadian Federation of Independent Business gave B.C. an "A" for regulatory reform – the only province in Canada to receive an "A."
- Red-Tape Awareness Week, sponsored by CFIB, was Jan 27-31, 2014.
- We have expanded the Mobile Business Licence program to make it easier for those who operate in multiple municipalities to focus on their business.
 - There are now 10 MBL agreements throughout the province involving a total of 69 communities.
 - The 10 agreements include; Metro West, Tri-Cities, Fraser Valley, Okanagan-Similkameen, Trail, Courtenay-Comox, North-West Vancouver, Cowichan Valley, the Capital Region and Central Vancouver Island.
- Our Small Business – Doing Business with Government Project has consulted across the province and reported on ways that we can take down barriers and increase the number of contracts small business gets with government by 20 per cent.

FACTSHEET
Small Business: Top 10 Initiatives
April 24, 2014

To make B.C. the most small-business friendly province in Canada, government supports the following actions to make it easier for business to do business:

1. We have implemented the BC Small Business Accord to guide government interactions with small business.

- Developed after consulting the small-business community, the Accord outlines six key principles that guide government interactions with small business owners, to reduce the complexity small business can face when dealing with government.
- Government will: continue to deliver key action items resulting from the Accord consultation work, such as the recently launched MentorshipBC mentoring portal; continue to work on building Small Business Awareness of government programs and initiatives; increase procurement opportunities for small business; develop a mobile trainers program; and extend key training opportunities.

2. We ensure that small businesses have access to the information, tools and resources they need to thrive through B.C.'s premiere resource centre, Small Business BC.

- We help to fund Small Business BC, British Columbia's premiere resource centre for business information and services relating to starting, growing, or exiting a small business.
- Small Business BC also has a partnership agreement with Community Futures, to ensure all areas of the province can access their services.
- Funded by the provincial and federal governments, Small Business BC exemplifies governments working together to provide small business with seamless, co-ordinated access to information, services and tools.

3. We continue to streamline and simplify government processes to reduce the regulatory burden on small businesses.

- We have overseen a 42 per cent reduction in the number of regulatory requirements since 2001.
- Have your Say – allows small businesses and the public to submit comments and recommendations on overly complex or burdensome processes and identify specific red tape irritants.
- B.C.'s leadership in regulatory reform has been widely recognized, including receiving the highest provincial mark (A) from the Canadian Federation of Independent Business.

4. We are committed to continuing to reduce taxes for small businesses.

- We have reduced the Small Business Corporate Tax Rate to 2.5 per cent from 4.5 per cent since 2001 and have increased the threshold at which the small business rate applies to \$500,000 from \$300,000.

- We are giving small business owners a further 40 per cent tax cut by lowering the small business tax rate from 2.5 per cent to 1.5 per cent no later than the 2017/18 fiscal year with at least a 0.5 per cent reduction in 2015/16. (Ministry of Finance)
5. **We are encouraging individuals and companies to invest in small business through increased access to venture capital.**
 - We are providing small business access to early-stage venture capital through the expansion of the Small Business Venture Capital Tax Program, with additional funding of \$5 million in 2015/16. (Ministry of International Trade and Investment)
 6. **We will continue to improve online access to permit and licensing information from all levels of government through an enhanced BizPaL service.**
 - BizPaL is a web-based service that makes it easier and faster for businesses to identify federal, provincial and local government permit and licence requirements to start a business.
 - BizPaL is available in 113 local governments in B.C., representing 87 per cent of the population.
 - The Province will continue work with Industry Canada, all partners and local governments to continue to expand the service and improve BizPaL with service innovation and integration efforts.
 7. **We will continue to work with our local government partners to expand the Mobile Business License Program.**
 - The program is an inter-municipal licence that reduces red tape by allowing mobile businesses (contractors and caterers, for example) to operate in more than one municipality by purchasing one add-on licence, rather than obtaining non-resident licences in each municipality in which they operate.
 - British Columbia is one of the first provinces in Canada with a Mobile Business License Program.
 8. **We provide small businesses with a voice to government through the Small Business Roundtable.**
 - The Small Business Roundtable, which I chair, brings together small business owners and industry association leaders to provide advice and recommendations to government and to improve the small-business environment in British Columbia.
 - Roundtable members would like: local governments to adopt mobile business licence agreements; a continued expansion of BizPaL to reduce the complexity of doing business in their regions; and new programs or initiatives that operate within the spirit of the newly created B.C. Small Business Accord.
 9. **We are streamlining government procurement process that will generate more bid activity for small businesses.**

- We have updated a booklet, in plain language, on How to Do Business with the Provincial Government.
- A simplified RFP process to two pages for contracts worth less than \$250,000 is being piloted to improve small business access to selling their goods and services to government.
- In March, we plan to release a report that examines current challenges around government procurement following consultations with small businesses by George Farkas, and will provide recommendations to government with the goal to “work to establish a minimum 20 per cent increase in small-business procurement from government.”

10. We will manage and track government activities supporting small businesses in the province.

- We will track key action items that support the B.C. Small Business Accord, are consistent with the BC Jobs Plan and reflect government’s responses to recommendations by the Small Business Roundtable.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Small Business Branch Overview.

Revised: February 17, 2014

Issue: Small Business Branch – 2014/15 Budget and Key Deliverables.

Recommended Response:

- The FY 2014/15 budget allocation for the Small Business Branch is \$2,475,000.
- The Small Business Branch is divided into three areas of responsibility:
 - Small Business Programs (FY 14/15: \$1,225,000)
 - Strategic Initiatives (FY 14/15: \$1,100,000)
 - Small Business Roundtable Secretariat (FY 14/15: \$150,000)
- The Small Business Branch delivers its programs and projects through a variety of mechanisms, including partnerships (Small Business BC), project management, and IT systems (BizPaL).
- The Small Business Branch plays a critical role for the small business sector, and focuses on projects and priorities that continue to ensure that B.C. is the most small business friendly jurisdiction in Canada. Development of a strong small business sector directly support the creation of new jobs, thereby enhancing B.C.'s economy.

Background/Status:

The Small Business Branch's (SBB) mandate is to enhance the small business climate in British Columbia, through strategies that support the growth and success of small business, thereby furthering the corporate goal of job creation.

Small business is defined in B.C. as a business with fewer than 50 employees, or self-employed without paid help. 98 percent of all businesses in British Columbia meet this definition. SBB's programs and responsibilities fall within the following categories.

Small Business Programs work with public and private sector organizations to deliver tools, training and information to assist small business start-up and growth. The allocation for Small Business Programs in FY 2014/15 is \$1,225,000, which includes funding for Small Business BC (\$686,000) and approximately 4.5 FTE's.

2014/15 Estimates Note

Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

- Small Business BC (SBBC) – oversee provincial investment in SBBC, including ongoing interactions with federal/territorial counterparts to protect provincial interests in the Canada Business Network. Small Business BC is a non-profit organization jointly funded by the federal government (\$1.054 million) and the province (\$686,000) annually.
- BizPaL – oversee the BizPaL program, which provides online resources for business owners and start-ups to navigate their licensing responsibilities, and actively participate in the National BizPaL Secretariat.
- Mobile Business Licence (MBL) – market and provide support to local governments to establish MBL Agreements, which allow businesses to operate in multiple participating communities with one common business licence.
- Business Service Integration Initiatives - partner with Citizen Services in Governments 2.0 Strategy to streamline and simplify information and access to business services.

Small Business Secretariat supports the work of the Small Business Roundtable Board (SBRT), including planning and facilitating Board meetings, supporting the “Open for Business” awards, drafting the Board’s Annual Report to Government, organizing and facilitating consultations with small business owners, and producing Small Business publications: Small Business Profile, Starting a Small Business Guide, and Import/Export Guide. The allocation for Small Business Secretariat for FY 2014/15 is \$150,000, which includes funds to support the SBRT and approximately one FTE.

Strategic Initiatives works in partnership with public and private sector organizations to develop and implement a variety of strategic projects in support of small business. Activities vary from year to year as projects are completed and new projects come on board. Current responsibilities include the following. The allocation for Strategic Initiatives for FY 2014/15 is \$1,100,000, which includes funds to support approximately three FTEs.

- B.C. Small Business Accord – implement the newly established set of principles to guide government interactions with small business owners.
- Procurement – implement recommendations, projects and initiatives to move government toward an increase of 20% of government spending with small business.
- Succession Planning and Mobile Training – lead the work of contractors (Community Futures and Venture Connect) in providing regionally based training on succession planning for small business owners.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

- Small Business Awareness Strategy – develop and implement a strategy that is focused on increasing awareness of products, services and information available to small business owners.

Contact:

Executive Director Jackie Hunter Small Business Branch 250-387-1548

Reviewed by			
Dir:	ED: TS	ADM: KL	DM:

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: BizPaL- Business Permit and License Identification Program.

Revised: April 24, 2014

Issue: BizPaL - Status.

Recommended Response:

- BizPaL is funded by a federal-provincial agreement; \$127,703 federally and \$76,622 provincially for FY 2014/15. In addition, \$126,000 is allocated by the Small Business Branch for two FTE's to support this program.
- BizPaL is a web based service that makes it easier and faster for businesses to identify federal, provincial and local government permit and licence requirements to start a business in a specific location.
- The funding and data operations are centralized with the federal government and each provincial and territorial partner is responsible for their own data and that of the participating local governments in their respective jurisdictions.
- There is no cost to local governments to join the service. Currently, BizPaL is available in 113 local governments in B.C, representing 87 per cent of the population. In fiscal year 2013/14, Cranbrook and Burns Lake became new participants in BizPaL. The target is to have 90 per cent population coverage in the province.
- In FY 2014/15, the Province will continue work with Industry Canada, all partners and local governments to continue to expand the service and also improve BizPaL with service innovation and integration efforts.

Background/Status:

- BizPaL is a web based service that makes it easier and faster for business to identify federal, provincial and local government permit and licence requirements to start a specific business at a specific location. It also provides information on how to obtain the necessary permits and licences.
- BizPaL was initially implemented in Kamloops in 2004, as part of a pilot project with the federal government and other provincial/territorial and local governments. The Small Business Branch leads BizPaL planning and operations in British Columbia.
- There are currently 113 local governments in B.C. participating in BizPaL. Negotiations with Cumberland are currently underway.

2014/15 Estimates Note

Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

- BizPaL is supported by a Memorandum of Understanding among federal, provincial and territorial partners to ensure long-term sustainability.
- In March 2013, a five year renewal of the original Intergovernmental Letter of Agreement was signed by the Province and Industry Canada which outlines agreed upon costs and service level standards. The province has an annual contribution of \$76,622.
- In 2011, Industry Canada secured permanent funding for BizPaL with a \$3 million annual commitment. This allows the program to provide even greater value to businesses through continued expansion and service improvements.
- All of the provinces, territories, as well as the federal government and over 600 local governments nationally are committed to the BizPaL initiative.
- Since 2006, the Province has contributed \$565,248 towards the expansion of BizPaL in British Columbia, and the federal government has contributed \$942,080.

Attachment: List of B.C. Communities Where the BizPaL Tool is Available

Contact:

Executive Jackie Hunter Small Business Branch 250-387-1548
Director

Reviewed by			
Dir: PS	ED: TS	ADM: KL	DM:

2014/15 Estimates Note

Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour

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

Attachment:

List of B.C. Communities Where the BizPaL Tool is Available

Name of Community	Date of Online Activation*
100 Mile House	February 9, 2009
Abbotsford	January 28, 2011
Armstrong	March 17, 2008
Barriere	August 10, 2010
Burnaby	July 31, 2009
Burns Lake	March 21, 2014
Cache Creek	March 24, 2009
Campbell River	June 4, 2008
Castlegar	August 5, 2008
Central Okanagan Regional District	June 23, 2008
Central Saanich	March 14, 2012
Chetwynd	June 17, 2008
Chilliwack	March 4, 2008
Coldstream	December 17, 2008
Colwood	April 22, 2008
Coquitlam	February 20, 2009
Cranbrook	October 23, 2013
Creston	June 21, 2010
Dawson Creek	July 29, 2008
Delta	January 16, 2012
Elkford	March 23, 2009
Enderby	August 11, 2010
Esquimalt	July 3, 2009
Fort St. James	March 19, 2009
Fort St. John	November 23, 2009
Fraser Lake	March 31, 2009
Fruitvale	March 31, 2011
Gibsons	October 30, 2008
Golden	January 26, 2009

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour

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

Name of Community	Date of Online Activation*
Grand Forks	March 9, 2009
Hazelton	March 20, 2009
Hope	February 27, 2009
Hudson's Hope	February 9, 2009
Kamloops	August 30, 2007
Kaslo	January 20, 2009
Kelowna	April 4, 2007
Keremeos	April 18, 2008
Kimberley	February 17, 2009
Kitimat	March 29, 2011
Ladysmith	June 5, 2008
Lake Country	August 20, 2008
Lake Cowichan	June 25, 2010
Langford	March 12, 2012
Langley	July 9, 2007
Lillooet	February 26, 2010
Logan Lake	February 22, 2011
Lumby	July 10, 2008
Maple Ridge	January 21, 2009
Mackenzie	December 8, 2011
Merritt	July 25, 2008
Mission	January 26, 2011
Nanaimo	July 18, 2007
Nelson	October 19, 2011
New Hazelton	March 9, 2009
New Westminster	February 9, 2012
North Cowichan	January 6, 2010
North Saanich	June 1, 2010
North Vancouver (City)	October 9, 2008
North Vancouver (District)	April 9, 2008
Northern Rockies Regional Municipality	July 16, 2009
Oliver	February 22, 2008

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour

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

Name of Community	Date of Online Activation*
Osoyoos	March 4, 2008
Parksville	May 27, 2008
Peachland	July 22, 2008
Penticton	June 25, 2008
Pitt Meadows	May 16, 2012
Port Alberni	March 11, 2009
Port Coquitlam	March 6, 2009
Port Hardy	October 27, 2008
Port McNeill	July 9, 2008
Port Moody	December 15, 2011
Powell River	May 1, 2012
Prince George	March 18, 2009
Prince Rupert	July 16, 2008
Princeton	August 20, 2008
Qualicum Beach	October 30, 2008
Queen Charlotte	February 23, 2011
Quesnel	October 1, 2007
Radium Hot Springs	September 24, 2008
Revelstoke	April 23, 2008
Richmond	March 25, 2011
Rossland	January 19, 2009
Saanich	October 5, 2007
Salmon Arm	January 30, 2009
Sayward	March 8, 2011
Sechelt	December 23, 2011
Sicamous	March 28, 2008
Sidney	September 24, 2008
Smithers	October 11, 2011
Sooke	February 25, 2009
Spallumcheen	February 03, 1009
Sparwood	November 23, 2009
Squamish	September 2, 2011

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour

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

Name of Community	Date of Online Activation*
Summerland	March 14, 2008
Sunshine Coast Regional District	June 25, 2010
Surrey	March 17, 2008
Terrace	December 17, 2008
Tofino	June 1, 2009
Township of Langley	March 25, 2008
Trail	June 17, 2009
Tumbler Ridge	March 29, 2011
Ucluelet	June 25, 2010
Valemount	October 26, 2011
Vancouver	September 18, 2008
Vanderhoof	May 1, 2010
Vernon	May 12, 2008
Victoria	September 25, 2008
View Royal	June 30, 2009
West Kelowna (formerly Westside)	June 26, 2008
West Vancouver	February 5, 2008
Whistler	February 28, 2008
White Rock	March 10, 2008
Williams Lake	January 26, 2009

Total number of BizPaL communities:	113
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* The **Date of Online Activation** is when the municipal permit and licence information is added to the BizPaL database and is available to users through BizPaL's online tool.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Mobile Business Licence Program.

Revised: February 14, 2014

Issue: Mobile Business Licence Program status.

Recommended Response:

- The Mobile Business Licence (MBL) program is funded through existing operating funds within the Small Business Branch. Approximately \$140,000 is allocated to this project in FY2014/15, to cover two FTEs.
- The MBL is an inter-municipal licence that reduces red tape by allowing mobile businesses (e.g., contractors and caterers) to operate in more than one municipality by purchasing one licence, rather than obtaining non-resident licences in each municipality in which they operate.
- The MBL was successfully piloted in the Okanagan-Similkameen in 2008 and has since been adopted by 19 communities in that region as a permanent licence under the name of the “Inter-Community Business Licence”.
- The MBL program was expanded in 2013/14 with the implementation of four agreements involving a total of 23 communities, broadly from the “Fraser Valley”, “Metro West” (which includes Vancouver), “Tri-Cities” and “Central (Vancouver) Island”.
- There are now 69 communities in BC with MBLs.
- In 2014/15, the Small Business Branch will continue to expand the program to other regions in the province.

Background/Status:

- Inter-municipal licenses have existed in some British Columbia municipalities since 1986. Inter-municipal licence agreements that have preceded the Province’s involvement include: Trail, Courtenay and Comox, North and West Vancouver, Cowichan Valley, and the Capital Region.
- The province’s role began in 2006 during the Union of British Columbia Municipalities convention, when the province challenged municipalities to develop a Single Business Licence framework.
- In response to concerns raised by municipalities, the framework was revised by limiting it to mobile businesses, such as contractors, electricians and plumbers, and the initiative was renamed the Mobile Business Licence program.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

- MBL results in improved compliance for municipalities and reduces their business licensing process, and provides residents with greater choice in service providers.
- The MBL was piloted by 17 municipalities in the Okanagan and Similkameen regions during 2008. Under this model, the annual licence is purchased from the business' home municipality for \$150 in addition to their basic business licence fee. It allows the business to operate in all participating municipalities. The issuing municipality retains all revenue generated by the sales of the MBL.
- The MBL program was expanded in 2013/14 with the implementation of four agreements involving a total of 23 communities:
 - Fraser Valley MBL involves nine municipalities including the City of Langley, Township of Langley, Surrey, Abbotsford, Chilliwack, Mission, Maple Ridge, Pitt Meadows and Hope (launched January 1, 2013).
 - Tri-Cities Inter-municipal Business Licence involves the municipalities of Port Coquitlam, Coquitlam and Port Moody (launched January 1, 2013).
 - Metro West Inter-municipal Business Licence involves six municipalities in the Great Vancouver region including the cities of Burnaby, New Westminster, Richmond, Surrey, Vancouver and the Corporation of Delta (launched October 1, 2013).
 - Central Vancouver Island Inter-community Business Licence involves twelve communities including Campbell River, Comox, Courtenay, Cumberland, Duncan, Lake Cowichan, Ladysmith, Nanaimo, North Cowichan, Parksville, Port Alberni and Qualicum Beach. Discussions for adopting a Mobile Business Licence are currently underway with other communities in British Columbia, including municipalities in the Whistler-Squamish, Kootenay and North Coast regions.
- There are now 10 MBL agreements in 69 communities across B.C.
- The Province provides analysis, technical support and a shared database to local governments interested in implementing a MBL agreement.
- British Columbia was one of the first provinces in Canada with a MBL initiative.

Contact:

Executive Director Jackie Hunter Small Business Branch 250-387-1548

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Attachment: List of B.C. Communities With Mobile Business Licences

- **Okanagan-Similkameen area:** Nineteen participating local governments - Armstrong, Central Okanagan, Coldstream, Enderby, Kelowna, Keremeos, Lake Country, Village of Lumby, Oliver, Osoyoos, Peachland, Penticton, Princeton, Salmon Arm, Sicamous, Spallumcheen, Summerland, Vernon and West Kelowna.
- **Greater Victoria area:** Thirteen participating local governments - Central Saanich, Colwood, Esquimalt, Highlands, Langford, Metchosin, North Saanich, Oak Bay, Saanich, Sidney, Sooke, Victoria and View Royal.
- **Trail area:** Five participating local governments - Trail, Rossland, Warfield, Montrose and Fruitvale.
- **Cowichan Lake area:** Four participating local governments - Duncan, North Cowichan, Lake Cowichan and Ladysmith.
- **North/West Vancouver area:** Three participating local governments – City of North Vancouver, District of North Vancouver and District of West Vancouver.
- **Courtenay/Comox area:** Two participating local governments - Courtenay and Comox.
- **Fraser Valley:** Nine municipalities including the City of Langley, Township of Langley, Surrey, Abbotsford, Chilliwack, Mission, Maple Ridge, Pitt Meadows and Hope.
- **Tri-Cities:** Municipalities of Port Coquitlam, Coquitlam and Port Moody.
- **Metro West:** Six municipalities in the Great Vancouver region including the cities of Burnaby, New Westminster, Richmond, and the Corporation of Delta.
- **Central Vancouver Island:** Twelve communities including Campbell River, Comox, Courtenay, Cumberland, Duncan, Lake Cowichan, Ladysmith, Nanaimo, North Cowichan, Parksville, Port Alberni and Qualicum Beach.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Mobile Trainer Program for Business Succession Planning

Revised: April 22, 2014

Issue: BC Small Business Accord commitment to implement a mobile trainer program.

Recommended Response:

- The mobile trainer program is a Small Business Accord commitment. In fiscal 2013/14 approximately \$50,000 was allocated for the program. An additional \$10,000 and less than one FTE (approximately \$20,000) is allocated for the program in fiscal 2014/15. The program will be funded through existing operating funds within the Small Business Branch.
- The project focuses on training business owners on succession planning throughout the province, and project implementation is currently underway.

Background/Status:

- Under the B.C. Small Business Accord and in response to the small business community, government committed to developing a mobile trainer program that will provide skills training tailored to the needs of small businesses in rural communities.
- The commitment stipulates that training should leverage partnerships with partner institutes and key industry businesses.
- The Small Business Branch has developed a mobile training program with Community Futures and Venture Connect to address the Accord commitment and respond to a key recommendation from the Small Business Roundtable to “develop resources and help educate small business owners on how to prepare to sell their businesses”.
- Over the next decade, BC is expected to see the largest transfer of business ownership of any province, with over 40 percent of businesses expected to change hands. Many small businesses have not developed a succession plan.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

- \$10,000 and less than one FTE (approximately \$20,000) is allocated for this program in fiscal 2014/15, as the majority of the expenditure incurred in fiscal 2013/14. The program will be funded through existing operating funds within the Small Business Branch.

Contact:

Executive Director Jackie Hunter Small Business Branch 250-387-1548

Reviewed by			
Dir: JB	ED: TS	ADM: KL	DM:

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and Small Business

Title: B.C. Small Business Accord

Date of Last Revision: April 28, 2014

Issue: B.C. Small Business Accord status.

Recommended Response:

- The FY 2014/15 allocation committed to the B.C. Small Business Accord ("Accord") is \$220,000, plus the work of approximately four FTE's.
- The Accord is a document, developed in consultation with the small business community, that outlines six key principles that guide government interactions with small business owners, and reduces the complexity and frustration for small business when dealing with government.
- In FY 2014/15, the Small Business Branch (SBB) will continue to deliver key action items resulting from the Accord consultation work, including continued work on Small Business Awareness, increased procurement opportunities for small business, roll-out of a mobile trainers program focused on succession planning and extension of key training opportunities.

Background/Status:

- In support of the small business sector, the B.C. Small Business Accord ("the Accord") was launched in October 2012. The intent was to develop a set of principles to guide government interactions with small business owners, and reduce the complexity and frustration for small business when dealing with government.
- The six Accord principles guide the manner in which government interacts with and considers the interests of the small business community. The principles were approved by government and announced on March 19, 2013 along with six related action items. The principles are:
 - Consider the needs and impacts of small businesses in policy and program decisions to enhance business certainty, access to qualified labor, access to capital and technology adoption.
 - Foster a regulatory environment that small business can access, navigate and influence effectively and efficiently.

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and Small Business

- Design government programs and resources affecting small business so that they are well developed, accessible, properly funded and effectively communicated.
- Foster thoughtful collaboration among all levels of government, including First Nations.
- Deploy educational and training programs that are future-focused and aligned to meet the changing needs of small business and the labour talent it develops.
- Create long-term growth opportunities for small business through government procurement.
- Significant progress was made in initiating or completing deliverables under the six actions:
 - Develop a Small Business Awareness Strategy: Developed a video showcasing small business and held events led by small business organizations and local governments in six communities; developed a website; provided \$25,000 to the International Women's Forum Leadership Conference in October 2013;
 - Encourage Provincial/Municipal Collaboration in the Adoption of the Small Business Accord Principles: Developed the "Open for Business" award, adjudicated by the Small Business Roundtable, which will provided a \$10,000 incentive to seven communities to highlight local governments that operate within the spirit of the Accord;
 - Reduce Barriers to Government's Procurement Process:
 - Updated a booklet intended to clarify the procurement process available in the small business resource website;
 - Appointed George Farkas to undertake the Doing Business With Government consultation with small businesses: an interim report was released in December 2013; a final report was released in March 2014 with 12 recommendations to government;
 - To reduce paperwork for opportunities less than \$250,000, a new two-page Request for Proposals was developed and was roll-out across government in April 2014;
 - Procurement baseline measure research was completed for how much government already does business with small business, to measure

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and Small Business

outcomes toward government's commitment to a 20 per cent increase
(see separate Estimates Note);

- **Raise Awareness of Small Business Mentorship Programs:** Provided BC Innovation Council with a grant of \$300,000 (\$150,000 in each fiscal 2012/13 and 2013/14) to develop MentorshipBC; in November 2013, the MentorshipBC web portal was launched to help business owners find mentor programs. Ongoing operations and maintenance of MentorshipBC has been transferred to Small Business BC.
 - **Develop a Mobile Trainers Program for Remote Communities:** A mobile training pilot focused on succession planning launched in February/March 2014 in partnership with Community Futures and Venture Connect to address the Small Business Accord commitment, and responds to recommendations from the Small Business Roundtable.
 - **Support Additional Skills Training:** In collaboration with the Labour Market Programs Branch, expansion of the Get Youth Working! Program, and other small business and entrepreneurship training programs, beyond 2014 is dependent on the terms and conditions of the renewed Canada-BC Labour Market Agreement.
- In fiscal 2013/14, the Ministry contributed approximately \$370,000 towards the Accord and six action items plus four FTEs.

Contact:

Executive Director Jackie Hunter Small Business Branch 250-387-1548

Reviewed by			
Dir: JB	ED:	ADM: KL	DM:

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Small Business BC.

Revised: April 24, 2014

Issue: Funding of Small Business BC in 2014/15.

Recommended Response:

- Small Business BC is funded by the provincial and federal governments. Through the Small Business Branch, B.C. contributes \$686,000 annually. The federal government contributes \$1.054 million.
- Small Business BC is a not-for-profit organization providing the following guidance and support in areas such as exportation, e-business, registration, planning, and market research.
- Small Business BC is located in Vancouver and delivers its services to business clients across the province through a toll-free telephone service, seminars, webinars and email.
- Small Business BC also has a partnership agreement with Community Futures, to ensure all areas of the province can access their services. Essential information is available to business clients anywhere in the province free of charge, while Small Business BC may charge a nominal fee for enhanced services such as seminars and one-on-one coaching.
- Small Business BC exemplifies governments working together to provide small business with seamless, coordinated access to information, services and tools.

Background/Status:

- Small Business BC is British Columbia's premiere resource centre for business information and services relating to starting, growing, or exiting a small business. This includes business information and registration services, seminars, one-on-one advisory services for business planning, general business, import/export and market research, e-business services, a business library and bookstore.
- Small Business BC employs 20 full-time equivalent staff, and is governed by a 12 seat Board of Directors, with 7 positions currently filled. As part of the respective contribution agreements, and as outlined in the society's by-laws, both the Province and Federal Government have permanent seats on the Board.

2014/15 Estimates Note

Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Board members are:

- **Pino Bacinello** (Chair) - founder and CEO of Sunbelt Business Brokers Pacific Inc., and Pacific Mergers and Acquisitions.
 - **Cybele Negris** (Vice-chair) – Co-founder of Webnames.ca (also on the Small Business Roundtable).
 - **Cheryl Carter** (Secretary) – VP, Business in Vancouver Media Group.
 - **Judy Brooks** (Treasurer) – Co-founder, Blo Blow Dry Bar Inc., ProActive ReSolutionsinc, and BodyLogic Health Management.
 - **Sandra Miles** – Co-founder, President & CEO of Miles Employment Group Ltd.
 - **Trish Sterloff** (Provincial Government Seat) - Executive Director, Small Business Branch, Ministry of Jobs, Tourism and Skills Training.
 - **Naina Sloan** (Federal Government Seat) – Director General, Western Economic Diversification.
- Small Business BC was created in 1993 as a federal/provincial partnership, and was transitioned to a not-for-profit society in 2002 as part of Government's Core Review. The Province of British Columbia and Western Economic Diversification provide funding and ongoing leadership in the development of operational and governance structures of the organization.
 - The three year Contribution Agreement between the Province and Small Business BC was recently renewed effective April 1, 2014 and continuing until March 31, 2017. The Provincial contribution is \$686,000 per year.
 - The Federal Government is currently reviewing programming under the Canadian Business Network. In light of this, the Federal Government has extended their current agreement by one year, committing to funding Small Business BC through March 31, 2015 with a contribution of \$1.054 million for 2014-15.
 - In addition to government funding, Small Business BC generates income through sponsorship revenue and by charging nominal fees for advanced business services. In 2012-13 Small Business BC had \$647,000 in self-generated revenue and rent recovery.

Contact:

Executive Director Jackie Hunter Small Business Branch 250-387-1548

Reviewed by			
Dir: PS	ED: JH	ADM: KL	DM:

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Premier's People's Choice Award – Small Business BC
Awards.

Revised: Date of last revision April 24, 2014

Issue: Premier's Small Business of the Year Award - Status.

Recommended Response:

- The Premier's Small Business of the Year Award, named the Premier's People's Choice Award, was established and launched in the fall of 2013, fulfilling a platform commitment, as a partnership with the Small Business BC (SBBC) Awards.
- The Small Business BC Awards (formerly known as the Successful You Awards) is a province-wide contest recognizing and celebrating the important contributions of B.C.'s entrepreneurs to their local communities and the wider global economy.
- The Premier's People's Choice Award, a new addition in 2014 as part of the SBBC Awards, goes to a B.C. small business, employing fewer than 50 people, that demonstrates that they are leading the way in their communities, industries and the economy.
- Sponsored by the B.C. government, the Premier's People's Choice Award celebrates the best in B.C. small business.
- SBBC Award winners, including the winner of the Premier's People's Choice Award, each receive the Premier's Prize of \$1,500 cash, a one-year all-access pass to Small Business BC education and experts, as well as business mentorship opportunities.
- Nine awards are presented at the Small Business BC Awards ceremony, including the Premier's People's Choice Award, representing a total provincial contribution of \$13,500.

Background/Status:

- The 11th annual Small Business BC Awards, previously known as the Successful You Awards, were presented on February 27, 2014. The annual awards contest and ceremony, sponsored by the Insurance Bureau of Canada (IBC) and Small Business BC, recognizes and celebrates the important contributions B.C.'s entrepreneurs make to their local communities and to the global economy.

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Small Business

- Since its inception in 2003, Small Business BC has encouraged more than 2,200 entrepreneurs to participate in the province-wide awards competition from areas as diverse as retail, trade, manufacturing, technology services, arts, entertainment and recreation.
- For the 2014 Awards, the public was invited to nominate a local small business, defined as less than 50 employees under nine categories, for a Small Business BC Award from October 1, 2013 to November 30, 2013. Entrepreneurs could also nominate themselves.
- On December 13, 2013 the top 10 highest voted nominees in each category were announced as finalists. Judges then used nominee applications to decide the top five finalists from each category, which was announced on January 31, 2013. The top five finalists then presented a ten-minute pitch to judges to prove themselves to be one of the best in BC.
- The B.C. business with the most votes from their community won the Premier's People's Choice Award and received formal recognition from the Minister of State for Tourism and Small Business at the awards ceremony. See appendix for list of award recipients.
- As SBBC Award nominees, businesses will have access to exclusive business tools, education, support, and exposure to valuable new marketing opportunities.
- In addition to the new Premier's People's Choice Award, government sponsored a cash prize for the eight other SBBC Awards. Each winner received \$1,500 from the Province and will work directly with their sponsor organization to further their business opportunities for one year.
- This year's Small Business BC Awards made a giant leap in participation over last year with 417 nominations received from 55 communities across BC, compared to 172 nominations from 29 communities last year and a total of 37,650 votes received compared to 10,562 last year.
- 2014 sponsor organizations and award categories included:
 - Telus – Best Company
 - Vancity – Best Community Impact
 - MNP – Best Concept
 - WorkSafeBC – Best Employer
 - SBBC – Best Green Business
 - Sage One – Best Online Employer
 - WellnessFits – Best Workplace (New category)
 - Livingston International – Best International Trade (New category)

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Small Business

- As a platform commitment, the Small Business BC Awards and Premier's People's Choice Award will continue in fiscal year 2014-15, funded within the Small Business Branch budget.

Contact:

Executive Director Jackie Hunter Small Business Branch 250-387-1548

Reviewed by			
Dir: PS	ED: JH	ADM: KL	DM:

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
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Small Business

Small Business BC Award Recipients

PREMIER'S PEOPLE'S CHOICE

sponsored by the Province of BC
Fruiticana Produce - Surrey

BEST COMPANY

sponsored by TELUS
Save Everyday – Vancouver

BEST CONCEPT

sponsored by MNP
Medeo – Vancouver

BEST COMMUNITY IMPACT

sponsored by Vancity
Bamboletta Dolls - Cowichan Bay

BEST INTERNATIONAL TRADE BUSINESS

sponsored by Livingston International
Xanatos Marine Ltd. - North Vancouver

BEST GREEN BUSINESS

sponsored by SBBC
Eclipse Awards – Vancouver

BEST EMPLOYER

sponsored by WorkSafeBC
Fully Managed – Vancouver

BEST ONLINE MARKETER

sponsored by SageOne
Make it Productions – Vancouver

BEST WORKPLACE

sponsored by WellnessFits
iWorx - North Vancouver

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Increasing Small Business Government Procurement by 20
Per Cent

Revised: April 18, 2014

Issue: Government has committed to working to increase procurement from
small business by 20 per cent.

Recommended Response:

- On average core government directly procured \$210M annually from small business for the three fiscal years ending in 2012/13 (2012/13, 2011/12 and 2010/11).
- A 20% increase means a \$42M increase to contracts awarded to small businesses.
- This is a multi-year initiative with the goal of increasing procurement by small business by 20% over the next 4 years through implementation of the initiatives outlined in the Small Business report released in March of this year. Reporting on the measure will be provided annually in October based upon the previous fiscal year's Public Accounts data. Each year, we will re-assess our strategies to ensure that government is moving aggressively towards the 20% target.
- In addition small businesses also benefit from procurement opportunities with broader public sector entities like Health authorities, school boards, crown corporations as well as sub-contracts with government's alternate service delivery providers.

If asked about reporting on contracts

- Government does not have a single contract management system at present, and as a result information on the number or value of contracts issued by government to small business is not available.

If asked about what is included in the measure

- All procurement opportunities that businesses could compete to win were included while other provincial expenditures such as grants or transfers to organizations for health and social services where the province did not directly receive services were excluded.

The commitment applies to core government only at this time. Hence information on small business procurement within the broader public sector is not included in the baseline measure. We will work in a later phase to engage

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with the broader public sector entities and include them as part of this initiative.

Background/Status:

- The six guiding principles of the B.C. Small Business Accord were announced in March 2013, including a principle “to create long-term growth opportunities for small business through government procurement”. Thereafter, the Province adopted six Accord action items, including an action item to “Reduce barriers to government’s procurement process.”
- In March 2014, government released the final report of the Small Business: Doing Business with Government Project. The report identified twelve recommendations to make it easier for small businesses to sell goods and services to the B.C. government.
- Implementation of the report recommendations rests largely with the Ministry of Technology, Innovation and Citizens’ Services’ Procurement Services Branch and the Ministry of Finance’s Office of the Comptroller General.
- The Ministry of Jobs, Tourism and Skills Training will also provide a leadership role developing a supplier management tool to link small businesses and non-profit organizations with government procurement opportunities and creating resources to assist ministries apply a small business lens to their procurement activities.
- In support of the principle and action item above, the Province committed in 2013 “to work to establish a minimum 20 per cent increase in small business procurement from government.” This position is consistent with commitments included in the platform document.
- Two variations of the commitment have also been publicly announced:
 - Minister’s Mandate Letter: “to develop strategies and reporting systems to ensure that our goal of 20 per cent of government procurement being won by small business is achieved.”; and
 - 2014 Service Plan Accountability Statement: “increasing small business participation in government procurement by at least 20 per cent.”
- During the 2013 Estimates debate Minister Yamamoto identified that the initial baseline measure was most appropriate.
- Development of the Baseline measure occurred over the course of the past year and addressed a number of data information and systems limitations. Final design of the measure was based upon:

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- Review of supplier payment data from the Corporate Accounting System Data Warehouse for fiscal 2010/11, 2011/12 and 2012/13;
 - Selection of a random sample of 371 businesses for each fiscal year for further research to determine the size of businesses doing business with government. This sample size provides a +/- 5 per cent margin of error 19 times out of 20 for each fiscal year. The results of the random sample research were extrapolated to the total number of businesses in each fiscal year and then averaged for the three year period.
- Notably, design of the measure:
 - Included only procurement related expenditures for which a business or non-profit could compete to provide government with a good or service.
 - Encompassed only ministries' expenditures and did not extend to the Broader Public Sector due to systems limitations issues.
 - Recognized only direct procurement with suppliers and was unable to identify sub-contracting opportunities due to systems limitations.
 - Results of the analysis include:
 - Estimated value of payments to small business: \$210M (three year rolling average)
 - 20 per cent goal: \$42M

Business Size (# employees)	3-YEAR AVERAGE KEY FINDINGS			
	Random sample (# businesses)	Random sample (\$ value of payments)	Extrapolated (# of businesses)	Extrapolated (\$ value of payments)
1-10	224 (60%)	\$7,407,318 (6%)	6,958 est.	\$117,767,256 est.
11-49	61 (16%)	\$6,459,686 (5%)	1,894 est.	\$92,990,137 est.
Total Small	285 (77%)	\$13,867,005 (11%)	8,852 est.	\$210,757,402 est.
50+	86 (23%)	\$100,941,968 (89%)	2,661 est.	\$1,787,684,130 est.
Total All	371 (100%)	\$114,423,127 (100%)	11,514 act.	\$1,998,441,307 act.

- The anticipated timeline to achieve the \$42M increase is not specified in any commitment but it is anticipated that it could take about 4 years.

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Small Business

- The baseline measure initiative is part of broader government work to meet this commitment (e.g., 2-page RFP project; Doing Business with Government Project), and was implemented to quantify the amount of government procurement already going to small business.
- The ministry will continue working with Procurement Services in the Ministry of Technology, Innovation and Citizens' Services to monitor the impact of the 2-page RFP (which was launched in April 2014) and other cross-government actions.

Contact:

George Farkas	ADM	Management Services Division	250 387-9180
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SMALL BUSINESS

Doing Business with Government Project

INTERIM REPORT – NOVEMBER 2013



Prepared by George Farkas, Executive Project Lead
Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour
P.O. Box 9842 Stn Prov Govt, Victoria, B.C. V8W 9T2
E-mail: selltobcgov@gov.bc.ca
Web: <http://www.jtst.gov.bc.ca/selltobcgov/>

November 2013

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Executive Summary

The *Small Business – Doing Business with Government Project* (project) was announced on August 29, 2013 by the Minister of State for Tourism and Small Business Naomi Yamamoto. I was named Executive Lead and developed a plan to conduct the project and issue a final report to the Minister of State within six months. This interim report is a key deliverable of the project and summarizes what I have heard from small business owners up to the midpoint of the consultation sessions.

The project follows through on one of the [BC Small Business Accord](#) principles “to create long-term growth opportunities for small business through government procurement”. It involves consulting with small businesses throughout B.C. to identify ways to make it easier to do business with government. Based on input received, practical recommendations will then be developed and communicated in the final report to improve the tools, supports and processes for the small businesses that provide goods and services to the B.C. government.

During the month of October 2013, four consultation sessions were held in communities across B.C. including Victoria/West Shore, Dawson Creek, Prince George and Kelowna. In total, 56 small business owners or representatives attended these sessions and hundreds more have met with me, been contacted about the project through various business networks, or provided their ideas by phone or email. Concurrently, a survey for small businesses was launched to supplement the information gathered through the sessions and other channels. More than 90 small



businesses have responded to the survey so far. Members of the Small Business Roundtable and those involved in developing the Accord have also been engaged in the project, along with key staff in the B.C. government who are involved in procurement.

Through the consultation efforts up to November 8, feedback from a wide range of small businesses representing various sectors throughout the regions of B.C. has been compiled in to three key themes. In summary, small businesses are asking that government:

- » tell small businesses, through a variety of ways, what opportunities they have to access government business;
- » enhance the information and resources related to selling to government that are specifically targeted for small businesses; and
- » make the processes for competing for government work as easy as possible.

These themes are also reflected in the interim survey results. The majority of responses indicate that small businesses want government to take steps to improve the information, resources and processes related to selling to government.

More than 75 per cent agree or strongly agree government should:

- » do more outreach to small businesses;
- » use plain language in all materials and make processes simpler and clearer;
- » have more opportunities to sell to government posted online;
- » make it clearer and easier to bring innovative ideas forward to government; and
- » have a contact point or resource from which to get advice about government procurement.

I am pleased to submit this interim report and look forward to continuing the consultation process and issuing a final report by March 2014.

A handwritten signature in black ink, appearing to read 'G. Farkas'.

GEORGE FARKAS
EXECUTIVE PROJECT LEAD

***SMALL BUSINESS - DOING BUSINESS
WITH GOVERNMENT PROJECT***
NOVEMBER 28, 2013

Introduction

In October 2012, the B.C. government announced it would create the [BC Small Business Accord](#) (Accord) for the purpose of establishing a list of priorities to make B.C. the most business-friendly jurisdiction in Canada. Small business has a vital role in developing both the economic and social fabric of B.C. and is a major contributor to employment, economic and trade activity. With 98 per cent of all B.C. businesses being small businesses (i.e., an organization with either fewer than 50 employees, or a business operated by a person who is self-employed without paid help), it is important that government do all it can to support small business.

In March 2013, the Accord was finalized following extensive consultation with the small business community. More than 35,000 individuals provided feedback through community meetings, an online survey and the #BCBizChat Twitter town hall.

The goal of the Accord is to help foster a progressive business culture where government initiatives support current and future generations of small business owners across BC. The Accord includes six principles, one of which is to create long-term growth opportunities for small business through government procurement. An action item for the provincial government related to this principle is to reduce barriers to government's procurement process.



BC Small Business Accord

We are in business to create the most small business friendly jurisdiction in Canada

Goal

*We, the undersigned, established this **BC Small Business Accord** and its principles to help foster a progressive business culture where government initiatives support current and future generations of small business owners across British Columbia.*

Principles

Consider the needs and impacts of small businesses in policy and program decisions to enhance business certainty, access to qualified labour, access to capital and technology adoption.

Foster a regulatory environment that small business can access, navigate and influence effectively and efficiently.

Design government programs and resources affecting small business so that they are well developed, accessible, properly funded and effectively communicated.

Foster thoughtful collaboration among all levels of government, including First Nations.

Deploy educational and training programs that are future-focused and aligned to meet the changing needs of small business and the labour talent it develops.

Create long-term growth opportunities for small business through government procurement.

Honourable Naomi Yamamoto
Minister of State for Small Business

Gay Hahn
Avalon Dairy, Burnaby

Jack Bandstra
Bandstra Transportation Systems Ltd., Smithers

Deanne Ziebart
Developmental Disabilities Association, Richmond

Bob Redden
EDI Environmental Dynamics Inc., Prince George

Garin Josey
William F. White International Inc.

Pat Corbett
Hills Health Ranch, 108 Mile

Justin Rigby
Holbrook Dyson Logging, Campbell River

Robin Lapointe
Lapointe Engineering Ltd., Kitimat

Brad Mills
Mills Basics, Vancouver

Greg Munden
Munden Ventures, Kamloops

Dave Mathieson
Nu Tech Roofing & Waterproofing Ltd., Kelowna

Lynne Jacobs
Oh My Gift, Vancouver

Bill Downing
Structurlam Wood Products Ltd., Victoria

Cybele Negris
Webnames.ca, Vancouver

Annemarie Templeman-Kluit
Yoyomama.ca, Vancouver

Purpose

The purpose of the *Small Business – Doing Business with Government Project* (project) is to provide recommendations to government, based on direct consultation with small business owners, to remove barriers and make it easier to do business with government.



Scope and Objectives

The project scope includes issues related to small businesses selling goods and services to the B.C. government and doesn't include broader issues that may be of interest to small business owners, such as taxation or federal or local government procurement policies and practices. The objectives of the project are to:

- » Conduct effective and engaging consultation sessions focused on procurement barriers, that build upon feedback gathered during the Accord consultations and consider new ideas and innovative practices;
- » Host regional sessions for communities in all eight regions in B.C. with small business owners representing a range of sectors invited to participate to ensure broad feedback is obtained from small businesses across British Columbia;
- » Receive verbal, written and social media feedback from small businesses in an open and inclusive manner;
- » Develop the feedback received into practical recommendations for improvement within the parameters of the project (e.g., recommendations that consider Balanced Budget direction, trade agreements and government's procurement principles of fair, open and competitive procurement based on value for money); and
- » Publish a report promptly that accurately reflects the feedback provided and includes practical recommendations with options for the British Columbia government to action.



Approach

The project began on August 29, 2013 following a [public announcement](#). One session is being held in each economic development region in B.C. Four consultation sessions were held in October 2013 and a further four will be held in November 2013.

Concurrently a survey for small businesses was launched October 17, 2013 that

asks about experiences selling to the British Columbia government and opinions on how to make it easier. In addition, several meetings were held with key small business owners and representatives from the small business community. The BC Small Business Roundtable members and those involved with developing the Accord have been engaged in the project.

A summary of the discussion at each consultation session is prepared, shared with participants in draft and published at the website below.
www.jtst.gov.bc.ca/selltobcgov/whatyousaid.htm

These summaries and the interim survey results form the basis of this interim report.

Overview of Feedback from Small Businesses

The three themes emerging to date, a high level description of the context around each theme and some specific ideas discussed at the consultation sessions that illustrate each theme are presented below. Both consultation session and survey feedback are included, as applicable. See *Appendix f* or detailed interim survey results and the *Small Business – Doing Business with Government Project* website (www.jtst.gov.bc.ca/selltobcgov) for the four detailed summaries from the consultation sessions held to date.

THEME 1: AWARENESS OF OPPORTUNITIES TO SELL TO GOVERNMENT

Small businesses are generally not aware of the range of ways that government makes purchases. In particular, small businesses that have not done business with government are unaware of BC Bid or that government purchasers use a range of approaches, depending on the value of the purchase, to make purchasing decisions. Small businesses would like government to do more outreach to them, particularly in some

of the more remote locations in the province. Small businesses also indicated that they would like more information on the types of goods and services purchased as well as how best to access opportunities to sell to government, especially those not posted on BC Bid.

Opportunities identified:

Government can reach out to and work together more often with small businesses.

Survey: 78 per cent of survey respondents agree or strongly agree that government should increase outreach to small businesses.

Session feedback: Small businesses want government to use a variety of different ways to reach out to small businesses and to better leverage existing business networks (e.g., Chambers of Commerce, Community Futures and industry associations) for this purpose.

Small businesses also would like government staff to better plan for contract requirements and provide

consistent high quality customer service during the entire contracting process (e.g., ensure the contact listed on a Request for Proposal is available to respond to questions in a timely manner; fully transfer knowledge of contracts when staff leave; various bid response options consistently offered to bidders including eBidding; and for government to host bidder meetings or conferences).

Make additional opportunities to sell to government of lower dollar values accessible to small businesses.

Survey: 85 per cent of survey respondents agree or strongly agree that government should post more opportunities.

Session feedback: Small businesses would like to have greater access to government purchasing that occurs outside of formal purchasing processes (e.g., Request for Proposals), a way or tool to promote their business to government purchasers and opportunities to engage in a two-way conversation with government purchasers.

For larger contracts, small businesses also would like the ability to compete on subcontracting opportunities and enter into partnership arrangements to compete on these opportunities. Small businesses would also like government to consider issuing more contracts of a smaller size that small businesses can compete on and deliver.

Enhance the information communicated about the various ways government purchases.

Session feedback: Small businesses want to better understand what BC Bid is, how it works and for BC Bid to be made more user friendly (e.g., improve the search and sort function by region and date the opportunity is posted; have fillable PDF forms and improve the notification system).

Small businesses also want to know who is bidding on an opportunity so they can decide if they want to invest the effort to compete, how and when to get prequalified for Corporate Supply Arrangements and other qualified supplier lists, and who buys what in government.

Small businesses also want advance notification about opportunities that are coming up to work with government so that they can better plan for their resourcing needs.

THEME 2: INFORMATION AND RESOURCES FOR SMALL BUSINESSES

Small businesses are generally unaware of the information and resources that are currently available to them, such as the new guide “How to Do Business with the Province of British Columbia”. They also find that government could improve its use of plain language in contracts and other documents and resources and that the documents are not always easy to follow and locate. Small businesses do not always know who to contact for advice about selling to government, which small businesses have been successful selling to government and what they need to do to be successful.

Opportunities identified:

Creation of a single contact point through which to get advice about selling to government.

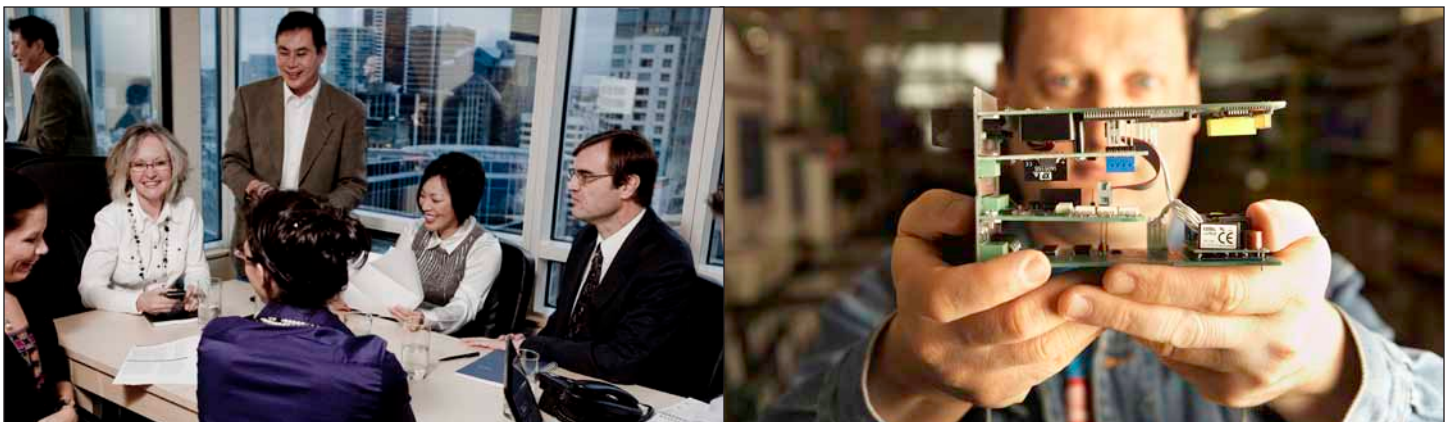
Survey: 77 per cent of survey respondents agree or strongly agree that government should have a clear way to get advice about selling to government.

Session feedback: Small businesses want more ways to get information from government about selling to government provided through face-to-face sessions and webinars, as well as a person to call if they have questions about government purchasing.

Consistent use of plain language in all documents and resources.

Survey: 82 per cent of survey respondents agree or strongly agree that government should use plain language in all documents and resources.

Session feedback: Small businesses want to have web information that is specifically relevant to them in one place, and web and contract documents written in plain language. Small businesses also want government to develop a tutorial to make it easier to know how to navigate through the bidding process and BC Bid.



Information more easily accessible by small businesses.

Survey: 64 per cent of the survey respondents agree or strongly agree that government should have more information available for small businesses online.

Session feedback: Small businesses want government to use a variety of ways, not just websites, to communicate with them (e.g., social media, email) and to partner with municipalities, corporate registry, business networks, etc. that small businesses already utilize for other purposes to get information out about selling to government.

Small businesses also would like government to highlight several small business success stories in selling to government, publicly release information on bid results and proactively provide feedback or debriefs to those not successful so they can learn how to be successful in the future.

THEME 3: WAYS TO CUT RED TAPE AND INCREASE SMALL BUSINESS PARTICIPATION

Small businesses support the current efforts to reduce the Request for Proposal template of government to two pages for opportunities under \$250,000 and encourage further efforts by government to make processes simpler and clearer.

Small businesses do not know how to bring their innovative ideas forward to government and are unaware of any processes that government currently has in place to encourage this. Small businesses also support government's

goal of increasing small business procurement through creative and innovative approaches and recognize that small businesses represent a broad range of sectors and various social interests.

Opportunities identified:

Identify a mechanism for bringing innovative ideas forward to government efficiently.

Survey: 78 per cent of survey respondents agree or strongly agree that government should have a clear and easy approach for bringing innovative ideas forward.

Session feedback: Small businesses would like a forum or ways to meet with government buyers and to know how to bring their innovative ideas forward (e.g., events like Reverse Trade Shows where buyers and sellers get to meet and build relationships with one another, or business match/meet the buyer events where businesses have brief meetings with government purchasers one-on-one).

Processes to sell to government to be simpler and clearer.

Survey: 80 per cent of survey respondents agree or strongly agree that government should make processes simpler and clearer.

Session feedback: Small businesses want to ensure government staff consider the most streamlined approaches when making a purchase (e.g., use the Request for Proposal process as required, but other less onerous processes wherever possible).

Small businesses also want government to scale requirements (e.g., for audited financial statements) to fit the risk and size of the contract and for current bid documents to be shortened to reduce the work required by small businesses.

Small businesses also need contract payments to be made in a consistently timely manner recognizing the realities many small businesses face (e.g., not all small businesses can get a line of credit to manage payment delays).

Enhance strategies and policies that increase small business participation in procurement across the province.

Session feedback: Small businesses want government to take steps to help increase small business procurement in communities throughout British Columbia. Some small businesses have raised the issue of supplier diversity in relation to traditionally designated groups, such as women, minorities, Aboriginal peoples and people with disabilities. Some small business representatives have suggested an Aboriginal or First Nations Procurement Strategy, consistent with what other provinces have in place.

Others have raised the issue of government promoting broader social purposes (e.g., developing a policy for certain government purchasers to encourage purchasing from social enterprises when other factors, such as price, are essentially equal). Small businesses recognize the complexity of this issue and the importance of balancing the different perspectives, priorities and objectives of all members of the small business community.

Conclusion

Overall, the consultation process at this interim point has been effective as it has identified a number of barriers for small businesses, ranging from a lack of awareness of how to sell to government, limited knowledge and use of information and resources currently available and some challenges with the procurement processes and requirements of government. As the consultation process completes, government will have received many ideas to consider pursuing. These ideas will help ensure as many opportunities as possible to sell to government are accessible to small businesses throughout the province.

Successfully developing practical recommendations from the feedback and ultimately making the changes necessary to achieve what small businesses are asking for

from government will require the coordinated efforts of staff across the B.C. government. Specifically, managing the change within government will require training and resources for government staff and strong leadership from the procurement community in government. While some of the changes may be implemented relatively quickly (i.e., implemented within 12 months) some may be longer-term.

Effective communication within government and with the small business community will be essential for support and success. Targeting the actions towards those things that will have the greatest benefit for small businesses and an ongoing commitment of government to increase small business procurement will be key to sustaining momentum needed over the longer-term.

» *Small business has a vital role in developing both the economic and social fabric of B.C., and is a major contributor of employment, economic and trade activity. With 98 per cent of all businesses in B.C. being small businesses (under 50 employees), it is important that government do all it can to support them.*



Appendix:

Small Business Survey – Interim Results

The small business survey is a brief survey that asks small business owners key questions about their experience selling goods and services to the B.C. government (e.g., whether they have sold to government, what they have sold, what process was used, when they last sold and how long they have been selling to government) and opinions on what government should do to make it easier.

The interim survey results reflect 90 responses received during the period October 17 – November 8, 2013. The survey will remain open until December 6, 2013 and the results presented below could change significantly once all responses are received. *As such, these interim results should be viewed as an early indicator of small business opinions and experiences.*

Key interim survey results are:

- » 36 per cent of the respondents have done business with government (64 per cent have not);
- » 81 per cent sold goods and services through a competitive bidding process or contract process;
- » 59 per cent sold to the BC government in the last year; 19 per cent in the last 3 years, 13 per cent in the last five years and 3 per cent more than five years ago; and
- » 56 per cent of those who have done business with the BC government have done so for more than five years.

For small businesses that have done business with government, their *overall satisfaction* with the process of selling to government is:

OVERALL SATISFACTION	PER CENT
Satisfied or very satisfied	22%
Neutral	28%
Dissatisfied or very dissatisfied	37%

For small businesses that have not done business with government, reasons include:

REASON	PER CENT
Don't know what the government wants to buy	37%
Process is too complicated	33%
Too much paperwork	30%
Other reasons	26%
Takes too much time	19%
Costs too much to respond	18%
Applied but was not successful	11%
Our good/service is not what government buys	9%

All respondents were also asked about their awareness, use of information and resources currently available. Many were not aware of the resources and have not used them.

RESOURCE	USED RESOURCE	AWARE OF RESOURCE	UNAWARE OF RESOURCE
Information on BC government website	21%	29%	47%
BC Bid information and resources	36%	36%	27%
Government contact information (email, phone)	29%	31%	34%
Vendor Complaint Review Process	1%	14%	74%

All respondents were asked their opinion on what actions of government would make it easier for small businesses to sell goods and services to the B.C. government. For all actions noted below, the majority of respondents agree or strongly agree undertaking the action would make the process easier.

RESOURCE	STRONGLY DISAGREE	DISAGREE	NEUTRAL	AGREE	STRONGLY AGREE	AGREE & STRONGLY AGREE
More opportunities posted online	1%	2%	7%	17%	68%	85%
Use plain language in all communications/ materials	0%	2%	10%	19%	6%	82%
Make processes simpler and clearer	2%	0%	11%	21%	59%	80%
More outreach to small businesses (e.g., regional information sessions)	2%	1%	14%	19%	59%	78%
Make it clearer and easier to bring innovative ideas forward to government	1%	1%	11%	18%	60%	78%
Have a forum or number I can contact to get advice	1%	2%	16%	26%	51%	77%
More information about doing business with government online (e.g., videos, simple guides)	0%	6%	23%	20%	44%	64%



RESOURCES

The BC Small Business Accord

<http://www.jtst.gov.bc.ca/sbaccord>

The Public Announcement

The project began on August 29, 2013 following a public announcement.

<http://www.newsroom.gov.bc.ca/2013/08/new-senior-adviser-to-help-small-businesses-cut-red-tape.html>

The Small Business – Doing Business with Government Project

<http://www.jtst.gov.bc.ca/selltobcgov/index.htm>

What You Said

A summary of the discussion at each consultation session is prepared, shared with participants in draft and published at the website below.

www.jtst.gov.bc.ca/selltobcgov/whatyousaid.htm

Selling to the B.C. Government

For information about how the B.C. Government purchases goods and services and how to do business with the provincial government, visit:

<http://pss.gov.bc.ca/psb/selling-to-government.html>



NOTES

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2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Small Business Roundtable

Revised: April 24, 2014

Issue: Small Business Roundtable status

Recommended Response:

- The Small Business Roundtable ("Roundtable") is funded through operating funds in the Small Business Branch (FY 2014/15 allocation \$150,000, which includes one FTE).
- The Roundtable is an advisory body chaired by the Minister of State for Tourism and Small Business. It brings together small business owners and industry association leaders quarterly to provide advice and recommendations to government, to improve the small business environment in British Columbia.
- Through the 2013 Open for Business Awards, the Roundtable awarded \$10,000 each to seven communities which best demonstrates they are operating within the spirit of the B.C. Small Business Accord. A \$200,000 grant, held in trust by the B.C. Chamber of Commerce was provided to the Roundtable to fund the Award for FY 2013/14; \$130,000 remains to fund the Award for FY 2014/15.
- The Roundtable conducts consultations with small business owners throughout the province several times a year and produces an Annual Report to government with recommendations on possible actions to further the growth and success of small business.
- Through its diverse membership and connection to the small business community, the Roundtable continues to be a strong champion for small business issues throughout the province.

Background/Status:

- The permanent Small Business Roundtable (Roundtable) was established in 2005 to provide small business with a direct voice to government. The Board generally meets quarterly, typically in March, June, September and December and produces an Annual Report to Government.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

- The Annual Report is presented during Small Business Month in October and outlines Board's activities and recommendation that support the success and growth of small business during the year.
- The Roundtable members are currently advocating for:
 - new programs or initiatives that operate within the spirit of the newly created B.C. Small Business Accord (Accord).
 - local governments to adopt mobile business licence agreements,
 - improved awareness of government programs that improve productivity and reduce the cost of doing business; and
 - the continued expansion of BizPaL to reduce the cost and complexity of doing business in their regions.
- In 2013, the Roundtable held the inaugural Open for Business Awards to acknowledge communities with policies and programs that operate in the spirit of the Accord. The Roundtable was provided with a grant of \$200,000, held in trust by the BC Chamber of Commerce, to execute the 2013 awards.
 - The intent of the financial award is to fund a local small business friendly initiative, in whole or in part, that is aligned with principles of the Accord.
 - In 2013, a record 39 community submissions were received.
 - Winners of the 2013 award were: Central Saanich, Chilliwack, Coquitlam, Fort St. James, Kelowna, City of Langley, and Penticton.
 - 2013 Award winners were announced at UBCM's Annual Convention on September 19, 2013.
- The Roundtable has provided a small business perspective in the design of several government programs or initiatives, such as the training tax credit, B.C. Chamber of Commerce Micro-Business Training Pilot Program, Venture Connect Pilot Project (Succession Planning) and the Roundtable-developed Small Business Lens (incorporated into the Regulatory Criteria Checklist in 2007).
- The Roundtable Board is chaired by Minister of State for Tourism and Small Business, Honourable Naomi Yamamoto, and currently has 17 members from all regions in the province. Members are affiliated with a wide range of organizations associated with the small business community (see attachment).

Attachment: Small Business Roundtable Members

Contact:

Executive Jackie Hunter Small Business Branch 250-387-1548

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour

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

Director

Reviewed by			
Dir: PS	ED: TS	ADM: KL	DM:

SMALL BUSINESS ROUNDTABLE MEMBERS			
Name	Company / Organization	Affiliations	City
Hon. Naomi Yamamoto Chair	Minister of State for Tourism and Small Business MLA, North Vancouver – Lonsdale	<ul style="list-style-type: none"> BC Chamber of Commerce (formerly) North Vancouver C.O.C.(formerly) Small Business Roundtable (formerly) 	North Vancouver
Cybele Negris Vice-Chair	President & Co-Founder, Webnames.ca Inc.	<ul style="list-style-type: none"> Wired Women Forum for Women Entrepreneurs Vancouver Economic Dev. Commission Small Business BC Vancouver Canary Derby 	Vancouver
Sue Adams	Managing Partner, Bevendale Enterprises Inc.	<ul style="list-style-type: none"> Whistler Chamber of Commerce Women's Enterprise Centre Whistler Alliance for Cultural Tourism 	Whistler
John Cameron	CEO, Rock Solid Business Coaching Inc.	<ul style="list-style-type: none"> Gas Fireplace Association of Langley 	Langley
Cindy Choi, FCGA	Partner, Chan Choi & Company, Certified General Accounts	<ul style="list-style-type: none"> CGA-BC Board of Governors JABC Board Member 	Victoria
Robert Fine	Director of Economic Development, Central Okanagan Regional District	<ul style="list-style-type: none"> International Economic Dev. Council Okanagan Innovation & Research Centre 	Kelowna
Garth Frizzell	Founder & CEO, Terra Cognita Software Systems Inc.	<ul style="list-style-type: none"> City of Prince George (Councillor) Prince George Chamber of Commerce 	Prince George

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

SMALL BUSINESS ROUNDTABLE MEMBERS			
Name	Company / Organization	Affiliations	City
Mike Klassen	Director of Provincial Affairs, Canadian Federation of Independent Business	<ul style="list-style-type: none"> Vice-President of PAL Vancouver board of trustees Contributing Blogger for the Huffington Post 	Vancouver
David Littlejohn	Owner/Operator, Living Forest RV Park / Oceanside Campground	<ul style="list-style-type: none"> Council of Tourism Associations of BC Tourism Nanaimo BC Lodgings and Campgrounds Assoc. 	Nanaimo
Kelly McCormack	Owner, McCormack Management	<ul style="list-style-type: none"> Smithers & District Chamber of Commerce 	Burns Lake
Murray Presley	Partner, Presley & Partners	<ul style="list-style-type: none"> City of Courtenay (Councillor) Comox Valley Economic Dev. Society Institute of Chartered Accountants BC Regional District of Comox-Strathcona Community Futures <ul style="list-style-type: none"> Strathcona & Mt. Washington Opportunity Ventures Inc. Strathcona Employ. & Econ. Dev. Soc. 	Courtenay
Mark Startup	Vice President, MySTORE Retail Council of Canada	<ul style="list-style-type: none"> Coalition of BC Businesses Rotary Club of Vancouver Canadian Society of Assoc. Executives Tourism Vancouver Immigrant Employment Council of B.C. 	Vancouver
Ian Tostenson	President & CEO, British Columbia Restaurant & Food Services Association	<ul style="list-style-type: none"> BC Wine Institute David Foster Foundation H.A.V.E. Training Culinary School 	Vancouver
Sonia Virk	Lawyer and Partner, Virk Sabharwal, Lawyers	<ul style="list-style-type: none"> Indo-Canadian Business Association Surrey Board of Trade 	Surrey
MJ Whitemarsh	CEO, Canadian Home Builders Association of British Columbia	<ul style="list-style-type: none"> Homeowner Protection Office's Provincial Advisory Council National Labour Market Initiative Comm. Technology Education & Careers Council 	Burnaby

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour

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

SMALL BUSINESS ROUNDTABLE MEMBERS			
Name	Company / Organization	Affiliations	City
		<ul style="list-style-type: none"> Conasys Inc. (Chair of Advisory Council) 	
Judy Wilson	Chief, Neskonlith Indian Band (Skatsin)	<ul style="list-style-type: none"> Shuswap Nation Tribal Council Union of B.C. Chiefs B.C. Assembly of First Nations Assembly of First Nations (National) 	Chase
John Winter	President & CEO, British Columbia Chamber of Commerce	<ul style="list-style-type: none"> Chancellor, University Canada West Prime Minister's Advisory Council on Volunteer Awards Immigration Employment Council of B.C. Coalition of BC Businesses Tourism Vancouver United Way (Lower Mainland) Business Laureates Award Cabinet 	Vancouver

JTST Factsheet
Small Business – Small Business Venture Capital Tax Credit
Updated January 2014

- The Small Business Venture Capital Tax Credit program, led by the Ministry of International Trade and Investment, allows individuals known as “angel investors” to put their own capital directly into an eligible small business and offer strategic expertise - helping to commercialize ideas, attract and retain employees, and expand operations and compete in the global marketplace.
- As part of the BC Jobs Plan, the Small Business Venture Capital program’s value was increased by \$3 million to \$33 million, and enables equity investment up to \$110 million yearly.
- We are providing small business access to early-stage venture capital through the expansion of the Small Business Venture Capital Tax Program, with additional funding of \$5 million in 2015/16.
- Sectors that benefit include:
 - Businesses creating opportunities in regional community diversification,
 - Clean technology innovation,
 - Interactive digital media production,
 - Export manufacturing, destination tourism, and
 - Research and development of proprietary technology.
- For individuals, the venture capital tax credit is fully refundable up to \$60,000 each year.
- For corporate investors, the tax credit may be applied to provincial income taxes payable. If you cannot apply your entire tax credit amount to B.C. taxes payable in the year, the excess may be carried forward up to four years.

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and Small Business

Title: Establishment of a Premier's Women's Economic Council

Date of Last Revision: April 24, 2014

Issue: Premier's Women's Economic Council - Status

Recommended Response:

- In FY 14/15, funding for this initiative will be covered within the existing Tourism and Small Business Division budget.
- The annual incremental cost of this initiative is currently under review and may cover operations, staff support and governance of the Council.
- Announced on February 3, 2014, the Premier's Women's Economic Council (Council) will provide a forum for women to provide input, advice and recommendations to government to continue to improve the business environment for women in BC.
- The Council currently consists of 15 members from various regions and industries, including business leaders representing the key sectors identified in the B.C. Jobs Plan.
- The Council will be positioned to provide strategic advice to the Premier and Ministers to ensure that government activities are aligned with the economic and business needs of women in BC.
- The inaugural meeting of the Council was on April 2, 2014.
- The Council will meet on a quarterly basis.

Background/Status:

- Policy considerations will likely arise from recommendations made by Council members.
- The Council is positioned to provide strategic advice to the Premier (and government) on the expedited Jobs Plan, sector strategies, and other government priorities to ensure that activities are aligned with the economic and business needs of women in BC. The Council is also expected to provide recommendations to further the efforts of government in producing economic activities that promote economic growth in the province and creation of jobs.

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and Small Business

- The Council was announced on February 3, 2014 and had its inaugural meeting on April 2, 2014. The Council and its Chair are appointed by the Premier. The council, chaired by Lois Nahirney, currently consists of 15 members from various regions and industries, including business leaders representing the key sectors identified in the B.C. Jobs Plan. Appointees to the council are:
 - Dr. Lyn Anglin, President, Anglin & Associates
 - Brenda Baptiste, CAO, Tsleil-Waututh First Nation
 - Kristina de Araujo, Director of Corporate Affairs, Quickload Logistics
 - Shauna Harper, Online Marketing Consultant, Live Work Communications
 - Shannon Janzen, Manager of Strategic Planning, Western Forest Products
 - Margot Middleton, President, Middleton Petroleum Services
 - Lois Nahirney, Vice-President, TeeKay Corporation
 - Sheila Orr, Entrepreneur
 - Cindy Popescul, Partner, BDO Dunwoody LLP
 - Tracy Redies, President & CEO, Coast Capital Savings
 - Eva Sun, Owner, The Rice People (Libra National Inc.)
 - Renee Wasylyk, Principal, Troika Development
 - Jennifer Williamson, Director & Chief Flight Nurse, LIFESUPPORT Patient Transport
 - Kirsten Wilson, President, Jack Cewe Ltd.
 - Kari L. Yuers, President and CEO, Kryton International Inc.
- The Council will meet on a regular basis and provide advice on topical issues that are facing British Columbians. It is anticipated that some form of reporting will be provided on a regular basis.
- No budget has been allocated yet for this initiative. The annual estimated cost to support Council operations and meetings, creation and printing of reports, cross-government coordination is currently under review.

Contact:

Executive Director	Jackie Hunter	Small Business Branch	250-387-1548
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Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and Small Business

Reviewed by			
Dir: PS	ED: JH	ADM: KL	DM:

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training
Minister Responsible: Honourable Shirley Bond, Minister of Jobs, Tourism and Skills Training and Responsible for Labour

Title: Multi Material BC

Date of Last Revision: April 23, 2014

Issue: Business Concerns Regarding the Launch of Multi Material BC (MMBC)

Recommended Response:

- The Province is committed to ensuring that industry take responsibility for collecting and recycling the packaging it generates.
- B.C.'s current taxpayer funded blue box recycling program is the most expensive program in Canada with the poorest results - this needs to change.
- While the BC Recycling Regulation and the relationship with MMBC are under the purview of the Minister of Environment (MoE), JTST will continue to work with MoE, MMBC, the business community and other stakeholders to ensure this program is a success.
- The BC Chamber of Commerce supports the changes government has made so far to protect the business community from burdensome fees and red tape.
- B.C. is the only province to receive an 'A' rating by the Canadian Federation of Independent Business, for the third year in a row, for its effort to reduce red tape. Reducing red tape for small business remains a top priority for government.
- The Province has committed to setting a *de minimus* regulation, exempting many small businesses from reporting or recycling costs, to address concerns.

Background/Status:

- For the past decade, local governments have requested the Province regulate Extended Producer Responsibility (EPR) for Packaging and Printed Paper (PPP) and accelerate the development of new programs.
- In 2009, the Canadian Council of Ministers of the Environment (CCME) agreed to develop a Canada-wide Action Plan for EPR and called for all jurisdictions to implement an EPR program for packaging and printed materials by 2015. Quebec, Ontario and Manitoba have established programs with varying success rates.
- In May 2011, the Recycling Regulation was amended to include the PPP (all paper printed with text or graphics such as newspapers, flyers, and phonebooks) category.

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training
Minister Responsible: Honourable Shirley Bond, Minister of Jobs, Tourism and Skills Training and Responsible for Labour

Under this regulation, producers were required to submit a stewardship plan to MoE by November 19, 2012, implementing their approved plan by May 19, 2014.

- Local government had until the end of November 2013 to decide if they would participate in the MMBC program. For those who participate, the program will be implemented in May 2014. These contracts also contain a 180 day cancellation clause which local governments can invoke.
- Local governments who have asked for an extension to negotiate will have the program implemented at a later date (possibly 2015) if they decide to participate.
- MoE has offered its continued support to UBCM by assisting local governments in the transition to EPR for PPP, including hosting seven regional meetings across the province to provide clarification in interpreting the Recycling Regulation.
- Multi Material BC (MMBC) is a not-for-profit stewardship agency developed by and for producers of PPP to address their obligations under the Recycling Regulation. To date the majority of large producers of PPP have chosen to appoint MMBC as their stewardship agency.
- MMBC's approved plan has a number of commitments including:
 - Increase collection service levels province wide so that 97 per cent of residents have a relatively convenient recycling option;
 - Provide curbside (blue box) collection services to 84 per cent (1.45 million) of single and multi-family households in B.C.; and
 - Increase the provincial PPP recycling rate from 56 per cent to 75 per cent.
- The MMBC project team is continuing to identify producers of PPP to alert them to their new obligations under Schedule 5 of the Recycling Regulation. Businesses are encouraged to visit MMBC's website for full details on the MMBC program which will be implemented May 19, 2014.

Business Concerns:

- In January 2014, the Canadian Federation of Independent Business (CFIB) awarded MMBC with their first annual "Paperweight Award" during Red Tape Awareness Week for being "the worst offender when it comes to fighting red tape." However, CFIB also gave B.C. an A rating, the only Canadian jurisdiction to receive this ranking, for its effort to reduce red tape. .
- Laura Jones with the CFIB wrote an op-ed in The Province newspaper that stated, "Multi Material BC, a new agency given its power by the B.C. government, is

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training
Minister Responsible: Honourable Shirley Bond, Minister of Jobs, Tourism and Skills Training and Responsible for Labour

threatening businesses with some of the worst red tape we've ever seen. Its website tells businesses: 'Ensure your legal and/regulatory affairs department is aware of your compliance obligations.' Reality check: My hairdresser doesn't have a regulatory affairs department! B.C. is a red tape reduction leader but needs to clean up its act when it comes to such "off book" regulatory activity."

- The concerns raised by CFIB focus on MMBC's requirements as a stewardship agency, not the requirements imposed by MoE.
- A number of businesses and organizations launched a public campaign called '**Rethink It BC**' to protest regulatory changes involving the recycling of PPP. During a news conference the group asked that the new recycling program be halted, raised concerns about a lack of consultation and indicated that "this new red tape will kill jobs and cause many businesses to fail".
- The campaign involves newspaper ads in 130 newspapers in B.C., a website (rethinkitbc.ca), and a Twitter hashtag (#RethinkItBC). The business groups involved include:
 - the Canadian Federation of Independent Business,
 - BC Bottle & Recycling Depot Association,
 - BC Landscape & Nursery Association,
 - BC Printing & Imaging Association,
 - BC & Yukon Community Newspapers Association,
 - Canadian Manufacturers and Exporters,
 - Newspapers Canada; and
 - Waste Management Association of BC.
- The Waste Management Association of BC has expressed concerns on behalf of its members with regards to the implementation of the PPP EPR program and its impact on recycling facility operators, particularly small operators, requesting that implementation of the revised regulation be delayed until meaningful consultation with recycling providers is undertaken.
- Independent recycling operations have contacted the Small Business Branch and sent correspondence to the Minister of State, expressing concerns regarding the Request For Proposals (RFP) which MMBC issued for the provision of recycling collection services. They feel small operators did not qualify under the terms of the RFP which may put many of them out of business.
- The authority that MMBC has been provided to issue an RFP and select recycling providers, and the conditions of that agreement, are under the jurisdiction of Honourable Mary Polack, Minister of Environment. However, JTST continues to work

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training
Minister Responsible: Honourable Shirley Bond, Minister of Jobs, Tourism and Skills Training and Responsible for Labour

with MoE and MMBC to ensure that the concerns of small business owners, both recycling providers and producers of PPP, are being heard.

Small Business Concerns:

- The BC Chamber of Commerce (Chamber), CFIB, BC Small Business Roundtable and other business organizations conveyed concerns regarding the regulation and MMBC, including the administrative burden the regulation would place on small businesses and implementation and approval of MMBC's stewardship plan without appropriate/full consultation with the small business community.
- Government acknowledged the concerns of small business and asked MMBC to work, through the Chamber, on a set of recycling rules that makes sense for small business while still achieving its shared environmental goals.
- Government intends to introduce a new regulation which will exempt small businesses from any reporting or recycling costs if they meet any one of the following criteria:
 - Under one million dollars in annual revenues;
 - Under one tonne of PPP supplied to B.C. residents; or
 - Operate as a single point of retail sale and are not supplied by or operated as part of a franchise, chain or under a banner.
- Government is providing certainty for businesses and reducing unnecessary red tape by ensuring clear thresholds for small business participation in the MMBC program are regulated.
- MMBC projects that only the largest 2000-3000 (less than 1 per cent) of roughly 385,000 businesses in B.C. would be above these thresholds, with the largest 150 responsible for 80 per cent of the costs
- On Feb. 4, 2014, MMBC and MoE announced their Small Business Policy to provide significant relief to business.

Contact:

Executive Director Jackie Hunter Small Business Branch 250-387-1548

Reviewed by			
Dir: PS	ED:	ADM: KL	DM:

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Tourism and Grizzly Bear Hunt in BC

Revised: April 23, 2014

Issue: A section of stakeholders believe that grizzly bear hunting is both harmful for BC's international reputation and competes with the bear viewing sector.

Recommended Response:

- **BOTH** bear viewing and hunting currently exist, and both are valuable tourism product sectors for British Columbia.
- There are strongly differing beliefs on the management of grizzly bear populations between the bear viewing industry and the bear hunting industry.
- The Province of BC relies upon the FLNRO and Ministry of Environment biologists in making policy decisions regarding the conservation/hunting of bears
 - In their work, these professional biologists consult with a wide range of stakeholders and the general public to ensure effective and sustainable management of the province's wildlife resources.
 - Responsibility for establishing the conservation measures rests with my colleague, Honourable Steve Thomson. I encourage you to direct further questions to him.
- We are committed to supporting our tourism sectors, and making integrated resource management decision to ensure continued success for both.

Background/Status:

- The Great Bear Rainforest (GBR), a 6.4 million-hectare ecosystem on BC's north and central coast, is the world's largest intact temperate rainforest.
 - It is the only place where the all-white black bear (Kermode or Spirit Bear) is found. The provincial government permits hunting in the GBR of grizzly and black bears, but not the Spirit Bear.
- Over 95% of the provinces bear viewing businesses (53) are located in the Great Bear Rainforest (GBR). There is a growing number of First Nations-owned bear viewing operations in the GBR (approximately six).

2014/15 Estimates Note Advice to the Minister

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Small Business

- The two key sectors associations (Guide and Outfitters of BC and the Commercial Bear Viewing Association of BC) are both members of the umbrella organization – the Wilderness Tourism Association (WTA). The WTA is aware of a few cases where there is conflict between the sectors, but so far, these two sectors have been able to work out differences between themselves.
- According to a Provincial Government report, in 2001, just under one million tourists spent almost \$910 million dollars at nature-based tourism businesses.

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Contact:

ADM	Kaaren Lewis	Tourism & Small Business Division	250 952-0367
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2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Tourism in British Columbia – **KEY FACTS**

April 24, 2014

Key Messages:

ECONOMIC CONTRIBUTION:

- Tourism is an important economic driver in this province and that's why we've identified it as one of the eight key sectors in the BC Jobs Plan.
- In 2012, the revenues from the Tourism sector were 13.5 billion dollars – an increase of 3 per cent over last year.
- Tourism generated a direct contribution to B.C.'s gross domestic product of \$7.1 billion, accounting for 3.7% of the province's total GDP – an increase of 2 per cent over last year.
- The tourism sector alone contributed \$1.2 billion in tax revenue to B.C. government in 2012.
- Between 2001 and 2012, tourism revenue in the province grew by 43 per cent.

TOURISM JOBS:

- In 2012, the tourism sector employed 127,300 British Columbians – that's almost 1 in every 15 jobs in BC.
- The number of British Columbians working in tourism-related activities is the highest it has been since 2009.
- In 2012, the tourism industry paid \$4.3 billion in wages and salaries to tourism workers, an increase of 4.0 per cent over the year before.
- The industry supports businesses of all sizes – with more than 18,000 tourism-related businesses in B.C, an increase of 2.0 per cent over last year.
- The majority of those tourism-related businesses – 93 per cent in fact – are small businesses (49 or fewer employees).
- Projections for tourism and hospitality employment in B.C. indicate the number of positions in the tourism and hospitality sector will increase from 255,860 in 2010 to 300,080 by 2020 –meaning more than 44,000 NEW jobs will be added to B.C.'s economy.
- Over the same period, it is estimated that there will be between 56,000 to 62,000 openings in the tourism and hospitality sector each year (between 2010 and 2020) as a result of replacement needs/retirement.
- The total number of openings by 2020 is therefore projected to be more than 101,000 – that's 10 per cent of all expected job openings in the province by that year.

RECENT VISITOR STATS:

- 2013 was a good year for the B.C. tourism industry with international custom entries into B.C. up significantly, especially from some of our key markets:
 - U.S. entries rose 4.3 per cent over the year before.
 - Visitors from China were up 26 per cent over 2012.
 - And visitors from Mexico were up 10.6 per cent.
 - Overall, international visitors to B.C. were up 4.6 in 2013.

value of tourism in 2012

A SNAPSHOT OF TOURISM IN BC

OVERVIEW

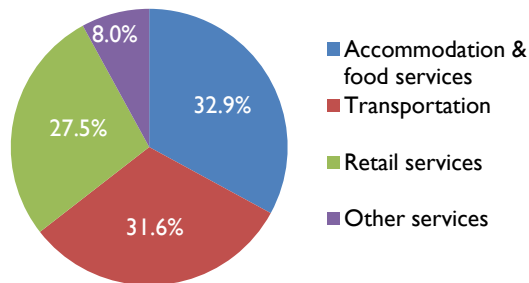
This publication provides a snapshot of the economic value of tourism to British Columbia in 2012. It is also a complementary piece to the full 'Value of Tourism in British Columbia: Trends from 2002 to 2012' report. Information provided in this snapshot is from BC Stats, in partnership with Destination British Columbia and from the International Travel Survey.

TOURISM REVENUE

Total tourism revenue

Tourism revenue measures the money received by businesses, individuals, and governments due to tourism activities. In 2012, the tourism industry generated \$13.5 billion in revenue, a 2.5% increase over 2011, and a 40.5% increase from 2002.

Share of 2012 tourism revenue by sector



Provincial tax tourism revenue

Tourism-related provincial tax revenue generated \$1.2 billion in 2012, an increase of 4.7% over 2011, and of 72.6% since 2002. This increase since 2002 was due to the growth of the tourism industry and to consumer taxes, such as the Harmonized Sales Tax (HST).

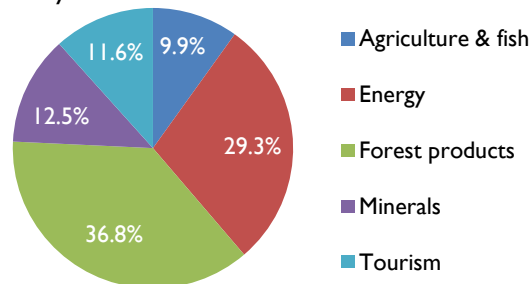
Accommodation room revenue

In 2012, \$1.5 billion of accommodation room revenue was earned in communities with the Municipal Regional District Tax (MRDT), an increase of 1.6% from 2011.

Tourism export revenue

In 2012, tourism export revenue generated \$3.2 billion, a slight, 0.2% increase over 2011, and a 12.6% decline since 2002. Tourism export revenue was similar to that of the mineral (\$3.5B) and agriculture and fish (\$2.7B) primary resource industries, but lower than that of forest products (\$10.2B) or energy products (\$8.1B).

Export revenues from BC's primary resource commodities



Tourism gross domestic product

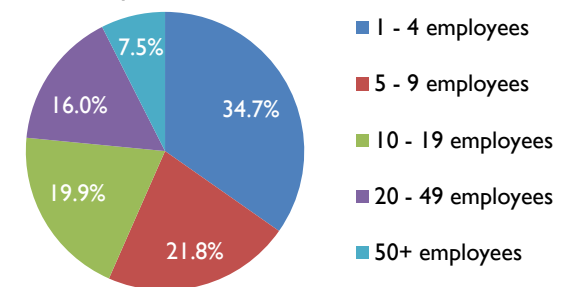
The tourism industry contributed \$7.1 billion of value added to the BC economy, as measured through GDP (in 2007 constant dollars). This represents 1.5% growth over 2011 and 4.4% growth since 2007. In 2012, tourism contributed more to GDP than the forestry and agriculture and fish primary resource industries but less (65.8%) than the mining, oil and gas extraction industry. GDP contributions of the tourism sectors were similar to their shares of total tourism revenue.

TOURISM BUSINESSES AND PEOPLE

Tourism businesses

In 2012, 18,387 tourism-related businesses were in operation in BC, up 1.9% from 2011 and 2.2% from 2002.

2012 tourism businesses by size



Tourism employment

In 2012, 127,300 people were employed in tourism-related businesses, similar to 2011 (up 0.6%), and a 14.8% increase since 2002.

Tourism wages and salaries

In 2012, the tourism industry paid \$4.3 billion in wages and salaries, up 4.0% from 2011, and a 30.5% increase since 2002. Average compensation in the tourism industry, in 2012 was \$34,069, up 3.3% from 2011 and 13.7% since 2002.

For more information, please contact:

Destination British Columbia

Research, Planning & Evaluation

Email: tourismresearch@destinationbc.ca

Phone: 1.877.877.8811

Website: www.destinationbc.ca/research.aspx

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Tourism Branch Overview

Revised: February 14, 2014

Issue: Overview of Tourism Branch staffing, budget and key responsibilities

Recommended Response:

- The FY 14/15 budget allocation for the Tourism Branch is \$925,000.
- The Tourism Branch provides strategic oversight of DBC and strategic policy direction for the tourism sector across government. It is also tasked with ensuring our Provincial tourism strategy, Gaining the Edge, is being delivered across all responsible arms of the Provincial Government.
- The focus of the Tourism Branch's work is to propel job creation and economic growth of the "travel economy" of British Columbia.
- The team works across all levels of government to ensure that policies and actions in support of tourism are coordinated, that critical and emerging tourism issues are addressed, and that tourism is recognized as a key driver of economic growth in B.C.

Background/Status:

- The Tourism Branch currently has annual budget of \$925,000 which includes 8 FTEs and \$790,000 operating.
- Key functions of the Tourism Branch are to:
 - Oversee Governments agenda for tourism, including implementation of ***Gaining the Edge***.
 - Co-ordinate activities between government and Destination B.C.
 - Co-ordinate activities between provincial bodies with mandates that impact tourism, including the Ministry of Forests Lands, and Natural Resource Operations (FLNRO) and B.C. Parks). Operational units the Tourism Branch works to influence include:
 - Mountain Resorts Branch, FLNRO
 - Heritage Branch, FLNRO
 - BC Parks, Ministry of Environment
 - Sports Branch, Ministry of Community Sport and Cultural Development
 - Resort Municipality Initiatives, JTST, and

2014/15 Estimates Note

Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

- Recreation Sites and Trails, FLNRO.
- Undertake high-priority and strategically significant projects and lead or contribute to cross-government requests, for example developing and/or influencing,
 - provincial tourism policies
 - air and border policy
 - accountability improvements for the Municipal and Regional District Tax (MRDT) – formerly called the Additional Hotel Room Tax), and
 - Aboriginal tourism development
- Lead the development of policies and initiatives that support tourism industry development within all six sectors:
 1. accommodations,
 2. food and beverage,
 3. attractions and recreation,
 4. transportation,
 5. travel services, and
 6. retail.
- Lead activities to address labour issues, and to grow tourism careers.
- Leads or coordinates work on policies that increase the competitiveness of B.C.'s tourism sector and position B.C. as a competitive, safe and desirable destination.
- Work directly with service providers such as:
 - GO2 - BC's tourism human resource association responsible for coordinating the BC Tourism labour market strategy.
 - LINK BC – B.C.'s tourism education network. They work to strengthen British Columbia's competitive edge as a tourism destination by connecting faculty, students, and graduates of the BC Tourism Learning System to the industry and communities.

Contact:

ADM	Kaaren Lewis	Tourism & Small Business Division	250 952-0367
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Tourism Branch – **KEY ACHIEVEMENT**

January 10, 2014

Tourism Key Achievement:

- **Established Destination BC to market British Columbia and promote the development and growth of the tourism industry**
 - We're facing fierce competition from around the world for each and every tourist dollar.
 - Destination BC will help government and the tourism industry work together better to compete on a global scale.
 - What's most exciting about this new model is that it wasn't devised at a distance by politicians. Destination BC was designed by tourism operators.
 - After extensive consultation with our tourism stakeholders, we created a Crown corporation that is industry-driven and formula-funded (legislation passed in Spring 2013).
 - We're confident Destination BC will help our tourism industry grow and create jobs by marketing B.C. as a tourism destination at the international, provincial, regional and local levels.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Aboriginal Tourism

Revised: April 29, 2014

Issue: Criticism may be raised over a lack of support for First Nations tourism, despite significant efforts and investments by the Province.

Recommended Response:

- BC is seen as a global leader in Aboriginal tourism. There is increasing demand for Aboriginal tourism products, and this sector remains one of BC's top 6 sectors in our Gaining the Edge strategy.
- Since 2007, the Province has supported a dedicated Aboriginal Tourism organization, Aboriginal Tourism Association of BC (AtBC) each year. There has been a total investment of \$6.67 million to date. This investment has led to the 2012-2017 plan entitled "The Next Phase: A Five year Strategy for Aboriginal Cultural Tourism Development in British Columbia".
- This year, the Province has also begun collaborating with AtBC to explore how to create new partnerships and better leverage existing programs and services to support Aboriginal entrepreneurs who want to participate in the growing tourism economy.
- We are proud of our collaboration with First Nations, and through organizations like AtBC, proud of the resulting tourism businesses and aboriginal tourism sector. We want BC to remain a global leader in this exciting sector.

(If asked about how the BC Ferry cuts to Route 40 impacts aboriginal tourism).

- There are some tourism businesses which are aboriginal owned in the affected areas. As with **all** the tourism businesses potentially affected, Government is exploring ways of mitigating impacts and finding options that continue to allow those businesses to prosper. For example, work is being done on ferry scheduling, led by my colleague the Honourable Todd Stone.

Background/Status:

- Aboriginal Tourism British Columbia (AtBC) is an independent society that supports industry specific training, product development and marketing for aboriginal tourism. This includes both "cultural tourism", and supports for aboriginal people who want to be in the tourism business, with or without a primary "cultural" focus to their business.

2014/15 Estimates Note

Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

- Since 2007, the Province has supported AtBC's development and marketing activities by providing about \$1M per year, via Tourism BC, the Ministry, and, most recently, Destination BC. Total investments to date in AtBC are \$6.67 million, with \$0.67 million of that amount invested to fund 14/15 activities. Additional requests made by AtBC will be reviewed by the DBC Board.
- AtBC has prepared a detailed strategy for product development, and is in the process of conducting a series of regional planning projects to identify key development opportunities in each tourism region.
 - Most recently, a study in the Cariboo-Chilcotin tourism region identified opportunities to create new tourism enterprises, or to enhance existing businesses, in virtually every First Nations community.
- While there is increasing demand for Aboriginal tourism products. The number of 'export-ready' Aboriginal tourism products has jumped from 60 in 2011 to 150 businesses that are approaching "market ready status" today (thanks largely due to AtBC's efforts) There is additional growth potential in this product sector.
- A new partnership of provincial and federal agencies with AtBC is developing a pilot of comprehensive product development supports to enable more First Nations tourism products to come to market.
 - The pilot is proposed for the Central and North Coast region. Key partners include the provincially-endowed Coast Opportunity Fund, Western Economic Diversification, and First Nations governments.
 - Potential tourism business financing partners, including industry partners, are being identified.
 - The desired outcome of the pilot is new or expanded Aboriginal tourism businesses that take full advantage of marketing opportunities available.
- BC is a global leader in Aboriginal tourism. We want to remain the leader, and are supporting a targeted and strategic approach to growing this exciting sector.

Contact: Kaaren Lewis, ADM, Tourism and Small Business Division
Telephone: 250-952-0367

Prepared By: Colleen McCormick, Director, Tourism Branch
Telephone: 250-387-7861 Cell: s17

Reviewed by			
Dir: CM	ED: JD	ADM:	DM:

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Air Access

Revised: February 18, 2014

Issue: Improving international air connectivity to British Columbia

Recommended Response:

- The Province launched *Connecting With The World: An Aviation Strategy for BC* in December 2012.
- This BC strategy recognizes the key role of aviation in supporting economic development and provides an aviation focus in support of the BC Jobs Plan.
- Access to and within British Columbia is a key component to our tourism sector – we need to have competitive air access to attract our visitors.
- The Province will continue to work with the aviation sector to improve air access within the existing regulatory environment and with the Federal government to address regulatory impediments to improved air access.
- Several new, direct air services to YVR have started or will start soon including:
 - Sichuan Air from Chengdu and Shenyang in 2012
 - Virgin Atlantic from London in 2012
 - Lufthansa from Munich in 2013
 - All Nippon Airways from Tokyo starting in March, 2014
 - Icelandair from Reykjavik starting in May, 2014
- Further questions on air policies should be directed to my colleague, Minister Stone, as the Ministry of Transportation and Infrastructure is the lead.

Background/Status:

- The vast majority of control over aviation falls within federal jurisdiction. Any changes that would provide for a direct increase in air access must be accomplished through influence with the Government of Canada.
- Canada is perceived globally as falling behind the international trend towards air liberalization because Canada continues to impose more restrictions on foreign carriers through international bilateral air transport agreements than other

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

countries impose. This is part of the reason Canada is seen as a high-cost destination.

- Transport Canada is responsible for all aspects of civil aviation including directing Canada's air bilateral negotiations with other countries. Some have suggested Canada's economy would benefit by treating air transportation negotiations like any other trade negotiation.
- The Ministry of Transportation and Infrastructure leads provincial efforts to address aviation issues that are a concern for BC by engaging private sector aviation stakeholders and coordinating with government agencies responsible for tourism, trade and international education.
- The Province eliminated the 2¢-per-litre International Aviation Jet Fuel Tax in 2012, showing leadership in addressing the competitiveness implications of the regulatory cost structure applied to aviation in Canada. A preliminary review of the effects of this change indicates new provincial revenues in the first year (\$20 million in taxes and new services) exceed the Budget 2012 estimate of foregone revenue from the tax (\$12 million).
- Minister of State Yamamoto works with the Canadian Council of Tourism Ministers to engage federal Minister of State for Small Business and Tourism Maxim Bernier to advocate for changes that benefit tourism.
- The Tourism Industry Association of Canada has been instrumental in coordinating tourism and other economic voices across Canada on this issue.
- JTST has contributed \$10k towards a project led by the Tourism Industry, in partnership with other Provinces to explore a contemporary SWOT analysis on air access across Canada. This work is being conducted by Deloitte.

Contact:

ADM	Kaaren Lewis	Tourism & Small Business Division	250 952-0367
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2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: BC Brand Revitalization Project

Revised: April 24, 2014

Issue: Overview of the BC brand revitalization project and associated costs

Recommended Response:

- Destination BC is the custodian of the provincial tourism brand. They monitor and evolve it as needed, to ensure it remains relevant and motivating to current and future travellers.
- Destination BC has embarked on a process to review and revitalize BC's destination brand to ensure that it clearly differentiates British Columbia from other jurisdictions, reflects changing consumer dynamics, motivates short- and long-term visitation, and provides a unifying vision and voice for the industry.

Background/Status:

For over 30 years, British Columbia's tourism destination brand – using the tagline, *Super, Natural British Columbia®* – has inspired millions of people to visit BC. Destination BC monitors and evolves the brand as needed, to ensure it remains relevant and motivating to potential travellers.

The brand was last reviewed and refreshed in 2007/08, in preparation for the 2010 Olympic Winter Games. Since then, consumer trip planning and purchase behaviours have changed dramatically. Therefore, Destination BC has embarked on a process to review and revitalize BC's destination brand to ensure that it clearly differentiates British Columbia from other jurisdictions, reflects changing consumer dynamics, motivates short- and long-term visitation, and provides a unifying vision and voice for the industry.

Project Status

The destination brand revitalization project is being undertaken in five phases over two fiscal years. In 2013/14, Destination BC completed the first three phases:

- Phase 1 – Brand Audit
The purpose of the brand audit was to gain a better understanding of the resonance of the destination brand.
- Phase 2 – Brand Research
During the last two quarters of 2013/14, Destination BC conducted quantitative and qualitative industry and consumer research in its key short- and long-haul markets to update Destination BC's understanding of high potential target prospects and their perceptions of BC as a travel destination. The Brand Discovery and Research along

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

with the findings of the brand audit were used to proceed with the final phases of the process: Brand Strategy Development, Brand Creative Development and Brand Implementation.

- Phase 3 – Brand Strategy Development

Destination BC undertook development of the brand strategy platform. Strategic hypotheses will be developed and tested amongst consumers in key markets, industry and staff.

In 2014/15, Destination BC is undertaking the final two phases of the project:

- Phase 4 – Brand Creative Development – To be completed in June 2014

Based on the completed brand blueprint, Destination BC is developing the brand creative platform..

- Phase 5 – Implementation July – October 2014

During the implementation phase, visual assets, brand guidelines and resource tools will be developed. Brand workshops will be conducted with Destination BC's staff and the tourism industry.

Fiscal 2014/15 Budget - \$600,000

Fiscal 2013/14 Budget - \$600,000

Contact:

A/Executive Director Carol Nelson Tourism Marketing 604 660-3755

Reviewed by			
Dir: KL	ED: CN	VP: GM	CEO: MW

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Destination BC's Operating Budget 2014/15

Revised: April 24, 2014

Issue: Analysis of Expenditures

Recommended Response:

- Destination BC is undergoing a strategic planning exercise which may have an impact on the allocation of the budget in 2014/15. Therefore, the amounts currently shown in the various expenditure areas may not necessarily reflect the manner in which the corporation carries out its business during the new fiscal year.
- Destination BC's budget for 2014/15 is \$54.8M, the same as the revised budget for 2013/14
- Expenditures are budgeted as follows:

	<u>\$M</u>
Tourism Marketing	26.2
Tourism Partnerships	21.2
Research, Planning and Evaluation	1.4
Corporate Services	5.2
Amortization	<u>0.8</u>
Total Expenditures	<u>54.8</u>

- Tourism Marketing's budget of \$26.2M accounts for 48% of Destination BC's budget. The Tourism Marketing Unit works to increase demand for BC tourism experiences from key geographic markets, utilizing emerging and online technologies to engage consumers and assist in travel planning. Worldwide, the unit deploys a combination of media relations, travel trade and consumer direct marketing tactics.
- Tourism Partnership's budget of \$21.2M accounts for 39% of Destination BC's budget. The unit leverage's tourism investment through regional, community and sector co-operative marketing partnerships and partners with communities and sectors in the development of relevant tourism strategies. The unit also increases

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

industry professionalism through tourism education, customer service training and quality assurance; provide visitors with accurate, timely and compelling tourism information through a network of visitor centres and engages visitors through the publication of *British Columbia Magazine*.

- Research, Planning and Evaluation's budget of \$1.4M accounts for 3% of Destination BC's budget. The unit works to build a knowledge base to support research driven decision-making and program evaluation by Destination British Columbia's business units, community and sector organizations, tourism businesses and government. The unit also supports business plan strategies by tracking tourism industry performance, communicating information on industry performance, trends and markets to stakeholders, and supports corporate strategic planning, initiatives and performance metrics.
- Corporate Services' budget of \$5.2M accounts for 9% of Destination BC's budget and includes financial services, facilities and information technology, staff development and travel, staff salaries and support to the Board of Directors.

Contact:

A/CFO Alex Mackie Destination BC s17

Reviewed by			
Dir: AM	ED: AM	VP: GM	CEO:

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Comparison of Destination BC's 2014/15 Budget with the
2013/14 Forecast

Revised: April 24, 2014

Issue: Comparison of Destination BC's revenues and expenditures (2013/14
Forecast to 2014/15 Budget)

Recommended Response:

- Destination BC's 2014/15 budget is largely status quo relative to the previous year, with revenues from government remaining consistent; and expenditures similar to the previous year's forecast.
- Expenditure increases largely reflect the transfer of a budget from Shared Service BC, primarily in Corporate Services.

Background/Status:

	Budget 2014/15	Forecast 2013/14
	(\$000s)	(\$000s)
Revenues		
Government Grant	50,974	48,890
Self-generated Revenue	3,052	3,227
Recognition of Deferred Revenue	<u>760</u>	<u>500</u>
Total Revenue	<u>54,786</u>	<u>52,617</u>
Expenditures		
Tourism Marketing	26,213	26,080
Tourism Partnerships	21,211	22,316
Research, Planning and Evaluation	1,381	1,317
Corporate Services	5,221	2,404
Amortization	<u>760</u>	<u>500</u>
Total Expenditures	<u>54,786</u>	<u>52,617</u>

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

- The Government grant shows a higher figure, but the difference represents a transfer of the Shared Services BC (SSBC) budget of \$2.084M for facilities and information technology to reflect the fact that Destination BC will now be charged for these services. This is cost neutral in the Public Accounts as the same amount was removed from the Shared Services BC budget.
- Self-generated revenue is lower because of a general decrease in most revenue sources (e.g. BC Magazine circulation; decreased advertising sales; lower listings and reservations commissions; all of which reflect a change in consumer behaviour and industry uptake).
- Tourism Marketing shows a modest increase largely due to an increase in funding for the BC Tourism Brand Refresh.
- Tourism Partnership shows a reduction of just over \$1M primarily due to providing funding to the regional Destination Management Organizations in 2013/14 which will not be required in 2014/15.
- Corporate Services have increased by \$2.8M largely reflecting changes in how the budget is presented rather than increases to the organization's corporate services.
 - Specifically, a budget of \$1.6M for Corporate Services (information technology (IT) and facilities costs) was transferred to Destination BC from Shared Services BC.
 - The remainder represents some additional costs for IT and facilities, and includes salaries for a whole year for a full complement of staff - e.g. CEO, Executive Assistant, CFO, etc and some miscellaneous adjustments.

Contact:

A/CFO

Alex Mackie

Destination BC

s17

Reviewed by			
Dir: AM	ED: AM	VP: GM	CEO:

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Destination BC's Corporate Revenues

Revised: Apr 24, 2014

Issue: Comparison of Destination BC's Corporate Revenues

Recommended Response:

- Destination BC provides certain services to visitors and the tourism industry which enhance British Columbia's position as a tourism destination while also generating revenue. In total this revenue has shown a marked decrease over the past few years.
- For this reason, Destination BC is assessing all of its revenue generating activities as part of a strategic planning process currently underway.
- There has been a steady decline in Reservations Commission and Listings revenue over the past few years, reflecting changing consumer preferences regarding trip planning and the increase of on-line travel agencies.
- The circulation of BC Magazine continues to decline, reflecting changes in consumer behavior affecting almost all consumer magazines and revenues from display advertisements are also decreasing.

Background/Status:

Comparison of Destination BC's self-generated revenue

	MJTST		Destination BC	
	Actual (\$000s)		Actual (unaudited)	Budget
	2011-12	2012-13	2013-14	2014-15
Program Revenue				
Reservations Commission and Listings	2,386	2,117	1,374	1,280
BC Magazine	1,540	1,646	1,324	1,185
Super Host/World Host	244	269	387	300
Merchandise sales, royalties and other	172	234	247	262
TOTAL	4,342	4,266	3,332	3,027

Contact:

A/CFO Alex Mackie Destination BC

s17

Reviewed by			
Dir: AM	ED: CN	VP: GM	CEO: MW

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Destination BC's Corporate Services Budget

Revised: April 24, 2014

Issue: Comparison of corporate services: Forecast for 2013/14 compared to budget for 2014/15

Recommended Response:

- Destination BC was established as a new Crown corporation in response to the tourism industry's request for more industry responsibility and input into tourism marketing.
- Government is committed to ensuring the Corporation is efficient and cost effective in its management.
- The increase of \$2.8M in Destination BC's Corporate Services budget from \$2.4M Forecast for 2013/14 to \$5.2M Budget in 2014/15 largely reflects changes in how the budget is presented rather than increases to the organization's corporate services.
- The Corporate Services budget remains under 10% of program costs.

Background/Status:

The difference of \$2.8M consists of the following:

- Budget presentation:
 - A budget of \$1.6M for Corporate Services (information technology (IT) and facilities costs) was transferred to Destination BC from Shared Services BC.
 - The remainder represents some additional costs for IT and facilities, and includes salaries for a whole year for a full complement of staff - e.g. CEO, Executive Assistant, CFO, etc) and some miscellaneous adjustments.

Contact:

A/CFO

Alex Mackie

Destination BC

s17

Reviewed by			
Dir: AM	ED: AM	VP: GM	CEO:

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Destination BC's Direct Awards

Revised: April 24, 2014

Issue: Direct Award Contracts Issued by Destination BC during Fiscal 2013/14

Recommended Response:

- In order to provide the best services and products to promote tourism in British Columbia and to ensure the efficient operation of the corporation, Destination BC enters into a large number of contracts with a broad spectrum of suppliers. The majority of these are awarded through a competitive process. However, a number are direct awarded for small dollar value contracts and in extenuating circumstances.
- All direct award contracts met policy requirements.
- Destination BC issued one hundred and fifty (150) **DIRECT AWARD** contracts in fiscal 2013/14, with a total value of **\$2,523,000**.

Of these, only 9 were for a value of greater than \$25,000 classified as follows:

<u>Rationale for Direct Award</u>	<u>#</u>	<u>Contract Value</u>
Issued to government organizations	2	\$ 773,000
Sole Source	5	\$ 538,000
Notice of Intent	2	\$ <u>230,000</u>
Total Value of direct awards > \$25,000		<u>\$1,541,000</u>

Background/Status:

The **government organization DIRECT AWARD** contracts were for:

- **Canadian Tourism Commission** – provide facilities and program personnel for office in China (\$618,000); and
- **Stats Canada** – provide travel survey statistics (\$155,000)

The **sole source DIRECT AWARD** contracts were for:

- **BC Wine Institute Society** – update wine tour guides (\$31,000);

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

- **Certified Folder Display Service Canada Inc.:** \$51,000 - distribution of the 2013 vacation planner and outdoor adventure guides (sole source/one supplier of these services). Certified Folder is the only company that provides this type of distribution service in Western Canada and the United States.
- **Google Inc.:** – Sole source supplier of online mapping software used on consumer websites (\$81,000);
- **Alex G. Mackie CA:** \$240,000 – Interim Chief Financial Officer until such time as a full-time position is filled (The contract was extended as DBC searches for a new VP Finance). Sole source award based on his unique experience gained during the transition of Tourism BC into government in 2010 and providing assistance to the Ministry of Jobs Tourism and Skills Training in establishing Destination British Columbia (includes \$40,000 for expenses).
- **Multi-Material British Columbia Society (MMBC):** \$135,000 – green fee for recycling over 5 years (See also EN#5 for more details on MMBC).

The **2 notice of intent DIRECT AWARD** contracts were for:

- **Teradata Canada ULC:** A Notice of Intent was posted for each of these two separate contract extensions for \$115,750: one for a continuing software license and service agreement for a North America Consumer marketing software platform; and the other relating to consulting services for design/technical assistance.

The average value of the 141 contracts under \$25,000 was **\$6,965 (Total value \$982,000)**.

Contact:

A/CFO

Alex Mackie

Destination BC

s17

Reviewed by			
CFO: AM	ED:	VP: GM	CEO: MW

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Destination BC Funding Formula

Revised: April 23, 2014

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

s13

Contact: Kaaren Lewis, ADM, Tourism and Small Business Division
Telephone: 250-952-0367

Prepared By: Katherine Rowe, Director, Governance and Legislation, Tourism Branch
Telephone: 250-356-1489 cell: s17

Reviewed by			
Dir: KR	ED: JD	ADM: KL	DM:

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Impact of New Recycling Regulation on Tourism Publications

Revised: April 24, 2014

Issue: Impact of the new BC Recycling Regulation on the production of
Destination BC's paper publications and guides

Recommended Response:

- Our government introduced a new *Recycling Regulation*, under the *Environmental Management Act*, designed to improve environmental awareness related to packaging and printed material and to pass responsibility to industry and consumers for managing the disposal of such products.
- As a producer of such material, Destination BC is aware of and will comply with the new recycling regulations for printed materials distributed in BC which are coming into effect May 2014.
- Destination BC directly publishes three free travel guides – The Vacation Planner, Outdoor Adventure Guide and Approved Accommodation Guide.
- In 2014, the print quantity for all three travel guides will be 485,000 units, of which 75% are distributed within British Columbia, to visitors primarily via the Visitor Centre network.
- The recycling fee payable, by Destination BC, for the three travel guides will be approximately \$5,000. This represents less than 1% of the overall budget for these three travel guides.
- Destination BC also publishes British Columbia Magazine which distributes 155,000 within BC. The recycling fee payable for the magazine will be approximately \$11,000.

Background/Status:

- In 2004, the province of BC enacted the *Environmental Management Act* and *Recycling Regulation* which transitions responsibility for managing end-of-life products from government and its taxpayers to industry and its consumers.
- In 2011, the *Recycling Regulation* was amended to include packaging and printed paper (PPP).
- Multi-Material British Columbia (MMBC), a non-profit agency, was developed and mandated to act as a stewardship agency on behalf of producers to discharge their obligations pursuant to the *Recycling Regulation*.

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

- MMBC members must register and report annual PPP tonnage distributed to BC residences. Fees are applied based on the type of product (paper is \$240/tonne).
- Destination BC produces publications that may end up in BC residential blue boxes.
- Destination BC does not qualify as a small business and is therefore subject to participate as an MMBC member; small business is defined as less than \$1M revenue or produce less than 1 tonne PPP.
- MMBC program officially commences May 2014.

Contact:

A/Executive Carol Nelson Tourism Marketing 604 660-3755
Director

Reviewed by			
Dir: MG	ED: CN	VP: GM	CEO: MW

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: International Overnight Custom Entries for 2013

Revised: April 24, 2014

Issue: B.C. international visitor numbers continue to be solid, given global economic challenges

Recommended Response:

- Despite the current global economic challenges, BC international visitor numbers grew strongly in 2013.
- Overall, total international overnight entries to BC in 2013 were up 4.6 percent compared to 2012.
- Overnight entries from the US increased 4.3 percent in 2013 over 2012. It is encouraging to see strong growth from the US market as economic growth started to pick up in the US and before the recent decline of the Canadian dollar (starting in October 2013) had an impact..
- Total overnight entries from Asia-Pacific to BC were up 7.4 percent in 2013 compared to the previous year.
- We continue to see growth from China, up 26.1 percent in 2013 over 2012.
- We also saw growth from Germany and Mexico, up 7.5 percent and 10.6 percent in 2013, respectively.
- We continue to promote BC in all our key markets across North America and over-seas, and believe this is helping to ensure that we are in the best possible position to take advantage of current economic conditions.

Background/Status:

Stats Canada released their international visitor arrivals for December 2013 and all of 2013 to December on February 18, 2014. The results for 2013 to December are as follows:

Total International Overnight Custom Entries to BC for full year 2013: 4,417,165

Total International Overnight Custom Entries to BC for full year 2012: 4,221,185

Change: +4.6%

2014/15 Estimates Note Advice to the Minister

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Minister Responsible: Honourable Shirley Bond

This is a summary taken from Stats Canada's source file.

For BC	Total 2013 vs. 2012
US Overnight	4.3%
US Same-day	-1.5%
Overseas Overnight	5.4%
Europe Overnight	1.0%
Asia-Pacific Overnight	7.4%
Mexico Overnight	10.6%
UK Overnight	-0.9%
Germany Overnight	7.5%
China Overnight	26.1%
Japan Overnight	-3.7%
Australia Overnight	2.0%
TOTAL OVERNIGHT (US & OVERSEAS)	4.6%

For Canada	Total 2013 vs. 2012
US Overnight	1.0%
US Same-day	-4.6%
Overseas Overnight	2.8%
Europe Overnight	-0.4%
Asia-Pacific Overnight	6.8%
Mexico Overnight	6.3%
UK Overnight	-1.3%
Germany Overnight	-0.1%
China Overnight	22.3%
Japan Overnight	-0.6%
Australia Overnight	2.4%
TOTAL OVERNIGHT (US & OVERSEAS)	1.5%

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Honourable Shirley Bond

Analysis:

- Overall, international overnight entries to British Columbia during 2013 were up 4.6 percent compared to the previous year. In 2013, total international overnight entries to Canada were up 1.5 percent compared to the previous year. Of the 16.6 million visitors to Canada, 26.6 percent arrived in B.C.
- Overnight entries from the US increased 4.3 percent in 2013 over 2012. It is encouraging to see such strong growth from the US market despite the fact that economic recovery did not take hold until the second half of the year and the strengthening of the US dollar did not start in earnest until late October.
- By mode, US overnight visitors arriving by plane were up 4.7 percent in 2013 and those arriving by vehicle were up 4.7 percent indicating growth in both the higher yield, long-haul market and the nearby, touring market.
- In 2013, US overnight visitors to Canada were up 1.0 percent compared to the previous year. Of the 12.0 million US overnight visitors to Canada to December 2013, 24.7 percent arrived in B.C.
- Overnight entries from Asia-Pacific to British Columbia were up 7.4 percent while those from Asia-Pacific to Canada were up 6.8 percent in 2013 compared to the previous year. Of the 1.7 million visitors from Asia-Pacific to Canada in 2013, 52.3 percent arrived in B.C.
- Overnight visitors arriving from China were up 26.1 percent in 2013.
- BC continues to see strong growth from Australia, up 2.0 percent in 2013.
- Overnight entries from Europe to British Columbia were up 1.0 percent while those from Europe to Canada were down 0.4 percent in 2013 compared to 2012. Of the 2.2 million visitors from Europe to Canada in 2013, 19.9 percent arrived in B.C.
- Overnight entries from Germany to BC rose 7.5% in 2013. In May 2013 Lufthansa added a seasonal daily direct flight between Vancouver and Munich.

Economic impact (2012 Estimates)

- In 2012 the tourism industry generated:
 - \$13.5 B in tourism industry revenue (up 2.5% over 2011)
 - \$7.1 B in real GDP (2007 dollars) (up 1.5%)

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- Employed 127,300 people (up 0.6%)
- \$3.2 B in export revenue (up 0.2%)
- Data on the economic performance of the BC tourism industry (industry revenue, GDP, employment, etc) in 2013 will be released by BC Stats in September 2014.

Contact:

Director Richard Porges Research, Planning and 250 356-9936
Evaluation

Reviewed by			
Dir: RP	ED: RP	VP: GM	CEO: GM for MW

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Overview of Worldwide Marketing

Revised: April 24, 2014

Issue: Overview of Destination BC's key campaigns by market

Recommended Response:

- Destination BC works to inspire and motivate visitors by showcasing high potential tourism products where BC has competitive strength.
- A combination of media relations, social media, travel trade and consumer direct marketing is deployed in key markets (Canada, US, UK, Germany, Australia, China, Japan, Korea, Mexico)
- 2013/14 marketing highlights include:
 - Developed 130 marketing promotions with key international tour operators.
 - Generated unpaid media awareness for BC in all key markets—over 9,000 BC articles were published in North America outlets in 2013.
 - Over 8 million web visits to worldwide websites, which in turn delivered over 800,000 referrals to BC tourism businesses.
 - Hosted Olympic Legacy press trip in Dec 2013 (13 journalists from 7 countries) showcasing the legacy of the Games at a time when winter enthusiasts are focused on the upcoming Sochi Games. Articles have already been published in 5 countries, with more press trips scheduled.
 - The 2013/14 North America ski campaign is delivering strong results to industry with over 175,000 visits to the ski microsite Skiittobelieveit.com (see separate note)
 - Destination BC is capitalizing on social media to increase excitement about travel to BC: they currently have over 124,000 fans on Facebook, over 64,000 followers on Twitter and close to 113,000 images tagged with "ExploreBC" on Instagram.

Background/Status:

Marketing Objectives

2014/15 Estimates Note Advice to the Minister

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Destination BC works to increase the value of tourism to BC's economy, as measured primarily by tourism revenues, by attracting more visitors, increasing length of stay, increasing spend per day and promoting geographic and seasonal distribution of visitors to British Columbia.

Current Strategy

Destination BC inspires and motivates visitors by showcasing high potential tourism products where BC has a competitive advantage. They deploy a combination of media relations, social media, travel trade and consumer direct marketing in key markets (Canada, US, UK, Germany, Australia, China, Japan, Korea, Mexico)

Key objectives include:

- Generating editorial coverage on BC as a travel destination within print, online and broadcast outlets.
- Establishing and maintaining relationships with key international tour operators and wholesalers to help develop BC itineraries, educate staff and reservation agents on BC tourism product and develop joint marketing efforts to increase sales to BC.
- Create demand for travel to BC by deploying targeted advertising and promotion campaigns to high potential consumers.
- Database marketing to consumers who have already indicated an interest in travelling to BC to influence choice of BC as a vacation.
- Leverage social media to increase awareness among potential visitors and create advocates among previous visitors. Strategy development is underway to further leverage social media for servicing consumers, and further integration on campaigns.
- Use search engine marketing (SEM) and search engine optimization (SEO) to drive relevant web visitation.

Product Focus

- The "Gaining the Edge" Tourism Strategy identifies priority product focus: Touring, City Stays, Ski/Snowboard, Outdoor Adventure and Aboriginal. Touring includes a number of key sectors and products across the province such as wildlife viewing, winery tours, culinary, culture etc.

Key Partnerships and Industry Engagement

- Destination BC's programs are delivered in collaboration with a number of tourism partners including the Canadian Tourism Commission, Regional and City DMOs, communities, airlines and Provincial DMOS and tourism businesses. The

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partnerships vary across all key markets and are instrumental in the delivery of the organization's programs.

Budget

2014/15 Budget \$26.2 million

Destination BC's Global Representation:

- Destination BC has offices in six key markets (UK, Germany, Australia, Japan, China, Korea) responsible for deploying travel trade activities to reach the objectives, strategies and deliverables in their markets.

Contact:

A/Executive Carol Nelson Tourism Marketing 604 660-3755
Director

Reviewed by			
Dir: MG	ED: CN	VP: GM	CEO: WM

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Destination BC's Set-Up Costs 2013/14

Revised: April 24, 2014

Issue: Costs of establishing Destination BC as a new Crown corporation in
fiscal 2013/14

Recommended Response:

- Our government established Destination BC in order to fulfil its commitment to providing the best marketing support for British Columbia's tourism industry, which generates important jobs for B.C. families.
- Destination British Columbia commenced operations on April 1, 2013.
- Overall, the cost of establishing Destination BC was \$590,000, not including staff time that was absorbed by the Ministry of Jobs, Tourism and Skills Training in 2012/13.

Background/Status:

- Established on November 2, 2012 under the *British Columbia Business Corporations Act* and continued as a statutory Crown corporation pursuant to the [*Destination BC Corp. Act*](#), Destination BC Corp. is wholly owned by the Province of British Columbia. Operating as Destination British Columbia, the organisation is an industry-led Crown corporation that works collaboratively with tourism stakeholders across the province to coordinate marketing at the international, provincial, regional and local levels.
- Destination British Columbia began operations on April 1, 2013 with the transfer of 130 staff positions, assets and programs from the Tourism Division of the Ministry of Jobs, Tourism and Skills Training. Destination BC currently utilizes around 102 FTEs.
- Corporate services related to human resources, financial services, facilities and property management, information management/information technology services, legal and logistics and business services are being provided under Service Level Agreements between Destination British Columbia and the Ministry of Jobs, Tourism and Skills Training (including Shared Services BC), the BC Public Service Agency and the Ministry of Justice. Destination British Columbia is examining options for the delivery of these services to ensure they obtain the most efficient and effective services.

2014/15 Estimates Note

Advice to the Minister

Crown Corp: Destination British Columbia
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Minister Responsible: Honourable Shirley Bond

- In 2013/14, Destination BC incurred costs of \$156,000 in establishing the corporation including \$86,000 of legal costs related to the transfer of assets and intellectual property, and \$70,000 related to a search company for the hiring of a new CEO.
- In 2012/13, the provincial government incurred additional costs of \$434,000 in support of the transition. This included legal costs of \$367,000 to deal with the preparation of new legislation and incorporation matters, and to ensure risks and issues were managed in relation to the assignment and assumption of contracts, and the assignment and re-registration of existing trademarks from the Province of British Columbia to the corporation.
- The provincial government also absorbed over 7,000 hours of staff time (approximate full cost value of less than \$400,000) in support of the transition.
- The transition costs also include the registration of the Destination British Columbia trademark and developing the new corporation's stationery package. The costs that can be identified as being exclusively for this exercise totalled less than \$15,000.
- Prior to April 1, 2013, the provincial government provided a grant of \$3.8 million to enable Destination BC Corp. to acquire capital assets.
- After March 31, 2013, the provincial government was not responsible for any further transition or set-up costs.
- For 2014/15 Destination British Columbia will receive government transfers totalling \$50.974 million, funding equivalent to the 2013/14 level and that government used for tourism marketing in 2012/13.

s13

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Contact:

A/CFO Alex Mackie Destination BC s17

Reviewed by			
Dir: AM	ED: AM	VP: GM	CEO: MW

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Tourism Strategy – Ski Campaign Results

Revised: April 24, 2014

Issue: Positive response, to date, for Destination BC's North America 2013/14 ski campaign

Recommended Response:

- We have some of the best skiing in the world and are committed to supporting the industry. We are working aggressively to increase destination skier visits.
- The North America 2013/14 ski campaign was developed in close collaboration with the Canada's West Ski Areas Association (CWSAA), which includes B.C.'s 13 export-ready ski resorts.
- Industry input was incorporated with respect to target markets, audience, objectives, strategies and tactics; three ski resort representatives were part of all planning meetings.
- The campaign targeted markets which have the highest potential for growth: Ontario, California and Washington.
- We had a very positive response to the campaign; online advertising generated over 175,000 web microsite visits.
- Our ski resorts are looking to this campaign to take their message into markets that they cannot cost-effectively reach, particularly longer-haul Canadian and U.S. markets.
- This campaign is just one of the many ways that we are supporting the ski industry; we have other activities promoting ski in other key markets worldwide.

Background:

- The campaign ran October 7, 2013 through March 2014. Activities included the 'star in your own ski video' interactive app on Facebook, print, online advertising and promotions, database marketing, paid search, social media engagement and ski influencer blogger posts to the ExploreBC blog.
- The campaign budget is \$1.6M
- In all markets, online advertising connects consumers to a B.C. ski microsite –

2014/15 Estimates Note Advice to the Minister

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Ski it to believe it.com – which showcases BC's 13 ski resorts, including ski deals and snow conditions, linking directly to the individual ski resort websites. Visitors can also sign-up to enter a contest and to receive ski deals via email.

- Campaign results to March 31, 2014:
 - Over 175,000 microsite visits, approximately 290,000 pageviews.
 - Over 56,000 click-throughs to ski resort websites.
 - Over 41,000 have entered the contest.
 - Over 2,500 ski articles published, with an equivalent ad value of \$11 M
 - Approximately 700,000 ski-themed emails have been sent to date.
- Destination BC has been promoting skiing through a dedicated North America campaign since 2005-06.
- The 13 ski market ready ski resorts are (alphabetical):
 1. Apex
 2. Big White
 3. Fernie
 4. Kicking Horse
 5. Kimberly
 6. Panorama
 7. Red Mountain
 8. Revestoke
 9. SilverStar
 10. Sun Peaks
 11. Whistler Blackcomb
 12. Whitewater
 13. Mount Washington

Contact:

Director Carol Nelson Tourism Marketing (604) 660-3755
branch

Reviewed by			
Dir: MG	ED: CN	VP: GM	CEO: MW

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Tourism Strategy – Spring/Summer Marketing Campaign

Revised: April 24, 2014

Issue: Overview of 2014 North America Spring/Summer Tourism Marketing Campaign

Recommended Response:

- The spring/summer marketing campaign is one of Destination BC's largest consumer initiatives, targeting high-potential visitors from our US market.
- The campaign is designed to motivate consumers to take action and visit BC this coming season.
- We are focusing our efforts in California for greater impact.
- The campaign is being developed to support the *Gaining the Edge* tourism strategy, highlighting products where BC has a competitive advantage.

Background/Status:

- The campaign launches in May 2014 and will run through August (with the bulk of advertising in May/June).
- The main campaign budget is \$4M (similar to the past three years) with an additional \$500K investment into Washington State, for a total of \$4.5M.
- Target Market: The majority of this year's campaign (approximately 75%) will be focused on California, specifically, San Francisco and Los Angeles, with approximately 10% of media focused on "National US" and 15% focused on Washington State.
 - 14% of all US visitors to BC come from California.
- Demographic:
 - Above average income and education, frequent travelers age 45+.
 - Those with an existing awareness of BC as a travel destination and an affinity for the kinds of vacation experiences BC has to offer.

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Honourable Shirley Bond

Overview of the North America Spring/Summer 2014 campaign.

Strategies

- Use a combination of media relations, consumer advertising / promotion, database marketing, paid search and social media engagement to motivate travel.
- The 'call to action' will be to Destination BC's travel planning website, HelloBC.com, where trip ideas content will be used to inspire consumers to start planning a BC vacation.
- Use videos to create emotional connections to BC as a vacation destination.
- Continue to use channels and media that have been successful in the past.
- Create information that consumers can access across all technology platforms and devices – smart phone, tablet, lap/desktop top.
- Campaign activities will be supported by media relations and travel trade efforts.

Product Focus

- Consistent with the tourism strategy, products featured will include those where BC has a competitive advantage and where consumer interest is highest in long-haul North American markets:
 - City experiences;
 - Touring;
 - Outdoor adventure.

Industry Engagement

- Tourism businesses will receive exposure from this campaign through their listings and featured travel deals on HelloBC.com.

Contact:

Director Carol Nelson Tourism Marketing (604) 660-3755

Reviewed by			
Dir: MG	ED: CN	VP: GM	CEO: MW

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Destination BC's Strategic Planning Process

Revised: April 24, 2014

Issue: Destination BC will establish a new three-year strategic plan and associated marketing plan in 2014/15

Recommended Response:

- Destination BC was directed, in the 2013/14 *Government's Letter of Expectations*, to develop a new three year strategic plan.
- I am advised by Destination BC's new CEO, Marsha Walden, that work is well underway and the plan will be completed and published by early summer.
- The strategic plan may change some elements of the direction of Destination BC and have an impact on the allocation of the budget between programs (but not on overall spending).
- The tourism industry, through the Tourism Marketing Committee, is providing advice to the Board and CEO to support development of the strategy.
- In the meanwhile, Destination BC is executing marketing activities as directed by *Gaining the Edge* and described in the 2014/15 – 2016/2017 Service Plan.

Background/Status:

- Marsha Walden joined Destination BC as CEO on November 25 2013. She is leading the development of Destination BC's first corporate strategy, with the guidance of the Board.
- The Board reviewed and provided input into the initial strategic direction on February 1, and again on March 11th, 2014.
- The Tourism Marketing Committee (TMC) met on February 28th and April 8th to provide input. The TMC is also providing input through 3 sub-committees (Collaboration & Alignment, Performance Measures & Indicators, and Leveraging and Cost Sharing).
- .

Contact:

Vice President Grant Mackay Executive Office 604 660-6319

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Honourable Shirley Bond

Reviewed by			
Dir: RP	ED: RP	VP: GM	CEO: MW

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Destination BC's Support for Guide Outfitting

Revised: April 23, 2014

Issue: Overview of Destination BC's support for Guide Outfitters

Recommended Response:

- Guide Outfitters in BC receive co-operative marketing support from Destination BC through two programs; the Tourism Partners program delivered through the six Regional Destination Marketing Organizations, and Experiences BC Sector Marketing program
- Funding through both of these programs is available to tourism industry operators and sectors throughout the province.

Background/Status:

- The Guide Outfitters Association of BC (GOABC) was established in 1966 and represents guide outfitters in BC, Yukon, NWT and Nunavut. Of the 230 guide outfitters currently licensed in the province, the GOABC represents 167 (73%). According to the GOABC, guide outfitting represents \$116 million annually in economic activity, with \$2 to \$3 million going to government in the form of license and tag fees, royalties and taxes every year.
- The GOABC currently receives financial assistance from Destination BC through the Experiences BC co-operative marketing program. This fiscal, the GOABC can apply for up to \$50,000 to leverage against \$50,000 of their own funds to implement \$100,000 of marketing activity.
- Destination BC also provides funding support for marketing through the Tourism Partners program. This program is administered by the six Regional Destination Marketing Organizations (RDMOs) It is designed to offer opportunities for tourism business, including guide outfitters to gain exposure through joint marketing initiatives under the regional brand.
- Over the past several years, many of British Columbia's guide outfitters have had the opportunity to access cooperative marketing funds through the RDMO's Tourism Partners program. Examples of marketing initiatives executed under the

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regional banner, include media relations, attending consumer shows in key US markets and print and online advertising.

Contact:

A/Executive Margaret McCormick Tourism Partnerships 604 660-4705
Director

Reviewed by			
Dir: RL	ED: MM	VP: GM	CEO: MW

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Honourable Shirley Bond

Title: Destination BC Support to Regions, Communities and
Businesses, and Sectors (Experience BC)

Revised: April 24, 2014

Issue: How Destination BC supports BC's Tourism Regions, Communities and
Businesses, and Sectors

Recommended Response:

REGIONS

- Destination BC provides \$6 Million in annual funding to the six Regional Destination Management Organizations (RDMOs) for operations and marketing activities.
- Majority of marketing activities are produced through the Tourism Partners Program (a regional tourism cooperative marketing program) which is designed to coordinate and leverage the marketing efforts of RDMOs in partnership with local tourism operators, communities and sectors to drive increased visitation throughout BC.

COMMUNITIES

- Destination BC works closely with over 180 communities in all areas of the province on their tourism destination development and marketing initiatives.
- On an annual basis, the Community Tourism Opportunities program provides nearly \$1,000,000 in matching funds to support community-driven, local tourism initiatives, involving over 300 distinct projects in 200 communities around the province each year.

SECTORS

- Through the Experiences BC program, Destination BC provides approximately \$700,000 to various tourism sector associations, with matching funds provided by the sector.

TOURISM MARKETING COMMITTEE

- Destination BC's Tourism Marketing Committee is comprised of tourism representatives from around BC and provides strategic advice to the Destination BC Board and CEO.

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Honourable Shirley Bond

Background/Status:

- **Regional Partnerships Program Objectives**

Under the direction of the *Gaining the Edge Tourism Strategy*, the RDMOs:

- Work with industry to coordinate marketing roles and responsibilities to ensure strategic alignment, increased effectiveness, and enhanced consumer impact.
- Leverage regional tourism investment and maximize tourism growth throughout BC by supplementing Destination BC's annual regional tourism operating and marketing budgets through additional funding from industry and private sector partners.
- The six Regional Destination Management Organizations (RDMOs) are:
 - Tourism Association of Vancouver Island (Tourism Vancouver Island)
 - Vancouver, Coast and Mountains Region
 - Thompson Okanagan Tourism Association
 - Kootenay Rockies Tourism Association
 - Cariboo Chilcotin Coast Tourism Association
 - Northern BC Tourism Association

- **Community Partnership Program Objectives:**

- Provide community tourism planning assistance and implementation-level cooperative marketing funds to qualifying BC communities
- Provide industry resources and educational materials via the Tourism Business Essentials series of guides and workshops and the Industry Resources section of Destination BC's website
- Community Tourism Foundation is a tourism planning program designed to assist communities with strategic tourism planning, re-assessment and board governance.
- Community Tourism Opportunities is a cooperative marketing program providing matching dollars to assist in implementing community marketing initiatives to ensure their marketing efforts are integrated appropriately within the tourism industry structure. Nearly \$1,000,000 in matching funds to support community-driven local tourism initiatives is provided annually.
- Tourism Business Essentials aims to provide easily accessible resources that tourism business operators can use to help successfully run their operations through a series of downloadable guides and facilitated workshops.

- **Experiences BC**

- Destination BC provides funding to various tourism sector associations with funding matched by the association to help increase awareness and promote the sectors as

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tourism destinations. (Examples: Canada West Ski Areas - \$250K; BC Fishing Resorts and Outfitters Association - \$50K; British Columbia Lodging and Campgrounds Association - \$50K)

- **Tourism Marketing Committee**
- The Tourism Marketing Committee is comprised of tourism representatives from around BC, nominated by each of the six Regional Destination Marketing Organizations, who provide strategic advice to the Destination BC Board and CEO related to:
 - Marketing strategies for the organization;
 - Performance metrics to track the success of the organization's tourism marketing activities, and the performance of the tourism sector; and
 - Ways to use Destination BC funds to leverage private and public sector tourism marketing funds.

Contact:

A/Executive Director Margaret McCormick Tourism Partnerships 604 660-4705

Reviewed by			
Dir: PH	ED: MM	VP: GM	CEO: MW

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Honourable Shirley Bond

APPENDIX 1 - OVERVIEW OF REGION, COMMUNITY & SECTOR FUNDING

Regional Partnerships:

- Destination BC provides \$6 Million in annual funding to the six Regional Destination Management Organizations (RDMOs) for operations and marketing activities.

	FY 10/11	FY 11/12	FY 12/13	FY 13/14*
Vancouver Island	\$993,974	\$993,974	\$993,974	\$993,974
Vancouver Coast & Mountains	\$985,088	\$985,088	\$985,088	\$985,088
Thompson Okanagan	\$1,308,449	\$1,308,449	\$1,308,449	\$1,308,449
Kootenay Rockies	\$1,140,606	\$1,140,606	\$1,140,606	\$1,140,606
Cariboo Chilcotin Coast	\$628,246	\$628,246	\$628,246	\$628,246
Northern British Columbia	\$990,326	\$990,326	\$990,326	\$990,326
OVERALL PROGRAM TOTAL	\$6,046,689	\$6,046,689	\$6,046,689	\$6,046,689

* Total Annual Regional Funding amounts have remained consistent year to year for the last four years

Community Partnerships: Overall CTO/CTF

- Community Tourism Foundation is a tourism planning program designed to assist communities with strategic tourism planning, re-assessment and board governance.
- Community Tourism Opportunities is a cooperative marketing program providing matching dollars to assist in implementing community marketing initiatives to ensure their marketing efforts are integrated appropriately within the tourism industry structure.

	FY 10/11	FY 11/12	FY 12/13	FY 13/14*	4 YR TOTAL	% of Funds (Avg 4 Yrs)
Vancouver Island	\$157,059	\$176,152	\$166,091	\$251,650	\$753,383	18%
Vancouver Coast & Mountains	\$165,845	\$175,936	\$196,632	\$221,600	\$760,418	19%
Thompson Okanagan	\$257,078	\$266,236	\$225,925	\$245,730	\$979,500	24%
Kootenay Rockies	\$128,723	\$131,601	\$143,694	\$162,794	\$550,475	13%
Cariboo Chilcotin Coast	\$61,424	\$116,459	\$105,439	\$155,350	\$440,037	11%
Northern British Columbia	\$141,476	\$123,115	\$152,175	\$195,050	\$601,709	15%
OVERALL PROGRAM TOTAL	\$911,605	\$989,499	\$989,956	\$1,232,174	\$4,085,522	100.0%

*Budget based on this fiscal

Community Partnerships: Communities Along Route 40

* All figures below are included in the regional funding analysis above

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

	CTF		CTO			
	Original	Revisit	FY 10/11	FY 11/12	FY 12/13	FY 13/14*
Bella Coola	2007		\$10,000	\$92,000	\$0**	\$8,600
West Chilcotin (<i>Anahim Lake, Nimpo Lake, Tatla Lake, Nehamaish Valley</i>)	2007	2012	\$5,500	\$9,200	\$9,200	\$8,600
Yunesit'in (<i>along Hwy 20 to WL</i>)	-	-	\$0	\$0	\$0	\$8,600
Xeni Guent'in (<i>along Hwy 20 to WL</i>)	2008	2012	\$10,200	\$9,200	\$9,200	\$8,600
North Vancouver Island (<i>includes Port Hardy</i>)	2007	-	\$12,500	\$21,500	\$23,000	\$21,000
OVERALL ROUTE 40 TOTAL			\$38,200	\$49,100	\$41,400	\$55,400

*Budget based on this fiscal

**FY 12/13: Bella Coola was unable to complete any projects & leverage allocated \$9,200 due to funding challenges and personnel changes.

Examples of Completed CTO Projects in the area:

- Collateral Development: Design, produce & distribute Visitor Guides/brochures to create awareness and promote communities/products offered in the area to drive visitation and/or extend a visitor's stay in the area.
- Web Enhancements & Social Media: support creation of or improvements to web presence with the target of enhancing websites' mobile responsiveness to respond to shifting behaviours of online travel planning and information delivery.
- Consumer Shows: attend, in partnerships with community and regional partners, consumer shows to increase awareness of the destination and to motivate visitors to travel along Route 40/Hwy20.
- Image Bank: Develop, maintain or enhance local image banks; a the collection of high quality imagery that captures local activities and iconic coastal imagery to be available for use in future promotional activities as well as used to accompany media stories and other marketing initiatives.

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Community Partnerships: Summary of Innovative Community Successes & Projects

- Shuswap Tourism (2010): Consortium of 3 communities and 4 Electoral Areas of Regional District
 - Communities identified that there was no connection with the tourism industry in the region; no vision/goals for tourism in the area; no partnerships with community organizations.
 - Through the CTF planning processes held 6 community meeting & 4 planning workshops to develop the Shuswap Tourism Development Plan over a period of 10 weeks
 - More than 100 participants were involved in the creation of the plan.
 - Accessed CTO funding to help implement the marketing strategies identified in the plan to support the execution of the newly established vision and 5 year strategic goals.
 - Some projects completed to date include:
 - Destination Brand Development: including guidelines for graphic standards, collateral, and marketing campaigns
 - Collateral Development: Updating of the Vacation Guide, Hiking and Biking and Cycle Touring Brochure with the new brand/image
 - Website development: Incorporate messaging and imagery of newly developed brand.
 - Image Bank Development: Develop local image bank; a the collection of high quality imagery that captures local activities and iconic imagery to be available for use in future promotional activities as well as used to accompany media stories and other marketing initiatives.
 - Digital screens in Visitors Centres: to showcase the Shuswap region and the Thompson Okanagan region.
 - Assistance to the Roots and Blues Festival: Support for a marketing campaign that will expand their marketing with an international festival consortium.
 - Feedback from Shuswap Tourism: We sincerely appreciate this funding to assist us with our marketing campaigns for the Shuswap region. Destination BC and TOTA have been strong advocates and partners for the Shuswap region. I look forward to our continued partnerships.

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- Similkameen Valley (2012): Consortium of 10 communities/hamlets & 2 First Nations Bands
 - Initiated CTF planning processes with local area stakeholders in early 2012 to identify goals, strategies and actions as part of a valley-wide, short term tourism development plan.
 - Participants indicated a desire to cooperate on building an effective valley-wide tourism development organization, beginning with a consolidation past tourism plans and strategic initiatives.
 - Accessed CTO funding to help implement the marketing strategies identified in the plan to support the execution of the newly established vision and 5 year strategic goals.
 - Some projects completed to date include:
 - Destination Brand Development & Implementation: Creation of retractable banners for industry and consumer shows, presentation folders, post cards, golf shirts for uniforms and brand launch.
 - Image Bank Development: Collection of seasonal imagery to support iconic experiences and community area imagery, through purchase and/or photo shoot.
 - Website Development & Enhancements: Development of new content to support new brand development and local area story-telling and enhance web presence to be mobile responsive.
 - Social Media Strategy: Conduct online campaign to drive traffic to the official consumer website, using multiple social media methods.
- Haida Gwaii (2012/2013): Destination BC contributed **\$10,000** to Haida Gwaii in support of the following project:
 - Destination Awareness Building & Promotion of new Product: Promotional activities included a social media and Facebook campaign, online campaign, multiple print ads in Pacific Coastal in flight Magazine and 20,000 copies of a lure brochure printed and distributed on board BC Ferries. Activities garnered 185,000 impressions.
- Pender Island (2012/2013): Destination BC contributed **\$9,200** to Pender Island in support of the following projects:
 - Brochure Production & Distribution: Printed brochures with map of Pender Island showing beach accesses, major Pender Island highlights as well as local businesses. 30,000 impressions. Brochure distributed on major ferry routes, at local businesses, the Pender Island info centre and through GoBrochures.com.

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- Events Promotion: Assisted in promoting local Festival of the Arts showcasing local Pender Island artisans. 20,000 impressions.
 - Advertising: Advertising in the Times Colonist Discover supplement, Island Tides, Island Independent newspapers and in the yearly Gulf Islander. In addition, the Pender Island video which is on Pender Island's website and YouTube was completed
 - Website Enhancements: This included incorporating social media components to the Pender Island website as well as enhancing the website to be mobile friendly.
 - Feedback received from Pender Island: The Chamber has been able to increase awareness of Pender Island substantially in the past few years, thanks in main part to the matching funding [provided through the CTO program].
- Castlegar (2012/2013): Destination BC contributed **\$2,500** to Castlegar in support of the following Community Tourism Opportunities project:
 - Promotion of the Castlegar Sculpture Walk: Website enhancements and artist profile write-ups were completed to promote Castlegar's premier arts and culture attraction. These activities calculate to 15,000 impressions and the number of people participating in Sculpture walk has risen. In the last year, approximately 5,000 people participated in the walk. The artist profiles have contributed greatly to increase the knowledge of the arts in the community, and the website enhancements have improved usability for both Sculpture walk staff and the general public.
 - Feedback from Castlegar: I would like to thank you on behalf of our small but dedicated tourism team. Receiving this grant will greatly benefit our capacity to promote tourism in our town and the region/province of BC.

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Crown Corp: Destination British Columbia
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Minister Responsible: Honourable Shirley Bond

Title: Tourism Performance in BC

Revised: April 24, 2014

Issue: Indicators of tourism performance in 2013 show growth over 2012

Recommended Response:

- We know our goal to increase revenues by 5% per year, to \$18 billion, by 2016 is aggressive.
- The bottom line is we are seeing steady growth in the tourism sector.
- Preliminary indicators of tourism industry performance for 2013 point to strong results.
- During 2013 international overnight arrivals to BC were up 4.6% over 2012.
- US overnight entries, BC's largest international market, were up 4.3%
- We continued to see strong growth from China, up 26.1%.
- 2013 accommodation statistics show the sector performing more strongly than during 2012:
 - The provincial occupancy rate (61.1%) was up (1.6 points) from 2012.
 - The provincial daily room rate (\$134) increased by 2.6% compared to 2012.
- Data on the economic performance of the BC tourism industry in 2013 (industry revenue, GDP, employment, etc) will be released by BC Stats in September 2014.
- In 2012, the sector earned over \$13.5 billion dollars in revenue, a 2.5% increase over 2011 and contributed \$7.1 billion to provincial GDP.
- Tourism provided employment for over 127,300 British Columbians in 2012, across every region of the province — roughly one out of every 15 workers.

Background/Status:

- Tourism is one of the key economic sectors identified in *Canada Starts Here: The BC Jobs Plan*. Our tourism strategy builds on the jobs plan, providing a framework

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for government and industry to work together to attract more visitors and create jobs for British Columbians.

- The tourism industry continues to face significant challenges that are beyond its control, such as the strength of the Canadian dollar relative to that of some other countries, slow economic recovery around the globe, and an increase in fuel prices.
- The Province's tourism industry strategy, *Gaining the Edge*, set an aggressive target of 5% growth in tourism industry revenue for 2013 (an increase of tourism revenues by 5% each year, with a goal of reaching \$18 billion by 2016).
- However, due to many factors, including a sluggish world economic recovery, 2012 saw only a 2.5% increase in tourism revenues. Indicators, such as international visitor entries, suggest much stronger growth in 2013.
- Data on tourism industry growth in 2013 will be released by BC Stats in September 2014.

Contact:

Director Richard Porges Research, Planning and 250 356-9936
Evaluation

Reviewed by			
Dir: RP	ED: RP	ADM: GM	DM: MW

2014/15 Estimates Note Advice to the Minister

Crown Corp: Destination British Columbia
Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Visitor Centres

Revised: April 24, 2014

Issue: Support and Funding for BC's Visitor Centres

Recommended Response:

- In 2013, Visitor Centres across BC provided service to 2.6 million visitors.
- Visitor Centres create a positive visitor impression, and encourage longer stays and travel in all regions of the province, generating economic benefit to tourism businesses and communities.
- Many Visitor Centres are recognizing the need to evaluate ways in which to further engage visitors, outside of the traditional bricks and mortar model, as digital information and social interaction play an increased role in visitors travel decisions.

Merritt

- As the future development of Exit 286 is determined, the travelling public needs will be considered
- The current British Columbia Visitor Centre at Merritt infrastructure is nearing its end of life
- Visitor trip planning needs are changing with increased reliance on digital technology
- Government is exploring options for the best future use of the site and visitor services to meet the needs of the travelling public

Background/Status:

Destination BC supports visitor centres across the province using two distinct models:

Community Visitor Centres

- Owned and operated by a community organization, i.e. Chamber of Commerce, Tourism Association, Economic Development office.
- The decision to build and operate a Visitor Centre is made by the community.
- Destination BC manages the Visitor Centre Network Program to ensure that visitor servicing is maintained throughout the province and provides annual Fee for Service funding that is distributed to all 107 centres throughout the province.
- The Visitor Centre can apply for membership in Destination BC's Visitor Centre Network Program and must meet Network requirements. Benefits of membership

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include Visitor Centre branding and use of trademarks, highway signage, provision of uniforms, training and training materials.

- Destination BC provides Fee for Service funding (FFS) to support Community Visitor Centres and to recognize the provincial information that communities provide (accounts for approximately 10-20% of a Visitor Centre's operating funds).
- The budget for the Fee for Service funding for fiscal 2014-15 is \$1.9 M to be distributed amongst 108 community visitor centre locations.

British Columbia Visitor Centres (BCVC's)

- Managed by Destination BC, operated by a third party contractor.
- Strategically located at border entry points to the province or key travel corridors, where there is an opportunity to influence extended stay: Vancouver International Airport, Peace Arch, Golden, Osoyoos, Merritt and Mount Robson.
- High visitor volume
- Full service operations including trip planning, reservations and ticketing, and merchandise.
- 100% funded by Destination British Columbia.
- The budget for the BCVCs for fiscal 2014/15 is \$2.2M (distributed amongst the six locations) which covers BCVC contracts and Shared Services BC operations and maintenance costs.

British Columbia Visitor Centre @ Merritt

- The facility's infrastructure has reached its end of life, is not cost effective and requires significant investment to upgrade.
- Visitor volume has declined 17% in the last four years. Of the approximately 80,000 visitors to the centre in 2013, only 7,000 parties required travel information. The predominant use of the site has been to provide rest and washrooms for the travelling public.
- With an increased reliance on digital information and changes in consumer behaviour, visitor centre benefits have been reduced and investment in visitor servicing will need to take different forms in the future.
- Destination BC has determined this location no longer supports visitor servicing nor does it increase tourism revenue. However, the travelling public, which is predominantly BC residents, will be looking for alternative solutions.
- The Ministry, Destination BC and other government colleagues are reviewing options for consideration including redirection to alternative locations within close proximity. The intent is to find a solution as soon as possible.

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Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Honourable Shirley Bond

Contact:

A/Executive Margaret McCormick Tourism Partnerships 604 660-4705
Director

Reviewed by			
Dir: N.O.	ED: M.M.	VP: GM	CEO: MW

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Gaining the Edge Progress Report

Revised: March 6, 2014

Issue: Accomplishments and next steps under Gaining the Edge –
BC's tourism development strategy

Recommended Response:

- Tourism is, and will continue to be, a key sector in the success of our economy.
- The Gaining the Edge Strategy is working. Despite fierce global competition for every tourism dollar and challenging times in the world economy, we have seen growth in BC's tourism revenues, employment and wages, and visitor volumes.
- BC continues to show growth in the industry, a trend we expect to continue into the years to come.

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Background/Status:

Development and Implementation of Gaining the Edge:

- On October 25, 2011, Government announced a five-year strategy for the tourism sector called Gaining the Edge: A Five-year Strategy for Tourism in British Columbia 2012-2016 as part of Canada Starts Here: The BC Jobs Plan.
- This five-year strategy, developed in close consultation with the tourism industry, is designed to increase visitor volume, tourism revenue and employment. This strategy uses four streams of actions:
 1. Leadership through partnership and coordination
 2. Focused marketing
 3. World class visitor experiences
 4. Sustainability and competitiveness - removing barriers to growth

Gaining the Edge Accomplishments

- A select grouping of key GTE accomplishments since 2011, and future deliverables, is presented in Appendix 1. Highlights of accomplishments to date include:
 1. Leadership through Partnership and Coordination:
 - Establishment of Destination BC (DBC) in April 2013,
 - Creation of DBC's stakeholder-based Tourism Marketing Committee in July 2013, and

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- Efforts to support the development of Aboriginal cultural tourism, through the release of the Aboriginal Cultural Tourism Association of BC's five year strategy, "The Next Phase", and funding from DBC and the Province.

2. Focused Marketing

- Successful delivery of DBC ski and summer touring marketing campaigns, including "Ski It To Believe It",
- Increased visitations from travellers from emerging markets such as India and China, reflecting increased marketing investments in those regions, and
- A significant refresh in, and upgrade to, DBC's public-facing website, "HelloBC", and the substantive expansion of its social media presence.

3. World Class Visitor Experiences

- The implementation of DBC programs to help communities and sectors develop and expand their tourism products,
- Continued support for the broad network of Community Visitor Centres across BC, and
- The development of provincial and regional tourism labour market development strategies by Go2, with funding from JTST under the Canada-BC Labour Market Development Program.

4. Removing Regulatory Barriers to Industry Sustainability and Competitiveness

- Addition of several new flights, and/or increased non-stop services, from priority markets since 2012, and
- Government competitiveness initiatives and small business supports benefiting tourism and other industries. These include the 2012 \$3 million increase in the Small Business Venture Capital Tax Credit, red tape reduction, and Small Business Accord initiatives.

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Appendix 1: Gaining the Edge Accomplishments

Appendix 2: 2012 Tourism Industry Performance

Contact:

ADM	Kaaren Lewis	Tourism & Small Business Division	250 952-0367
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APPENDIX 1 - GAINING THE EDGE ACCOMPLISHMENTS *As at February 18, 2014*

GTE Objective	Key Accomplishments	Looking Forward – Key Deliverables for 2014
Leadership through Partnership and Coordination	<ul style="list-style-type: none"> • Destination BC, an industry-led, formula funded provincial destination marketing organization was launched on April 1, 2013. It leads marketing B.C. to travellers, both domestically and internationally. • Destination BC established a Tourism Marketing Committee, with representatives nominated by B.C.'s six regional destination marketing organizations on July 31, 2013. The committee will inform provincial marketing strategies and recommend approaches to better align regional and provincial marketing activities. • "The Next Phase: A Five-Year Strategy for Aboriginal Cultural Tourism in B.C." was released by the Aboriginal Tourism Association of BC (AtBC) in 2012. Government and Destination BC have both supported the strategy by providing funding to further facilitate the development of Aboriginal cultural tourism. 	<ul style="list-style-type: none"> • The Ministries of Jobs, Tourism and Skills Training (JTST) and the Ministry of Finance will finalize a demand-driven funding formula for Destination BC to link funding for Destination BC to the performance of the tourism industry. • Destination BC will continue to increase the amount of private sector and community funds leveraged by for cooperative marketing efforts by 5 per cent per year, with a target of \$7.25 million in 2014/15. • JTST is leading efforts to develop an enhanced accountability framework to increase the benefits of the Municipal and Regional District Tax program, which funds community level tourism marketing efforts in 50 communities across the province. • JTST is forming partnerships between Government agencies, AtBC, and a variety of First Nations entrepreneurs and communities, to continue to propel the growth in Aboriginal owned or operated tourism businesses in BC.

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GTE Objective	Key Accomplishments	Looking Forward – Key Deliverables for 2014
Focused Marketing	<ul style="list-style-type: none"> • Destination BC delivered successful marketing campaigns for ski and summer touring experiences. • BC saw greater increases in US overnight visitation than the rest of Canada. • Marketing investments focus on key target markets. While established markets such as Germany, California, Japan, UK, and Australia remain integral to marketing strategies, emerging markets with long-term potential include China, India and Mexico. • Investment in emerging markets such as China and India has increased, paying off in greater visitation. B.C. remains Canada's most popular province for Chinese tourists. In 2013, tourism from China was up 26.5 per cent - a trend that's expected to continue. • Destination BC's consumer website "HelloBC" has been significantly refreshed and upgraded to enable mobile use across five international websites¹. • Destination BC has expanded its social media activities. Destination BC now has almost 120,000 Facebook fans 61,000 followers on Twitter, and almost 11,000 on Instagram. 	<ul style="list-style-type: none"> • Destination BC will release a new multi-year strategic marketing plan in consultation with their Tourism Marketing Committee, communities and key stakeholders.

¹ UK, Germany, France, Australia, and India

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GTE Objective	Key Accomplishments	Looking Forward – Key Deliverables for 2014
World Class Visitor Experiences	<ul style="list-style-type: none"> Working with destination marketing organizations, businesses, communities and sectors, Destination BC has created and implemented tools and programs to develop the industry. These include Community Tourism Foundations (working with over 150 communities), BC Experiences (working with 19 tourism sectors), and WorldHost which is internationally recognised as setting the standard for training. Destination BC provided funding for a broad network of community Visitor Centres across BC, building upon an outstanding system of tourism information by providing excellence in travel services. To stay on top of emerging labour challenges and opportunities, Go2, with funding from JTST's Canada BC Labour Market Development Agreement, released the Tourism Labour Market Strategy in 2012, with regionally-specific updates in the fall of 2013. 	<ul style="list-style-type: none"> JTST will lead efforts to ensure provincial skills development programs are effectively leveraged to address the challenges raised in the Tourism Labour Market Strategy. JTST is partnering with the Ministry of Transportation and Infrastructure and Destination BC to provide visitor and road side rest stop services, in keeping with B.C.'s global reputation of a safe and sophisticated destination with an awe-inspiring natural environment. JTST is initiating partnerships with other agencies to develop strategies that leverage B.C.'s parks, trails, and other assets and infrastructure to support tourism development. JTST continues to spearhead efforts to develop new, emerging and growing sectors, such as nature-based tourism and city stays, by highlighting opportunities at sector conferences and bringing key partners and resources together.

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GTE Objective	Key Accomplishments	Looking Forward – Key Deliverables for 2014
Removing Barriers to Industry Sustainability and Competitiveness	<ul style="list-style-type: none"> • Since 2012, several new direct flights and/or increased existing non-stop services from priority markets through six different airlines have been brought into B.C. These include (but are not limited to): <ul style="list-style-type: none"> • Sichuan Air from Chengdu and Shenyang in 2012, • Virgin Atlantic from London in 2012, • Lufthansa from Munich in 2013, • Pacific Coastal Airlines service between Cranbrook and Kelowna starting November 2013, • WestJet launched daily service between Nanaimo and Calgary International airports in June 2013, • All Nippon Airways from Tokyo starting in March 2014, • Icelandair from Reykjavik starting in May 2014. • The backlog of land-based tenure applications, including those from the tourism sector, has been reduced by 50 per cent. • A \$3 million increase in the Small Business Venture Capital Tax Credit, announced in 2012, is encouraging more investors to make equity capital investments in B.C. small businesses, including those in the tourism sector, to help them develop and grow. • The Government of BC has made significant inroads in reducing red 	<ul style="list-style-type: none"> • JTST will continue to collaborate with the federal government to: <ol style="list-style-type: none"> a) Deliver the Beyond the Border action plan initiatives, with a focus on opportunities for new and expanded passenger pre-clearance and trusted traveller programs at air, marine and land borders; and b) Address international air access impediments (including costs). This includes seeking opportunities for more direct flights to B.C. airports. • Government's 2013 Liquor Policy Review will enhance the competitiveness of B.C.'s tourism industry enabling businesses to provide visitors with experiences comparable to those of global competitors. • As one of five priority JTST projects to further reduce red tape, the "How to Start a Restaurant in B.C." online roadmap will be developed to clearly explain to entrepreneurs how to start up and operate a restaurant in B.C and reduce the time a restaurant spends interacting with government.

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Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
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GTE Objective	Key Accomplishments	Looking Forward – Key Deliverables for 2014
	<p>tape for tourism and other businesses. The Canadian Federation of Businesses has given B.C. an “A” for its efforts to reduce red tape for three years in a row. In CFIB’s 2014 report card, BC was the only province to receive an “A” rating.</p> <ul style="list-style-type: none"> About 17,000 tourism small businesses (about 93 per cent of the industry) are benefitting from initiatives under the Small Business Accord, including online mentorship supports and improvements to the BizPal online integrated licensing and permitting system. 	

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Appendix 2 2012 Tourism Industry Performance

SOURCE - This is a snapshot of the economic value of tourism to British Columbia in 2012. Information provided in this snapshot is from BC Stats, in partnership with Destination British Columbia and from the International Travel Survey.

TOURISM REVENUE

Total revenue – 13.5 billion.

Tourism revenue measures the money received by businesses, individuals, and governments due to tourism activities. In 2012, the tourism industry generated \$13.5 billion in revenue, a 3% increase over 2011, and a 41% increase from 2002.

Provincial tax - \$1.2 billion

Tourism-related provincial tax revenue generated \$1.2 billion in 2012, an increase of 5% over 2011, and of 73% since 2002. This increase since 2002 was due to the growth of the tourism industry and to consumer taxes, such as the Harmonized Sales Tax (HST).

Accommodation room revenue - \$1.5 billion

In 2012, \$1.5 billion of accommodation room revenue was earned in communities with the Municipal Regional District Tax (MRDT), an increase of 2% from 2011.

Export revenue - \$3.2 billion

In 2012, tourism export revenue generated \$3.2 billion, a slight, 0.2% increase over 2011, and a 13% decline since 2002. Tourism export revenue was similar to that of the mineral (\$3.5B) and agriculture and fish (\$2.7B) primary resource industries but lower than that of forest products (\$10.2B) or energy products (\$8.1B).

Gross domestic product - \$7.1 billion of value added to the BC economy

The tourism industry contributed \$7.1 billion of value added to the BC economy, as measured through GDP (in 2007 constant dollars). This represents 2% growth over 2011 and 4% growth since 2007. In 2012, tourism contributed more to GDP than the forestry and agriculture and fish primary resource industries but less (66%) than the mining, oil and gas extraction industry. GDP contributions of the tourism sectors were similar to their shares of total tourism revenue.

Businesses - 18,387 tourism-related businesses

In 2012, 18,387 tourism-related businesses were in operation in BC, up 2% from 2011 and 2% from 2002.

Employment - 127,300 people employed

In 2012, 127,300 people were employed in tourism-related businesses, similar to 2011 (up 0.6%), and a 15% increase since 2002.

Wages and salaries - \$4.3 billion in wages and salaries

In 2012, the tourism industry paid \$4.3 billion in wages and salaries, up 4% from 2011, and a 31% increase since 2002. Average compensation in the tourism industry, in 2012 was \$34,069, up 3% from 2011 and 9% since 2002.

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Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Labour Shortages in the Tourism Sector

Revised: April 23, 2014

Issue: While there are an increasing number of tourism-related job openings in BC, a shortage of skilled workers is one of the key barriers to the growth of BC's tourism industry

Recommended Response:

- Tourism is a key employment generator for the BC. Over 127,000 or about 1 out of every 15 people employed, work in the sector. In 2012, tourism wages and salaries were in the range of \$4.3 billion.
- Go2, with support from the Ministry, has recently completed a region-by-region analysis of the longer-term labour needs in the industry.
- The news is good for employment opportunities – go2 projects that there will be more than 100,000 tourism and hospitality¹-related job openings across the province between 2012 and 2020.
- However, it's also anticipated that there will be a shortage of about 14,000 workers to fill these jobs.
- Government has funded a wide range of initiatives across the province to address this gap, including supports to train workers in high demand skills such as food and beverage servers, cooks and chefs, and front line services. This includes investments of over \$100 million annually in BC's trades training system, and numerous worker training initiatives across the province that are funded by JTST under the Canada-BC Labour Market Agreement (LMA)
- We will continue to support skills development initiatives to ensure that the growing tourism industry can access the talent needed for tourism careers.

Background/Status:

¹ Note: Go2's methodology for calculating total employment differs from methods used by BC Stats, and subsequently used in provincial and Destination BC communications material (eg the Value of Tourism). Go2, among other variations, includes sectors that BC Stats does not (eg recreation and entertainment and travel services). It also counts all jobs within a sector, while BC Stats only counts jobs that can be directly attributed to tourism (vs resident) spending. As a result, Go2's employment stats (eg 274,000 people working in the sector) tend to be higher than those reported by the Province (127,300 people working in the sector). The future demand projections in GO2's BC Tourism Labour Market Strategy are based on GO2's methodology and are likely higher than the Province would project.

2014/15 Estimates Note

Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
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Small Business

- Go2 is the independent non-profit society that supports labour market development for the tourism and hospitality sector.
- In 2011, go2 began the process of updating and refreshing the 2003 BC Tourism Human Resource Development Task Force Action Plan. After 12 months of consultation with about 1,000 stakeholders, a thorough analysis of trends and best practices, go2 released the **BC Tourism Labour Market Strategy** in 2012.
- In 2013, go2 released additional regional-level research on labour projections.
- Funding and support for the development of the BC Tourism Labour Market Strategy and the regional projections was provided under Canada-BC Labour Market Development Agreement, LMDA (through JTST's Labour Market Partnerships Program).
- Go2 estimates there will be more than 100,000 new job openings in BC's tourism and hospitality industry by 2020, and projects that there will be a shortage more than 14,000 workers by that time (Appendix 1). The projected shortages are driven by demographics (e.g. retirements), industry growth, competition from jurisdictions with lower living costs, and perceptions that tourism is for the young but perhaps not providing viable career options.
- Critical occupations in which shortages are expected include food and beverage servers, cooks and chefs, bar tenders, retail sales clerks, cashiers, transit operators, hotel front desk clerks, airline sales and service agents, restaurant and accommodations managers, and pilots, flight engineers and flying instructors.
- JTST and the Industry Training Authority, have been supporting a number of initiatives across the province to address these labour shortages (Appendix 2). Ongoing support for these kinds of programs will depend, in part, on the strategies being development to implement the recently renewed LMA, including the Canada Jobs Grant.
- Destination BC supports the industry in training and retaining a strong tourism workforce through programs such as **WorldHost**, which promote excellence in customer service. Destination BC also provides programs and on-line resources to assist tourism businesses and communities to become market ready.
- The imbalance between BC's projected population growth and forecast labour market demands suggests that recruitment of workers from outside the province and Canada will be required. JTST initiatives such as the Provincial Nominee Program, and the liaison with the federal Government around the Temporary Foreign Worker Program, are in place to assist the industry in meeting its needs.

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Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Contact:

ADM	Kaaren Lewis	Tourism & Small Business Division	250 952-0367
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Appendix 1

Go2 Projections of Tourism Job Openings and Labour Shortages to 2020

Region	New Job Openings (by 2020)	Labour Shortage (by 2020)	Most impacted sectors
Cariboo Chilcotin Coast	3,352	473	Food & beverage, transportation, and recreation & entertainment
Kootenay Rockies	3,089	438	Food & beverage and recreation & entertainment
Northern BC	3,810	432	Food & beverage and transportation
Thompson Okanagan	12,334	1,626	Food & beverage and accommodation
Vancouver Island	14,484	2,121	Food & beverage and accommodation
Vancouver, Coast & Mountains	71,314	8,916	Food& beverage and recreation & entertainment
Totals	108,383	14,006	

Source: <https://www.go2hr.ca/research/regional-labour-market-studies>

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JTST, Advanced Education and ITA Initiatives Programs and Initiatives	Tourism-Related
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Labour Market Partnerships Program (LMP)

In 2008/09, LMP provided \$96,500 to support the research and planning required to develop a long term, comprehensive, human resource strategy for Vancouver Island, the Thompson-Okanagan, and the Vancouver Coast Mountain regions. Building from this:

- In 2011, LMP provided \$157,850 to review and update their labour market strategy to reflect significant changes in world economics and patterns of tourism. Project is now complete.
- In 2012 the Province signed a LMP agreement with the go2 for \$140,000. The LMP project addressed primary research and development gaps and implementation planning required to fully execute provincial-level strategies at the local and regional level, and enhance linkages between labour market development activities led by go2 and local/regional partners, particularly regional Destination Marketing Organizations. The LMP built upon and leveraged the research, networks, and infrastructure developed as part of a previous Tourism Labour Market Strategy LMP completed in March 2012.

Labour Market Initiatives Program:

- Go2, the Industry Training Organization for the tourism sector, received \$69,300 for a LMP project to develop research and analysis to support strategic labour market development in resort communities (recently completed).
- \$497,133 was provided to the College of New Caledonia to address essential skills development for low skilled individuals working in tourism and hospitality related occupations such as housekeeping room attendant, banquet server, food and beverage server and line cook. Douglas College, the College of the Rockies, and Okanagan College are service delivery partners.
- A \$736,560 Labour Market Sector Solutions Program investment supports the training and employment of 180 individuals in Vancouver's downtown east side to support the human resource needs of the food and restaurant sector. Graduates will be placed in positions such as dishwashers, prep cooks or first, second or third cooks in lower mainland restaurants, addressing the current need in the local food and restaurant industry.

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Targeted Skills Shortage Program

- The objective of this program is to assist small and medium sized employers within targeted sectors with training plan development and funding to encourage the retention and advancement of low skilled employees. For 2013/14 the targeted sectors are: Health Care and Social Assistance, Manufacturing, Transportation, Technology/Clean Tech/Green Economy, Natural Gas, Mining, Fishing, Forestry and Tourism. 1,000 participants are targeted to be served. Tourism was included as a target sector as of April 1, 2013.

Aboriginal Training for Employment (delivered through the Ministry of Advanced Education)

Since April 2010, there have been 10 ATEP programs in the tourism sector:

- The Heiltsuk Tribal Council is located in Bella Bella. The Heiltsuk Band will train and hire 10 youth as special events festivals management community coordinators to research, plan and implement a major international event called Qatuwas "People Gathering Together" in 2014. \$90,000
- Kutunaxa Nation is located in Cranbrook BC. They are working with Calamity Creek Guide Outfitters and Tipi Mountain Native Plants & Eco Cultural Services to provide training in adventure and eco tourism with a cultural context to 15 participants. \$150,000
- North Vancouver Island Aboriginal Training Society is located in Campbell River. They have provided The Better Employment Skills Training Program which to introduce the hospitality and services industry to 15 participants.
- Sto:lo Aboriginal Skills and Employment Training located in Chilliwack BC. They are providing the Culinary and Hospitality Opportunities Program (CHOP) to enable 30 multi-barriered to improve their skills and employability. \$150,000
- Xeni Gwet'in First Nations Government is located in Namiah Valley, Williams Lake and in the Six Tsilhqot'in communities. The program includes both pre-employment and employment training which will lead to job opportunities for 10 Aboriginal people with local tourism employers. \$75,750
- Shuswap National Tribal Council Society is located in 30 communities in the interior region. They have provided services to connect 65 Aboriginal people to employment opportunities in the Interior of BC including placements in the hospitality, trades, office Support, and utilities industries. \$252,500

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- The Musqueam Indian Band is located near Vancouver BC. The project used and adapted existing curriculum for core components of tourism and construction training for 20 participants. \$75,539
- Tla'amin Community Health Board Society is located in Powell River BC. In the Yix meh towlth (Taking Care of Each Other) project 18 ATEP participants will be placed in the growth areas of retail and administration, health care and social services, hospitality and tourism, and construction trades. \$15,000
- The Métis Nation BC, located in Abbotsford, delivered the Culinary and Hospitality Opportunities Program which will assist 18 multi-barriered individuals and clients. \$90,459
- Victoria Native Friendship Center is located in Victoria BC. Through the EAGLE Project (Exploring & Acknowledging Guidance & Leadership through Employment) - 36 Participants will be involved in a three part pre-employment training: life skills, essential skills, and industry/job specific training. Three industries for job placement are: retail, hospitality, and tourism. \$141,400

Aboriginal Community-Based Delivery Partnership Programs (ACBDPP) (Delivered through the Ministry of Advanced Education)

Since September 2013 there have been three ACBDPP in the tourism sector:

- Capilano University has partnered with the Squamish Lil'wat Cultural Center to provide training to 12 participants for entry level tourism, retail and hospitality positions. \$71,931
- Thompson River University has partnered with Lytton First Nation to deliver Courses for participants to work towards their BC Adult Diploma. This program will provide training to 20 participants for entry level trade, retail and hospitality positions. \$131,545
- Vancouver Island University has partnered with the Cowichan and Tsawout communities to train 32 participants in the skills and education necessary to enter positions in the hospitality industry

Industry Training Authority Initiatives:

- The Industry Training Authority (ITA) is playing a key role in supplying skilled workers for all sectors. In 2012/13, ITA issued over, 8,000 Certificates of Qualification, almost triple the number issued in 2004/05 when ITA was established.

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- In 2013/14, the ITA will invest over \$13 million (through Labour Market Agreement funding) for initiatives aimed at increasing the participation of Aboriginal people, Immigrants, women, and other un- or underemployed workers in trades training programs across several industry sectors. It is expected that over 1,600 individuals will be served through these initiatives.

Industry Training Organizations

- go2 is the Industry Training Organization responsible for trades within Tourism Sector. go2's trades include: Meat cutter, Cook, Baker, and Tidal Angling Guide. There are currently over 3,200 apprentices registered in go2 managed trades.

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Title: Municipal and Regional District Tax (MRDT)

Revised: April 24, 2014

Issue: Enhanced accountability in the use of Municipal and Regional District
Tax funds.

Recommended Response:

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s13

Contact:

Kaaren Lewis, ADM, Tourism and Small Business Division

Telephone: 250-952-0367

Prepared By: Tara Moorhouse, Sr. Tourism Development Officer, Tourism Branch

Telephone: 250-356-1389

Reviewed by

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Title: JTST/DBC Supports for Mitigation of Route 40 Service
Reductions

Revised: April 24, 2014

Issue: Impact of BC Ferries Route 40 changes on Tourism

Recommended Response:

- The Province is committed to achieving \$18.9 million in net savings from service reductions, including on Route 40, to ensure the coastal ferry system remains sustainable.
- At the same time, we are equally committed to working with regional, community and Aboriginal economic and tourism organizations on the Central Coast to mitigate tourism and other economic impacts in the area.
 - Short term: Government through the Ministry of Transportation and Infrastructure and BC Ferries is working on solutions that meet the needs of travellers who may have been impacted by the decision, and is undertaking upgrades of the MV Nimpkish to improve ridership experiences.
 - Longer term:
 - There is still access to these areas. Destination BC (DBC) has committed \$100,000 to the Cariboo Chilcotin Coast Tourism Association for an enhanced marketing strategy to show visitors how they can reach the Central Coast and Central Interior of the province and the abundance of experiences they can enjoy.
 - JTST's Tourism Branch is working with Aboriginal Tourism BC, First Nations and other partners to fuel and support the growth of Aboriginal tourism businesses in the region through activities to engage and support emerging tourism leaders and businesses.
 - JTST's Economic Development Division has offered the Heiltsuk Economic Development Corporation in Bella Bella assistance with advice and preliminary assessments on the viability of economic development projects the community may be considering.
- Further questions should be directed to my colleague, Todd Stone, Minister of Transportation and Infrastructure.

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s13, s17

Contact:

Kaaren Lewis, ADM, Tourism and Small Business Division
Telephone: (250) 952-0367

Appendix 1. April 18 Summary of known cancellations by Destination BC.

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Title: Rural and Community Tourism Supports

Revised: April 23, 2014

Issue: With reduced service on BC Ferries' Route 40 and other issues, some stakeholders may criticize Government for failing to support tourism development in communities and rural areas

Recommended Response:

- The vision under our provincial tourism strategy, "Gaining the Edge", is that "tourism will develop jobs, opportunities and prosperity for British Columbians in every region of the province".
- We are committed to achieving this vision. That is why our Government and Destination BC have placed a high priority on assisting communities and rural areas to develop and market tourism opportunities.
- Examples of include:
 - Strategic planning, governance and marketing supports, available under Destination BC's Community Partnerships Programs. This includes nearly \$1 million per year in matching funding under Destination BC's Community Tourism Opportunities Program, to help communities market local tourism opportunities.
 - Investing over \$72M dollars in tourism infrastructure in 14 BC resort municipalities since 2007 under the Resort Municipality Initiative.
 - Providing around \$1 million per year (or \$6 million to date) to Aboriginal Tourism BC, to fuel the growth of aboriginal tourism businesses and opportunities.
 - Distributing just under \$28 million per year under the Municipal and Regional Tax program, to enable communities to market local tourism opportunities, and,
 - Preparing British Columbians to take advantage of continuing job growth in the sector by investing over \$100 million per year in BC's trades training system through the Industry Training Authority and supporting numerous skills training initiatives across the province with funding provided under the Canada-BC Labour Market Agreement.

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Background/Status:

Note: please see additional Estimates Notes of each of the topics listed below for further information.

Community Partnership Programs

- Destination BC's Community Partnerships Programs include:
 - Community Tourism Foundations, a tourism planning program designed to assist communities with strategic tourism planning, re-assessment and board governance.
 - Community Tourism Opportunities, a cooperative marketing program providing matching dollars to assist in implementing community marketing initiatives to ensure their marketing efforts are integrated appropriately within the tourism industry structure. Nearly \$1,000,000 in matching funds is provided annually to support community-driven local tourism initiatives. This includes development of collateral, like visitors guides, to encourage visitors to come to, or extend their time in, a destination; web enhancements or social media projects; attendance at consumer shows; and development/maintenance or enhancement of image banks.
 - Tourism Business Essentials aims to provide easily accessible resources that tourism business operators can use to help successfully run their operations through a series of downloadable guides and facilitated workshops.
- Further information, including success stories, and a summary of Community Partnerships supports provided to communities along Route 40, is including in the Appendix.

Resort Municipality Initiative

- The BC Resort Municipality Initiative (RMI) recognizes the important role of local governments in the successful development of world-class resorts, and the significant role of local governments in the growth of B.C.'s tourism economy.
- Since 2007 over \$72M dollars has been invested in tourism infrastructure through RMI to 14 Resort Municipalities.
- Government is committed to support this program, funding dependent, and demonstrated this by signing Memoranda of Understanding for 2012 to 2016. Approved by Cabinet in 2006, the BC Resort Municipality Initiative (RMI) addresses the unique circumstances of small resort-oriented municipalities and creates an ongoing revenue stream to develop and enhance local tourism related infrastructure and amenities to grow local and regional tourism economies.

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- There are 14 communities that are eligible and participate in this initiative: Fernie, Golden, Harrison Hot Springs, Invermere, Kimberley, Osoyoos, Radium Hot Springs, Revelstoke, Rossland, Sun Peaks, Tofino, Ucluelet, Valemount and Whistler.
- The RMI program objectives are to increase tourist visitation, visitor activities and amenities, employment, private investment, and municipal tax revenue.

Aboriginal Tourism

- Since 2007, the Province has supported AtBC's development and marketing activities by providing about \$1M per year, via Tourism BC, the Ministry, and, most recently, Destination BC. Total investments to date in AtBC are \$6 million. Destination BC will advance a further \$0.667 million to AtBC, through Destination BC, to fund 14/15 activities. Additional requests made by AtBC will be reviewed by the DBC Board at a future date year.
- AtBC has prepared a detailed strategy for product development, and is in the process of conducting a series of regional planning projects to identify key development opportunities in each tourism region.
- While there is increasing demand for Aboriginal tourism products. The number of 'export-ready' Aboriginal tourism products has jumped from 60 in 2011 to 150 businesses that are approaching "market ready status" today (thanks largely due to AtBC's efforts). There is additional growth potential in this product sector.
- A new partnership of provincial and federal agencies with AtBC is developing a pilot of comprehensive product development supports to enable more First Nations tourism products to come to market.
- BC is a global leader in Aboriginal tourism. We want to remain the leader, and are supporting a targeted and strategic approach to growing this exciting sector.

Municipal and Regional District Tax Program (MRDT)

- The MRDT is a consumer tax of up to 2%, payable on applicable short-term accommodations. Its purpose is to assist municipalities, regional districts and other eligible entities in promoting tourism in their area
- In most cases, the MRDT only applies in communities where local governments and accommodation providers* have agreed to participate.
- In 2012/13, around \$27.7 M in MRDT funds were transferred to the 50 BC communities that are participating in the program.

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- In partnership with the Ministry of Finance and Destination BC, JTST is leading the development of an enhanced accountability framework for the MRDT, which will improve this already successful program by, in part, clarifying the roles and responsibilities of program partners (ie local governments, accommodation providers and marketing organizations).
- Enhanced accountability guidelines are expected to be rolled out to communities in early-mid 2014.

Preparing British Columbians for Tourism Careers and Job Opportunities

- Based on projections by Go2, BC's tourism human resource association, there will be more than 100,000 new job openings in BC's tourism industry by 2020.
- Key occupations in which job opportunities will exist include food and beverage servers, cooks and chefs, bar tenders, retail sales clerks, cashiers, transit operators, hotel front desk clerks, airline sales and service agents, restaurant and accommodations managers, and pilots, flight engineers and flying instructors.
- JTST and the Industry Training Authority, have been supporting a number of initiatives across the province to address labour shortages in the tourism sector. Ongoing support for these kinds of programs will depend, in part, on strategies being developed to implement the recently renewed LMA, including the Canada Jobs Grant program.
- Destination BC supports the industry in training and retaining a strong tourism workforce through programs such as **WorldHost**, which promote excellence in customer service. Destination BC also provides programs and on-line resources to assist tourism businesses and communities to become market ready.

Contact: Kaaren Lewis, ADM, Tourism and Small Business Division

Telephone: 250-952-0367

Prepared By: Katherine Rowe, Director, Governance and Legislation, Tourism Branch

Telephone: 250-356-1489 cell: s17

Reviewed by			
Dir: KR	ED: JD	ADM: KL	DM:

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Appendix

Title: Destination BC Support to Regions, Communities and
Businesses, and Sectors (Experience BC)

Revised: February 24, 2014

Issue: How Destination BC supports BC's Tourism Regions, Communities and
Businesses, and Sectors

Recommended Response:

REGIONS

- Destination BC provides \$6 Million in annual funding to the six Regional Destination Management Organizations (RDMOs) for operations and marketing activities.
- Majority of marketing activities are produced through the Tourism Partners Program (a regional tourism cooperative marketing program) which is designed to coordinate and leverage the marketing efforts of RDMOs in partnership with local tourism operators, communities and sectors to drive increased visitation throughout BC.

COMMUNITIES

- Destination BC works closely with over 180 communities in all areas of the province on their tourism destination development and marketing initiatives.
- On an annual basis, the Community Tourism Opportunities program provides nearly \$1,000,000 in matching funds to support community-driven, local tourism initiatives, involving over 300 distinct projects in 200 communities around the province each year.

SECTORS

- Through the Experiences BC program, Destination BC provides approximately \$700,000 to various tourism sector associations, with matching funds provided by the sector.

Background/Status:

• **Regional Partnerships Program Objectives**

Under the direction of the *Gaining the Edge Tourism Strategy*, the RDMOs:

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- Work with industry to coordinate marketing roles and responsibilities to ensure strategic alignment, increased effectiveness, and enhanced consumer impact.
- Leverage regional tourism investment and maximize tourism growth throughout BC by supplementing Destination BC's annual regional tourism operating and marketing budgets through additional funding from industry and private sector partners.
- The six Regional Destination Management Organizations (RDMOs) are:
 - Tourism Association of Vancouver Island (Tourism Vancouver Island)
 - Vancouver, Coast and Mountains Region
 - Thompson Okanagan Tourism Association
 - Kootenay Rockies Tourism Association
 - Cariboo Chilcotin Coast Tourism Association
 - Northern BC Tourism Association
- **Community Partnership Program Objectives:**
 - Provide community tourism planning assistance and implementation-level cooperative marketing funds to qualifying BC communities
 - Provide industry resources and educational materials via the Tourism Business Essentials series of guides and workshops and the Industry Resources section of Destination BC's website
- Community Tourism Foundation is a tourism planning program designed to assist communities with strategic tourism planning, re-assessment and board governance.
- Community Tourism Opportunities is a cooperative marketing program providing matching dollars to assist in implementing community marketing initiatives to ensure their marketing efforts are integrated appropriately within the tourism industry structure. Nearly \$1,000,000 in matching funds to support community-driven local tourism initiatives is provided annually.
- Tourism Business Essentials aims to provide easily accessible resources that tourism business operators can use to help successfully run their operations through a series of downloadable guides and facilitated workshops.
- **Experiences BC**
 - Destination BC provides funding to various tourism sector associations with funding matched by the association to help increase awareness and promote the sectors as tourism destinations. (Examples: Canada West Ski Areas - \$250K; BC Fishing Resorts and Outfitters Association - \$50K; British Columbia Lodging and Campgrounds Association - \$50K)

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Contact:

A/Executive Margaret McCormick Tourism Partnerships 604 660-4705
Director

Reviewed by			
Dir: PH	ED: MM	VP: GM	CEO: MW

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ATTACHMENT A - OVERVIEW OF REGION, COMMUNITY & SECTOR FUNDING

Regional Partnerships:

- Destination BC provides \$6 Million in annual funding to the six Regional Destination Management Organizations (RDMOs) for operations and marketing activities.

	FY 10/11	FY 11/12	FY 12/13	FY 13/14*
Vancouver Island	\$993,974	\$993,974	\$993,974	\$993,974
Vancouver Coast & Mountains	\$985,088	\$985,088	\$985,088	\$985,088
Thompson Okanagan	\$1,308,449	\$1,308,449	\$1,308,449	\$1,308,449
Kootenay Rockies	\$1,140,606	\$1,140,606	\$1,140,606	\$1,140,606
Cariboo Chilcotin Coast	\$628,246	\$628,246	\$628,246	\$628,246
Northern British Columbia	\$990,326	\$990,326	\$990,326	\$990,326
OVERALL PROGRAM TOTAL	\$6,046,689	\$6,046,689	\$6,046,689	\$6,046,689

* Total Annual Regional Funding amounts have remained consistent year to year for the last four years

Community Partnerships: Overall CTO/CTF

- Community Tourism Foundation is a tourism planning program designed to assist communities with strategic tourism planning, re-assessment and board governance.
- Community Tourism Opportunities is a cooperative marketing program providing matching dollars to assist in implementing community marketing initiatives to ensure their marketing efforts are integrated appropriately within the tourism industry structure.

	FY 10/11	FY 11/12	FY 12/13	FY 13/14*	4 YR TOTAL	% of Funds (Avg 4 Yrs)
Vancouver Island	\$157,059	\$176,152	\$166,091	\$251,650	\$753,383	18%
Vancouver Coast & Mountains	\$165,845	\$175,936	\$196,632	\$221,600	\$760,418	19%
Thompson Okanagan	\$257,078	\$266,236	\$225,925	\$245,730	\$979,500	24%
Kootenay Rockies	\$128,723	\$131,601	\$143,694	\$162,794	\$550,475	13%
Cariboo Chilcotin Coast	\$61,424	\$116,459	\$105,439	\$155,350	\$440,037	11%
Northern British Columbia	\$141,476	\$123,115	\$152,175	\$195,050	\$601,709	15%
OVERALL PROGRAM TOTAL	\$911,605	\$989,499	\$989,956	\$1,232,174	\$4,085,522	100.0%

*Budget based on this fiscal

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Community Partnerships: Communities Along Route 40

** All figures below are included in the regional funding analysis above*

	CTF		CTO			
	Original	Revisit	FY 10/11	FY 11/12	FY 12/13	FY 13/14*
Bella Coola	2007		\$10,000	\$92,000	\$0**	\$8,600
West Chilcotin (Anahim Lake, Nimpo Lake, Tatla Lake, Nehamaish Valley)	2007	2012	\$5,500	\$9,200	\$9,200	\$8,600
Yunesit'in (along Hwy 20 to WL)	-	-	\$0	\$0	\$0	\$8,600
Xeni Guent'in (along Hwy 20 to WL)	2008	2012	\$10,200	\$9,200	\$9,200	\$8,600
North Vancouver Island (includes Port Hardy)	2007	-	\$12,500	\$21,500	\$23,000	\$21,000
OVERALL ROUTE 40 TOTAL			\$38,200	\$49,100	\$41,400	\$55,400

**Budget based on this fiscal*

***FY 12/13: Bella Coola was unable to complete any projects & leverage allocated \$9,200 due to funding challenges and personnel changes.*

Examples of Completed CTO Projects in the area:

- Collateral Development: Design, produce & distribute Visitor Guides/brochures to create awareness and promote communities/products offered in the area to drive visitation and/or extend a visitor's stay in the area.
- Web Enhancements & Social Media: support creation of or improvements to web presence with the target of enhancing websites' mobile responsiveness to respond to shifting behaviours of online travel planning and information delivery.
- Consumer Shows: attend, in partnerships with community and regional partners, consumer shows to increase awareness of the destination and to motivate visitors to travel along Route 40/Hwy20.
- Image Bank: Develop, maintain or enhance local image banks; a the collection of high quality imagery that captures local activities and iconic coastal imagery to be available for use in future promotional activities as well as used to accompany media stories and other marketing initiatives.

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Community Partnerships: Summary of Innovative Community Successes & Projects

- Shuswap Tourism (2010): Consortium of 3 communities and 4 Electoral Areas of Regional District
 - Communities identified that there was no connection with the tourism industry in the region; no vision/goals for tourism in the area; no partnerships with community organizations.
 - Through the CTF planning processes held 6 community meeting & 4 planning workshops to develop the Shuswap Tourism Development Plan over a period of 10 weeks
 - More than 100 participants were involved in the creation of the plan.
 - Accessed CTO funding to help implement the marketing strategies identified in the plan to support the execution of the newly established vision and 5 year strategic goals.
 - Some projects completed to date include:
 - Destination Brand Development: including guidelines for graphic standards, collateral, and marketing campaigns
 - Collateral Development: Updating of the Vacation Guide, Hiking and Biking and Cycle Touring Brochure with the new brand/image
 - Website development: Incorporate messaging and imagery of newly developed brand.
 - Image Bank Development: Develop local image bank; a the collection of high quality imagery that captures local activities and iconic imagery to be available for use in future promotional activities as well as used to accompany media stories and other marketing initiatives.
 - Digital screens in Visitors Centres: to showcase the Shuswap region and the Thompson Okanagan region.
 - Assistance to the Roots and Blues Festival: Support for a marketing campaign that will expand their marketing with an international festival consortium.
 - Feedback from Shuswap Tourism: We sincerely appreciate this funding to assist us with our marketing campaigns for the Shuswap region. Destination BC and TOTA have been strong advocates and partners for the Shuswap region. I look forward to our continued partnerships.

2014/15 Estimates Note

Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

- Similkameen Valley (2012): Consortium of 10 communities/hamlets & 2 First Nations Bands
 - Initiated CTF planning processes with local area stakeholders in early 2012 to identify goals, strategies and actions as part of a valley-wide, short term tourism development plan.
 - Participants indicated a desire to cooperate on building an effective valley-wide tourism development organization, beginning with a consolidation past tourism plans and strategic initiatives.
 - Accessed CTO funding to help implement the marketing strategies identified in the plan to support the execution of the newly established vision and 5 year strategic goals.
 - Some projects completed to date include:
 - Destination Brand Development & Implementation: Creation of retractable banners for industry and consumer shows, presentation folders, post cards, golf shirts for uniforms and brand launch.
 - Image Bank Development: Collection of seasonal imagery to support iconic experiences and community area imagery, through purchase and/or photo shoot.
 - Website Development & Enhancements: Development of new content to support new brand development and local area story-telling and enhance web presence to be mobile responsive.
 - Social Media Strategy: Conduct online campaign to drive traffic to the official consumer website, using multiple social media methods.
- Haida Gwaii (2012/2013): Destination BC contributed **\$10,000** to «COMMUNITYCONSORTIUM» in support of the following project:
 - Destination Awareness Building & Promotion of new Product: Promotional activities included a social media and Facebook campaign, online campaign, multiple print ads in Pacific Coastal in flight Magazine and 20,000 copies of a lure brochure printed and distributed on board BC Ferries. Activities garnered 185,000 impressions.
- Pender Island (2012/2013): Destination BC contributed **\$9,200** to Pender Island in support of the following projects:
 - Brochure Production & Distribution: Printed brochures with map of Pender Island showing beach accesses, major Pender Island highlights as well as local businesses. 30,000 impressions. Brochure distributed on major ferry

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routes, at local businesses, the Pender Island info centre and through GoBrochures.com.

- Events Promotion: Assisted in promoting local Festival of the Arts showcasing local Pender Island artisans. 20,000 impressions.
 - Advertising: Advertising in the Times Colonist Discover supplement, Island Tides, Island Independent newspapers and in the yearly Gulf Islander. In addition, the Pender Island video which is on Pender Island's website and YouTube was completed
 - Website Enhancements: This included incorporating social media components to the Pender Island website as well as enhancing the website to be mobile friendly.
 - Feedback received from Pender Island: The Chamber has been able to increase awareness of Pender Island substantially in the past few years, thanks in main part to the matching funding [provided through the CTO program].
- Castlegar (2012/2013): Destination BC contributed **\$2,500** to Castlegar in support of the following Community Tourism Opportunities project:
 - Promotion of the Castlegar Sculpture Walk: Website enhancements and artist profile write-ups were completed to promote Castlegar's premier arts and culture attraction. These activities calculate to 15,000 impressions and the number of people participating in Sculpture walk has risen. In the last year, approximately 5,000 people participated in the walk. The artist profiles have contributed greatly to increase the knowledge of the arts in the community, and the website enhancements have improved usability for both Sculpture walk staff and the general public.
 - Feedback from Castlegar: I would like to thank you on behalf of our small but dedicated tourism team. Receiving this grant will greatly benefit our capacity to promote tourism in our town and the region/province of BC.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Tourism Accommodation (Assessment Relief) Act

Revised: April 24, 2014

Issue: Modernizing the *Tourism Accommodation (Assessment Relief) Act*

Recommended Response:

- The current *Tourism Accommodation (Assessment Relief) Act* (TAARA) provides an exemption on property taxes for tourism resorts/properties based on a formula. Specific concerns have been raised about the exemption levels for those properties which are in “unincorporated” areas.
- Many of the properties which access the TAARA are small enterprises. Their business may be seasonal in nature, thus giving them limited time to earn revenue. Property taxes therefore constitute a significant portion of their overall operating cost.
- I recognize that this is a very important issue for many small tourism businesses and Government has committed to modernizing this Act in response to concerns raised.
- Due to competing fiscal priorities and other considerations the Minister of Finance did not amend TAARA for the 2014/15 at this time, but amendments to modernize TAARA could be considered in future years.

Background/Status:

- The Ministry of CSCD and Ministry of Finance are responsible for TAARA (FIN G72). Modernizing TAARA is a platform commitment.
- The current framework for property taxes is having an impact on rural tourism resorts. Assessments for tourist accommodation properties determine “highest and best use” through a market value assessment. Due to the rising housing market, this assessment often deems the highest market value as “residential.”
- TAARA was enacted in 1988 and provides an exemption on property taxes using a formula - up to \$150,000 or 50 percent of the assessed value for tourism properties valued up to \$2 million, at which point the exemption is reduced and eventually phased out for properties valued over \$3 million.
- Since the enactment of TAARA, average property taxes have increased significantly (54% between 2001 and 2005).

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Honourable Shirley Bond

- The Union of BC Municipalities adopted a resolution in September 2012 to ask government to amend TAARA for unincorporated areas. They generally propose an exemption of up to \$500,000 (currently \$150,000) for properties valued up to \$4 million (currently \$2 million).
- CSCD, which is responsible for oversight of the property tax assessment system and TAARA, and the Ministry of Finance, which oversees all provincial tax policy initiatives, are currently considering options to address this issue, including UBCM's proposal.
- No decisions regarding TAARA were announced as part of Budget 2014. JTST and CSCD understand that various options are being considered by the Ministry of Finance, however the Ministry of Finance staff are unable to disclose what its recommendations are, and/or when a decision may be made.

Contact:

ADM	Kaaren Lewis	Tourism & Small Business Division	250 952-0367
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2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Community, Sport and Cultural Development
Minister Responsible: Hon. Coralee Oakes

Title: Changes to the *Tourist Accommodation (Assessment Relief) Act (TAARA)*

Revised: February 26, 2014

Issue: Election commitment to modernize the TAARA to reflect increased property values.

Key Facts:

- TAARA was introduced in 1989 as a mitigation measure in response to a policy change that eliminated a low-tax “seasonal resort” property class.
- Properties that are eligible for relief under TAARA receive a 50 percent reduction in their assessed value up to a maximum of \$150,000. This benefit is phased out for properties assessed above \$2 million. Properties over \$3 million receive no relief.
- The assessed values and exemption contained in TAARA have not been modified since it was introduced.
- Government made a public commitment (as per its election platform) to modernize the TAARA legislation to reflect increased property values.
- While the Ministry of Community, Sport and Cultural Development (CSCD) has responsibility for TAARA, implementation of the election commitment has tax policy and revenue implications affecting the fiscal plan.
- Therefore, this issue falls under the purview of the Minister of Finance and any changes to TAARA will be implemented through the budget process.
- This issue was reviewed as part of the 2014 budget process. Due to competing fiscal priorities and other considerations the Minister of Finance did not amend TAARA for the 2014/15 at this time, but amendments to modernize TAARA could be considered in future years.

Background/Status:

- Many resort owners have approached government to raise concerns over their levels of property assessment and taxation, suggesting that increased property taxes are placing significant pressure on the economic viability of some of these accommodation properties.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Community, Sport and Cultural Development
Minister Responsible: Hon. Coralee Oakes

- Industry representatives have proposed an increase to the assessment exemption contained in the TAARA legislation as a solution to the issues they have raised.
- A resolution was also put forward at the Union of British Columbia Municipalities (UBCM) 2012 convention, requesting an increase in the assessment exemption contained in TAARA legislation for rural accommodation operators.
- The proposal put forward by UBCM, applied only to rural properties, would raise the exemption to \$500,000 or 50 percent, whichever is less. In addition, the phase out threshold would be raised to \$4 million and the exemption eliminated for properties valued over \$5 million.
- The current TAARA legislation/exemption does not differentiate between rural and urban areas of the Province, applying consistently, regardless of location.
- Increasing the benefit for only those operators in rural areas (as requested in the UBCM resolution) would be difficult to justify from a tax policy perspective, as owners across the Province have all seen increases in their property values in recent years. If the UBCM proposal were applied to all qualifying properties (rural and urban) the revenue loss to taxing jurisdictions (tax savings for property owners) is approximately \$6 million.
- In addition to the UBCM proposal, additional options to amend the TAARA legislation will be prepared for government's consideration, including increasing the exemption provisions contained in TAARA for both rural and urban properties.
- Although TAARA is the responsibility of CSCD, the Ministry of Finance is responsible for amending the legislation due to the provincial tax policy and revenue implications.
- For Budget 2014, Finance staff prepared a note for their minister with options to achieve the election commitment. Due to competing fiscal priorities and other considerations the Minister of Finance did not amend TAARA for the 2014/15, but amendments to modernize TAARA could be considered in future years.

Contact:

Executive Director	Rob Fraser	Property Assessment Services	250 -356-7835
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2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond, Minister of Jobs, Tourism and Skills
Training and Minister Responsible for Labour

Title: Tourism Accountability

Revised: April 24, 2014

Issue: Tourism Accountabilities between Minister Bond and Minister Yamamoto

Recommended Response:

- As Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour, I am accountable for the whole ministry.
- The tourism sector and small businesses across British Columbia are key drivers for growing the BC economy. Honourable Naomi Yamamoto was appointed as Minister of State for Tourism and Small Business to work with me and provide her leadership to these two important areas.
- I am responsible for the Jobs Plan which includes the Tourism sector, and our provincial tourism strategy titled "Gaining the Edge".
- I have legislature responsibilities to lead estimates debates and respond to tourism-related questions in the House.
- Destination BC, and tourism legislation and regulation, and strategic direction for the sector, are under my purview.
- Minister Yamamoto is responsible for small business development and barriers to growth; community tourism development; sector development and diversification; tourism jobs, labour shortages and skills development; Federal government relations; and tourism-related land use issues.
- Minister Yamamoto and I work together to ensure our tourism program continues to create jobs and promote economic growth.

Background/Status:

- During the July 2013 estimates debates, a question was asked about the respective roles of the Minister of Jobs, Tourism, and Skills Training, and the Minister of State for Tourism and Small Business, in the management of the tourism program. The ministers responded that they would be working out their responsibilities over the coming months.
- Ministers' responsibilities with respect to tourism are outlined in the following tables.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond, Minister of Jobs, Tourism and Skills
Training and Minister Responsible for Labour

Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour:

Functions	Details	Commitments
Jobs Plan – Tourism	Report on key strategic shifts and progress on actions	Achieve 5% annual revenue growth to \$18B in 2016 (Gaining the Edge Strategy, GTE)
Legislature responsibilities	Lead estimates debates and respond to tourism-related questions in the House	
Destination BC oversight	Establish formula for funding Destination British Columbia Provide shareholder direction to DBC board of directors Bring attention to tourism marketing campaign launches in key markets	Create an industry-led, formula-funded provincial tourism marketing agency (GTE)
Provincial Tourism Strategy - Gaining the Edge (GTE)	Develop key strategic shifts; Review Cross-Ministry Reporting	Achieve 5% annual revenue growth to \$18B in 2016 (GTE)
Legislation and regulation	Responsible for Tourism Act, Hotel Guest Registration Act and Hotel Keepers Act	
(Both Ministers) Ministers' Council on Tourism (MCOT)	Set framework for function of Council Appoint new members as required	

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond, Minister of Jobs, Tourism and Skills
Training and Minister Responsible for Labour

Minister of State for Tourism and Small Business:

Functions	Example / Details	Commitments
Small business development and barriers to growth	Engage with tourism small businesses to promote government's small business agenda	Develop new trail networks for residents and tourism businesses (Platform) Bring a tourism lens to discussions on Modernizing BC's Liquor System (Platform)
Community tourism development	Address challenges with highway signage; Create an emergency management plan for tourists and tourism business recovery	Invest \$3 million per year beginning in 2015/16 to upgrade rest stops and visitor centres across BC (Platform)
Sector development and diversification	Engage with sector associations to address barriers to growth and diversification	
Federal government relations	Participate in Canadian Council of Tourism Ministers (federal / provincial / territorial tourism ministers)	Address air access impediments and competitiveness (GTE) Promote expansion of trusted traveller and passenger pre-clearance programs (GTE) Encourage federal government to streamline tourist visa applications and use technology to speed entries and approvals (GTE)
Land Use Issues	Engage industry on access to Crown land issues; Advocate for tourism values in land-use decisions	
Tourism jobs, labour shortages and skills development	Work with the tourism industry to address job creation and labour shortages	Ensure labour market strategies address the industry's unique pressures (GTE); Provide a range of training tools (GTE)
Legislation and regulation	Develop amendments to the Tourism Accommodation (Assessment Relief) Act (TAARA) (MFIN/CSCD lead) (both Ministers) Support Tourism Vancouver to develop a longer-term, sustainable funding model for tourism marketing over the duration of the TICA	Modernize the TAARA (platform)

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Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond, Minister of Jobs, Tourism and Skills
Training and Minister Responsible for Labour

Functions	Example / Details	Commitments
	(MFIN lead, although JTST responsible for the Vancouver Tourism Levy Enabling Act)	
(Both Ministers) Ministers' Council on Tourism (MCOT)	Set framework for function of Council and appoint new members as required	

Contact: Kaaren Lewis, ADM, Tourism and Small Business Division
Telephone: 250-952-0367 Cell s17

Prepared by: Katherine Rowe, Director, Tourism Branch
Telephone: 250-356-1489

Reviewed by			
Dir:	ED:	ADM: KL	DM:

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Tourism Vancouver – Convention Centre Repayment

Revised: March 6, 2014

Issue: Tourism Vancouver (TVan) and others may raise concerns that repayment of a \$90 million loan (for industry's contribution to the Vancouver Convention Centre Expansion project) is impacting TVan's financial sustainability.

Recommended Response:

- Tourism Vancouver (TVan) has expressed concerns about its budget challenges, and the Province has been working with them to address these challenges.
- In response, in April 2013, the Ministry of Jobs, Tourism and Skills Training provided a \$3.255 million grant to TVan to support its 2013/14 marketing operations while a long-term funding solution could be found.
- TVan has been fulfilling its Tourism Industry Contribution Agreement (TICA) repayment obligations consistently.
- JTST has been supporting the Ministry of Finance in their work with TVan to develop and bring forward a longer-term, sustainable funding model for tourism marketing in Vancouver over the duration of the TICA.
- The TICA is a commercial agreement between TVan and the Minister of Finance. JTST is not a party and cannot comment on the amount owing or the repayment scheme. Questions on details of the agreement should be referred to the Minister of Finance.

Background/Status:

- In 2003, the Province signed the TICA with TVan so that the Province would finance industry/TVan's \$90M contribution to the Vancouver Convention Centre on commercial terms. Key elements of the overall deal were:
 - The Province recovers the loan repayments by withholding escalating portions of Tourism Vancouver's 2% Municipal and Regional District tax (MRDT),
 - To make up for the amount of tax withheld by the Province (and still required to finance TVan's own operations), TVan would introduce its

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

own tourism business levy under the *Vancouver Tourism Levy Enabling Act*.

s13, s17

Contact:
ADM Kaaren Lewis Tourism & Small 250 952-0367
Business Division

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Visitor center and rest stop upgrades

Revised: February 17, 2014

Issue: Platform commitment to invest \$3 million/year beginning in 2015/16 to
upgrade rest stops and visitor centres

Recommended Response:

- Our government is committed to providing a safe and enjoyable journey for highway travellers and tourists by ensuring great information and pleasant places to rest and visit are available.
- There are about 170 roadside rest stops and 107 community-owned visitor centres in B.C.
- My Ministry is working with:
 - The Ministry of Transportation and Infrastructure to improve travellers' experiences at roadside **rest areas** around the province,
 - BC Parks to ensure **highway-side Parks** facilities are a coordinated part of the visitor service network, and
 - Destination British Columbia to address the needs of visitors across this province, including the services provided at the **Visitor Centers**.
- In terms of the provision of visitor information, DBC is currently developing a province-wide visitor servicing strategy that will take advantage of new opportunities and technologies to meet the changing needs of visitors.
- The timing and specifics will be determined in the coming year as we work with our partners to identify actions that will provide the best value to our travellers across British Columbia.

Background/Status:

- Rest areas along highways are essential for the safety and comfort of the travelling public, serving both commercial and leisure travelers.
- Given the large number and huge geographic distribution of rest areas and visitor centers, the changing patterns of travel, and the key role such services have in establishing the quality of the travelers' experiences in BC, Government identified a need for upgrading and improvement to avoid any erosion to the Province's image with the travelling public.

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

- The Province has tasked the Tourism Branch with coordinating these efforts.
- BC has about 170 roadside rest stops (equipped with washroom facilities).
- There are about 107 community-run visitor centers in the province, not including the seven provincially-run centers at Vancouver Airport (2), Merritt, Osoyoos, Golden, Peace Arch and Mount Robson.

s13, s17

Contact:

ADM	Kaaren Lewis	Tourism & Small Business Division	250 952-0367
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2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Promotion of Local Products and Tourism by BC Ferries

Revised: April 23, 2014

Issue: BC Ferries policies and practices regarding promotion of local BC products and tourism

Recommended Response:

- BC Ferries is plays a valuable role in the promotion of BC tourism experiences and BC products to travellers
- This includes prominently featuring a broad range of BC products in its gift shops, and proactively marketing travel to coastal and interior BC destinations, including Tofino, Haida Gwaii, Prince George, Osoyoos, and the Gulf Islands.
- Responsibility for BC Ferries rests with my colleague, Honourable Todd Stone, Minister of Transportation and Infrastructure. I encourage you to direct further questions on BC Ferries policies and practices to him

Background/Status:

- In mid-March, 2014, an Estimates briefing was held with the Opposition critic. Among other questions, the Opposition critic signalled an interest in BC Ferries' "buy local" and tourism promotion policies and practices.
- JTST staff have liaised with BC Ferries, which has provided high-level information on three issues:
 1. Estimated percentage of BC Ferries passengers who are tourists
 2. Promotion of local/BC Products to BC Ferries passengers
 3. Promotion of tourism by BC Ferries
- BC Ferries and the Ministry of Transportation and Infrastructure have requested that requests for further information be directed to the Honourable Todd Stone, or to BC Ferries itself.

Issue 1: Percentage of BC Ferries passengers estimated to be tourists
(i.e. individuals travelling away from their primary community of residence for leisure or business purposes)

- BC Ferries has limited information on customers at this time, but is looking to improve over the next five years with enhanced IT program functionality

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

- Periodic, regular customer surveys conducted for BC Ferries on select routes indicate that :
 - 72% of passengers surveyed travel for discretionary personal reasons, which include “visiting friends/relatives, vacation/getaway/recreation, special event/entertainment and shopping”.
 - 12% travel for personal, “non-discretionary reasons” (e.g. medical appointments, funerals)
 - The remaining 16% of passengers surveyed describe their trip purpose as business, which includes “business trip, commuting, commercial or attending school”.

Issue 2: Promotion of local/BC products to BC Ferries passengers.

- BC Ferries indicates that its gift shops appeal to both tourists and locals.
- The gift shops offer a west coast experience through top selling brands and items that capture the flavour of our province and our relaxed, outdoor emphasis.
- Some specific BC items which the shops have a positive reputation, including the large selection of BC Books and select BC magazines supplied by BC publishers, a top selling Vancouver designed and made fashion apparel line, two famous chocolate companies and artisan hand crafted lines.

Issue 3: BC Ferries Promotion of tourism

- BC Ferries indicates that its major avenue for promotion is wide-spread advertising in diverse media forms. This includes advertising for the BC Ferries Vacations program, which promotes BC tourism.
- Through BC Ferries Vacations, travellers can choose from over 70 travel packages featuring both coastal and interior destinations, with hundreds of hotels, activities and adventures to choose from.
- Further information on the BC Ferries Vacations program can be found at www.bcferriesvacations.com

Contact:

ADM	Kaaren Lewis	Tourism & Small Business Division	250 952-0367
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2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

Title: Tourism – Discovery Islands

Revised: April 24, 2014

Issue: Discovery Islands tourism businesses are concerned about the visual impacts of logging and non-compliance with regulations set for scenic areas (VQOs)

Recommended Response:

- Our government values the economic contributions of both the tourism and forestry sectors and these sectors need to co-exist for regional economies to thrive.
- Staff from both Ministries of Jobs, Tourism and Skills Training, and Forest, Lands and Natural Resource Operations have been engaged on this issue and are working towards solutions.
- The forestry industry is required by legislation to account for the visual quality of the landscape. The province is committed to ensuring that forest license holders are meeting their legislated requirements.
- Responsibility for the technical process of establishing and administering Visual Quality Objectives rests with my colleague, Honourable Steve Thomson. I encourage you to direct further questions to him

Background/Status:

- Tourism in the Discovery Islands area is largely “marine tourism”. These operations are largely tied to the scenic landscape they operate, and provide as an experience, to their customers.
- There is evidence that the existing visual quality objectives are not being fully met by forest operations in the area. Some may be “pushing the margins” of acceptable, while others may actually be in legal non-compliance with the established regulations for VQO (compliance is currently being conducted).
 - Both sets of issues, result in viewscapes impacted beyond what Government has set as acceptable

2014/15 Estimates Note

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Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

- There is an impact on the tourism operations who rely on these scenic areas.
- The Discovery Islands Marine Tourism Group (DIMG) is a loosely affiliated group of water-borne tourism operators based mostly on Cortes Island, Quadra Island and in Campbell River. The group also includes representatives from the Discovery Islands Chamber of Commerce.
- DIMG has said they are not opposed to logging but they do not want visible clearcuts in specific areas of the Discovery Islands with high tourism use. They are concerned forest companies are not conforming to visual quality objectives (VQOs¹).
- In summer 2013, the DIMG asked government to “put a temporary halt on imminent logging plans” and “initiate a Discovery Islands land use plan.”
 - FLNRO staff communicated to DIMG that a renewed land use planning process for the Discovery Islands is not a viable option given there are current land use plans in place: the Coast Land Use decision for Great Bear Rainforest covering northern islands and the Vancouver Island Land Use Plan covering most of the southern islands.
- In September 2013, FLRNO and JTST staff surveyed forestry, tourism, economic development and First Nations stakeholders in the Discovery Islands area to better understand how others understood the issues raised by DIMG. Assessment of the survey responses showed:
 - Those surveyed acknowledged the importance of tourism and forestry to the regional economy, and the need for these sectors to co-exist.
 - There is recognition that tourism is dependent on the scenic values in the Discovery Islands, and that both tourism and forestry depend on the natural resources of this area.
 - Local governments and economic development organizations support a balanced approach that ensures both sectors contribute to a strong regional economy.
 - First Nations have interests in the continued growth and success of both tourism and forestry.

¹ Visual quality objectives are the means by which society identifies the level of disturbance that would be acceptable on a viewscape. The current visual quality objectives were set for the Sunshine Coast district in 1997 and for the Campbell River district in 2005.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Naomi Yamamoto, Minister of State for Tourism and
Small Business

- Visual quality objectives for the Discovery Islands area collectively are set at: Preservation 0.7 per cent, Retention 12 per cent, Partial Retention 60 per cent, Modification 28 per cent, and Maximum Modification 0 per cent.
 - FLNRO staff conducted an audit of conformance with visual quality objectives within the Discovery Islands. Extensive field work examining 95 areas with cut blocks in the Campbell River and Sunshine Coast forest districts took place in early September 2013.
 - The resulting Conformance Report shows 88 of 95 sites conforming to VQOs (including 13 of these sites pushing the upper alteration limit of the VQO class in terms of its legal definition, design, and/or scale of landform alteration) and seven sites as **non-conforming**.
 - In combination, borderline & non-conformances are potential sources of negative public & tourism stakeholder criticism.
- In the short term, FLNR and JTST staff will play a role in improving communication and engagement between the sectors by evaluating and addressing challenges and opportunities brought forward at the sector meetings.

Contact:

Kaaren Lewis, ADM, Tourism and Small Business Division

Telephone: 250-952-0367

Prepared By: Andrew Little, Director, Intergovernmental Relations, Tourism Branch

Telephone: 250 952-6022 cell s17

Reviewed by			
Dir:	ED:	ADM:	DM:

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond, Minister of Jobs, Tourism and Skills
Training and Minister Responsible for Labour

Title: LNG-Buy BC Program

Revised: May 5, 2014

Issue: LNG-Buy BC Program Budget and Description

Recommended Response:

- For FY 14/15, budget for the program is \$589,075. Budget for FY 13/14 was \$1,108,380.
- The program is supported by 1.5 FTEs and the LNG-Buy BC Advocate.
- The budget for the Advocate is \$54,675 for FY 14/15 which includes salary, benefits, travel, and cell phone costs.
- We're working to ensure the entire B.C. business community can participate fully in the opportunity LNG offers.
- Our vision looks beyond the opportunity of LNG itself.
- The LNG-Buy BC Program will provide a platform for major investors in a wide range of industries to tap into everything B.C.'s business community has to offer.
- The program will help link B.C.-based goods and services with investors looking to build their businesses in our province.
- Liquefied Natural Gas has the potential to unleash incredible opportunities for our province and our people.

Background/Status:

Premier Christy Clark announced at the Union of B.C. Municipalities convention in September 2013 that the LNG-Buy BC program would be established to connect Liquefied Natural Gas proponents with large and small B.C. businesses. This voluntary program will ensure British Columbia businesses across the province benefit from economic opportunities associated with LNG.

Program Components	Key Accomplishments To-Date	Planned Deliverables
Outreach - to advocate and raise awareness of opportunities from LNG development	Advocate visited at least 10 communities to raise awareness of program.	Advocate continues to promote program elements and the LNG conference.
Workshops and Resources -	Identified types of	Deliver 7 workshops on how to

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond, Minister of Jobs, Tourism and Skills
Training and Minister Responsible for Labour

to help B.C. businesses become suppliers to LNG projects	workshops and resources useful to B.C. businesses. Contracted Northern Development Initiative Trust to deliver workshops on behalf of the province .	become suppliers, and 7 workshops on how to respond to Request for Proposals to B.C. communities. Provide on-line resources on requirements to be a supplier to LNG projects. Pilot of entrepreneurship training for women entrepreneurs in the north.
LNG Conference/trade-show - to showcase B.C. capabilities and drive business-to-business connections	Qualified B.C. companies participating at the trade show will get 100% rebate of deposit.	Two workshops of each type (described above) offered at the conference. Presentation by LNG proponents and B.C. companies.
On-line registry - to help connect B.C. businesses with LNG project proponents and market internationally to highlight B.C. goods and services	Initiated building of the new LNG-Buy BC on-line registry.	Core functionality available by May. Full functionality by the end of 2014.

Program Budget for FY 13/14 and 14/15:

	FY 13/14	FY 14/15
Outreach	\$91,125	\$64,675
Workshops and resources	\$115,000	\$20,000
Conference	\$85,000	\$100,400
On-line tool	\$817,255	\$400,000
Total =		\$1,108,380 \$589,075

The LNG-Buy BC Program is supported by 1.5 FTE and the LNG-Buy BC Advocate.

Contact:

Executive Director Vera Sit ADM Office 250-387-6061

Gordon Wilson – Advocate’s progress to date:

March 17, 2014

In his first term, LNG-Buy BC Advocate Gordon Wilson’s work was focused on:

- Research of best practises in other jurisdictions on advocacy of LNG.
 - Conducted comparative analysis of government support for local procurement in a number of jurisdictions: Qatar, Malaysia, Algeria, Nigeria, Australia, Indonesia and Russia.
- Research of existing tools and recommendations on web presence and on-line registry.
 - Examined over 100 English sites that provide industry registrations, employment and procurement opportunities.
- Initial engagement with LNG proponents, business communities to generate awareness regarding opportunities associated with LNG and to collect input on needs and barriers.
 - He made initial visits to Quesnel, Prince Rupert, Terrace, Kitimat, Fort St. John, Dawson Creek, Kelowna, Squamish, and Kamloops.
 - He has also met with LNG proponents (TransCanada, Shell Canada, Spectra Energy, FortisBC, Pacific Northwest LNG, BG Group, and LNG Woodfibre), and industry associations (Canadian Association of Petroleum Producers, Canadian Energy Pipeline Association, and Mining Association of BC).
- His report on his research findings was submitted to government on January 31, 2014.

So far, through the Advocate’s introductory meetings, the business community has shown strong interest about the LNG-Buy BC program and the LNG conference in May. They are looking for more information about the program and the conference. As the program and conference details begin to take shape, more community outreach will be needed.

In the month of February, the Advocate continued engaging with key community and business leaders and has collected detailed insights on the priority issues associated with connecting to LNG projects. The Advocate completed a supplementary report on these finding at the end of February.

Currently, the Advocate's work is focused on active promotion and marketing of the LNG-Buy BC program components:

- Workshops to familiarize B.C. businesses with the procurement practices of global proponents and workshops on how to respond to RFPs – locations and schedules
- LNG conference & trade show – benefits to BC companies and registration information
 - By working closely with local community leaders and Chambers of Commerce, the Advocate is creating broad interest in the LNG Conference and driving BC company registrations in the Trade Show
- Opportunities to showcase BC companies – success stories of BC companies that have demonstrated the ability to tap into major projects, to be presented at the LNG conference
 - Through discussion with proponents and groups such as Venture Kamloops, the Advocate has been gathering input and stories on BC companies that are leading the way in servicing the natural gas sector and our major natural resource projects
- On-line registry – input on design and interest from businesses to join the registry once it is built
 - The Advocate is working closely with the contractor building the on-line tool to connect with potential user and conduct a thorough needs assessment. This will ensure the new tool provides real value to users, especially proponents
 - The Advocate has had considerable interaction with proponents on this topic, include: Shell, Spectra Energy, TransCanada, PacificNorthwest LNG and Woodfibre LNG
 - The Advocate has also interviewed a wide range of BC businesses and economic development agencies in every community visited to gather input on their needs related to the on-line tool

ADVICE TO MINISTER

**CONFIDENTIAL
ISSUE NOTE**

**Ministry of Jobs, Tourism and Skills Training
and Responsible for Labour**

Date: February 18, 2014

Minister Responsible: Hon. Shirley Bond

Gordon Wilson – Board LNG-Buy BC Re- Appointment

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BACKGROUND:

Premier Christy Clark announced in September 2013 that the LNG-Buy BC program would be established so government would connect LNG proponents with B.C. businesses large and small to supply their needs.

This voluntary program will ensure British Columbia businesses in communities across the province can play a central role in and benefit from the economic growth associated with the LNG sector..

The Objectives of the LNG-Buy BC Advocate will be to:

- Connect directly with businesses large and small across B.C. about the incredible opportunity of Liquefied Natural Gas.

ADVICE TO MINISTER

- Provide a way for LNG proponents to connect with B.C. businesses.
- Co-ordinate with other organizations doing similar work around procurement to ensure LNG and businesses have a one-stop-shop for opportunities.
- Highlight BC based talent and create networking opportunities between local businesses and new investors into our province.
- As a first step, create an online platform that will identify and register BC businesses that is accessible by local, national and international LNG investors.
- Once established, internationally market the new registry to highlight the incredible range of BC based talent.
- Open up the work of LNG–Buy BC so the investors and backers of other major projects can take advantage of the information and connect with B.C. businesses.

In February the LNG-Buy BC Advocate has been extended for another four (4) month term with the option to extend the term to a maximum of one year.

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Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

Title: Wood Innovation and Design Centre

Revised: March 1, 2014

Issue: Wood Innovation and Design Centre status update

Recommended Response:

- The Wood Innovation and Design Centre (WIDC) is a provincial priority and is funded through provincial resources. The total cost of the project is \$32.24 million and the Design-Build Agreement is \$25.1 million. The balance of the funds are for UNBC equipment, project procurement and implementation costs and the project reserve.
- WIDC, which has just become North America's tallest contemporary wood building, will bring together professionals such as builders, architects, designers and engineers to further advance the province's Wood First agenda.
- Through an extensive procurement process, PCL Constructors Westcoast Inc., was selected as the preferred Design-Build team to deliver WIDC.
- Construction of the project is currently underway in downtown Prince George, is on schedule and on budget, and the building will be ready for occupancy as promised no later than November 2014.
- Approximately 250 people will be employed throughout the design and construction phase of WIDC.
- The Design-Build team is working collaboratively with 13 different BC companies.

Background/Status:

Building and Tenancy

- The building is currently under construction, with the wood structural component complete. Upon completion of this installation, the height achieved for WIDC resulted in it becoming the largest contemporary wood building in North America.
- The anchor tenant will be the University of Northern BC on the first two and a half floors where they will have research facilities, lecture theatres, and classroom space for their new Master degree programs in wood engineering and science.

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Minister Responsible for Labour
Minister Responsible: Honourable Shirley Bond

- We are in active negotiations for leasing the remaining three and a half floors and securing tenants. We have received interest from companies involved in forestry manufacturing, consulting, research, and design.

Procurement

- Procurement for the WIDC project began officially in April 2012 with a Request for Qualifications (RFQ), and completed through the Request for Proposals (RFP) process in early 2013, with contract award to PCL Constructors Westcoast Inc.
- The RFP process had a temporary disruption in the fall of 2012, where an appendix outlining the Province's evaluation criteria, including a detailed description of the scored elements – innovation, aesthetics, and the extent to which the proposal includes private sector provision of additional building area (beyond base scope) was added.
- The evaluation criteria was designed to increase the overall net-benefit of the \$25.1 million provided by government by having a building that would incorporate additional size to the base WIDC component in order to increase the iconic status of the development.
- On November 23, 2012, the province temporarily suspended the procurement process to assess whether it wants to continue with the private sector component of the project as a result of complaints and allegations received by the project fairness advisor from Commonwealth Properties, which holds lands adjacent to the WIDC site.
- On December 14, 2012, the temporary suspension was lifted and the private sector component of the RFP was removed.
- An independent Fairness Advisor (Jane Shackell of Miller Thomson LLP) was appointed to monitor the entire competitive selection process. The Fairness Advisor was provided full access to all documents, meetings and information related to the evaluation processes under the RFP, and has prepared a public document regarding her opinion of fairness of the process.
- As it relates to the procurement process in its entirety, Ms. Shackell indicated that she was "satisfied the evaluation of submittals for WIDC has been completed fairly and in accordance with the RFP and the Evaluation Manual..." and has "...no concerns for the attention of the Project Board."

Financial Breakdown and Construction:

- The total project cost for WIDC is \$32.24 million which includes:

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Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
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- Design-Build agreement of \$25.1 million
- UNBC equipment costs of \$2.7 million (allocated to AVED for disbursement)
- Procurement & implementation costs of \$2.89 million
- Project reserve costs of \$1.55 million
- The Design-Build team's design effectively uses a full complement of wood from all corners of British Columbia, including Douglas Fir, cedar, hemlock, pine and spruce. Engineered wood products used in the design, such as glulam columns and beams, cross-laminated timber (CLT) and laminated veneer lumber, are produced in B.C.
- The design is flexible and cost-effective to enhance repeatability and it is expected to expand the market potential for B.C. wood products, both structurally and as a finishing material.
- Next steps in project schedule:
 - Building envelope complete: May 2014
 - Substantial completion: July 2014
 - Final completion: October 2014

Contact:

Executive Trish Sterloff Small Business Branch 250-952-6268
Project Director

Hosting Program Profile

Associate DM: Tim McEwan

Program Objectives:

- To support efforts to proactively advance sustainable new investment to the province.
- To create a competitive advantage for B.C. as an investment destination.

Program Description:

- The Hosting Program is the provincial government's lead for designing and facilitating personalized hosting services for major foreign and domestic investors in the province. It provides cross-government coordination of existing expertise and services combined with additional resources, as required, ensuring these high-potential investors have a positive experience when they visit British Columbia.
- When an investor of highest significance has been identified, the Hosting team will be pulled in and its activities will be an integral piece of a comprehensive plan designed to advance a significant investment, export, or other business commitment potentially resulting in jobs, diversification, or other economic development.
- In an expedited fashion, the Hosting Program will provide services such as making introductions to key decision makers and stakeholders, arranging on-the-ground support (e.g., airport reception, transportation, interpreters), and addressing investors' individual needs (e.g., developing itineraries for social/tourism activities).
- One example of a Hosting Program initiative is the design, negotiation and implementation of an expedited clearance process at YVR for high potential investors.

Client Profile:

- Foreign corporations with high potential for investment in British Columbia's priority sectors.
- Premier's and Ministers' Offices.
- JTST – Major Investments Office and the Economic Development Division.
- MIT – International Trade and Investment Attraction Division.
- Other government ministries and agencies.

Service Providers:

- In-house project management to integrate existing government resources including:
 - in-government market and sector experts;
 - B.C.'s International Trade and Investment Representatives in Asia, the U.S., and Europe; and,
 - a government team of highly knowledgeable and experienced marketing and investment specialists.
- Pre-qualified contract assistance for logistical support and services.

Hosting Program Fast Facts

Program Outcomes (Impacts)/Service Statistics

- Reports from each hosting activity created in a manner consistent with other ministry reporting tools so as to ensure the information gathered and lessons learned can be applied to all future investor visits.

2014/15 Priorities/Key Initiatives

- Anticipated that approximately one investor hosting activity will take place each month.
- Continue to establish ongoing and regular communication with the most likely sources of client identification including:
 - JTST's Major Investment Office;
 - The Ministry of International Trade and Responsible for Asia Pacific Strategy and Multiculturalism;
 - Pacific Gateway Secretariat, Ministry of Transportation and Infrastructure;
 - Major Projects Office, FLNRO; and,
 - Intergovernmental Relations Secretariat and Protocol Office.

Contact: Jane Burnes, Executive Director
250 356-7569

Major Investments Office Profile

Associate DM: Tim McEwan

Program Objectives:

- Facilitate job creation, investment and economic growth in British Columbia by stewarding significant investment projects in B.C. through to success.
- Enable the growth, development, and success of major investments in B.C.'s eight priority sectors.
- Create a competitive advantage for B.C. as an investment destination of choice.

Program Description:

- *Canada Starts Here: The BC Jobs Plan* committed to creating a Major Investments Office to “support job creation by working with investors who are proposing significant projects to coordinate and accelerate government’s activities to support them.”
- The MIO focuses on a list of priority projects.
- Advocate on behalf of investors to facilitate necessary approvals of, and support for, major investments consistent with the goals and objectives of the government’s Jobs Agenda.
- Facilitate communication between investors, ministries, government agencies, and stakeholders to accelerate approvals and build support for the implementation of major projects.
- Assess, evaluate, and report on the benefits and challenges of potential and confirmed Major Investments Office projects.

Client Profile:

- Significant domestic and international investors requesting and requiring individualized, client-focused business services.
- The Major Investments Office is also working cross-ministry and with the private sector to identify and secure new business development and economic growth/job creation opportunities.

Service Provider:

- The Major Investments Office is comprised of 11 FTEs, with a broad range of skills and talents.

Major Investments Office Fast Facts

Program Outcomes (Impacts)/Service Statistics

- Multi-billion dollar investments in British Columbia and strengthening economic prosperity. MIO projects represent billions of dollars in prospective investment and thousands of potential B.C. jobs.
- Identification of barriers and proposing solutions for major investment in B.C. (e.g., processes regulations and approach). The MIO supports and accelerates the government decision-making process without fettering approving authorities.
- Where required, identify how government can support major investments outside of current or existing policies or practices in a more innovative manner.
- Personalized business relationships and services to potential investors.

2014/15 Priorities/Key Initiatives

- Lead and support the development, implementation, and evaluation of major long-term investment projects.
- Assist global investors in taking their projects from an idea to completion.

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- Continue to establish linkages and alignment of business development efforts with B.C.'s international trade offices.
- Strategic policy initiatives including land and infrastructure planning in Kitimat and sector development such as value-added natural gas.

Contact: Tim McEwan, Associate Deputy Minister
(604) 660-3759 (Vancouver)
(250) 356-7509 (Victoria)

2014/2015 Estimates Note Advice to the Minister

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

Title: MIO contracts in 2013-2014

Revised: April 29, 2014

Issue: MIO contracting budget and projects completed since 2013.

Recommended Response:

- The MIO sources external services from time to time to assist with major investments and job creation projects in B.C. Contractors are selected, and a pre-qualified list of contractors was developed, through a competitive process.
- Results included:
 - increased investor confidence that British Columbia is open for business;
 - enhanced government capacity to help investors meet critical deadlines;
 - maximized the value of Crown land assets; and,
 - increased government confidence of investor business plans.
- The total amount spent between April 2013 and April 2014 was \$200,000.

Background/Status:

The following is a list of contracts supported by the MIO.

1. PriceWaterhouseCoopers LLP (\$50K contract) conducted an independent assessment to assist in a government review process regarding support for a proposed manufacturing facility in B.C. Details remain confidential at this time due to a non-disclosure agreement in place with the proponent.
2. Value-added natural gas study (\$150,000): KPMG.
 - An analysis of the value-added market potential for natural gas in B.C. including:
 - In-depth analysis of primary products identified to be produced: GTL and petrochemicals.
 - Understanding the applications which contribute to demand for each product including historical evolution and forecasted demand in industries such as transportation and overall economic growth.
 - Analysis of demand for each product by geography, including characteristics of the market and supply channels.
 - Analysis of global production of each product including principal producers and market players, infrastructure challenges and technology considerations.
 - Explore pricing scenarios and determine prospects for entry prices. Analysis of historical price evolution and industry forecasts.

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- Relate findings from the study back to B.C. context, understand key success factors and key risks in each pricing scenario, and provide recommendations on ranking of products.
- An analysis of the market assumptions included in the Market Analysis report and report on the potential impacts related to fluctuations in the value of the Canadian dollar as compared to the US dollar.
- A review of taxation considerations for investors to establish and operate a production facility in B.C., using a methanol plant as an example, including:
 - Information explaining the taxes applicable to the capital portion of the project, ongoing operating tax considerations and the ability to recover through tax relief or credit any capital or operating cost outlay.

Contact:

Associate DM	Tim McEwan	Major Investments Office	604-290-4012
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2014/2015 Estimates Note Advice to the Minister

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

Title: Hosting Program Update

Revised: February 27, 2014

Issue: Hosting Program exceeds targets and is under budget

Recommended Response:

- The Hosting Program, part of the Major Investments Office, is the government's lead for designing and facilitating personalized hosting services for significant foreign and domestic investors, ensuring they have a positive experience when visiting B.C.
- For 2014/2015, more than 62 investors have been assisted, helping to advance investment decisions. In addition, 6 high profile investor-related conferences and activities have been supported. This support helped introduce numerous potential investors interested in natural gas-related opportunities and the aerospace and clean energy sectors, and assisted with bringing together First Nations and industry leaders associated with the development of LNG in the Prince Rupert / Kitimat area.

Background/Status:

In 2011, the Government launched *Canada Starts Here: The BC Jobs Plan*, and committed to establish a new Hosting Program to lead design and facilitation of personalized hosting services for significant foreign and domestic investors.

Hosting efforts focussed on three areas:

1. Cross-government collaboration that enhances investment strategies and/or improves the investor experience. Examples of this included the expedited clearance at YVR done in collaboration with Intergovernmental Relations Secretariat, and senior participation on the Premier's Jobs and Trade Mission 2013 team.
2. Support for events focussed on advancing investment opportunities in B.C.'s strategic sectors. Investment-related events supported included:
 - Abbotsford Airshow
 - BC-Japan Business Roundtable Discussion
 - Generate 2013 – Clean Energy BC 11th Annual
 - International Bioenergy Conference 2014
 - Northwest Energy Opportunities Conference

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Minister Responsible: Hon. Shirley Bond

3. Assistance for individual/company visits, helping to ensure appropriate planning and memorable attention would lead to continued relationship building and eventual positive investment decisions. This included details such as specialized site tours and meetings with senior government officials.

The Hosting Program was delivered under budget, due in part to prudent fiscal management and the desire to help meet the Government's goal of achieving a balanced budget. This can also be attributed to the following:

- Fiscal restraint during first two quarters due to uncertainty over contingency funding;
- Most hosting activities rely heavily on staff time with minimal funding outlays. The added value provided in terms of creative ideas or individual attention requires minimal additional financial support to operational plans already approved; and,
- Hosting is a two-way street: many of the companies who were "hosted" by senior government officials responded in kind when the next opportunity arose; therefore, reducing total anticipated spending.

Because of a growing awareness of its services and potential increased investment activity, it is anticipated the Hosting Program will receive an increased number of requests for assistance in FY 2015.

Contact:

Executive Director	Jane Burnes	Hosting Program, Major Investments Office	250-889-1054
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2014/2015 Estimates Note Advice to the Minister

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

Title: Kitimat Clean: Proposed Oil Refinery in B.C. and associated
First Nations Consultation

Revised: February 11, 2014

Issue: Kitimat Clean is proposing to construct an oil refinery north of
Kitimat and south of Terrace for shipment to Asian customers.

Recommended Response:

General

- The proposed Kitimat Clean oil refinery represents a significant investment opportunity for B.C. that could potentially create thousands of well-paying jobs.
- The refinery would take Alberta bitumen and create “value-added” fuel products such as gasoline.
- The Province is committed to working with the proponent to investigate the opportunity and maximize the economic benefits that B.C. can realize by working with First Nations and local communities.
- The project is still in the early phases of development and is subject to the Province's permitting and environmental review process.

Regarding First Nations Consultation

- We value open government and believe in consultation with all communities that can potentially be affected by industrial development.
- The proposal by Kitimat Clean Ltd. (KCL) includes interest in a potential project site location in the Dubose area of the Kitimat Valley, south of Lakelse Lake.
- While no applications associated with the proposal have been received by provincial officials, the B.C. Government has chosen to do some early communication with First Nations who have known interests in the area.

2014/2015 Estimates Note Advice to the Minister

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

Background/Status:

- Kitimat Clean Limited (KCL) is a company owned by B.C. entrepreneur and newspaper publisher David Black. The proposed \$25-billion refinery would process diluted bitumen, shipped via pipeline or railway from the oilsands region in Alberta, to create value-added, lighter products such as gasoline, jet fuel, and diesel fuel. These refined products would potentially be shipped to various domestic and Asian by tanker vessels via the port at Kitimat.
- KCL is currently interested in locating the refinery on the Dubose area of Crown land roughly half way between Terrace and Kitimat. s13, s16

s13, s16

- KCL estimates the project would create 5,000-7,000 construction jobs and approximately 3,000 operational jobs on a long-term basis. The proposed refinery, with a processing capacity of 550,000 barrels per day of diluted bitumen, would be the largest refinery on the west coast of North America.

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- A June 10, 2013 letter from Premier Christy Clark to Aboriginal Relations and Reconciliation Minister John Rustad includes the requirement to: "Work with BC First Nations that are in the area of a new proposed refinery to ensure they are provided with the opportunity to participate in and benefit from this economic opportunity."
- Navigant Consulting was commissioned to consider the potential for a trading refinery on B.C.'s west coast and concluded that such a refinery be "seriously considered by the Government of B.C."

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Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
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- The Major Investments Office (MIO), within JTST, is a priority commitment of *The BC Jobs Plan*. It works directly with major investors to advance projects with the potential to provide significant economic and job creation benefits to B.C.^{s12, s13, s17}

s12, s13, s17

Contact:

Assoc. DM	Tim McEwan	Major Investments Office	604 290-4012
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2014/2015 Estimates Note Advice to the Minister

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

Title: Major Investments Office: Activities

Revised: February 27, 2014

Issue: Major Investments Office Mandate, Budget, Activities and Successes

Recommended Response:

- The Major Investments Office (MIO) works with proponents, communities, First Nations and government agencies to facilitate major investment projects in B.C. The MIO strives to make it easier for major investors to create jobs in B.C. while ensuring that all permitting and consultative requirements are met.
- The Hosting Program, which is part of the MIO, ensures high potential investors have a positive experience when they visit B.C.¹
- MIO projects represent more than \$48 billion in prospective investment and close to 42,000 potential B.C. jobs.
- The MIO supports and accelerates the government decision-making process without fettering approving authorities. MIO projects must meet the same rigorous health, safety, environmental, and consultation requirements as other projects. There is no free pass for MIO projects.
- In FY 2014, the MIO was under budget. In FY 2015 it is anticipated the MIO will have an expanded list of projects and, therefore, be operating on budget target.

Background/Status:

- The Major Investments Office supports proponents, government, communities, and First Nations by:
 - Facilitating solutions to complex, cross-government problems facing proponents.
 - Fostering community outreach and First Nations engagement with major investors.
 - Acting as a neutral broker within government where differences arise related to major investors.
 - Ensuring strong communication among clients, communities and government.
 - Providing strategic advice to proponents.

¹ Please see the Hosting Program Estimates Note for more information.

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Minister Responsible for Labour
Minister Responsible: Hon. Shirley Bond

- MIO projects face unique challenges and opportunities, and require specialized attention and services. MIO projects:
 - Cross traditional ministry boundaries and require cross-government coordination.
 - Involve issues beyond traditional permitting authorities.
 - Often involve foreign investors unfamiliar with B.C.
 - Are very large in scope and scale.
 - Deserve specialized support because of the potential for economic development, jobs and revenue.
- To build and maintain its list of priority projects, the MIO: works across government to identify projects that could benefit from MIO services; consults and engages with stakeholders including business, communities, and First Nations; and, maintains a public web presence that encourages proponents to contact the MIO to discuss how the office may be able to support them.
- If a project is deemed to be better suited for support from another area of government, the MIO ensures a smooth transition.
- Budget: The MIO's FY 2013/14 budget of \$2.871M will not all be spent. This under-spending, due in part to prudent fiscal management and the desire to help meet the Government's goal of achieving a balanced budget, can be attributed to challenges the MIO faced with its initial start-up. These included a careful recruitment process to ensure a professional and focussed team was established, resulting in a delay in recruitment. In FY 2015, it is anticipated the MIO will have an expanded list of projects; and therefore, be operating on budget.
- In addition to its project management work, the MIO also addresses broader economic development challenges and opportunities facing British Columbia.
- The MIO is providing value to investors, stakeholders, and government colleagues. An MIO client survey in 2013 showed 100 per cent of proponent respondents were satisfied with MIO services and the majority indicated that MIO had greatly increased the likelihood they would invest in B.C.
- Specific examples of how the MIO facilitated investment and jobs in B.C. include:
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s12, s13, s17

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- In addition to its project management and acceleration role, the MIO also leads and supports other initiatives that will bring economic prosperity and job growth to British Columbia. The MIO is leading a significant cross-government initiative to capitalize on the emerging value-added natural gas sector in B.C. The province is ideally positioned to attract investment in this dynamic sector given its abundance of low-cost natural gas and its strategic location with access to Asian markets. The sector could bring thousands of long-term, well-paying jobs and several billion dollars of investment.

Contact:

Assoc. DM	Tim McEwan	Major Investments Office	604 290-4012
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2014/2015 Estimates Note Advice to the Minister

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

Title: Value-Added Natural Gas

Revised: February 12, 2014

Issue: There is significant international investor interest in the “value-added natural gas” sector: petrochemicals and gas-to-liquids.

Recommended Response:

- Investors from around the world are looking at British Columbia as a place to develop petrochemical and gas-to-liquids operations.
- B.C. is attractive because of its abundance of natural gas, its strategic location on tide water with access to Asian markets, and its stable political/economic environment. Moreover, the significant investment associated with the liquefied natural gas (LNG) sector is creating a positive environment for petrochemical and gas-to-liquids development.
- These are major investments: for example, a methanol plant could bring an estimated \$2 billion in capital expenditure, 2,000 construction jobs, and 200 permanent jobs.
- Staff at the Ministry of Jobs, Tourism and Skills Training, in partnership with the Ministry of Natural Gas Development, are examining the sector and looking for ways B.C. can leverage the opportunity. Two independent reports have highlighted B.C.’s competitive advantages.
- Any potential project would be subject to B.C.’s world-class environmental and health regulations and would need to be developed in consultation with First Nations.

Background/Status:

- **Petrochemicals** are chemical products created from petroleum, coal or natural gas. B.C.’s supply of natural gas presents opportunities for natural gas-based petrochemical production including methanol, ammonia, and ethylene. **Gas-to-liquids** refers to the process of converting natural gas to liquid products such as diesel, jet fuel and lubricants.
- There is significant interest from international investors who are considering constructing petrochemical or gas-to-liquids facilities in B.C. The province is seen as an attractive destination because of its abundance of natural gas, its strategic

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location on tide water with access to Asian markets, and its stable social and political climate. The development of LNG in B.C. provides additional advantages via the associated increase in natural gas exploration, production, and transportation infrastructure (i.e. pipelines to the coast). There is an opportunity for the Province to leverage these advantages to develop a petrochemical sector in B.C., creating jobs for British Columbians and significant revenue for the Province.

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Contact:
Assoc. DM Tim McEwan Major Investments 604 290-4012
Office

2014/2015 Estimates Note Advice to the Minister

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

Title: British Columbia Jobs and Investment Board

Revised: April 25, 2014

Issue: Implementation of recommendations from the British Columbia Jobs and Investment Board.

Recommended Response:

- As a part of the commitment in the BC Jobs Plan, the BC Jobs and Investment Board (BCJIB) worked with industry on identifying barriers impeding investment in British Columbia and made recommendations to government on clearing the way for job creation while continuing to monitor key economic indicators.
 - The BCJIB's primary deliverable was the preparation of an interim and a final report to government outlining its recommendations for attracting investment and fostering economic development in key sectors where BC has strategic competitive advantages.
 - The BCJIB released its interim report in the fall of 2012 and its final report was released in December 2013. The BCJIB final report outlined 67 recommendations to government (33 from the interim report and 34 new recommendations).
 - Government has reviewed the BCJIB final report and, as the result of a coordinated effort of 10 ministries, has taken action aligned with 66 of the 67 identified recommendations which have been addressed through government programs, projects or initiatives
- s13
- s13
- The BCJIB was given a mandate of two years to provide advice and direction to government on policies and programs to help attract sustainable investment, and support job creation.

2014/2015 Estimates Note

Advice to the Minister

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

Background/Status:

- The BCJIB had 16 members representing industry, research, First Nations, and labour ^{s13} The members were appointed by Ministerial Order, which expired December 15, 2013.
- The Ministry supported the BCJIB by providing secretariat services.
- \$290,000 allocated in 2013/14 for BCJIB operations of which:
 - ~\$285,000 reallocated to other JTST expenditures
 - ~\$5,100 for expenses related to the finalization and release of the BCJIB Final Report
- No funding is required for 2014/2015 as the BCJIB term has expired and has not been renewed.

Contact:

Executive Director Angelo Cocco Economic Initiatives and Analysis Branch (250) 952 0612

Reviewed by			
Dir: JR	ED: AC	ADM: SM	DM:

Pages 699 through 715 redacted for the following reasons:

s13, s16, s17

2014/15 Estimates Note Advice to the Minister

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

Title: BC Ferries Cancellation of Route 40 (Port Hardy-Bella Coola)

Revised: April 23, 2014

Issue: The tourism industry fears loss of business as a result of the cancellation of Route 40.

Recommended Response:

- We recognize that the elimination of Route 40 will result in less choice for travellers, and that there will be an impact on tourism (Tourism and Small Business Division note attached).
- The connector service between Bella Bella and Bella Coola will increase from one sailing per week to three to four sailings per week in the summer to help mitigate the tourism impacts while the industry develops new options for circle tours.
- These are tough decisions to make, as we remain committed to achieving a balanced budget, with the goal to ensure we have an affordable, efficient, sustainable coastal ferry system that protects basic services.
- Further questions should be directed to my colleague, Todd Stone, Minister of Transportation and Infrastructure.

Background/Status:

- As part of \$18.9 million in BC Ferries service reductions to 2016, Route 40 is to be cancelled. Utilization has been declining over the last 10 years, now at 30 percent.
- Annual savings of \$725,000 will be realized from cancellation of Route 40. Elimination will also obviate the need to replace the Queen of Chilliwack at her retirement in 2016, resulting in a saving of approximately \$100 million.
- Year-round service by the Nimkish will continue to connect Bella Coola, Ocean Falls, Shearwater, and Bella Bella, with additional sailings in the summer. Bella Bella and Klemtu will continue to be ports of call on Route 10 between Port Hardy and Prince Rupert.
- The Tourism Industry Association of BC estimated an annual loss of tourism revenue in the range of \$845,000 to \$1.69 million from eliminating Route 40. This range of estimated losses is close to that of an in-house Ministry estimate of \$941,000 to \$1.5 million.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour

Minister Responsible: Hon. Shirley Bond

Contact:

Director	Linda Chase Wilde	Economic Analysis	250 952-0338
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2014/15 Estimates Note Advice to the Minister

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

APPENDIX ONE

Title: JTST/DBC Supports for Mitigation of Route 40 Service Reductions

Revised: April 24, 2014

Issue: Impact of BC Ferries Route 40 changes on Tourism

Recommended Response:

- The Province is committed to achieving \$18.9 million in net savings from service reductions, including on Route 40, to ensure the coastal ferry system remains sustainable.
- At the same time, we are equally committed to working with regional, community and Aboriginal economic and tourism organizations on the Central Coast to mitigate tourism and other economic impacts in the area.
 - Short term: Government through the Ministry of Transportation and Infrastructure and BC Ferries is working on solutions that meet the needs of travellers who may have been impacted by the decision, and is undertaking upgrades of the MV Nimpkish to improve ridership experiences.
 - Longer term:
 - There is still access to these areas. Destination BC (DBC) has committed \$100,000 to the Cariboo Chilcotin Coast Tourism Association for an enhanced marketing strategy to show visitors how they can reach the Central Coast and Central Interior of the province and the abundance of experiences they can enjoy.
 - JTST's Tourism Branch is working with Aboriginal Tourism BC, First Nations and other partners to fuel and support the growth of Aboriginal tourism businesses in the region through activities to engage and support emerging tourism leaders and businesses.
 - JTST's Economic Development Division has offered the Heiltsuk Economic Development Corporation in Bella Bella assistance with advice and preliminary assessments on the viability of economic development projects the community may be considering.
- Further questions should be directed to my colleague, Todd Stone, Minister of Transportation and Infrastructure.

Background/Status:

2014/15 Estimates Note Advice to the Minister

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

s13, s16, s17

2014/15 Estimates Note Advice to the Minister

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

s13, s17, s22

2014/15 Estimates Note Advice to the Minister

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

s13, s17, s21

Contact:

Kaaren Lewis, ADM, Tourism and Small Business Division
Telephone: (250) 952-0367

2014/15 Estimates Note Advice to the Minister

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

Appendix 1. April 18 Summary of known cancellations by Destination BC.

s13, s17, s21

2014/15 Estimates Note Advice to the Minister

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

s17, s21

2014/15 Estimates Note Advice to the Minister

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

APPENDIX TWO Ministry of Transportation and Infrastructure Issues Note (January 14, 2014) BC Ferries – Vessel Replacement update

ADVICE AND RECOMMENDED RESPONSE:

- **BC Ferries has issued an RFP to five pre-qualified shipyards for the construction of three intermediate class vessels to replace the aging *Queen of Nanaimo* and *Queen of Burnaby*.**
- **These vessels will serve the Southern Gulf Islands from Tsawwassen, and the Powell River to Comox route.**
- **BC Ferries is looking at procuring no-frills vessels, and these three new ships will help BC Ferries move ahead with the interoperability and standardization of vessels.**
- **These vessels will be dual-fuel capable – they'll be able to run on either liquefied natural gas or marine diesel.**

If pressed on B.C. shipyards:

- **BC Ferries wants to minimize pressures on fares as much as possible, so it is looking to get the best deal possible on these replacement vessels.**
- **We supported B.C. shipyards in their successful bid for the Coast Guard vessel contract. That contract should certainly put them in a better position to make a competitive bid on these new ferries.**

2014/15 Estimates Note Advice to the Minister

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

Key Facts Regarding the Issue:

On Dec. 9, 2013, BC Ferries announced that the company has issued a Request for Proposals (RFP) to five pre-qualified shipyards, including one Canadian proponent, to build three intermediate class ferries to replace the 48-year old Queen of Burnaby and the 49-year old Queen of Nanaimo. Both of these vessels are nearing the end of their service lives and will be retired in 2016.

BC Ferries intends to build two vessels capable of carrying 145 vehicles and up to 600 passengers and crew to replace the Queen of Burnaby, which sails between Comox and Powell River and to replace the Queen of Nanaimo, which services the Tsawwassen – Southern Gulf Islands route. A third vessel capable of carrying 125 vehicles and up to 600 passengers and crew will also be built to augment peak and shoulder season service on the Southern Gulf Islands route, plus provide refit relief around the fleet.

Nine pre-qualified shipyards responded to a Request for Pre-Qualification. An RFP has now been issued to invite the following five pre-qualified shipyards to participate further in the procurement process to design and build the three intermediate class vessels:

- Fiskerstrand Blrt As – Norway
- Flensburger Schiffbau-Gesellschaft mbH & Co.KG – Germany
- Remontowa Shipbuilding S.A. – Poland
- **Seaspan Vancouver Shipyards Co. Ltd. – Canada**
- Sefine Shipyard – Turkey

In the RFP, BC Ferries has stipulated that these three vessels be designed to operate as dual-fuel capable, with the ability to operate on either liquefied natural or marine diesel.

The RFP closes at the end of February 2014 and after a detailed evaluation of the proposals received, BC Ferries expects to award a contract to the successful bidder in the spring of 2014. The two-145 vehicle ferries are expected to enter service in 2016 and the 125-vehicle ferry is expected to be in service in 2017.

Communications contact: Craig Chambers TRAN GCPE 250-387-5798
Program contact: Kirk Handrahan Exec. Director Marine Branch

2014/15 Estimates Note Advice to the Minister

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

Title: Park Act Amendments 2014

Date: April 25, 2014

Issue: The BC Ministry of Environment passed amendments to the Park Act (Bill 4) in March, 2014 to provide clarity for certain activities within BC's provincial parks and protected areas.

Recommended Response:

- Bill 4 provisions to amend the Park Act simply to enable research to assist Government to determine whether alternate land use, such as pipelines or other uses, would be in the public interest.
- Public consultation on draft policy for research permits is currently underway through the Minister of the Environment.

Background/Status:

Bill 4, which amended the Park Act, provides clear and consistent direction respecting the Province's ability to authorize a variety of outdoor recreation, tourism, and research activities in parks and conservancies. This includes authorizing research for academic and investigative purposes in parks.

The amendments provided the environment minister with clear statutory authority to issue park use permits to:

- Authorize commercial filming activities in Class A, and C parks;
- Authorize compatible outdoor recreation and tourism activities in Class A, B and C parks regardless of their size; and
- Authorize research and information gathering for purposes related to academic studies and park management, public health and safety, environmental assessments or feasibility studies, or decisions related to protected area boundaries.

Contact:

Executive Director Angelo Cocco Economic Initiatives and Analysis 250 952-0612

Reviewed by			
Dir: LCW	ED: AC	ADM:	DM:

2014/15 Estimates Note Advice to the Minister

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

APPENDIX ONE Opinion-Editorial by Mary Polak, March 5, 2014

OPINION-EDITORIAL

Valuing and preserving B.C. parks and protected areas

By Mary Polak

Minister of Environment

(564 words)

March 5, 2014

Recently, proposed amendments to the Park Act were introduced in the legislature to provide clarity for certain activities within B.C.'s provincial parks. Included in the proposed amendments is the issuing of permits for research and information gathering.

To be absolutely clear, these proposed amendments do not allow, promote or otherwise enable industrial projects in parks and protected areas. Recent suggestions that future mining or forestry or other industrial operations will be allowed in parks are simply not true. The Park Act prohibits industrial activity in parks and this will not change with Bill 4.

Currently, issuing research permits is not authorized under the Park Act. That is why we are proposing these amendments; to ensure studies that improve knowledge of potential park impacts can be undertaken in provincial parks.

Research and information gathering activities could include such things as soil sampling for archaeological assessments, collection of plant and animal specimens, or the installation of gauges and instruments to measure environmental conditions. Research can be purely for academic purposes, or as part of an environmental assessment.

Providing for research activities in provincial parks allows us to obtain more fulsome information. This is vital in making informed decisions, and will be especially important if requests for adjustments to park boundaries are eventually proposed.

Permits would only be considered after a thorough review of the protected area values, including management plans, impact assessments and conservation risk assessments. Research applicants would have to make every effort to avoid adverse impacts in protected areas.

In order for land to be removed from a park, a boundary adjustment must be made because new industrial activity will not be allowed in our parks. B.C.'s protected areas have a high level of protection, and decisions to make boundary adjustments are not taken lightly. There is a rigorous process in place for reviewing boundary adjustments which includes consultations with First Nations, the public and stakeholders. The impact in the park or protected area, feasibility of alternative sites, and the environmental and socio-economic impact are all factors that are considered when determining whether or not to make a boundary adjustment.

2014/15 Estimates Note

Advice to the Minister

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

As a result of this rigour, since 2004 only eight proponent-led requests for park boundary adjustments have been approved. Four other requests have been rejected, while others have been withdrawn by the proponent. Ultimately, boundary adjustments require legislative approval. The proposed amendments for research permits do not change the existing robust requirements. While boundary adjustments have occurred in the past and will be considered in the future, it is important to note that just .006% of lands (562 hectares) have been removed from parks since 2004.

Since 2004, the system of Class A parks, conservancies, ecological reserves and protected areas has increased by more than 3.2 million hectares. This includes converting the designations of some existing areas totalling more than 500,000 to Class A parks and conservancies to provide an increased level of protection.

Should Bill 4 be passed, the province will update its research policy to provide context for decision makers when considering research activities, including ensuring the avoidance of adverse impacts to park values.

As with other policies, the Ministry of Environment welcomes feedback on this draft policy.

To review and comment on the draft permit policy, visit:

www.env.gov.bc.ca/bcparks/permits/consultation/research-policy.html

Strong economic growth and strong environmental stewardship can co-exist in British Columbia and we will strive to achieve the right balance.

Connect with the Province of B.C. at: www.gov.bc.ca/connect

2014/15 Estimates Note Advice to the Minister

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

APPENDIX TWO Ministry of Environment GDPE Q&As re Park Act Amendments 2014 February 2014

PARK ACT AMENDMENTS 2014 Ministry of Environment GCPE February 2014

1. What is changing in the Park Act?

- This legislation, if passed, will amend the Park Act to provide clear and consistent direction respecting the Province's ability to authorize a variety of outdoor recreation, tourism and research activities in parks and conservancies. This includes authorizing research for academic and investigative purposes in parks.
- If these amendments are passed, the environment minister will have clear statutory authority to issue park use permits to:
 - authorize commercial filming activities in Class A parks;
 - authorize compatible outdoor recreation and tourism activities in Class A parks regardless of their size; and
 - authorize research and information gathering for purposes related to academic studies and park management, public health and safety, environmental assessments or feasibility studies, or decisions related to protected area boundaries.

2. Why are these amendments being proposed?

- The proposed amendments provide improved clarity, certainty and authority for the minister to issue park use permits for commercial filming, activities related to research, and activities in parks with an area of 2,023 hectares or less.
- These amendments eliminate the distinction between large and small parks. All Class A parks will be managed to the same standard regardless of their size.
- Commercial filming has occurred in many Class A parks for decades without adverse effects on the environment or recreational use of the parks. These amendments give the environment minister clear authority to permit this use, which will support the province's film industry.
- These amendments enable the permitting of a wider array of research activities in parks. These activities include research and information gathering like

2014/15 Estimates Note Advice to the Minister

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

vegetation sampling, fish surveys and geotechnical studies for assessing proposed economic and industrial projects.

3. One of the proposed amendments will allow investigative work for economic and industrial purposes. Does this mean pipelines will be considered in parks and conservancies?

- A number of existing parks presently have power transmission lines or pipelines within their boundaries. These were, in most cases, in place at the time the park was established and will remain in place.
- There may be other locations where pipeline routes through a park or protected area may be proposed by a proponent where no other feasible route exists.
- Issuing permits for research purposes can ensure that government has the information needed to make informed decisions regarding the effects of the proposal on the park's or protected area's natural or recreational values.
- Permits would only be considered after a thorough review of protected area values, including the review of management plans and the completion of impact assessments and conservation risk assessments. The research permit would only authorize initial investigations regarding the pipeline proposal.
- The research permit only authorizes the collection of information to assist a proponent to determine the feasibility of a proposed project. That information may be required to support a boundary adjustment application as per the Cabinet-approved Provincial Protected Area Boundary Adjustment Policy, Process and Guidelines.

4. How many parks and protected areas are potentially being impacted by pipeline projects?

- Of the 1,029 parks and protected areas in British Columbia, seven parks and protected areas may be affected by current proposed pipeline projects.
- Two pipeline proposals (the Prince Rupert Gas Transmission Line and the Westcoast Connector Gas Transmission Project) may impact Nisga'a Memorial Lava Bed Park.
- The Kinder Morgan Trans-mountain Pipeline Expansion may affect five parks and protected areas (Finn Creek Park, North Thompson River Park, Lac Du Bois Grasslands Protected Area, Coquihalla Summit Recreation Area and Bridal Veil Falls Park).
- BC Parks has received Stage 1 boundary amendment proposals for the Prince Rupert Gas Transmission Project and the Kinder Morgan Trans-mountain Pipeline Expansion project.
- The Pacific Trails Pipeline and the Northern Gateway Pipeline, if approved, may go through Burnie River Protected Area. However, the Order in Council

2014/15 Estimates Note Advice to the Minister

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

establishing this protected area allows for pipeline construction within its boundaries.

- There are a number of other potential pipeline projects that proponents have identified with potential implications for protected areas, but BC Parks has not received any enquiries. Therefore, these projects have not been included in the seven protected areas noted.

5. Are there pipelines proposed to go through conservancies around the Khutzeymateen Inlet?

- There are no proposals for pipelines that we are aware of that would pass through the Khutzeymateen Inlet.
- In early stages of investigation of potential route alternatives, some natural gas pipeline projects did identify potential routes going through the Ksi xanmaas (pronounced Kwinimass), Khutzeymateen Inlet and Khutzeymateen Inlet West conservancies. Some preliminary research was conducted in these conservancies to determine whether the proposed route was feasible.
- This research was not permitted at the time and was in violation of the Park Act. These infractions are currently under investigation. The changes to the Park Act will allow permitting for research activities that will enable proponents to explore the appropriateness of proposed pipeline routes.
- As a result of more detailed route alignment studies, the proponents of these projects have determined that other routes that avoid these conservancies are preferable for environmental and social reasons.

6. The Province is committed to protect the environment, yet economic development is being considered for some of B.C.'s parks and protected areas. Are these not conflicting ideologies?

- Strong economic growth and strong environmental stewardship can co-exist in British Columbia, and we are working to achieve the right balance.
- Our government understands the economic benefits linear energy projects may bring but it will not be at the cost of our environment.
- B.C.'s protected areas have a high level of protection, and decisions to remove lands from them are not taken lightly. The Provincial Protected Areas Boundary Adjustment Policy, Process and Guidelines sets out a rigorous process and requirements that proponents of economic developments must follow.

7. What other research and information gathering activities may be permitted?

- Examples of research activities requiring a permit could include soil sampling for archaeological assessments, collection of plant and animal specimens, or the installation of gauges and instruments to measure environmental conditions like

2014/15 Estimates Note

Advice to the Minister

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

stream flows. These kinds of research can be purely for academic purposes, or as part of an environmental assessment or similar process.

- Where research only involves field observation, no authorization from BC Parks is required.
- Proponents must make every effort to minimize intrusive research in protected areas.

8. If research permits are allowed for investigative activities to determine feasibility of future economic projects, does this mean those projects, if approved, could be allowed in parks?

- Depending on the proposal, the project itself may or may not be allowable under protected area legislation. For those activities that are not allowable, a boundary adjustment application may be required.

9. Wasn't the size reference (2,023 hectares or less) placed in the act to give smaller parks a higher level of protection? Why is this reference being removed? Were all parks not protected?

- There will be no difference to how parks are managed already.
- At the time the Park Act was written – 1965 – the size reference was put in place to provide a higher level of protection to smaller parks. This provision was included to ensure that activities like timber rights and mineral claims would not occur in most of those parks.
- Timber licences, mineral claims and similar activities are no longer issued in parks. There are provisions in the Act that prevent such activities. Protected area management mechanisms, such as publically-vetted management plans, impact assessments and conservation risk assessments, have been developed to ensure the protection of **all** parks. It is no longer necessary to manage parks different based on an arbitrary size figure.

10. Why change the process on commercial filming in BC Parks?

- Currently, there is no clear expressed statutory authority to issue park use permits for commercial filming in Class A parks. These amendments ensure that the minister has the authority to authorize commercial filming activities.
- Commercial filming is defined as the use of a certain area in a park for commercial filming with the intent of making money. Building temporary sets or temporarily controlling public access to shoot locations may be allowed.
- A new provision has been added that will allow the minister to issue a park use permit for film production, including commercial filming, if the activity is not damaging to the recreational values of the park involved.

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

11. Was the public or First Nations consulted on any of these amendments?

- No public or First Nations consultations were held with respect to these amendments.
- The provisions clarify, not change, how parks are managed today.

12. Will the public and First Nations be consulted respecting issuing park use permits?

- BC Parks consults with First Nations on permit applications.
- Consultation with the public on park use permit applications is determined on a case-by-case basis.
- Public consultation does not occur on most park use permits. For permits to be issued, the activity must be consistent with the direction set out in management plans, which have been developed with public involvement.

13. What is the difference between a Class A park and a protected area?

- Class A parks are established under the Park Act by order in council or by inclusion in a schedule to the Protected Areas of British Columbia Act.
- In a Class A park, no land or natural resource may be granted or sold, removed, destroyed, damaged, disturbed or exploited unless authorized by a valid park use permit.
- The minister may not issue a park use permit unless, in the opinion of the minister, to do so is necessary to reserve or maintain the recreational values of the park involved.
- Protected areas are established under the Environment and Land Use Act by order in council. Management direction for protected areas is provided by special conditions included in the establishing order in council and by specified provisions of the Park Act and Park, Conservancy and Recreation Regulation identified in the order in council.

14. What activities or land uses does BC Parks issue park use permits for?

- There are presently more than 1,150 valid park use permits. These permits authorize a range of activities and land uses, including:
 - Commercial recreation and adventure tourism activities like nature tours, guided hiking, guide outfitting and heli-skiing;
 - Land use occupancies such as recreational cabins, transmission lines, pipelines, water towers and docks;
 - Commercial filming;
 - Trapping;
 - And research activities like vegetation and marine bird studies.

2014/2015 Estimates Note Advice to the Minister

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

Title: Manufacturing Strategy

Revised: April 22, 2014

Issue: Efforts to fulfill a Jobs Plan 24-Month Progress Report commitment to engage with BC manufacturers to identify and reduce barriers to growth.

Recommended Response:

- Our government understands that BC's manufacturing industry is a significant and evolving player in BC's economy. With investment and growth in export and domestic markets, it is anticipated that demand for BC's manufactured goods and services will expand, particularly in Asia.
- In the BC Jobs Plan 24-Month Progress Report, our government committed to engage with manufacturers throughout the province to identify barriers to growth and find ways to ensure continued growth amongst BC's manufacturers across all Jobs Plan sectors.
- I have asked Greg Kylo, Parliamentary Secretary for the BC Jobs Plan to lead government efforts on this commitment.
- The engagement will gather information related to successes and barriers to growth and productivity at the company level to inform the development of recommendations for government consideration in the future.

Background/Status:

- With over 12,000 firms, in 21 different subsectors, spread throughout BC, manufacturing is a significant source of jobs in many communities. Manufacturing accounts for 8.6% of BC's GDP and 58% of BC's international goods exports.
- Predominantly resource-based, the manufacturing sector processes BC's natural resources into a variety of goods, and contributes to BC's traditional industrial capabilities such as in shipbuilding and aerospace as well as new products and capabilities in emerging sectors like environmental stewardship, health and safety.
- Engaging with manufacturers in BC aligns with the BC Jobs Plan strategy to support manufacturing by "engaging directly with manufacturers throughout BC

2014/2015 Estimates Note

Advice to the Minister

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

to identify and reduce barriers to growth". It is one aspect of government's BC Jobs Plan commitment to support BC manufacturers.

- This work also supports JTST Service Plan Goal #2: Investment potential in British Columbia's regions and communities is maximized. Specifically, it would support the strategy to actively engage with communities, industry associations, economic development agencies and trusts and other areas and levels of government to inform policy and legislative options that stimulate and diversify rural and regional economies.
- Engagement implementation will involve:
 - Identifying and consulting with BC's umbrella manufacturing associations including BC Manufacturers and Exporters, BC Business Council and BC Technology Industries Association to gain a broad overview of BC's manufacturers and to identify BC's anchor manufacturers.
 - Identifying and consulting with sector-based industry associations to gain an understanding of manufacturing-related concerns and barriers at the sector level and identify sector-specific manufacturers.
 - Undertaking site visits and interviews/consultations with identified manufacturers.
 - Compiling consultation responses and undertaking a cross-jurisdictional scan and other supplementary research and analysis.
 - Developing recommendations to undertake manufacturing strategy development with industry more broadly.
- Parliamentary Secretary Kylo engagement activities to date:
 - Canadian Manufacturers and Exporters British Columbia Deputy Ministers' Dinner (February 27, 2014).
 - Site tours of manufacturing facilities in Vancouver and area (February 28, 2014 – itinerary attached as Appendix 1).
 - Site tours of manufacturing facilities in Langley, Delta and Surrey (April 14-15, 2014 – itinerary attached as Appendix 2).
 - Tours to other areas of the province will be arranged as PS Kylo's schedule permits.
- Ministry staff are supporting Parliamentary Secretary Kylo and will also be engaging directly with industry to supplement PS Kylo's work.
- Funding required for this engagement initiative will come from the Ministry's 2014/2015 budget allocation.

2014/2015 Estimates Note

Advice to the Minister

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

Contact:

Executive Chris Gilmore Industrial and Land (250) 952-0139
Director Initiatives

Reviewed by			
Dir: AC	ED: CG	ADM:	DM:

2014/2015 Estimates Note Advice to the Minister

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

Appendix 1 – Vancouver Manufacturing Tour Itinerary

Friday, February 28

s13, s17

2014/2015 Estimates Note Advice to the Minister

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

Appendix 2 - Fraser Valley Manufacturing Tour Itinerary

Monday, April 14

s13, s17

Tuesday, April 15

s13, s17

2014/15 Estimates Note Advice to the Minister

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

Title: BC Connectivity and Bridging the Digital Divide

Revised: April 24, 2014

Issue: Expanding connectivity across the province to make sure all British Columbians have the ability to access high-speed Internet services.

Recommended Response:

- Today more than 93 per cent of British Columbians across the province have access to high-speed Internet, making BC one of the most connected jurisdictions in the world.
- The Province has made a commitment to ensuring all British Columbian's have the ability to access high-speed Internet by 2021 and will work with all levels of government and the private sector to implement strategies to address the gaps in coverage and services.
- The goal is to strengthen broadband infrastructure by increasing access to high-speed Internet and cellular service, so every B.C. community has equal opportunities to participate in a digital world.
- In a continued effort to reach the goal of 100 per cent connectivity throughout the province by 2021, the Province is:
- Leveraging the government's purchasing power in the telecommunications market to expand broadband connectivity and cellular coverage.
- Investing in new initiatives like the B.C. Broadband Satellite Initiative to bring affordable satellite-based high-speed Internet to citizens in remote or geographically challenging locations. The Province announced a \$2 million investment in this Initiative on April 24, 2014.
- Forming strategic partnerships with federal and local governments and First Nations leadership to identify and address continuing connectivity and cellular needs.
- Significant investment from all levels of government continue to be required to incent private industry to build and expand broadband service infrastructure and cellular service infrastructure to meet public demand.
- Further questions should be directed to my colleague, Andrew Wilkinson, Minister of Technology, Innovation and Citizens' Services.

2014/15 Estimates Note Advice to the Minister

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

If a specific question is asked about connectivity to the west coast of Vancouver Island.

- **High-speed Internet and cellular access in rural areas is vital for the future of our children and their education, the health of families, and for creating jobs in BC.**
- **That is why we are working with other levels of government and the private sector to ensure all British Columbians have access to the opportunities and benefits of affordable high-speed Internet.**
- **We are aware of the challenges this region is facing, and are working collaboratively to help stakeholders find a solution.**
- **While we're pleased that a TELUS interim solution is going ahead to provide immediate relief to existing customers – we know there is more work to be done to find a long term sustainable solution.**

Background/Status:

- Network BC was created in 2003 to address government's commitment to bring affordable broadband Internet to all British Columbians.
- Many of the currently unconnected areas of the province are in remote locations with challenging terrain that require major infrastructure investments to extend Internet coverage. Where there are geographic challenges to overcome, BC is committed to bridging the digital divide.
- On July 29, 2011, the Province signed a 10-year (\$1B over 10 years) strategic telecommunications agreement with TELUS, which leveraged the non-monetary Connecting British Columbia Agreement (CBCA). The CBCA contains a number of social benefits to increase access to Internet services in rural and remote areas and expand cellular services along unconnected segments of provincial highways.
- The Province will work closely with the federal government on the recently announced funding program of \$305 million over five years to extend high-speed broadband to achieve the maximum benefit for British Columbians.
- The benefits of connectivity to citizen's in BC include better access to health information, education, skills training, economic opportunities, and government services.
- MLA Scott Fraser directed specific concerns to the Minister of Technology, Innovation and Citizens' Services on February 13, 2014 during the

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Throne Speech debate. MLA Fraser explained that connectivity is an issue in the Alberni-Pacific Rim area and that the lack of capacity is impacting economic opportunities within the communities of Tofino, Ucluelet, and the Nuu-chah-nulth.

Contact:

Executive Director Greg Goodwin Regional Economic Policy and Projects 250-356-0778

Reviewed by			
Dir:	ED: GG	ADM:	DM:

2014/15 Estimates Note Advice to the Minister

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

Title: Economic Impacts of Agriculture Land Commission Act Changes.

Revised: April 17, 2014

Issue: Expected impacts to the provincial economy and jobs related to proposed changes to the *Agricultural Land Commission Act (ALC)* may take some time to occur.

Recommended Response:

- Once the proposed legislation has passed the legislature, changes will come into force by regulation.
- The regulations needed to bring these changes into effect are expected to take more than six months.
- Zone 1 changes create opportunities for on-farm value added, which not only helps farm income but also complements growing interest in buying local and food security.
- Zone 2 changes create the greatest opportunities for diversity, but it must be recognized that this is available to only 27 percent of farms.
- Some diversification that results from the legislation, especially in Zone 2, will be aimed at fully employing aging farmers and their immediate family members.
- Job increases beyond full employment of resident farmers will depend on the success of new business.
- There is likely to be a time lag of up to a year before farmers will be able to respond to greater flexibility in their businesses.

2014/15 Estimates Note Advice to the Minister

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

Background/Status:

On March 27, 2014, government introduced amendments to the *Agricultural Land Commission Act*, which are intended to provide more flexibility to Agricultural Land Commission decisions – i.e. allowing the ALC to take into account regional growth, and other factors, not just farmland preservation and its use for agriculture.

- Two ALC-administered zones will be established:
 - Zone 1 will include the Island, South Coast and Okanagan panel regions.
 - Zone 2 will include the Interior, Kootenay and North panel regions.
- Zone 1 - Changes to the definition of permitted farm use – for example extending the 50 percent home grown rule on processing and retail, the number of agri-tourism units.
- Zone 2 - Changes will also allow non-farm business enterprises and ALC would be required to consider regional economic growth in their decisions.
- Government will also be able to appoint panel members directly, where currently it is required to consult first with the Chair of the Commission.

The Agricultural Land Commission is getting a significant increase to its annual budget allocation to speed up application processing:

- 2012-13 - \$1.9 million
- 2013-14 - \$2.9 million
- 2014-15 - \$3.5 million

According to the most recent census in 2011, there were 19,759 farms in the province and 72 percent are in Zone 1.

Contact:

Executive Director Angelo Cocco Economic Initiatives and Analysis (250) 952-0612

Reviewed by			
Dir: LCW	ED: A/LCW	ADM:	DM:

2013/2014 Estimates Note Advice to the Minister

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

Title: Aerospace Strategy: Partnership with the Aerospace
Industries Association of Canada Pacific Division

Revised: April 24, 2014

Issue: Budget 2014 Funding Commitment Develops a Unified BC Aerospace
Cluster

Recommended Response:

- On April 8, 2014, the Province announced \$1 million in funding as an initial step to build BC aerospace industry capacity in partnership with the Aerospace Industries Association of Canada Pacific Division (AIAC Pacific) in support of the *Budget 2014* commitment to invest \$5M over 5 years to kick start the development of a unified B.C. aerospace cluster.
- The partnership between the province and AIAC Pacific will focus on a number of deliverables that include:
 - Baseline measures of industry performance and a mapping of BC aerospace commercial capabilities with ongoing procurement opportunities;
 - A strategy to maximize BC's participation in, and business benefits from, current federal government and other private sector opportunities;
 - Expansion of international trade opportunities for BC aerospace companies; and
 - Going forward, further partnership programming development and exploration of consortium-based opportunities built on previous results.
- Government is acting to make sure British Columbian businesses benefit from the predicted “unprecedented” growth in the global aerospace industry to take place in the next 20 years.

Background:

Aerospace was identified as a key sub-sector for job growth identified in *Canada Starts Here: The BC Jobs Plan*. Further, a strategic objective of the Ministry of Jobs, Tourism, and Skills Training (JTST) *2014/15-2016/17 Service Plan* is to develop and implement a sub-sector strategy to grow and advance the aerospace industry.

2013/2014 Estimates Note Advice to the Minister

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Minister Responsible for Labour
Minister Responsible: Hon. Shirley Bond

The BC aerospace industry generates \$1.2 billion in annual revenues and employs more than 10,000 highly trained, highly skilled British Columbians. This type of economic activity enhances local technological innovation, research and development; and generates a comparatively higher job creation multiplier than other types of industrial activity.

However, historically a number of barriers have prevented the BC aerospace industry from realizing its full economic potential despite advantages that include location (i.e., BC proximity to Boeing in Washington State) and the existing technological and manufacturing expertise that exists in BC (e.g. Cascade, Viking Air, MDA).

A number of factors are contributing to better conditions for the aerospace industry, including:

- The November 2012 David Emerson review of the Canadian aerospace sector (*Beyond the Horizon: Canada's Interests and Future in Aerospace*) and aerospace-related policies and programs, followed by increased federal programming support;
- An infusion of federal procurement opportunities; and
- Creation of AIAC Pacific, assisting to provide provincial leadership and a cohesive voice to BC

Budget 2014 committed government to invest \$5M over 5 years to “kick start the development of a unified BC aerospace cluster to attract investment and integrated contract sourcing from global firms”.

On April 8, 2014, the government announced a partnership agreement between AIAC Pacific and the provincial government including \$1 million for the initial phases to build industry capacity going forward to benefit from future opportunities.

Partnership between AIAC Pacific and the B.C. Government

Initial work to grow the province's aerospace sector, fulfill the budget commitment, and help attract additional global aerospace and defence contractors to BC will be conducted in 2014 and 2015 in two phases:

Phase One

- JTST and AIAC Pacific, through a stipulations-based Shared Cost Arrangement, have agreed to the following initiatives:
 - Industrial Technology Benefits Strategic Economic Analysis and Capabilities Study which will result in baseline measures for current economic and employment performance of the BC aerospace sector and a detailed mapping of BC aerospace commercial capabilities and the alignment with ongoing procurement opportunities.

2013/2014 Estimates Note

Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
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- A strategy to maximize BC's participation in, and business benefits from, projects that form the Western Economic Diversification agreement with AIAC including working with BC industry and the province to identify specific targeted outcomes to pursue from the agreement.
 - Work to maximize leveraged funding opportunities and program-funding to the fullest extent possible from both government and the private-sector.
 - Development of a series of actions to expand international trade opportunities for BC aerospace companies, including establishing AIAC Pacific as the lead industry association at the Aerospace, Defense, and Security Expo (ADSE) in Abbotsford and a financially sustainable event model that delivers a high value business development opportunity to delegates, original equipment manufacturers, and other contractors.
 - Development of BC resources and tools required to properly present BC's world class capabilities and a unified BC aerospace cluster including materials and equipment for trade shows, professional web presence and related communications resources.
- Establish an Aerospace Project Manager and a cross Ministry Project Team to support sector-development activities (that includes representatives from JTST, MIT, MTICS, MIO).

Phase Two

- Informed by the performance and outcomes from Phase One; create and develop a program to build on existing partnership activities with a focus on greater sector investment and integrated contract sourcing from global firms.

Contact:

Executive Director Angelo Cocco Economic Initiatives & Analysis 250 952-0612

Reviewed by			
Dir: JR	ED: LCW	ADM:	DM:

2014/2015 Estimates Note

Advice to the Minister

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

Title: Watson Island Industrial Site Redevelopment

Revised: April 23, 2014

Issue: Perception that the Province is not doing enough to repurpose
Watson Island or address the on-site chemical risks

Recommended Response:

- The Province remains supportive of efforts to return the Watson Island property to productive use.
- With increased demand for industrial land in the Prince Rupert area, in particular due to the LNG opportunity in the Northwest, the Watson Island site is a strategic location for private sector development.
- In response to a request by the City of Prince Rupert (as the owner of the site), the Province agreed to take action to remove higher risk chemicals that posed health, safety and environmental concerns with an estimated cost of up to ^{s17} This was to include the costs of any work initiated by the Ministry of Environment (MoE) under the *Environmental Management Act* (Act).
- In December 2013 and January 2014, MoE made emergency declarations under the Act related to a leaking sodium chlorate tank on the site and an acid waste tank. Contractors drained the acid waste tank and are currently shipping the sodium chlorate off-site.
- Costs of emergency measures to deal with these two most recent incidents could amount to ^{s17} and are being funded under the terms of the Province's agreement with the City of Prince Rupert (the City).
- Any potential sale of the site by the City is a commercial transaction and the government has received no information to date that would justify contributing public funds to such a transaction.
- If there are any requests for financial or other forms of assistance, the Province will protect the interests of BC taxpayers. Consequently, any such request will need to be accompanied by a business plan clearly outlining the full costs, benefits, risk and benefits to the BC taxpayer.

2014/2015 Estimates Note

Advice to the Minister

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

Background/Status:

- Prior to 2001, government incurred costs of s12, s17
s12, s17 related to the site.
- An additional s17 in environmental remediation has been over the past decade to ensure the safety of the site.
- In 2009, the City assumed ownership of the Watson Island pulp mill and 270 acres of land on Watson Island after an unsuccessful tax sale that resulted from Sun Wave not paying property taxes owed for the site.
- In 2012, the Watson Island Development Corporation (WatCo) entered into a s17 purchase agreement with the City. The offer is contingent on conditions relating to site remediation, outstanding fees and implementation of out of court settlements. WatCo is comprised of Colonial Coal and the Metlakatla Development Corporation and the Lax Kw' alaams Development Corporation.
- In February 2014, the City reportedly advised WatCo that it was prepared to enter into discussions and consider offers from other purchasers for the site. WatCo launched a civil claim against the City in the Supreme Court of BC in March 2014 pursuant to their belief that the City has breached the terms of their previously exclusive purchase agreement.
- WatCo had been advised that the Province would be willing to assess a request for remediation funding under its policy framework for financial or remediation assistance. WatCo did not provide business plans in support of requests for assistance that clearly outline the full costs, risks and benefits to the Province and include a remediation plan that reasonably limits taxpayer risks. Their previous request apportioned a level of risk to the Province that is excessive and unlimited.
- The WatCo plan contemplated significant upfront and ongoing costs to the Province. WatCo has asked that the Province provide s13, s17 in upfront remediation funding and assume all risk for past, present and future contamination on site.

s13, s17

2014/2015 Estimates Note Advice to the Minister

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- The City maintains on-site environmental monitoring functions and has a good relationship with local MoE staff. In recent years, MoE has taken regulatory action to address imminent risks associated with separate incidents related to sulfuric acid, Bunker C oil, sodium chlorate and acid waste tank leaks on the site.

s13, s17

Appendix 1: Ministry of Environment Draft Estimates Note (to be updated prior to debate).

Contact:

Executive Director	Chris Gilmore	Industrial and Land Initiatives	(250) 952-0139
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2014/2015 Estimates Note Advice to the Minister

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

APPENDIX 1 MINISTRY OF ENVIRONMENT DRAFT ESTIMATES NOTE

ESTIMATES NOTE (2014) Confidential Ministry of Environment Date: February 12, 2014	ISSUE TITLE: Watson Island Contamination and Chemical Storage
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KEY MESSAGES:

- **Key message #1 – The site is owned by the City of Prince Rupert. The Province is not privy to the details of an out of court settlement between the City and the previous owner of the site in 2013, which addressed the ownership.**
- **Key message # 2 - Ministry of the Environment is the statutory regulator, with the role of ensuring activities are conducted by the owner in accordance with the regulatory requirements set out in the Environmental Management Act (EMA).**
- **Key message #3 – The Ministry has responded to 3 spills at the site in the last 2 years as a result of the ongoing degradation of the chemical storage tanks and infrastructure on the site. Our goal is to manage the environmental risks of the site while minimizing any impact on taxpayers.**
- **Key message #4 – In October 2013 the FLNRO issued an RFP seeking bids to dispose of the priority chemicals on the site. The 2 bids submitted were in excess of the available budget for the work. The province is considering retendering the work and has been in discussions with the City on other options.**

2014/2015 Estimates Note

Advice to the Minister

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

CURRENT STATUS:

Key message #1:

- Responsibility for the maintenance of the tanks rests with the owner of the site and the tanks.
- In 2009 the City of Prince Rupert took ownership of the site through tax defaults the site for back taxes and has met with provincial representatives to discuss the city obtaining relief from the financial burden of maintaining Watson Island infrastructure, and proceeding with redevelopment of the site.
- The City has continued to lobby for the province to remove all the remaining chemicals from the property. The City has indicated that it has a pending sale of the property and that the existing chemical inventory and contamination of the site is a barrier to its future sale and redevelopment.

Key Message #2:

- The Province is not the owner; however, due to the high volumes of hazardous chemicals present on the site and the degraded state of the onsite storage tanks, Ministry staff has undertaken numerous inspections of the site.

Key Message #3:

- The Ministry and the Minister have the discretion under the Environmental Management Act (EMA) to take necessary action to address any threats or events at the site that pose an imminent risk to health or the environment.
- In December 2013, the Ministry undertook actions to mitigate against a possible spill at the site following the observations of extensive tank corrosion and leaking from the sodium chlorate tank on the site. The chlorate tank contains approximately 700,000 L of liquid and is at risk of imminent failure. Contents of the tank are being transferred to storage totes in preparation for offsite shipment to a permitted treatment facility. Daily monitoring at the site continues. In late January 2014 on site personnel noted that the Acid Waste Tank (R8 Dump Tank) had started to leak. The contractors on site have now drained the tank's content and neutralized the acid to eliminate further risks. Costs of emergency measures to deal with these tanks are approximately ^{s17}
- In July 2013 MoE had to undertake spill response measures to repair and clean up a leak in the Bunker C pipeline running from the Bunker C storage tank to the main jetty and dock at the mill site. Costs for these measures were ^{s17}
- In 2012 MoE had to take spill response measures to prevent and clean up a 60,000 litre spill from the sulphuric acid tank on the site. Costs for this were

^{s17}

2014/2015 Estimates Note

Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
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Key Message #4:

- In discussions with the Ministries of Finance; Forests, Lands and Natural Resource Operations (FLNRO); and, Jobs, Tourism and Skills Training (JTST) it was agreed that it may be prudent to remove, dispose of or neutralize the highest risk chemicals on the site as opposed to waiting until there is another spill and the province incurs emergency response costs.
- It was agreed that the Ministry of Environment would undertake an assessment to determine the costs and options to remove, dispose of or neutralize the highest risk chemicals on the site. In March 2013, MoE contracted a ^{s17} tactical scoping of the site, to confirm and assess quantities and states of stored chemicals, visually inspect tanks, prioritize a list of tanks and chemicals for removal and, to estimate costs for removal work. The contractor's report was submitted on March 31, 2013.
- The contractor's report identified the chemical tanks of greatest concern and identified preliminary options for disposal or treatment of the chemicals. The viability and availability of some of the options and costs were tempered by the lack of knowledge on the chemical composition and integrity. Following discussions and advice from the other ministries involved, MoE re-engaged the contractor to sample and test the contents of the priority tanks and to provide more certainty on disposal options and disposal costs. Sampling of the tanks was completed in May and a final report submitted to the Ministry on June 30, 2013.

KEY FACTS/BACKGROUND:

- Watson Island, at Prince Rupert, is the location of a former, bleached kraft pulp mill. The site contains a significant amount of aging infrastructure and equipment as well as hazardous chemicals that pose a threat to the environment and potentially to human health
- There are approximately 27 above-ground tanks and associated pipes containing approximately 24 million litres of hazardous pulp mill chemicals of various kinds. Several tanks are in an advanced state of deterioration and positioned on the ground such that the integrity of the bottoms cannot be assessed.
- In December 2012, the Ministry of Environment sent staff to inspect the remaining tanks and distribution lines at the mill site. Staff's assessment concluded that the condition of the mill is poor and it is slowly degrading. Failure of the tanks, their containment or the associated piping cannot be predicted with any certainty but would not be unexpected.
- Six tanks and associated piping were identified as being of the highest priority for spill prevention action. They included: sodium chlorate tank, one strong black liquor tank, one 48% black liquor tank and three weak black liquor tanks.

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- The recommendations from the June report were tabled with the Ministries of Finance, FLNRO and JTST for further discussions with the City. The proposal was that any removal or disposal actions would be in partnership with the City and funded from s12, s17

s12, s17

Contact: Mike Macfarlane, Manager of Land Remediation
250 356-0557

2014/15 Estimates Note Advice to the Minister

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

Title: Regional Economic Development Trust Reviews

Revised: April 16, 2014

Issue: Reviews of regional economic trusts have reached positive conclusions and indicate that they are fulfilling their mandated responsibilities and functioning well.

Recommended Response:

- I am pleased to note that all four reviews of regional economic trusts demonstrate that the trusts are well-run, operate with sound governance structures and are supported by clear and well-documented due diligence processes.
- The trusts have implemented distinctive business models that incorporate a variety of programs, including grants, loans, equity financing, venture capital support, online resources, scholarships and education. These programs have successfully created economic stimulus in communities across BC.
- The trusts have forged strong regional leadership and collaborative ties in their respective regions, and have successfully leveraged government and non-government partnerships and funds.
- The trusts continue to improve their reporting principles, processes and performance indicators.

Background/Status:

- The 2011 *Families First Agenda for Change* included a commitment to: “review the progress made by the regional trust organizations, such as Northern Development Initiative Trust, Island Coast Economic Trust and Columbia Basin Trust, and look at how we can improve and enhance regionally-based economic investments.”
- Over the past four years, the regional economic trusts, comprising the Northern Development Initiative Trust (Northern Development), the Southern Interior Development Initiative Trust (SIDIT) and the Island Coastal Economic Trust (ICET) have undergone four reviews:
 - *Report on the Review of Economic Development Initiatives*, Internal Audit & Advisory Services, Ministry of Finance, March 2011 (released in December 2012).

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

- *Development Initiative Trusts: An Audit of Legislative Compliance and Public Accountability Practices in the Three Statutory Trusts*, Office of the Auditor General of British Columbia, April 2012. Findings in this report were updated in the *Follow-up Report: Updates on the Implementation of Recommendations from Recent Reports*, April 2013.
- Additional reports, as prescribed by the trusts' legislation to review the functionality of the legislation.

s13, s17

- Overall, the reviews concluded that, in accordance with the intent and spirit of the legislation, the trusts are operating well in terms of:
 - governance and accountability;
 - meeting the key legislative requirements;
 - making significant economic impact on their respective region and communities by acting as a catalyst for economic development;
 - exhibiting good practices for public accountability reporting;
 - responding to community needs; and,
 - significantly leveraging initial funds through partnerships, while operating in a cost-effective manner.
- The reviews also identified minor legislative, policy and program improvements to be considered by government and the trusts. Government has compiled the list of potential legislative and regulatory changes, while the trusts have responded with improvements to their reporting principles, processes and performance indicators.

Contact:

Executive Director	Greg Goodwin	Regional Economic Policy and Projects	250 356-0778
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Reviewed by			
Dir: AS	ED: GG	ADM: SM	DM:

2013/2014 Estimates Note Advice to the Minister

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

Title: Seaspan / National Shipbuilding Procurement Strategy

Revised: April 23, 2014

Issue: Driving forward on Seaspan's success in winning federal shipbuilding contracts to grow the greater marine industry in British Columbia

Recommended Response:

- Our government supported Seaspan's bid to secure a federal ship building contract and we are meeting this commitment through a number of industry supports.
- A training tax credit that aligns with our government's skills training objectives outlined in the BC Jobs Plan will help ensure skilled trades people into the future.
- In October 2013 JTST supported the establishment of the B.C. Shipbuilding and Ship Repair Board (SSRB) and the We are Shipbuilders campaign.
- The Province is committed to supporting human resources, technology development and industrial development of the marine industry. To date, this has included providing funding to the Industrial Marine Training and Advanced Research Centre and the Shipbuilding and Repair Workforce Table and Board.
- Our government is acting to make sure British Columbian businesses are first in line to take advantage of the growing market opportunities in Asia such as in the recent Jobs and Trade Mission to China, Japan and Korea and on an ongoing basis through B.C.'s trade and investment presence in Asia markets. As well, the shipbuilding and repair sector will be included in our LNG Buy BC program.

Background:

In 2010 and 2011, the federal government conducted a competition under its National Shipbuilding Procurement Strategy (NSPS) between five shortlisted shipyards across Canada in British Columbia, Ontario, Quebec, Nova Scotia and Newfoundland to replace Canada's aging Navy, Coast Guard and Fisheries and Oceans fleets.

In July 2011, the Province committed up to \$40 million in support of British Columbia's (Seaspan's) bid, depending on the length and terms of federal government shipbuilding contracts, through a combination of support by way of training tax credits for up to \$35 million and \$5 million through contribution agreements to supplement Seaspan's federally required Value Proposition (VP) investments estimated at 0.5 per cent of

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contract values.

Subsequent negotiations between Seaspan and the Province in 2012 resulted in Treasury Board approval of a further Provincial commitment of \$1.9 million in Provincial VP investments for a total of \$6.9 million over the 8-9 years of the term of the current federal non-combat shipbuilding program awarded to Seaspan.

As part of the BC Jobs Plan, the Province announced in November 2011, that it was establishing a B.C. Shipbuilding and Repair Sector Table to confirm the NSPS' human capital requirements, review labour supply projections and existing and planned training programs, and develop a co-ordinated workforce strategy that will, in part, inform post-secondary training investments and programs needed to support the sector.

In 2013, an industry led Shipbuilding and Ship Repair Board (SSRB) was established to finalize the workforce strategy recommended by the Table and to lead implementation of the strategy. The SSRB's work is ongoing and includes the report: *Towards 2020: A BC Shipbuilding & Ship Repair Industry Workforce Strategy*.

As of April 2014, Seaspan is nearing the completion of its shipyard modernization programme in North Vancouver. Seaspan is currently fulfilling contract commitments through its involvement in the production design of the first Coast Guard vessels and will begin cutting steel for vessel construction in the second half of 2014.

Current Status:

Modernization

- To date Seaspan has invested over \$200 million in shipyard modernization and is 80% complete. As of April 17, 2014, 175 new employees have joined Seaspan.
- Approximately \$30 million in contracts have been competitively awarded to First Nations companies and joint ventures.
- A 300 tonne crane critical to the construction and vessel assembly process has arrived and will be operational before the end of May.
- Vancouver Shipyards received an occupancy permit for one of three assembly shops currently being built as part of the modernization efforts.
- The new modernized shipyard will be fully operational by October 2014.

Ships

- Completed Initial Design review of the Fisheries research vessel.
- Moving towards functional design in October.
- Aiming to cut steel with Completion 2016 followed by a second vessel.

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Ministry: Ministry of Jobs, Tourism and Skills Training and
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- Plan to begin construction of the first Offshore Fisheries Research Vessel in the second half of 2014 (the exact month hinges of negotiation of the contract).

BC Ferries Procurement

- February 2014 Seaspan was awarded fixed-price \$15 million contract to build new cable ferry for service between Buckley Bay and Denman Island. The ferry is expected to be in operation for the summer of 2015.

Contact:

Executive Director	Angelo Cocco	Economic Initiatives & Analysis	250 952-0612
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Pages 759 through 768 redacted for the following reasons:

s13

s13, s16

s13, s17

SUMMARY of KEY PROVINCIAL INVESTMENTS IN BC'S RURAL COMMUNITIES & REGIONS

FUNDING AND PROGRAMMING SPENT TO SUPPORT RURAL COMMUNITIES

- **Passed the Community Charter legislation in 2003** in response to the request of local governments.
- **Developed new protocols and Revenue Sharing Agreements with BC's First Nations.** Since 2002, B.C.'s government has signed forestry agreements with 177 First Nations, providing more than \$354 million in revenue sharing and access to over 63.2 million cubic metres of timber.
- **Provided Direct Funding and Revenue Sharing with BC Communities.** Since 2004, BC communities outside of Metro Vancouver and the Capital Regional Districts have received almost \$142 million in funding from Traffic Fine Revenue Sharing program and over \$375 million in Regional District and Small Community Grants. The province has also created and implemented the Resort Municipality Initiative (RMI) for small, tourism-based municipalities to support and increase visitation. Formerly a tax transfer program and currently grant-based, the RMI program has provided over \$72.5 million in funding since 2007 to 14 participating BC communities.
- **Launched Towns for Tomorrow** for communities with <5000 residents. Since 2007 the province has invested close to \$70 million to fund 201 projects.
- **Invested in Local government Infrastructure.** Since 2001, \$1.5 billion has been invested in local government infrastructure outside of Metro Vancouver.
- **Supported Union of BC Municipalities** with \$25 million for developing community plans for tourism development and marketing. Since 2004, the province has also provided UBCM with over \$7 million for various Community Health and Senior Housing and Support Initiatives.
- **Increased Community Gaming Grant Program** by \$15 million, bringing the annual budget to \$135 million.
- **Launched the \$30-million Community Recreation Program (CRP)** in 2011.
- **Made \$800 million investments in regional health care facilities** (rural and remote) including investing \$298 million into the Ft St John Hospital and Residential Care Facility; \$32-million to upgrade East Kootenay Regional Hospital in Cranbrook; \$65 million for enhancements and expansions at Prince George Regional Hospital; \$39 million to expand Nanaimo Regional Hospital; \$28 million at the Royal Inland Hospital in Kamloops; and \$15 million expansion and renovation of the Kootenay Lake Hospital.
- **Implemented Telehealth video conferencing** technology in over 100 rural communities throughout the province to enhance rural health care and **brought broadband Internet access to 362 communities** and 85 First Nations, helping rural entrepreneurs and residents access information more readily and allowing business to stay and grow in rural communities.
- **Provided \$10 million in funding for up to 52 rural communities for additional fee-for-service physician emergency room coverage** at small rural hospitals. This includes funding provided to physicians associated with the Rural Retention Program and the Recruitment Incentives Fund.
- **Creation and implementation of the BC Jobs Plan** to stimulate economic development and job creation on key economic sectors which are vital to the provincial and rural economies.
- **Established and invested nearly \$49 million in Geoscience BC** to stimulate increased mineral exploration and mine development in BC and efforts and **provided additional tax credits to stimulate mineral exploration** in the MPB epidemic zone.
- **Established the \$25-million provincial BC Bioenergy Network** for greater investment and innovation in B.C. bioenergy projects and technologies.
- **Established the \$25-million Innovative Clean Energy Fund (ICE Fund),** which supports the commercialization of clean-power and energy-efficiency technologies.

SUMMARY of KEY PROVINCIAL INVESTMENTS IN BC'S RURAL COMMUNITIES & REGIONS

- Invested since 2001 **\$4.5 billion in highways improvements, \$140 million in transit improvements, \$65 million in airports & ports capital** and almost **\$1 billion in power expansion**. These investments were all outside the Lower Mainland.

INVESTING IN REGIONAL ECONOMIC DEVELOPMENT AGENCIES (since 2001)

- Established and invested over **\$600 million dollars into the creation of regional trusts**: the Northern Development Initiative Trust, the Southern Interior Development Initiative Trust, the Island Coastal Economic Trust and Columbia Basin trust plus the Nechako-Kitimaat Development Trust and the Coast Opportunity Fund.
- Established and invested **\$100 million dollars to create the New Relationship Trust**.
- Provided over **\$16 million in funding to the three Beetle Action Coalitions** to assist communities impacted by the mountain pine beetle epidemic.

INVESTING IN RURAL EDUCATIONAL INSTITUTIONS AND RURAL WORKERS (since 2001)

- **Created seven new universities** and funded 32,000 new seats.
- **More than \$2.1 billion has been invested in capital and infrastructure projects at B.C.'s public post-secondary institutions** since 2001, including over 1,000 capital projects on campuses province-wide.
- **Built a new Northern Medical Program** at the University of Northern BC and a Southern Medical Program at UBC Okanagan to train more rural physicians.
- **Established the Oil and Gas Training Centre of Excellence** at the Northern Lights College.
- Launched the BC Skills and Training Plan to expand and align skills training with economic development opportunities and **invested \$75 million to improve training facilities and equipment**.
- **2013/2014 provided over \$500 million per year to support skill development and employment programs** for unemployed and low skill workers in BC.
- **Invested over \$820 million in the Industry Training Authority** and the former Industry Training and Apprenticeship Commission.
- **Created Regional Workforce Tables** to apply local knowledge and expertise to identify economic development opportunities and inform alignment of training programs with demand for jobs.

ADDITIONAL SUPPORT GOING FORWARD:

- **Announced the Enhanced Community Economic Support Initiative (ECESI) in December 2012** which includes:
 - *facilitating five Regional Economic Collaborative workshops*, including Southern Cariboo communities and the Quesnel area, and the Nisga'a First Nation communities of Gitlaxt'aamiks, Gitwinksilhkw, Laxgalts'ap, Gingolx and the Nisga'a Lisims Government.
 - *hosting 10 Economic Essentials for Local Government Leaders training sessions* around the province,
 - *launching Online Economic Development Resources* for communities,
 - *providing customized support for LNG-Affected Communities:*
 - *expanding the OpportunitiesBC database.*

JTST along with CSCD **also provides community transition services** for communities substantially affected by closures of dominant employers – such as that provided to Burns Lake and McKenzie.

2014/15 Estimates Note Advice to the Minister

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

Title: Rural BC Project - Provincial Response

Revised: April 22, 2014

Issue: Provincial response to the Rural BC Project recommendations and support to Parliamentary Secretary Barnett's Rural BC initiative

Recommended Response:

- The Province understands the importance of Rural B.C. and has undertaken a number of initiatives to help solve specific rural issues, including additional financial resources for rural health care and rural education.
- Our government appreciates the recommendations put forward through the Rural BC Project and the *Pathway to Prosperity Discussion Paper* and has assigned staff to work with the Beetle Action Coalitions (BACs) to assess the recommendations and to develop practical solutions to address these where possible.
- I met with the Beetle Action Coalitions at the 2013 UBCM Convention to discuss the Rural BC Project recommendations, as did Premier Christy Clark and Minister Steve Thomson.
- It is important that local communities and First Nations are involved in facilitating rural and regional economic development, and that BACs, regional trusts and other economic development organizations work collaboratively to ensure that funding is used strategically.
- That is why our government has made significant financial investments in the three regional trusts and the BACs, and why we are already working with a large number of communities and regions to help them facilitate economic growth and diversification.

Background/Status:

- The Rural BC Project made six summary recommendations:
 1. Cabinet Minister for Rural Development
 2. Rural BC Strategy
 3. New Rural Economic Development Programming
 4. Creation of a Rural Dividend

2014/15 Estimates Note Advice to the Minister

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

5. Creation and Funding of at Least One Non-governmental Rural Development Catalyst/Advocacy organization for B.C.
 6. Creation of a Rural BC Venture (Equity) Capital Program
- The first recommendation has already been addressed by the Premier.
 - JTST is working with the BACs to examine the remaining five summary recommendations of the Rural BC Project.
 - JTST and the three BACs have created a joint staff working group. The Rural BC Staff Working Group met twice in February 2014, to examine the topic of rural venture (equity) capital and related investment capital programs.
 - The working group is looking at government programs as well as the programs and roles of various organizations outside of government (i.e. regional development initiative trusts) that may be involved with investment capital in order to develop recommendations to address potential gaps and ways of improving access to investment capital in rural communities.
 - The working Group held a Workshop on March 18, 2014, to discuss items 3 - New Rural Economic Development Programming and 6 - Creation of a Rural BC Venture (Equity) Capital Program. Thirty six people attended including the Regional Trust CEOs, Community Futures Representatives, staff from JTST, MARR, FLNRO and CSCD. (see appendix for agenda and list of attendees). At the workshop Don Basserman, Sharon Towers and Marc Imus provided a summary of the Rural BC Project and work to date. The following three themes were discussed:
 - Rural access to investment capital (equity and venture capital)
 - Rural access to small business loans
 - Rural access to business development (entrepreneurial development, mentorship and business readiness supports)
 - There was consensus in the room that access to capital is less of an issue than business readiness and supports. There is also a need to educate both businesses and organizations that support business about existing programs and funding agencies. The group identified webinars and workshops as potential assistance opportunities to address these business needs, along with business coaching/mentoring, tool development and training.
 - Another workshop is planned for April 28th/29th to explore rural and regional economic development programs and structures. This workshop will include economic development organizations such as Community Futures, the Regional Trusts, aboriginal service organizations, local governments and others. Like the workshop in March, the intent will be to develop practical solutions and actions which can be pursued by the Province or other economic development partners.

2014/15 Estimates Note Advice to the Minister

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

- JTSTL staff will continue to work in partnership with FLNRO staff in order to bring any relevant issues/solutions and insights from Parliamentary Secretary Donna Barnett's discussions to the Rural BC Project working group in order to develop a well-coordinated response and practical solutions for government to consider.
- The Rural BC Staff Working Group will be producing an action plan by the end of May, 2014 to address the Rural BC Project recommendations wherever possible.
- The Rural BC Project Steering Committee will be meeting with Parliamentary Secretary for Rural Development, Donna Barnett, in June 2014 to discuss the proposed action plan.

Appendix 1: Background to Rural BC Project

Appendix 2: UBCM Resolution B39 Support for Rural BC Project Recommendations.

Appendix 3: Minister's Letter re: the Rural BC Staff Working Group

Appendix 4: Examples of Provincial Government and Rural Initiatives and Investments

Appendix 5: Parliamentary Secretary for Rural Development Terms of Reference

Appendix 6: Rural BC Project Worksop March 18th, Agenda and Attendees

Contact:

Director	Sarah Fraser	Regional Economic Operations	(250) 952-0644
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Appendix 1 – Background to Rural BC Project

Background to Rural BC Project

The three regional Beetle Action Coalitions (BACs) in the province – the Omineca, Cariboo-Chilcotin and Southern Interior BACs – have jointly sponsored an initiative called “The Rural BC Project”. The stated purpose of the Rural BC Project is to *“...stimulate discussion and understanding of the challenges facing rural BC and the actions required to help rural BC communities succeed.”*

There have been several meetings over the past nine months between government cabinet ministers, government representatives and representatives of the BACs to discuss the recommendations of the Rural BC Project. As well, the BACs met with Premier Christy Clark, Minister Bond, Minister Thomson and others at the 2013 UBCM Convention to discuss the Rural BC Project recommendations.

The BACs have been requesting and receiving local government and First Nations endorsement of their Rural BC Project recommendations. Through the Cariboo Regional District, a resolution (B39) was passed at the 2013 UBCM Convention requesting that the provincial government support the Rural BC Project recommendations (Attached as Appendix 2).

The Rural BC Project makes six summary recommendations, summarized here with some of the government feedback provided to date. The first recommendation has already been addressed by the Premier. Government, through the Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour (JTSTL) is working with the BACs to examine the remaining five summary recommendations of the Rural BC Project.

- 1) Cabinet Minister for Rural Development:** At the 2013 UBCM Convention, Premier Clark assigned the Honourable Steve Thomson, Minister of Forests, Lands and Natural Resource Operations (FLNRO), as Minister Responsible for Rural Development. As well, Parliamentary Secretary for Rural Development, Donna Barnett, will continue to support Minister Thomson by listening to rural residents in order to bring those issues/concerns and solutions to Victoria.
- 2) Rural BC Strategy:** Given the diversity that exists within rural BC it was determined that a single rural strategy may not be specific enough to be meaningful. As such, it may be more useful to create a rural development “framework” to provide a set of practical actions that government and partners could pursue to improve rural economic development and diversification in the province.
- 3) New Rural Economic Development Programming:** The Province has invested over \$300 million to capitalize the various economic development trusts in the province and various programs that currently support rural communities in BC. To better inform the discussion with the BACs, background materials have been prepared to illustrate these investments and programs (see Appendix 4 for some

examples). The BACs were asked to consider how this existing funding could be better used to achieve the recommendations of the Rural BC Project.

- 4) Creation of a Rural Dividend:** The Province already has a variety of revenue-sharing programs in place with local governments and First Nations. As well, work is underway within government through the Ministry of Community, Sport and Cultural Development to explore a rural dividend in relation to Liquefied Natural Gas (LNG) development.
- 5) Creation and Funding of at Least One Non-governmental Rural Development Catalyst/Advocacy organization for BC:** The BACs have been asked to provide more detail on what they meant by this recommendation, and to consider exploring this concept with the regional development initiative trusts.
- 6) Creation of a Rural BC Venture (Equity) Capital Program:** Discussions and action are underway on this recommendation to explore, with the BACs, existing investment capital programs and funding with the intent of developing practical solutions to bring forward to government for consideration. A meeting was held on January 20, 2014 with the BAC staff, JTSTL staff, and a representative from the Investment Capital Branch (Ministry of International Trade) to ensure common understanding and awareness of existing programs provided by the provincial government. It was clear at the meeting that information on existing programs needs to be distributed in rural BC. JTSTL is developing a plan to address this and other access to capital concerns for rural businesses.

The Ministry of JTST and the three BACs have created a joint staff working group, the Rural BC Staff Working Group. As noted in the Minister's letter (see Appendix 3), Ministry staff has been asked to ensure that the working group:

- Explores existing government programs, and economic development programs or organizations to identify potential application to the Rural BC Project recommendations;
- Identifies any potential gaps, and agree on practical solutions to address the Rural BC Project recommendations.

In addition to JTSTL staff, the working group also has representation from the Ministry of Forests, Lands & Natural Resource Operations, Ministry of Community, Sport & Cultural Development (CSCD), and Ministry of Social Development & Social Innovation.

The Ministry of Forests, Lands & Natural Resource Operations (FLNRO) have developed a Terms of Reference (see Appendix 5) to outline how FLNRO staff will support the efforts of Parliamentary Secretary for Rural Development, Donna Barnett, in her rural development portfolio. A meeting was held Jan. 28, 2014 between Parliamentary Secretary Barnett, FLNRO staff, JTSTL staff, and CSCD to discuss the Rural BC Project, the work of the Rural BC Working Group and MLA Barnett's role in consulting with rural communities over the next five months.

Appendix 2

B39 SUPPORT FOR RURAL BC PROJECT

Cariboo RD

WHEREAS rural areas of BC have been struck with numerous economic hardships in past years including the Bovine Spongiform Encephalopathy crisis, increased fuel prices, the mountain pine beetle epidemic, and centralization of government spending to urban centres;

AND WHEREAS the Province has provided funding to various beetle action coalitions to recommend ways to improve the economic and social conditions of rural British Columbia, and the three beetle action coalitions have worked together on the Rural BC Project and after considerable research have released a position paper titled, "The Pathway to Prosperity in British Columbia Runs Through its Rural Places: A Long-term Strategy for Rural Development," that will assist in the development of a strategy to assist rural BC communities:

THEREFORE BE IT RESOLVED that the provincial government support the Rural BC Project by working with rural BC to create:

- a BC rural development strategy;
- new rural economic development programming;
- a rural dividend;
- rural advocacy (Minister of Rural BC, and a catalyst organization); and
- a rural BC venture capital program

to reverse rural economic decline and re-establish rural BC as a place which provides healthy sustainable economies, good jobs and strong communities that contribute to making BC a stronger, more resilient province.

Appendix 3: Minister's Letter re: the Rural BC Staff Working Group

Appendix 3



DEC 24 2013

Ref: 101142

Director Grace McGregor
Vice Chair
Southern Interior Beetle Action Coalition
202 - 843 Rossland Avenue
Trail, BC V1R 4S8

Dear Director Grace McGregor: *Grace:*

I am responding on behalf of Premier Christy Clark to thank you for your presentation on the Rural BC Project during our September 17, 2013, meeting at the Union of British Columbia Municipalities Conference in Vancouver. Premier Clark and I understand the importance of keeping rural BC communities vital and growing, and the contribution that rural BC makes to the province as a whole.

One key recommendation of the Rural BC Project was to have a dedicated voice for rural development either as a rural ministry and/or a minister responsible at the Cabinet table. As Premier Clark has noted at our meeting, we will not be growing government at this time. However, Premier Clark has assigned the Honorable Steve Thomson, Minister of Forests, Lands and Natural Resource Operations (FLNRO), Minister responsible for rural development. Ms. Donna Barnett, Parliamentary Secretary for Rural Development, will continue to support Minister Thomson by listening to rural residents and to bring their concerns and solutions to Victoria.

I agree that it would be beneficial to establish a Rural BC Working Group consisting of government staff from the Ministries of FLNRO; Jobs, Tourism and Skills Training and Ministry Responsible for Labour; Community, Sport and Cultural Development; and Social Development and Social Innovation, as well as staff from each of the three Beetle Action Coalitions.

Ministry staff have been asked to ensure that the working group:

- explores existing government programs, and economic development programs or organizations to identify potential application to the Rural BC Project recommendations; and
- identifies any potential gaps, and agree on practical solutions to address the Rural BC Project recommendations.

.../2

Ministry of Jobs,
Tourism and Skills Training
and Minister Responsible for Labour

Office of the Minister

Mailing Address:
PO Box 9071 Stn Prov Cent
Victoria BC V8W 9B2
Phone: 250 356-2771
Fax: 250 356-3000

Location:
Room 137
Parliament Buildings
Victoria BC

Director Grace McGregor
Page 2

I understand that this will be an extremely focused working group, expected to explore and implement appropriate actions, and wrap up within six months. While this is an ambitious goal, I believe it is achievable and I look forward to hearing about this group's progress as well as the outcomes.

On behalf of Premier Clark, I want to thank you for your work to date on behalf of the communities you represent. I look forward to continuing to work with you and my colleagues, Minister Thomson and Parliamentary Secretary Donna Barnett, to identify additional concrete actions Government can undertake to assist rural communities.

Sincerely,

A handwritten signature in black ink that reads "Shirley Bond". The signature is written in a cursive, flowing style.

Shirley Bond
Minister

pc: Premier Christy Clark

Honourable Steve Thomson

Ms. Donna Barnett

Appendix 4 - Examples of Provincial Government and Rural Initiatives and Investments: Funding to Limit Impacts of Mountain Pine Beetle

- Since 2001, British Columbia has committed \$917 million to battle the beetle and mitigating future impacts.
- Government of Canada has committed \$340 million since 2002 and made a commitment for an additional \$800 million.

Provincial Funding Breakdown – \$917 million

- \$185 million for the Northern Development Initiative Trust to help northern economic diversification communities diversify their economies. To date this has been invested in 1,253 projects and has been leveraged with other funding to bring a total of \$1.15 billion in total funds over the past eight years.
 - Pine-beetle impacted communities also have access to an additional \$30 million account that to date has provided \$21 million to 179 projects – creating 5,586 new jobs.
- \$50 million for the Southern Interior Development Initiative Trust to help communities create new opportunities for economic growth.
- Since 2005, spent \$269million on Forests for Tomorrow for reforestation activities that will ensure long-term timber supply.
- \$121 million to mitigating the impacts of increased logging on roads:
 - \$90 million for rehabilitating highways.
 - \$21 million for maintaining and upgrading forest service roads.
 - \$10 million for rural municipalities to restore roads.
- \$25 million for Geoscience BC to explore central Interior mineral potential.
- \$58 million for research, fire mitigation and administrative funding.
- \$129 million for spread control and fertilizer plants since 2001.
- \$71 million for energy development and infrastructure in beetle communities.
- \$9 million to the three Beetle Action Coalitions for mountain pine beetle mitigation (March 2011).

Federal Funding Breakdown -- \$340 million

- \$200 million for a Mountain Pine Beetle Program (announced in 2007) with forestry and economic diversification components.
 - \$100 million for spread control, wildfire protection, and value recovery.
 - \$100 million for supporting economic growth and job creation, and transportation infrastructure improvements.
- \$100 million transferred from the federal government to the Province in 2005/06 for investment in a number of priority areas, including:
 - \$22.5 million to pine beetle spread control along the B.C.-Alberta border.
 - \$14.1 million to UBCM to protect communities from wildfires. Funding to the Union of British Columbia Municipalities.
 - \$12.5 million to First Nations for community diversification and stability. Funding to the B.C. First Nations Forestry Council.
 - \$7.8 million to the Cariboo-Chilcotin, Omineca and Southern Interior regional Beetle Action Coalitions for community diversification.
 - \$5.5 to researching and developing new product uses for beetle-wood.
 - \$2.1 million to protect First Nations communities from wildfires. Funding to the First Nations Emergency Services Society.
- \$40 million (2002) for research, remediation of federal and private forestlands.

Appendix 5



Ministry of
Forests, Lands and
Natural Resource Operations

Office of the Minister

Parliamentary Secretary for Rural Development to the Minister of Forests, Lands and Natural Resource Operations

Terms of Reference

Purpose

To provide support for the Minister of Forests, Lands and Natural Resource Operations with regard to the Premier's commitment to local government leaders at the 2013 Union of British Columbia Municipalities convention: that Government needs to better focus our attention on promoting development opportunities for rural communities.

This role's specific tasks include:

- a) finding ways to reverse the population decline in rural communities through growing economic development opportunities; and
- b) allowing people to remain and thrive in the communities where they have chosen to live.

The focus will be on exploring rural development opportunities and consulting with rural communities across the province on the barriers they face in securing long term development opportunities.

Overview

The Parliamentary Secretary has been tasked with reaching out to rural municipal leaders, gathering ideas and assisting rural leaders grow the economy in rural communities. Rural municipal leaders understand the priority is to control spending and grow the economy in rural communities. As well, some of these leaders have ideas on how they can support that. The Parliamentary Secretary will ensure that good ideas from municipal leaders to strengthen their economies, and support growth overall in the province, have a chance to be put into action.

Scope

The following outline is meant to serve as a framework for the Parliamentary Secretary's work.

- 1. Build on the best practices and long term strategies for rural development, including recommendations developed by the Rural BC Staff Working Group.ⁱⁱⁱ**
- 2. Identify opportunities to collaborate on rural development between the Ministries of: Forest Lands and Natural Resource Operations; Jobs, Tourism and Skills Training; Community, Sport and Cultural Development and Ministry of Energy and Mines.**
- 3. Stimulate discussion and understanding of the challenges facing rural BC and the actions required to help rural BC communities across the province to succeed**

4. Review as appropriate and where applicable, the recommendations provided by Beetle Action Coalitions.

Goals

- Provide a status report out and implementation approach to Cabinet and relevant Ministers by June 30, 2014 as required.
- Consult with rural communities (small communities outside metropolitan areas) across the province on the barriers they face in securing long-term development opportunities, coordinating with the Rural BC Staff Working Group.
- Work with the Community Development Committee of the UBCM to make recommendations on how to improve regional development.
- Revisit Beetle Action Coalition's original mandate and update if necessary.
- Develop a proactive version of a Community Adjustment Planⁱⁱⁱ for the rural communities that are at known risk of potential economic shocks.
- Make recommendations towards a memorandum of understanding with respect to rural development between FLNRO and JTST and other ministries as required.
- Consider how Regional Trusts are being leveraged to generate rural investments.^{iv}
- Encourage individual communities to develop strategies that can be assembled into regionally based rural strategies and then identify opportunities for alignment with provincial initiatives.

Support to the Parliamentary Secretary

- In carrying out his work the Parliamentary Secretary will receive suitable resources and where appropriate, assistance from staff from the ministries involved, including the cross ministry/Rural BC Staff Working Group.
- The Parliamentary Secretary will have access to the Deputy, government experts and government data.
- The Parliamentary Secretary will regularly update the Minister on her activities, learning's and observations.

ⁱ See Draft Terms of Reference Rural BC Staff Working Group, November 15, 2013.

ⁱⁱ Additional References: The Pathway to Prosperity in British Columbia Runs Through its Rural Places http://www.ominaccoalition.ca/pdf/Rural_Places_web.pdf and What Does Rural BC Need to Succeed?

<http://www.ominaccoalition.ca/Strategies/RuralBCProject/pdf/RuralBCNeedfinal.pdf>

ⁱⁱⁱ For example, see Quesnel Community Adjustment Plan, November, 2013.

^{iv} Regional Trusts include: Columbia Basin, Southern Interior Development Initiative, North Island-Coast Development Initiative and Northern Development Initiative.

Appendix 6

Agenda

Rural BC Project - Business Development & Rural Investment Capital Workshop

Hosted by: Province of BC & the Beetle Action Coalitions in BC

Date: Tuesday, March 18, 2014

**Location: Richmond – Vancouver Airport Marriott Hotel
7571 Westminster Highway, Richmond, BC**

8:00 – 8:30am	Arrival & Refreshments
8:30 – 8:45am	Introductions & Meeting Objectives
8:45 – 9:00am	Rural BC Project Background & Context
9:00 – 9:45am	Summary of Identified Challenges, Opportunities & Recommendations Associated with Rural Access to Capital & Business Development Supports
9:45 – 10:00am	Break
10:00am – 11:00am	Break-out Discussions on Challenges/Recommendations with: <ul style="list-style-type: none">• Rural access to investment capital (equity investing, venture capital)• Rural access to small business loans (debt financing, programs, services)• Rural access to business development (entrepreneurial development, mentorship & business readiness supports)
11:00am – 12:00pm	Report out on Break-out Discussions & Associated Recommendations
12:00 – 1:00pm	Networking Lunch (provided)
1:00 – 2:30pm	Break-out Discussions to Refine Recommendations for Key Areas Identified
2:30 – 2:45pm	Break
2:45 – 3:00pm	Report out on Key Recommendations
3:00 – 4:00	Group Discussion on Recommendations & Next Steps

Appendix 6 - ATTENDEES

#	Name	Affiliation
Rural BC Staff Working Group		
1	Marc Imus	Ministry of Jobs, Tourism & Skills Training
2	Sarah Fraser	Ministry of Jobs, Tourism & Skills Training
3	Kim Goodall	Ministry of Jobs, Tourism & Skills Training
4	Don Basserman	Omineca Beetle Action Coalition
5	Sharon Tower	Omineca Beetle Action Coalition
6	David Majcher	Cariboo-Chilcotin Beetle Action Coalition
7	Dalyce Brandt	Southern Interior Beetle Action Coalition
8	Gordon Borgstrom	Southern Interior Beetle Action Coalition
9	Claudia Trudeau	Ministry of Forests, Lands & Natural Resource Operations
10	Chris Jensen	Ministry of Community, Sport & Cultural Development
Rural BC Project Steering Committee		
11	Mayor Mitch Campsall – 100 Mile House	Cariboo-Chilcotin Beetle Action Coalition
Provincial Government		
12	David Borth	Ministry of Forests, Lands & Natural Resource Operations
13	Jordan Bennett	Ministry of Jobs, Tourism & Skills Training - Small Business
14	David Baleshta	Ministry of International Trade
15	Susan Kelly	Ministry of Aboriginal Relations & Reconciliation
16	Allan Weselowski	Ministry of Aboriginal Relations & Reconciliation
Regional & Provincial Trusts		
17	Susan Keenan	All Nations Trust Company
18	Janine North	Northern Development Initiative Trust
19	Luby Pow	Southern Interior Development Initiative Trust
20	Luanne Chore	Southern Interior Development Initiative Trust
21	Lisa (Erven) Kilpatrick	Columbia Basin Trust
22	Line Robert	Island Coastal Economic Trust
Community Futures Development Corporation		
23	Marie Gallant	Community Futures British Columbia
24	Ken White	Community Futures Thompson Country
25	Susan Stearns	Community Futures Fraser Fort George
26	Debbie Arnott	Community Futures Sun Country

27	Brian Smith	Community Futures Sunshine Coast
28	Geri Collins	Community Futures Central Interior First Nations
	Provincial Service Organizations	
29	Marie Crawford	Union of BC Municipalities (Community Ec. Dev. Committee)
30	Richard Sagan	Small Business BC
31	Jill Earthy	Canadian Youth Business Foundation & Women's Enterprise Centre
32	Jean Laberge	Western Economic Diversification
33	Dale Wheeldon	Economic Development Association of BC
	Others	
34	Candice Appleby	Small Scale Food Processors Association
35	Sandy Mark	Christina Lake Venture Capital Corporation
36	Derek Gent	VanCity Foundation

Pages 785 through 787 redacted for the following reasons:

s13, s16, s17

2014/2015 Estimates Note Advice to the Minister

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

Title: Resort Municipality Initiative (RMI) Funding

Revised: April 16, 2014

s13, s17

s13, s17

Contact:

Executive
Director

Greg Goodwin

Regional Economic
Policy and Projects

250 356-0778

Reviewed by			
Dir: AS	ED: GG	ADM: SM	DM:

2014/2015 Estimates Note Advice to the Minister

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

s13, s17

2014/15 Estimates Note Advice to the Minister

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

Title: Regional Economic Investment Pilots, 2011-2014

Revised: April 24, 2014

Issue: Update on the three regional economic pilots, which were initiated in 2011/12 and focused on establishing and advancing regionally important economic priorities

Recommended Response:

- As part of the BC Jobs Plan, the Province partnered with the community of Campbell River, communities along the McBride to Barriere corridor and the North Fraser communities of Mission, Maple Ridge and Pitt Meadows to identify and advance priority projects over 12-18 months that would lay a strong foundation for regional investment and job creation.
- Pilots in Campbell River and the North Fraser region are complete. JTST continues to support economic development in these regions on a project by project basis. Implementation of projects in the McBride to Barriere corridor continues.
- Pilot experience and learnings have informed development of the Regional Economic Collaboratives (REC) initiative. Led by JTST, the RECs engage clusters of communities in five regions to identify and advance priority economic initiatives with a regional impact.
- Also informed by the pilots is JTST's Enhanced Community Economic Support Initiative that was launched in December, 2012. In addition to the RECs, products delivered under this initiative included 15 Economic Development Essentials for Local Leaders workshops, held across the province in early 2013, a Business Attraction Toolkit for BC Communities (launched in April 2013), support for LNG-affected communities, as well as expanded investment content on JTST's OpportunitiesBC website.

Background/Status:

- Between 2011 and 2013, JTST undertook the Regional Economic Investment Pilot initiative with Campbell River, the North Fraser region, and the McBride to Barriere corridor, to identify and advance key job creation and investment attraction opportunities in these regions.

2014/15 Estimates Note Advice to the Minister

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

- While the pilots in Campbell River and the North Fraser region are now complete, JTST continues to support economic development in these regions on a project by project basis. JTST continues to support the McBride to Barriere corridor region and pilot implementation is ongoing.
- Pilot experience and learnings have informed development of the Regional Economic Collaboratives (REC) initiative. Led by JTST, the RECs engage clusters of communities in five regions to identify and advance priority economic initiatives with a regional impact.
- Specifically, these Pilots resulted in several concrete outcomes for the three regions within an 18 month time period and proved to be an effective model for bringing communities together, in a forum setting, to identify and action those regional priorities where the province can play a supporting role.
- Feedback on the Pilots from the three regions has been positive, as referenced below.
- See appendices for project details and outcomes.

Campbell River:

"The Campbell River pilot has been a great success. The Geoscience BC project led to a significant increase in staking activity in the region, which is a strong foundation for regional investment and job creation in the mining sector. The community marketing initiative resulted in strong working relationships between local businesses and the government's International Trade and Investment Representatives. Overall, the pilot provided an unmatched opportunity for Rivercorp and regional stakeholders to actively collaborate with the province to promote regional economic development and generate real results..."

—Rivercorp CEO, Vic Goodman

Community quotes published in the Local Government Management Association quarterly magazine, *Exchange* (released in September, 2013):

North Fraser:

"We met businesses, industry, community members and key service providers like post-secondary institutions, industry and government, and we learned that people were optimistic about our community and that we are well situated for future development in the sectors we identified," says Sandy Blue, Manager, Strategic Economic Initiatives at the District of Maple Ridge. "When the Ministry came out with the new pilot program through the Jobs Plan, we discovered that we were working on about six of their eight identified sectors so we were a great fit."

2014/15 Estimates Note Advice to the Minister

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

- Sandy Blue, Manager, Strategic Economic Initiatives, District of Maple Ridge

McBride to Barriere Corridor:

“When we first started to look at diversifying our economy, the need to collaborate with our neighbours in order to succeed was clear. So we went to the Province and our federal representative and said we need help with this – not just Clearwater but the entire valley,” says Leslie Groulx, Chief Administrative Officer at the District of Clearwater. “Through the process, a new focus for the valley and our community became clear. We know what our assets and needs are, and now a better understanding of our labour market is in order.” “We’ve been very successful with all of our projects, in part because we focused our efforts on projects that could easily be worked on with the Province, would benefit from financial support and were achievable in a short space of time,” says Groulx. “There is huge potential here and working with the Province provides an opportunity for all us to gain from economic growth.”

- Leslie Groulx, Chief Administrative Officer at the District of Clearwater

“The corridor pilot project was of great assistance in accelerating the approval process for the Cranberry Marsh Boardwalk and presently for the mountain bike park in Valemount,” says Silvio Gislimberti, Economic Development Officer for the Village of Valemount. “Both projects play a key role in the economic development strategy for attracting visitors and relocating businesses and families to the Robson Region.”

- Silvio Gislimberti, Economic Development Officer, Village of Valemount

Attachments:

Appendix I: Campbell River – Overview and Results
Appendix II: North Fraser – Overview and Results
Appendix III: McBride to Barriere Corridor – Overview and Results
Appendix IV: Pilot Contributions Tables

Contact:

Sarah Fraser	Executive Director	Regional Economic Operations	250-952-0644
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Appendix I: Campbell River – Overview and Results

Campbell River

The Campbell River Regional Economic Investment Pilot forum was held on January 30th, 2012. A second forum was held on July 11th, 2012. Three projects were completed for the pilot:

1. **Geoscience BC North Vancouver Island (NVI) Exploration Geoscience Project:** The project included the development of a stakeholder engagement strategy, surveys and sampling (an airborne magnetic survey and a stream sediment geochemical sampling and data analysis), community awareness events, and release of the geoscience data. The objective was to generate new geoscience data for the north island and help attract new mineral exploration interest and investment.
2. **Biomass Research Project:** The project provided a reliable biomass inventory and an economic and technical assessment of biomass technologies. The objective was to create readily available information for potential investors and encourage investment into the forestry sector in the Campbell River area.
3. **Consolidated Community Marketing Initiative:** The initiative included a networking event between local businesses and British Columbia's International Trade and Investment Representative and the development of a Site Selection Guide for Campbell River. The objective was to enhance publicly available community information, to leverage, build on and cross-promote marketing efforts.

The success of the Campbell River Pilot is in large part due to the regional stakeholder collaboration and the strong partnership between the Province and the Campbell River Economic Development Corporation (Rivercorp).

Final project updates are provided below.

The North Vancouver Island (NVI) Exploration Geoscience Project - completed.
(total project cost: ~ \$963,000)

The NVI Exploration Geoscience Project generated new geoscience data for northern Vancouver Island near the communities of Campbell River, Port Hardy, Port McNeill, Alert Bay, Port Alice and Zeballos.

There have been three data releases from this project, an aerial magnetic survey that was released in January 2013, a geochemical sampling program that was released in May 2013 and a regional stream sediment geochemical data sample reanalysis, which was released in January 2014 at the Mineral Exploration Roundup Conference in Vancouver.

Since the first data release in January 2013 a total of 23,929 hectares of new staking activity in the north island has occurred.

This new regional information has helped attract mineral exploration interest and investment, increased the understanding of the mineral potential, and provided local First Nations and communities with more information on the geology of the region.

This project was funded through Geoscience BC (\$530,000) and the Island Coastal Economic Trust \$400,000), with support from JTST (provided \$24,000 in support of stakeholder engagement in the project development phase) and the Campbell River Economic Development Corporation (Rivercorp \$9,000).

Biomass Research Project – completed (total project cost: \$23,500)

The biomass inventory report offers detailed technical information about biomass sources and volume near Campbell River. The total volume of biomass from all supply areas was 228,000 oven dry tonne/year. The delivered cost to Campbell River ranged from 46 to 106 dollars per oven dry tonne for supply areas with an average delivered cost of 57 dollars per oven dry tonne.

JTST contracted FP Innovations to complete the biomass inventory report for the Campbell River region. A second technical report done by FP Innovations was also completed, which assesses process options for transforming the biomass into useful end products, such as woodpellets and other biofuels.

The second report, titled the *Economic and Technological Assessment of Biomass Residue Feedstock Options for the Campbell River Area*, evaluates the technical and economic viability of potential investment opportunities and provide a means of comparing them on a common basis. These assessments included product prices, capital investments and operating costs. The report concluded that the technology options that would provide the greatest return on capital are torrefied pellets, pyrolysis oil and combined heat and power.

This data is used by the local economic development office, Rivercorp, for investment attraction and business development purposes. Rivercorp reports sharing the biomass data with a small number of potential investors. Both reports are available on the ministry's website.

Community Marketing Initiative - completed. (total project cost: ~\$9,000)

On October 27, 2012, British Columbia's International Trade and Investment Representatives were in Campbell River for a special networking event with local businesses. Hosted by Rivercorp, in partnership with the JTST, the Representatives provided an overview of the services and how they can assist British Columbia companies looking to enter or expand in international markets.

The event included one-on-one consultation sessions between the Trade and Investment Representatives and individual businesses.

Also under the Consolidated Community Marketing Initiative, Rivercorp developed a Site Selection Guide for Campbell River. This document provides detailed baseline information on the community, such as statistics on labour, infrastructure, quality of natural resources and market characteristics, information that is critical to attracting potential foreign direct investment.

Appendix II: North Fraser – Overview and Results

North Fraser:

The North Fraser Regional Economic Investment Pilot forum was held on December 8, 2011, with stakeholders from the communities of Pitt Meadows, Maple Ridge and Mission. A second forum was held April 20, 2012. Five projects were confirmed for the pilot.

A final update on each project is provided below.

Community representatives from the North Fraser expressed gratitude for the achievements of the pilot, acknowledging that the support of the Province was invaluable in moving key regional economic development priorities forward.

Mission Interpretative Forest - Florence Lake Forest Service Road (completed) and Mission Interpretative Forest Master Plan (in progress).

Developing the Mission Interpretive Forest will expand and enhance regional tourism, forestry and natural resource industries. Surfacing of the first portion of forest service road leading to the proposed location of the Tim Horton Children's Foundation Camp in Mission has been completed. The timing for additional road work is dependent on further progress being made on camp development, including development permits.

In 2010-2011, \$1.265 million was invested for initial upgrades to the first 8.4km (provincial portion was \$755,000 and the federal portion was \$510,000). In October/November 2012, the Province invested another \$400,000 to upgrade the surface of the first 8.4 km. Of these funds, \$150,000 will be reimbursed by the District of Mission.

JTST provided \$6,000 in funding for a Mission Interpretative Forest user survey summary report. JTST has also allocated \$25,000 in funding in addition to \$15,000 allocated in funding from FLNRO to support the creation of a Mission Interpretive Forest Recreation Master Plan. JTST has provided \$25,000 to the District of Mission to support two components of the development of the Recreation Master Plan: (1) producing a recreation inventory and opportunities map that identifies existing recreational features and potential areas for recreation and tourism development, and (2) identifying potential recreation and tourism operations and businesses for the Mission Interpretive Forest. This work will be completed in the 2014/15 fiscal year.

North Fraser Tourism and Recreational Corridor - completed.

Establishing a North Fraser Tourism Corridor is intended to align the tourism activities in the region and promote the North Fraser as a tourism and recreation destination. To that end, the North Fraser tourism corridor branding strategy was completed and a *True North Fraser* brand was launched. Implementation of further recommendations is being led by community representatives working with regional tourism stakeholders. JTST provided \$12,000 to support this initiative.

Pitt Meadows Airport International Education/Business Park - completed

Expanding the Pitt Meadows Airport (YPK) International Education/Business Park has been supported by development of marketing materials and facilitation of networking opportunities with industry representatives.

The Province co-funded development of communications and marketing materials in support of the participation of Invest North Fraser and YPK at the Pacific Northwest Aerospace Alliance Conference in 2013. Professional materials to support discussions with potential business investors, including a finalized business attraction target list, a tenant attraction strategy and a land use plan for the airport (under development), positions the airport well for growth.

JTST staff worked with regional stakeholders to promote YPK on Opportunities BC website, and provided \$10,000 in funding for communications and marketing products. Project funding was shared with Pitt Meadows Economic Development Corporation, Department of Foreign Affairs and International Trade and YPK (total project cost \$22,000). JTST provided an additional \$6,000 in funding for a feasibility and impact analysis.

North Fraser Agri-food Distribution Hub Business Model - completed.

This project involved developing tools to support the potential creation of a North Fraser Agri-food Distribution Hub.

Through funding from the Province and the Pitt Meadows Economic Development Corporation, comprehensive research and analysis was undertaken to understand required components of an agrifood distribution hub in the North Fraser region. By looking at the supply and demand that could eventually support a food hub and researching the models used by other agrifood hubs in North America, the report provides current information and insight for moving forward with this initiative. The report concludes that through the development of a hub, there is significant potential to increase activity in the regional food economy. The report also points to potential land use, transportation, environmental impacts that must be considered.

JTST provided \$10,000 to undertake analysis and develop the report pertaining to potential of an agrifoods hub. Project funding was shared with Pitt Meadows Economic Development Corporation (total project cost \$14,000). JTST provided \$6,000 in funding for the feasibility and impact analysis.

North Fraser Centre of Excellence - completed.

The concept of establishing a North Fraser Centre of Excellence coalesced in the creation of the new BusinessSTART program launched in October 2013.

BusinessSTART is a free resource program for home-based, small and micro-businesses in the North Fraser. The program represents the next step in establishing a business innovation centre of excellence in the region. BusinessSTART is designed to connect entrepreneurs with the information and resources they need to get a solid start. JTST provided \$6,000 in funding to support this initiative.

Total provincial contribution for North Fraser pilot - \$496,000.

Appendix III: McBride to Barriere Corridor – Overview and Results

McBride to Barriere Corridor

The McBride to Barriere corridor pilot forum was launched on January 16th, 2012, by bringing together community and business leaders from Barriere, Chu Chua (Simpw First Nation), Clearwater, Blue River, Valemount, Dunster and McBride. Themes emerged that captured the broad range of economic development initiatives in the region, including tourism, energy, fibre and other.

In an innovative partnership with the Northern Development Initiative Trust (Northern Development), the Ministry will have a McBride-based Northern development intern work closely with Ministry regional staff and the participant communities for five and a half months to advance these initiatives to completion.

Theme 1: Tourism- Five projects were prioritized for this theme and are in various stages of implementation.

North Thompson Sub-Regional Tourism Strategy – completed Fall 2013 and currently being implemented

A sub-regional tourism strategy for the North Thompson Valley, including the Communities of McBride and Valemount was circulated September 13, 2013, to regional tourism stakeholders involved in the process, led by Destination BC. This Strategy was completed with funding through the Community Tourism Foundations program (including \$7,500 in professional fees and \$1,000 for expenses and travel).

Examples of key projects included in the strategy are: the pursuit of a global designation for Wells Gray Provincial Park, identifying stories and themes to build new visitor events, expanding the network and use of trails within the region, and raising the profile of First Nations culture within the overall regional tourism strategy.

A steering committee with representatives of each of the communities and the two regional districts covered by the plan has been created to explore implementation of the strategies and recommendations included in the report. Two priorities have been identified and will be pursued immediately:

- Wells Grey Park Geopark feasibility assessment (in progress): the Ministry has contributed \$5,000 toward a Scoping Study to determine the potential benefits, in terms of sustainable job creation and economic diversification, of seeking UNESCO Geopark status. The study will include identification of potential Geopark sites, and economic impact studies and order of magnitude analysis. Ministry staff have also provided assistance to the Steering Committee to develop a terms of reference for the study, and to complete an application for funding assistance to the Southern Interior Beetle Action Coalition.

- North Thompson Marketing and Materials Development (in progress): Led by Tourism Sun Peaks on behalf of the communities, this initiative is focused on generating content (images and video) with similar feel and visual attractiveness and tapping in to community and international tourism markets to provide consistent and significant marketing coverage. Deliverables for implementing the action plan in 2014 are targeted for completion by November.

The communities of the North Thompson have come together as a consortium to move forward with the implementation of the North Thompson Tourism Plan. Specifically, developing materials that identify and showcase the stories and themes of the region is a priority. The Community Tourism Opportunities program through Destination BC has a cooperative marketing fund that the consortium is applying to for the 2014/15 fiscal year in hopes of leveraging the \$15,000 they have raised to fund a marketing strategy.

Valemount Glacier Destination Resort – in progress

The Province has approved an Interim Agreement for the Valemount Glacier Destination Resort proposal. This agreement 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 Province, 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.

While the Provincial review process continues for the resort development proposal, the Village of Valemount has identified the need to assess necessity and options available for extending the municipal boundary to include this development. JTST is working closely with the Village and with the Ministry of Community, Sport and Cultural Development to identify a terms of reference and engage a professional to provide a detailed assessment of the implications such a boundary expansion could entail.

Road Improvements – Completed

Access to the backcountry, hiking opportunities and Wells Gray Provincial Park was identified as a priority in support of tourism opportunities in the Corridor Pilot area. Road improvements and safety upgrades undertaken by the Province to facilitate safety and ease of access include:

- Upgrades to the Trophy Mountain Road completed in late 2012 by Ministry of Forests, Lands and Natural Resource Operations;
- Upgrades to the Clearwater River Road in Wells Gray Park completed in early 2013 by Ministry of Environment; and,
- Construction of the new roundabout at the junction of Highway 5 and Clearwater Valley Road by Ministry of Transportation and Infrastructure to address safety concerns and as part of the ongoing improvements to this corridor.

Valemount Attractions – in progress

Cranberry Marsh circle trail and boardwalk is one of two small scale, high tourism attraction potential projects identified for support under the Pilot. With assistance from JTST, the Village of Valemount received a permit to start construction of the Cranberry Marsh trail and boardwalk in late 2012 and has completed phase 1 of this project. JTST provided \$122,000 through the Resort Municipality Initiative to support this project.

Development of the mountain bike park on 5-Mile Mountain was also identified as a tourism attraction project. The Ministry provided support for the permitting of an engineering study, which was done by the Yellowhead Outdoor Recreation Association (YORA) in summer 2012. YORA is now working on a development plan to be submitted as part of the tenure application for this project.

Theme 2: Energy – Two energy projects were identified as priorities for the region and are considered concluded.

McBride Substation Development

BC Hydro and two IPP project proponents engaged in extensive and active dialogue between May of 2012 and December 2013. The McBride-area IPP proponents had until December 31st to conclude negotiations with BC Hydro. That deadline was not met by the IPPs and, as a result, the negotiations with BC Hydro for the proposed Electricity Purchase Agreements have terminated.

North Thompson Transmission Line

BC Hydro suspended planning for the North Thompson transmission line reinforcement project in January 2013 due to uncertainty in the load forecasts associated with potential future industrial users. Resumption of planning will depend on whether large industrial loads materialize in the region to support capital required for transmission expansion.

Theme 3: Fibre – One project was identified as a priority for identifying and taking advantage of fibre supply and demand opportunities in the Corridor and is in progress:

Bridges II – in progress – Contract runs to end of June 2014

Increasing economic benefits from regional fibre supply is a priority for small forest tenure holders, First Nations, communities and value-added manufacturers. The Bridges II Project focuses on working collaboratively at a sub-regional scale and was initiated with a field tour in November 2012. The project includes two regions. In the corridor pilot area, the communities of McBride, Valemount, Vavenby, Clearwater and the Simpcw First Nation were engaged to begin identifying regional priorities. Progress continues to be made on the implementation of Bridges II work-plan deliverables.

The Bridges II Project is jointly sponsored by the Province, the Southern Interior Beetle Action Coalition (SIBAC), the Omineca Beetle Action Coalition (OBAC), the BC

Community Forests Association and the Federation of BC Woodlot Associations. JTST contributed \$60,000 to support this project.

Theme 4: Other –Labour Market Analysis – In Progress

Identifying and analyzing labour market information and statistics for the area is important for communities to make informed and strategic decisions for their constituents. The Steering Committee is identifying and developing the scope of work and expectations as part of the process to access Labour Market Partnership (LMP) funding to develop and deliver a LMP which may look at factors such as:

- Current labour force make-up, availability, skills and options;
- Information on un-employment and underemployment;
- Retention and attraction of labour to support current and future labour needs related to proposed projects in the area; and,
- Employer needs and strategies to support successful (currently) businesses.

Total provincial contribution for the McBride to Barriere pilot - \$341,500.

Appendix IV: Pilot Contributions Tables

SUMMARY

	Province	External partners	Totals
Campbell River	50,000	945,500	\$995,500
North Fraser	496,000	16,000	\$512,000
McBride to Barriere	336,500	140,000	\$476,500
Totals	\$483,000	\$1,101,000	\$1,524,000

CAMPBELL RIVER PILOT CONTRIBUTIONS

	JTST	MIT	ICET	Campbell River EDC	Geoscience BC	Totals
North Vancouver Island Exploration Geoscience Project	24,000		400,000	9,000	530,000	\$963,000
Biomass Research Project	23,500					\$23,500
Community Marketing Initiative		3,000		6,000		\$9,000
Totals	\$47,500	\$3,000	\$400,000	\$15,000	\$530,000	\$995,500

NORTH FRASER PILOT CONTRIBUTIONS

	Province	Pitt Meadows EDC	Totals
Mission Interpretative Forest	446,000		\$446,000
North Fraser Tourism Recreational Corridor	12,000		\$12,000
Pitt Meadows Airport International Education/Business Park	16,000	12,000	\$28,000
North Fraser Agri-Food Distribution Hub Business Model	16,000	4,000	\$20,000
North Fraser Centre of Excellence	6,000		\$6,000
Totals	\$496,000	\$16,000	\$512,000

MCBRIDE TO BARRIERE PILOT CONTRIBUTIONS

	Province		Beetle Action Coalitions (Southern Interior and Omineca)	BC Community Forests Association	Federation of BC Woodlot Associations	Totals
	JTST	Other Provincial Expenditures				
North Thompson Sub-Regional Tourism Strategy	8,500 ¹					\$8,500
Geopark Scoping Study	5,000					\$5,000
Trophy Mountain and Clearwater River Road Improvements		146,000				\$146,000
Valemount Attractions	122,000 ²					\$122,000
Bridges II	60,000 ³		120,000	10,000	10,000	\$200,000
Totals		\$336,500	\$120,000	\$10,000	\$10,000	\$476,500

¹ Community Tourism Foundations Program

² Resort Municipality Initiative

³ Economic Development Division (Pine Beetle Epidemic Response Branch)

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Title: Regional Economic Collaborative (REC)

Revised: April 22, 2014

Issue: Four Regional Economic Collaboratives are underway across British Columbia to bring communities and regional partners together to identify and advance priority economic initiatives with broad regional impact

Recommended Response:

- The Regional Economic Collaboratives (REC) are offered as part of the Enhanced Community Support Initiative (announced Dec. 20, 2012) under the BC Jobs Plan commitment to work with communities and build their capacity so that every region of the province can make the most of its unique competitive advantages.
- Led by the Ministry of Jobs, Tourism and Skills Training (JTST), the REC initiative has engaged clusters of communities in four regions to identify and advance priority economic initiatives with a regional impact.
- Regional forums have occurred in the following regions: Northwest (Terrace), Lytton-Clinton-Lillooet (Clinton), Quesnel Area (Quesnel) and Elk Valley (Sparwood).
- Regional staff have engaged in discussions with the four Nisga'a First Nation communities to develop a REC for the Nass Valley but have recommended postponing further discussions due to insufficient interest by the communities at this time. We will focus instead on adding value to the Nisga'a communities by introducing and promoting economic development resources such as the Investment Attraction Toolkit and the Economic Development Essentials for Local Leaders workshop.
- Over the next 12 months, and with the support of the Province, communities in all four regions will continue to action priority initiatives that were identified in the REC forums.

Background/Status:

Lytton-Clinton-Lillooet REC – Clinton

- The Lytton-Clinton-Lillooet REC forum was held on April 5, 2013 in Clinton with over 50 participants from the communities of Lytton, Lillooet, Ashcroft, Cache

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Creek, Clinton, the Thompson-Nicola and Squamish-Lillooet Regional Districts, and the Lytton, St'at'imc and High Bar First Nations.

- During the Regional Economic Collaborative forum, the following five priority economic development themes emerged:
 1. Market Industrial Land Development Opportunities and Attract New Investment.
 2. Grow and Diversify Regional Agriculture.
 3. Expand Local Training and Education Opportunities.
 4. Develop and Establish Community Services and Infrastructure.
 5. Tourism Business Retention, Expansion and Attraction.
- ***Opportunities BC & Provincial Nominee Program Presentations*** - Marc Imus and Aileen Luney, from the Ministry of Jobs, Tourism and Skills Training, provided presentations on Opportunities BC and the Provincial Nominee Program (PNP) to several community representatives from Ashcroft, Cache Creek and Clinton in December, 2013. The presentations explained best practices in developing Opportunities BC listings as well as the benefits associated with attracting immigrant investors and related businesses through the PNP. For copies of the presentation material, please contact Marc.Imus@gov.bc.ca.
- ***Land Development Workshop*** – a land development workshop was hosted by the Economic Development Division of the Ministry of Jobs, Tourism and Skills Training on Wednesday, February 26th at the Clinton Memorial Hall. The workshop focused on community and municipal land development for investment attraction and/or business development purposes. This applied workshop covered key details related to the development process, including: conducting a land readiness assessment; navigating the site selection process; developing a land development prospectus; identifying relevant provincial government supports, resources and contacts; and creating a high quality investment profile for OpportunitiesBC and other marketing vehicles. Tips and strategies for creating a viable and attractive land development opportunity were emphasized along with strategies to overcome common barriers to investment attraction, and example success stories were shared from various communities.
- ***Mobile Application*** – Gold Country Communities Society's website: www.exploregoldcountry.com is now complete with “responsive design” and can be viewed on any mobile device. This will help the traveling public to access

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information about the region and help to promote events and tourism opportunities in the region on multiple device platforms.

- **Signage Audit** – the Ministry of Jobs, Tourism and Skills Training, Gold Country Communities Society and Vancouver Coast & Mountains Tourism Region are coordinating efforts to conduct signage audits along the Fraser Canyon and other highway corridors in the Gold Country region. This will provide useful information on which signs could use a “refresh” and where there are gaps in signage to inform the traveling public about the many features and tourism opportunities in the region.

Northwest REC – Terrace

- The Northwest REC forum was held on September 27, 2013 in the City of Terrace with 50 representatives from the local governments of Kitimat, Terrace, Port Edward, and Prince Rupert, as well as First Nations representatives from the Kitselas, Nisga’a, and Haisla First Nations. Key service stakeholders, including Northern Health, University of Northern British Columbia, and Western Economic Diversification, also attended.
- Four projects were identified during the forum as opportunities for collaborative action by the communities of the Northwest:
 1. Regional Impact Analysis (RIA);
 2. Summary of Northwest Labour Market Partnership (NWLMP) outcomes;
 3. Regional tourism strategy;
 4. Review of opportunities to establish a bio-mass facility in the Northwest Region.
- **Regional Impact Analysis** - the Ministry of Community, Sport and Cultural Development is currently leading the **Northwest Readiness Project** in consultation and collaboration with the Ministry of Jobs, Tourism and Skills Training and Responsible for Labour (JTST), the District of Kitimat, the City of Terrace, the City of Prince Rupert, the District of Port Edward, and the Skeena-Queen Charlotte and Kitimat-Stikine Regional Districts. The purpose of this project is to ensure that provincial service providers and communities in the Northwest region that are expected to experience significant population growth are prepared to meet the infrastructure, health, safety and social services demands as proposed new industrial projects move from concept to construction stages and beyond. Drawing from data sourced from project proponents, and in consultation with a number of regional stakeholders, the Northwest Readiness Project Team is developing a standardized set of scenarios of probable employment and population growth resulting from major project development in

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the region. These projections will be invaluable to communities as they undertake service planning.

- **NWLMP Results** – Regional staff have provided a summary of NWLMP outcomes to NW REC participants, including a Human Resource Strategy for the Region, an online interactive forum (iChinook.ca) that connects stakeholder groups to promote the development of a skilled workforce in NW BC, and the Northwestern BC Careers Sourcebook – a comprehensive resource designed to help residents of the Region get the training they need in a dozen high demand trade areas. Collaborative efforts continue with a second Partnerships 2020 Conference scheduled for June 11-12, 2014 in Prince Rupert. This event will feature updates on the sectoral LMP initiatives underway in the Region, with keynote speakers and program updates from local service providers and industry.
- **Northwest EDO Alliance** – on March 13, a number of Economic Development Officers and practitioners from across the Northwest Region gathered in Kitimat and embraced a Regional EDO Alliance concept promoted by regional Ministry staff. This informal alliance will come together for face to face meetings in the region two to three times a year to build on an already strong collaborative spirit amongst regional EDOs by discussing approaches for working together to address economic development issues and opportunities for communities in the Northwest Region. Regional staff will act as a catalyst to organize and develop an agenda for the next NW EDO Alliance meeting in late spring or early summer. That agenda may include a presentation on the outcomes of the Northwest Readiness Project, potential opportunities for pursuing a Northwest Regional Tourism Strategy, opportunities for attracting investment in the bio-energy sector to the region, and other topics.
- **Bio-mass** - Several new developments related to the bio-mass initiative have occurred since the September REC Forum. In November 2013 Pinnacle Renewable Energy opened their new Prince Rupert export facility. In December, Pinnacle and Coast Tsimshian Resources struck an agreement to develop a pellet manufacturing facility in Terrace. Opportunities for attracting investment in the bio-energy sector to the region will be a topic of discussion at the next NW EDO Alliance meeting currently being planned.
- In response to Gitlaxt'aamiks (New Aiyansh) CAO Darlene Morgan's concern at the REC that a skilled and ready Nisga'a workforce has been unable to find employment, JTST connected Darlene with the Industry Training Association. This led to a Gitlaxt'aamiks delegation visiting the UA Piping Industry College in

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Vancouver in December. The result of this engagement is that UAPIC has recently established an apprenticeship program in Terrace and a number of Nisga'a candidates are now in that program with hopes for finding employment in the emerging economy.

- Terrace and Prince Rupert have recently hired new Economic Development Officers. JTST is actively engaging with the new EDOs to mentor, educate, support, and encourage them to continue the strong collaborative relationship that has developed between the economic development practitioners in the region.

Quesnel REC - Quesnel

- The Quesnel REC took place October 30, 2013 in Quesnel, with more than 60 participants from the City of Quesnel, District of Wells, Cariboo Regional District, Nazko First Nation, Cariboo-Chilcotin Beetle Action Coalition, Northern Development Initiative Trust, Aboriginal Tourism BC, and business organizations.
- With the October 24 Canfor sawmill closure announcement, the REC forum became an opportunity to initiate the mitigation process for associated economic and worker transition impacts. The REC has become an integral part of the community adjustment response in Quesnel.
- Four priority community and economic development themes were discussed during the forum:
 1. Worker Transition Planning and Skills Training
 2. Small Business and economic development
 3. Tourism Product Development
 4. Business implications to business community of Canfor Quesnel operation shut down.
- In November, a Community Resource Guide, providing key information on employment, community and social services, job skills and retraining, and financial services was collated and made available in Quesnel. This project was led by the City of Quesnel and funded by the Province.
- Through the month of December 2013, Quesnel business improvement associations, the Chamber of Commerce, QCEDC and other business related organizations such as Community Futures are working together on a "Shop Quesnel" project to support local retail merchants through the Christmas season.

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- WorkBC and Service Canada provided information sessions at the mill site on December 19-20, 2013 and February 24–26, 2014, and hosted sessions at the WorkBC office March 24-26 to assist workers with the online EI application process. WorkBC also provided weekly information sessions on Thursdays and Fridays at the WorkBC office in January and February.
- The Quesnel Community Economic Development Corporation has been successful in securing two Job Creation Partnerships through funding provided by the Ministry of Social Development and Social Innovation (JCP). The JCP program helps build on existing skills and increase the participant's network of potential employers. Participants are placed in community based projects that are for a specific duration. These JCP's will increase their capacity in Small Business Development, Agriculture and Tourism.
- An Economic Development Essentials Workshop, hosted by JTST in late March was attended by 15 local leaders representing the City of Quesnel, First Nations, and Business Associations. Business retention and attraction and entrepreneurship were among the topics discussed.
- To facilitate business retention and expansion, QCEDC, supported by JTST, completed a very successful Business Walks program from March 26-28, 2014. Over 80 businesses were visited, providing the QCEDC and business leadership with valuable insight into local business opportunities and challenges.
- The City of Quesnel, and QCEDC, supported by the Province of BC organized a Job Fair in Quesnel on April 3. An estimated 900 people visited with over 50 employer booths.
- On April 15th, JTST provided an update on the REC and mill response at the City's ourQuesnel Economic and Innovations forum. This forum was attended by a cross section of the community including large and small business and the non-profit sector. Minister Thompson, (MFLNRO), Minister Oakes (MCSCD) and Parliamentary Secretary Barnett also attended.

Elk Valley REC - Sparwood

- The Elk Valley REC was held in Sparwood on January 17, 2014. This event engaged 61 representatives from Elkford, Sparwood, Fernie, First Nations,

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Columbia Basin Trust, Invest Kootenay, economic development practitioners, and business and educational organizations in the region.

- Four priority regional economic areas were identified, along with potential initiatives:
 - Infrastructure gaps - e.g. identify and assess available lands for business and housing development, transportation within Elk Valley.
 - Workforce and training issues – e.g. offer expanded training programs in partnership with regional industry.
 - Business development and diversification – e.g. strengthen services supplied to industry in the region.
 - Collaboration to raise awareness of Elk Valley opportunities nationally and internationally.
- JTST held a Local Governments Land Development Marketing workshop on March 25, 2014 in Fernie to assist the Elk Valley communities assess land development and land availability readiness.
- JTST has connected the Elk Valley Regional Economic Development Task Force and the Elk Valley local governments to the Small Business Branch's Mobile Business Licensing initiative to assist the region to explore options to strengthen and increase business services.
- In collaboration with Community Futures East Kootenay and Columbia Basin Trust, JTST is providing assistance to the Elk Valley Regional Economic Development Task Force to draft funding applications in support of collaborative Elk Valley awareness and profile network, marketing, and web site projects.
- JTST provided support to the Elk Valley communities and the Elk Valley Regional Economic Development Task Force in the development and launch of the first collaborative Elk Valley awareness and profile advert in the BCEDA "Invest in BC" publication (April 2014).

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Advice to the Minister

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

Nisga'a REC - Postponed

- A fifth REC had been under discussion with representatives from the Nisga'a First Nation communities of Gitlaxt'aamiks, Gitwinksilhkw, Laxgalts'ap, Gingolx and the Nisga'a Lisims Government.
- JTST regional staff have been actively building relationships in the Nass Valley over the past 14 months and have sought local support for a REC with the four Nisga'a communities and the Nisga'a Lisims Government.
- Due to capacity constraints and priorities driven by other projects occurring within the Nass Valley, the Nisga'a are not receptive to participating in a REC at this time.
- Regional staff have recommended postponing the pursuit of a Nisga'a REC indefinitely and focusing instead on adding value to the Nisga'a communities by introducing and promoting economic development resources such as the Investment Attraction Toolkit and the Economic Development Essentials for Local Leaders workshop.

s13

Contact:

Executive Director	Sarah Fraser	Regional Economic Operations	250-952-0644
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Pages 813 through 822 redacted for the following reasons:

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2014/2015 Estimates Note

Advice to the Minister

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

Title: North Island-Coast Development Initiative Trust (ICET)
Funding Request

Revised: April 16, 2014

Issue: Having expended \$47 million of its one-time \$50 million allocation in fulfillment of its economic stimulus mandate, ICET requested an interim cash infusion of \$10 million until more substantial provincial funds might be available.

Recommended Response:

- In 2006 the Province provided a one-time grant of \$50M to ICET to manage and use as the Trust saw fit for diversifying the local economy.
- This one-time funding commitment was expressly outlined in the *North Island-Coast Development Initiative Trust Act 2006*.
- I appreciate that ICET engaged with staff to explore the potential for additional funding and presented their business plan for our analysis.
- There is no provision for funding this fiscal year and any additional funding request would need to be considered within the context of our fiscal constraints and other provincial priorities.
- I appreciate that ICET has used this funding to support a number of local projects in the North and Central Vancouver Island and has used it to leverage approximately \$260M in total funding which has made a significant impact on those communities – which was the intent of the funding.
- Government is supporting economic development on the North Island in a number of ways, including:
 - Concentrated efforts to identify and advance key economic opportunities in specific geographic areas – e.g. Campbell River Economic Development Pilot (2012-13) and Port Alberni Community First Agreement (2011-12).
 - An Economic Development Essentials training session was held in Port McNeill in February 2013 for North Island community leaders; additional sessions being planned for Powell River (May 6, 2014) and Port Alberni (May 8, 2014).
 - A Land Development Workshop was held in Parksville on March 7, 2014.
 - The Business Attraction Toolkit for BC Communities was launched in April 2013 to enhance communities' investment readiness.

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- Other provincial and federal funding sources are available to North Island communities to support economic development initiatives, dependent on project parameters and requirements.

Background/Status:

- Established in 2006 under the *North Island-Coast Development Initiative Trust Act 2006*, the North Island-Coast Development Initiative Trust (also known as the Island Coast Economic Trust or ICET) was provided one-time provincial funding to help grow and diversify the economy of the North Island-Coast area. The North Island-Coast area consists of all regional districts and municipalities on Vancouver Island north of the Malahat as well as Powell River and the Sunshine Coast.
- Since its inception, ICET has invested almost \$47 million in more than 96 projects situated in 45 different communities.
- Unlike the Northern Development Initiative Trust (Northern Development) and the Southern Interior Development Initiative Trust (SIDIT), which were established under similar legislation, ICET adopted a spend-out, rather than a legacy model, choosing to distribute the majority of its funds for on-the-ground economic development. Northern Development, originally allocated \$185 million, has invested its funds, choosing to spend only the return on investment. SIDIT, originally allocated \$50 million, has adopted an investor model, investing generated revenues primarily in businesses not eligible for traditional banking loans and higher risk/return venture capital opportunities.
- ICET reports its investments have generated significant economic benefits to the region and to the province, including:
 - leveraged investments of more than \$260 million,
 - \$4.58 leveraged for every \$1 of ICET funding; more than \$2 of this was leveraged from federal and non-government sources,
 - estimated 2,500 person years of employment created through project construction work,
 - estimated 2,165 permanent jobs created in the operational phase (within 3-5 years of project completion, with potential for continued job growth over the long term),
 - estimated \$16.5 million in provincial tax revenue during project construction work, and
 - estimated \$9.4 million in annual provincial revenue.

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- ICET presented a business case to government and requested an interim cash infusion of \$10 million to transition over the next three years with an intent to ask for a further \$40 to continue its spend-out approach to economic development.
- JTST Deputy Minister wrote to the Chair of ICET indicating that the government would not be able to support the request at this time.
- ICET has confirmed that they will continue business as usual throughout 2014.

Contact:
Executive Director Greg Goodwin Regional Economic Policy and Projects 250 356-0778

Reviewed by			
Dir:	ED: GG	ADM: SM	DM:

Pages 826 through 834 redacted for the following reasons:

s13, s17

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Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Hon. Shirley Bond

Title: BC Jobs Plan

Revised: April 24, 2014

Issue: BC Jobs Plan Accomplishments and Priorities

Recommended Response:

- The BC Jobs Plan supports the development of eight key export sectors to enhance the province's competitive advantages, encourages economic growth, and ensures the workforce has the skills to match jobs.
- Since releasing the Plan, the province has added 54,400 jobs.
- Over half of the Plan's original 61 supporting action items have been completed. The remainder are either in progress or considered to be of an ongoing nature particularly related to natural resource development and skills and training.
- The Jobs Plan is a long-term strategy monitored against 19 targets that measure progress in the eight key export sectors. Currently, 11 of 19 targets have been met.
- In the *24-Month Jobs Plan Progress Report* published September 2013, government made a number of additional incremental commitments to support economic growth including support for small business and the manufacturing sector with more work to be done in the areas of natural resources and skills and training development.
- **Recent accomplishments:** Significant commitments accomplished since the September 2013 *Progress Report*, include: completion of the South Fraser Perimeter Road, a more streamlined mining application process and a trade mission to Asia (see Appendix One for "Eight Sectors- Recent Accomplishments").

Background/Status:

- In September 2011, the Premier released *Canada Starts Here: The BC Jobs Plan*. 61 specific action items aligned within three strategic pillars:
 1. Work with employers and communities to enable job creation across British Columbia.
 2. Expand the markets for British Columbia's goods and services, particularly in Asia.

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3. Strengthen the infrastructure to get goods to market.
- The Plan has been developed to support eight key export sectors; agrifoods, forestry, energy/mining, natural gas (LNG), international education, technology, tourism, and transportation. Each sector was identified to enhance the province's competitive advantage and is supported by a sectoral strategy.
- Further, the Plan is supported by the *Skills and Training Plan* to ensure the workforce has the skills to match jobs, including those required by major economic and industrial projects such as development of liquefied natural gas industry and the National Shipbuilding Procurement Strategy contract.

Highlights of Progress since the Launch of the Jobs Plan

- Approximately 50 percent of the 61 supporting action items have been completed, with the remaining either in progress or considered to be of an ongoing nature.
- The Plan is being monitored against 19 targets that measure progress in the eight key export sectors. In September 2013, government reported that 11 of 19 targets had been met. All remaining targets are longer-term, on track for their timed completion deadlines of between 2014 and 2020 (See Appendix Two).
- Since August 2011, B.C. added 54,400 jobs and ranks fourth in job gains compared to other provinces, behind Alberta (+154,000 jobs), Ontario (+155,300) and Quebec (+77,000) (see Appendix Three for a critique of the Canadian Centre for Policy Alternatives Report: *BC JOBS PLAN* Reality Check).
- The Plan commits the province to two economic targets by 2015; top two in GDP growth and top two in new job growth in Canada.
 - Forecasted GDP growth for 2013 ranks British Columbia 6th against other provinces, though the Conference Board of Canada is forecasting for British Columbia to lead the provinces in economic growth in 2015.
 - BC currently has the 4th lowest unemployment rate (6.4 percent) in the country (behind Saskatchewan (3.9 percent), Alberta (4.8 percent), Manitoba (5.5 percent)); but is currently ranked eighth for job growth against other provinces.
- The government has confirmed a number of incremental job-related commitments in the *24-Month Progress Report* including support for small business and the manufacturing sector with more work to be done in the areas of natural resources and skills and training development.
- Since the release of the *Progress Report* in September 2013, a number of commitments have been accomplished which include completion of the South Fraser Perimeter Road, a more streamlined mining application process through a reduced turnaround time on Notice of Work applications, and a trade mission to Asia (see Appendix One for more fulsome list).

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- Government's next public *Jobs Plan* progress report is scheduled for September 2014.

Contact:

Executive Director Angelo Cocco Economic Initiatives and 250 952-0612
Analysis Branch

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Minister Responsible: Hon. Shirley Bond

APPENDIX ONE: EIGHT SECTORS - RECENT ACCOMPLISHMENTS

Agrifoods

- The temporary Greenhouse Carbon Tax Relief Grant Program was extended indefinitely to provide carbon tax relief to commercial greenhouses which includes vegetable producers, floriculture, wholesale production nurseries, and forest seedling nurseries. The grants cover 80 per cent of the carbon tax paid on natural gas and propane used for greenhouse heating and CO2 production.
- The Ministry of Agriculture successfully implemented the new enhanced Provincial Meat Inspection Program ahead of the January 1, 2014 deadline, which had formerly been delivered through a contract with the Canadian Food Inspection Agency.

Mining

- Since 2011, two new mines have opened: New Afton, (405 full-time jobs near Kamloops) and Mount Milligan (407 full-time jobs northwest of Prince George). Two additional new mines are expected to open in 2014: Red Chris, a \$500-million copper and gold mine just south of Dease Lake, will provide 750 full time jobs (during construction and operations). Roman, a \$340-million coal mine near Tumbler Ridge, will provide 375 full time jobs.
- Three more new mines are currently either under construction or permitted: Bonanza Ledge (would provide 30 full time jobs near Quesnel), Treasure Mountain and Quintette (would provide 500 full time jobs near Tumbler Ridge).
- Expansions at Highland Valley, Elk View, Huckleberry, Quinsam and Line Creek have extended the operating life of those mines. Endako has completed an expansion which will extend its life and added 160 new jobs near Fraser Lake. Gibraltar has completed an expansion which added 150 new jobs near Williams Lake.

LNG/NG

- There are currently more than 10 proposed LNG projects in B.C; seven of which already have been issued export licences by the National Energy Board (the *Jobs Plan* target is for one LNG facility by 2015 and three LNG facilities by 2020).
- Assuming five LNG plants and the supporting pipelines are built, more than 39,000 annual jobs will be created over a nine-year construction period and 75,000 jobs once these plants are fully operational. In addition, five LNG projects could generate

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estimated cumulative gross domestic product benefit to B.C. totalling \$1 trillion by 2046.

- There have been strong indications that proposed LNG projects are advancing in B.C. – including the opening of the first LNG community office in Prince Rupert by Petronas (Pacific Northwest LNG project) and Chevron/Apache's contract award to the consortium of JGC/Fluor in January 2014 to lead all engineering, procurement and construction services for the proposed Kitimat LNG plant site.

Forestry

- The re-opening of the Chetwynd pulp mill this year following the sale of the Tembec mill to Paper Excellence Canada Holding Corporation. The sale is expected to be completed in the spring and 110 jobs will be created in the community.
- Canfor, the first major lumber producer to release fourth-quarter 2013 financial results, reported a \$28-million net profit attributable to shareholders for the final three months of the year, which raised annual earnings to \$228.6 million, compared with a profit of just \$26.4 million a year ago. The company attributes improving results to stronger markets for both lumber and pulp.

Technology

- B.C. celebrates Structurlam's innovation and job creation; with recognition for its leading-edge work in developing structural wood products. Structurlam, one of only two companies in Canada to manufacture cross-laminated timber (CLT) panels, opened its expanded, 930-square-metre (10,000-square-foot) production plant in May 2013. Currently the company employs 150 people in Penticton, Okanagan Falls and Oliver, and is supplying the CLT panels that are being used in the 'demonstration' 6-storey mid-rise Wood Innovation and Design Centre currently under construction in Prince George.
- B.C. continues to be a leading global hub for video game production with over 85 studios employing 5,000 full-time highly paid employees throughout the province. Attracted by the cluster of digital media companies and the province's commitment, through the creation of the Centre for Digital Media, to maintaining and advancing a highly skilled workforce, companies continue to grow their operations in B.C. and are advancing the province's reputation as a digital media and mobile gaming cluster.

Tourism

- Government collaborated with B.C.'s tourism industry to create the new industry-led, formula-funded Provincial Destination Marketing Organisation (PDMO) called Destination British Columbia. Destination British Columbia is a legislated Crown, and was officially launched on April 1, 2013.

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- Destination BC released a completely NEW HelloBC Consumer Web site (www.hellobc.com), which delivers improved search capabilities, search results format, fewer clicks and faster access to supplier listings in an improved visual presentation.

International Education

- International student head count up 13% (12,600 students) over the 2009/10 baseline and a 17 per cent increase in spending by international students since 2010.
- In 2012, international education services provided an estimated 23,410 direct jobs in B.C., representing about 13% of employment in the B.C. educational services sector.

Transportation

- Completion of the South Fraser Perimeter Road fully opened to traffic in December 2013, as part of Phase 2 of the Pacific Gateway Program, investing \$22 billion in roads and ports.
- Announcement that the Government of British Columbia will move ahead with the accelerated replacement of the George Massey with construction of a new bridge on the existing Highway 99 corridor to begin in 2017.

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APPENDIX TWO: Progress since the *Jobs Plan* Launch

Target category	Target	Lead Ministry / Minister	In progress	Target met
Aboriginal Relations	<ul style="list-style-type: none"> 10 new non-treaty agreements in place with B.C. First Nations by 2015 to improve economic certainty 	MARR / Rustad		✓
Agrifoods	<ul style="list-style-type: none"> Report on the greenhouse industry completed and released by December 31, 2011 	MAg / Pimm		✓
Aviation	<ul style="list-style-type: none"> Vancouver airport (YVR) to attract one new international carrier per year for the next two years to further develop trade and tourism between B.C. and the Asia Pacific 	MoTI / Stone		✓
Energy and mines	By 2015, B.C. will see: <ul style="list-style-type: none"> Eight new mines in operation 	MeM / Bennett	✓	
	<ul style="list-style-type: none"> Nine upgrades and expansions to currently operating mines 	MeM / Bennet	✓	
	<ul style="list-style-type: none"> Mining permit (Notice of Work) backlog reduced by 80 per cent by August 31, 2012 	MeM / Bennett		✓
FLNRO	<ul style="list-style-type: none"> Water and Land Act permit backlog reduced by 50 per cent by December 31, 2012 			✓
LNG	<ul style="list-style-type: none"> At least one LNG pipeline and terminal in operation in Kitimat by 2015 and three in operation by 2020 	MNDG / Coleman	✓	
Fiscal and economic	<ul style="list-style-type: none"> Top 2 GDP growth in Canada by 2015 	JTST	✓	
	<ul style="list-style-type: none"> Top 2 in new job growth in Canada by 2015 	JTST	✓	
International education	<ul style="list-style-type: none"> Increase the number of international students in B.C. by 50 per cent over the next four years 	MAvEd / Virk	✓	
	<ul style="list-style-type: none"> Put a strict new quality assurance system in place by 2012 	MAvEd / Virk		✓
Tax and regulation	<ul style="list-style-type: none"> Small Business Venture Capital Program tax credit enhanced by 2012 	MIT / Wat		✓
	<ul style="list-style-type: none"> Extension of the Apprentice Training Tax Credit program for an additional three years 	FIN / de Jong		✓
	<ul style="list-style-type: none"> Business tax competitiveness review to inform Budget 2012 	FIN / de Jong		✓
	<ul style="list-style-type: none"> Commitment to net zero regulatory gain through 2015 	JTST	✓	
	<ul style="list-style-type: none"> Regulatory Reporting Act enacted in 2012 	FIN/ MDJ		✓
Transportation	<ul style="list-style-type: none"> Deltaport and Ridley Island terminal upgrades completed and operational by 2014 	MoTI / Stone	✓	
	<ul style="list-style-type: none"> Border Technology and Information systems in place by March 31, 2012 	MoTI / Stone		✓

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APPENDIX THREE: CCPA REPORT: BC Jobs Plan Reality Check

On January 9, 2014 the Canadian Center for Policy Alternatives released a report criticizing the BC Jobs Plan. The Report – *BC Jobs Plan Reality Check: The First Two Years* points to weak job creation in the private sector, fewer permanent jobs and a persistently high unemployment rate.

Report Themes	Comment
Rely more on Public Spending to Create Jobs - The report recommends less focus on private sector investment and urges government spending in reforestation, energy retrofits, affordable child care and employment programs for youth and First Nations as a means of job creation.	<ul style="list-style-type: none"> Government spending weighs on economic performance in the private sector in two significant ways: <ul style="list-style-type: none"> Resources especially human resources are drawn away from the private sector. Taxes are needed to fund government sector spending. Both of these factors reduce private sector competitiveness and slow down their business activities, which directly impacts the number of employees they can hire.
The Resource Sector is not significant for Creating Jobs –The report contends that the government’s focus on a resource sector that only employs 2% of the population is not only environmentally risky but does not have the necessary job diversification.	<ul style="list-style-type: none"> Job growth has been occurring within most of the sectors identified in the Jobs Plan. For the Agriculture, Forestry, Mining, Oil and Gas areas, jobs are up in 2013 as compared to the same period last year. Resource sectors in BC’s interior create a large number of service sector jobs such as financial services especially in the Lower Mainland and transportation throughout the province. Resources sectors generally have higher wage rates than many service sector jobs which range from financial services to food service jobs.
The Provincial economy can quickly adjust to changes in the Global Economy -Study expects that structural changes in employment should have occurred within a year or two.	<ul style="list-style-type: none"> The long term goal of the <i>Jobs Plan</i> is to create conditions that lead to sustainable long term jobs. Changes in GDP within Canada and in other developed countries indicate that there was not a full recovery after the 2009 recession. Economic performance in 2013 was weaker than the previous three years almost globally. Improvements concerning the permitting process supporting resource development projects made in the last few years are only starting to show up in job creation.

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	<ul style="list-style-type: none"> • Trade missions and foreign offices have started to open markets in China with exports from BC increasing while exports to the US remain flat. • Wage rates are up compared to most of the rest Canada.
Misstatement of Fact	Comment
The report focuses on the mining, oil and gas and forestry sectors as representative of the Jobs Plan.	<ul style="list-style-type: none"> • The <i>Jobs Plan</i> is comprised of eight sectors, which also include agrifoods, technology, international education, transportation, and tourism.
“The private sector lost over 12,000 jobs in the first ten months of the year” (page 5) is inaccurate.	<ul style="list-style-type: none"> • According to BC Stats <i>Labour Force Survey</i> data, the private sector added 11,000 private sector jobs in the first ten months of 2013 (i.e., In December 2012, there were 1,442,900 jobs compared to 1,453, 900 jobs in October 2013). • Overall between December 2012 and October 2013, employment in BC is as follows: <ul style="list-style-type: none"> ○ Total employment – down 9,000 ○ Total private sector – up 11,000 ○ Total public sector – up 300 ○ Self-employed – down 20,300.
The report statement on page 6: “Fewer permanent jobs today than did before the recession” is inaccurate.	<ul style="list-style-type: none"> • There were 1,804,800 full-time jobs in 2008 “before the recession” and there were 1,808,500 full time jobs as of October 2013. Therefore, the number of permanent jobs has actually increased by +3,700 jobs.
There is a technical issue related to seasonality in comparing data at end of one year with the data in the middle of the following year.	<ul style="list-style-type: none"> • The report should have more correctly compared October 2013 with figures from October 2012.

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Contact:

Executive
Director

Chris Gilmore

Industrial and Land
Initiatives

(250) 952-0139

Reviewed by			
Dir: AC	ED: CG	ADM:	DM:

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Title: Community Transition Responses in Quesnel and Houston

Revised: April 17, 2014

Issue: Provincial Response to Mill Closures in Quesnel and Houston

Recommended Response:

- I appreciate the impact this has for the people involved and the communities given the long history of forestry in this region. Although it is something the region has been planning for over recent years, it is tough to see it happening.
- The communities have shown tremendous strength and resilience thus far during this difficult time.
- I understand the companies have taken steps to address workers' needs either through offering jobs elsewhere in the companies or providing assistance in searching for other employment. Information has been provided by WorkBC and Service Canada pertaining to Employment Insurance and available training programs.
- Our government is working closely with the local governments in Houston and Quesnel to assist them through the process of economic transition. Teams have been set up in both communities to focus on economic development and diversification, worker transition and community services. The work of these teams is helping to mitigate the effects of the layoffs for the impacted workers and for the larger communities.
- We are working across ministries, with economic development organizations and non-government organizations such as the beetle action coalitions to identify ways to support the communities through partnerships and utilization of existing programs and services.
- We will continue to work closely with the communities to support the impacted workers and their families through the transition process.

Background/Status:

- JTST has been engaged with the District of Houston and City of Quesnel since the initial announcement of the Mill closures on October 24, 2013, in both communities: West Fraser in Houston and Canfor in Quesnel.

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- JTST staff have been “on the ground” in both communities since Monday, October 28, 2013, working with Houston and Quesnel to mobilize the community to address issues, challenges and opportunities created by the mill closure.
- The approach being taken with Houston and Quesnel is to focus on three key streams: economic development, worker transition and community services. Each team has a group of key stakeholders who are working to develop key actions to help mitigate impacts of the mill closures.
- The teams are co-led by provincial and community representatives. All teams have been meeting since November 2013 and have made good progress on a number of initiatives.
- JTST has established a strong partnership with Northern Development Trust and will work closely with them to look at opportunities to collaborate and support the communities.

District of Houston

- JTST worked with the District of Houston to organize a stakeholder information session on October 30, 2013, to hear from the stakeholders and provide information about how the community could respond to the mill closure announcement.
- JTST funded and developed a District of Houston Community Resource Guide.
- The Guide was available and distributed at a community information session held on December 7, 2013. That session was attended by senior provincial officials.
- WorkBC, Service Canada and Northwest Community College provided information sessions at the mill site on December 11-13, 2013, and March 5-7, 2014. Additional sessions will be held the first week of May, 2014.
- Northern Development Trust has conducted a “Supplier Bootcamp”, delivered a grant writing workshop, and developed a Communications Strategy for the District of Houston. Northern Development has also contributed funding toward a community branding and marketing strategy (\$15,000) and have initiated a Small Town Love project in Houston.
- Other events that have taken place include: Northern Health Wellness Workshops, mill site sessions on managing change and diffusing stress, resume writing workshops, and Job Fair.
- The Ministry of Social Development and Social Innovation has funded a Labour Market Partnership project valued at \$51,500 to undertake labour market research, plan and implement a Job Fair and enhance the District’s website pertaining to transition activities.

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- The Ministry of Advanced Education has committed up to \$150,000 in funding to Northwest Community College to provide programs and supports to impacted workers.
- The Ministry of Community, Sport and Cultural Development has recently announced funding for northern communities (including Houston and Quesnel) for youth activity programming.
- JTST is supporting the community by:
 - o Providing capacity to the transition teams;
 - o Supporting the delivery of an Economic Development Essentials for Local Leaders workshop;
 - o Funded the development of an Economic Development Action Plan (\$24,500);
 - o Hosting a Land Use Workshop;
 - o Contributed \$10,000 toward a District of Houston branding and marketing strategy. Working with the community to develop a video highlighting the vitality of the community.
- JTST will continue to work with the community to identify other opportunities for partnerships in mitigating the effects of the mill closure on the community.
- Small business workshops are also being planned for the end of April (Opportunity Knocking, Be Your Own Boss, Supply and Demand of Small Business in BC 2011-2036, Business Owner Succession Strategies)
- The District of Houston has also expressed concern about the timber license exchange agreement between West Fraser and Canfor and is in discussions with the Ministry of Forests, Lands and Natural Resource Operations about this.
- Houston Forest Products layoff will be phased over a 3 week period beginning May 9 with subsequent workers finishing on May 16, May 23 and May 31. As of April 14, the following employee statistics have been provided by West Fraser:
 - o There were 217 employees at time of the West Fraser shutdown announcement in October 2013
 - o 27 people have elected to retire
 - o 50 people have secured other placements within West Fraser
 - o 3 have been offered positions at other West Fraser mills
 - o 2 are seeking opportunities with West Fraser
 - o 15 obtained employment outside of West Fraser prior to closure
 - o 10 have secured positions outside of West Fraser after closure

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- o 5 are on WCB, STD, LTD
- o 37 want to re-train for a new line of work
- o 68 are seeking employment (within community or new industry)

City of Quesnel

- As part of the Province's Regional Economic Collaborative (REC) initiative, the JTST hosted a REC forum on October 30, 2013, in Quesnel with over 60 people in attendance to pool together resources, identify actions to support the community and set immediate regional economic priorities.
- This Forum was organized through regional collaboration that had been underway between the Ministry, the City of Quesnel, First Nations and local organizations since the spring of 2013.
- As a result of the October mill closure announcement by Canfor, the partnership between the Province and the City was immediately strengthened, to help support the community through the mill closure period and beyond. JTST is the provincial lead for coordinating and driving collaborative actions under the mill response, and is working closely with the City of Quesnel and key partners.
- The REC forum then took on an additional focus of brainstorming key actions that could be part of a collaborative response to mitigate impacts from the mill closure.
- At the forum, four key areas of action were discussed: worker transition planning and skills retraining; small business and other economic development priority initiatives; business implications for contractors and suppliers to Canfor operations; and tourism product development.
- Many of the ideas and actions that were identified on October 30th have become an integral part of the mill closure response. Key actions to date include:
 - o JTST funded and supported the development of a City of Quesnel Community Resource Guide.
 - o The Guide was available and distributed at a community open house held on November 27, 2013, where a variety of business, employment and training, and community service organizations, and JTST staff were in attendance.
 - o WorkBC and Service Canada provided information sessions at the mill site on December 19-20, 2013 and February 24-26, 2014, and hosted sessions at the WorkBC office March 24-26 to assist workers with the online EI application process. WorkBC also provided weekly information

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sessions on Thursdays and Fridays at the WorkBC office in January and February.

- o An economic development/business transition task force was created and a Shop Quesnel Campaign was revitalized for the Christmas shopping season. Led by the Quesnel Community and Economic Development Corporation (QCEDC) and support from JTST, this task force developed print, radio, poster and internet advertising to promote shopping locally prior to the Christmas season, and feedback from both businesses and the public has been positive.
- Additional activities which have taken place include: a Job Fair that was held in Quesnel on April 3 (an estimated 900 people visited with over 50 employer booths) and Business Walks events on March 26 and 28. Over 80 businesses were visited, providing the QCEDC and business leadership with valuable insight into local business opportunities and challenges.
- The Cariboo Chilcotin Beetle Action Coalition provided \$50,000 to the City of Quesnel to support their transition activities.
- The Ministry of Social Development and Social Innovation has provided funding to the Quesnel Community and Economic Development Corporation for one Labour Market Partnership agreement (\$50,000) and two Job Creation Partnerships (\$2900 and \$4900 plus wages for two staff). These JCP's will increase their capacity in Small Business Development, Agriculture and Tourism.
- The Ministry of Advanced Education has committed up to \$150,000 in funding to the College of New Caledonia in Quesnel to provide programs and supports to impacted workers.
- The Ministry of Community, Sport and Cultural Development has recently announced funding for northern communities in transition (including Houston and Quesnel) for youth activity programming.
- JTST has supported the delivery of an Economic Development Essentials for Local Leaders workshop held in March with local government officials and First Nations representatives in the Quesnel area. Business retention and attraction and entrepreneurship were among the topics discussed.
- Additional planned activities include: Reverse Trade Show (late May), a Land Development workshop and a City of Quesnel video project (both supported by JTST). JTST will also be supporting the City to analyze and prioritize key community and regional projects.
- JTST will continue to work with the community to identify other opportunities for partnerships in mitigating the effects of the mill closure on the community.

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- The Quesnel and Area REC will continue to be an important part of supporting the community and area through the mill closure period, as well as to advance regional economic development and diversification.
- As of April 14, the following employee statistics have been provided by Canfor:
 - o There were 203 employees at time of the Canfor shutdown announcement in October 2013. 178 Hourly employees, and 25 Salaried employees.
 - o 72 people have elected to retire
 - o 29 people have secured other placements within Canfor, or will remain with Canfor in Quesnel performing lumber reload functions.
 - o 75 people have secured other non-Canfor employment
 - o 27 pursuing training or other employment opportunities (12 people are taking training, schooling upgrades and working with Community Future; 15 people are pursuing other employment opportunities within the community.

Appendix 1: Situation Update – Weeks of April 7-17, 2014

Appendix 2: Overview of Forest Sector Labour Force Development Projects Funded by
JTST

Contact:

Executive Director Sarah Fraser Regional Economic Operations 250-952-0644

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APPENDIX 1: APRIL 17, 2014 SITUATION UPDATE, HOUSTON AND QUESNEL TRANSITION RESPONSES

Houston

SUMMARY OF ACTIVITY:

- JTST staff in the community April 9 and 10 for transition team meetings and the Job Fair.

Advanced Education funding to Northwest Community College

- JTST staff were in the community during the week of April 4 and met with Northwest Community College and key community stakeholders to discuss priority training. Based on that discussion and some further canvassing that will be done at the mill, NWCC will be putting together a proposal that it will share with the group before finalizing and sending to AVED by the end of April.
- Some of the priority training areas identified include: heavy equipment operator class 1 driving, mineral processing, and pipe-fitting. Some additional possibilities are warehousing, health care support and a package of short term occupational courses.

Economic Development Plan

- The draft Economic Development Plan has been shared with DoH. DoH and JTST will review further before finalizing.

Land Development Workshop

- Occurred on April 7. Rick Braam and Amy Schneider from JTST attended. The workshop was well received and there was good discussion about possible development sites. DoH will be following up on the actions discussed at the workshop.

Job Fair

- Took place on April 9th. Rick Braam and Carrie Dusterhoft from JTST attended. A very good turnout, the number of employers was a bit lower than expected. DoH may plan another Job Fair for early September.

Small Town Love (NDI)

- Currently underway in the community, supported by the DoH Economic Development Manager.

Branding/Marketing Strategy

- Project began April 14th and is expected to conclude at the end of June 2014. This project will be key to the development of the Community video, planned for development during the summer.

Exit Strategy

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- Individuals in the community have been inquiring about the length of the transition response and ongoing role of the transition teams. This will be a key topic of discussion during the transition team meetings in May.

Information from HFP on Mill Closure Timelines:

- Layoffs to occur in phases: May 9, May 16, May 23 and May 30

West Fraser Employee Stats (as of April 14):

Accepted positions	50	Accepted positions at other West Fraser Mills
Position offered	3	Offered positions from other West Fraser Mills
Relocate	2	Willing to relocate within West Fraser
Retire	27	Retiring or not going to actively look for work
No longer with HFP	15	Quit or terminated since announcement
Positions outside (after closure)	10	Secured Positions OUTSIDE of West Fraser after closure
WCB, LTD, STD	5	Off on WCB, STD, LTD
Retrain	37	Wanting to retrain for new line of work
New Industry/not moving	68	Looking for work preferably in Houston or New Industry
TOTAL	217	

Houston Upcoming Activities	
Date	Activity
April 28 – May 1	Workshops including: “Opportunity Knocking”, “Be Your Own Boss”, “Supply and Demand of Small Business in BC 2011-2036” and “Business Owner Succession Strategies”
First Week of May	Pre-closure information sessions by Service Canada and WorkBC
May 9	Mill closure – first layoff date
June/July (TBC)	Houston video highlighting the vitality of the community (with additional filming in February)
August 16	Downtown Merchants Event/Health Fair
September (TBC)	Business Walks
September 10 – 13 (TBC)	Reverse Trade Show
Accomplishments to Date	
Date	Action
Week of October 28	JTST Community Transition Team on the ground in Houston.
October 30	Initial Community Information Session (by invitation – 55 attendees)

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November 20/21	Initial meetings of each of the Community Transition Teams
December 4	Community Resource Guides developed and printed.
December 7	Community Information Session (townhall style meeting)
December 11 – 13	WorkBC/Service Canada Information Sessions at the Mill
January 29/2014	Northern Development held a Supplier Bootcamp, grant writing workshop and began working with the DoH on a Communications Plan
February 7	Northern Health published pamphlet describing how to access their services and distributing broadly to Houston service providers and the mill
Mondays in February	Northern Health Wellness Workshops as well as being available to drop in enquiries at Northwest Community College Houston Campus
February 18	Joint JTST/DoH News Release
February 20/21	West Fraser hosted financial planning sessions for employees.
February 22	Economic Development Essentials for Local Leaders Workshop
February 23 - 25	Focus Groups to inform development of Economic Development Action Plan
February 27	Tolko Job Fair
February 28	Meeting with Ministers Thompson and Rustad: <ul style="list-style-type: none"> · concerns regarding the licence volume being transferred to the West Fraser mill in Smithers (PIR). · Community Forest increase
February 28	News Release to Announce Labour Market Partnership Funding
March 3	Labour Market Partnership agreement underway to support the District of Houston's capacity to support the transition response (value = \$51,500).
March 3 – 7	WorkBC and Service Canada provided additional mill site information sessions.
Week of March 17	School District No. 54 issued a press release regarding significant funding to set up trades centre at the High School.
March 24, 25, 26	Small Town Love Project Initiated by Northern Development
March 26 & 27	Six (6) information/support sessions were held at the mill relating to diffusing and normalizing transition stressors
March 30	Implementation of DoH Communications Plan
April 7	Land Development Workshop
April 9	Job Fair
Week of April 14th	Branding/Marketing Strategy underway

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Funding Provided Since Mill Closure Announcement		
Funder	Purpose	Amount
MJTST	Economic Development Plan	\$24,500
MJTST	Branding/Marketing Strategy	\$10,000
Northern Development	Branding/Marketing Strategy	\$15,000
MAVED	Funding to NWCC for training impacted workers	\$150,000
MCSCD	Funding for Youth After-School Activities (to existing community service providers)	Portion of \$100,000
MSDSI	Labour Market Partnership	\$51,500

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Quesnel

SUMMARY OF ACTIVITY:

April 15 ourQuesnel Economic and Innovation Forum

- JTST staff (Lori, Hugh and Carrie) for the April 15 ourQuesnel Economic and Innovation Forum. Forum was well attended. Minister Oakes and Minister Thomson attend the evening portion of the event. Parliamentary Secretary Barnett and former MLA Bob Simpson were also in attendance. Hugh and Carrie provided an overview of progress on the Regional Economic Collaborative and actions underway through the mill closure response.

April 11 Luncheon with the Premier

- No JTST staff in attendance. Discussions with those who did attend indicated it was a very positive event. Mayor was pleased with outcome.

Advanced Education funding to College

- JTST staff had preliminary discussions with Doug Larsen, College of New Caledonia Regional Director and Gayle Campbell, CNC Project Planner on April 14 and further discussion occurred at the Worker Transition Team Meeting that same day. CNC will prepare a proposal and share with the Worker Transition team before finalizing and sending to AVED by the end of April.
- Some of the possible areas of training/supports include: package of short-term occupational tickets, Class 1 drivers, heavy equipment operator, security, occupational health and safety, level 3 first aid and GED.

Major Projects List Next Steps:

- JTST will contact City of Quesnel CAO within the next week to set up a meeting to discuss the City's interest in having a small workshop session on minor/major capital project planning and prioritization.

Mill Response Strategy Next Steps:

- JTST staff will begin doing evaluation/process review interviews with key community stakeholders next week. The results of the interviews will be compiled into a lessons learned document on community transition, and will further inform potential timing, in the future, for the Province's role to transition from a coordination role to a monitoring role.

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Upcoming Events/Activities		
Date	Action	
Last week of May	Reverse Trade Show	
Last week of May	Land Development Workshop	
June or July	Video Project for Quesnel	
Accomplishments to Date		
Date	Action	
Week of October 28	JTST Community Transition Team on the ground in Quesnel.	
October 30	Regional Economic Collaborative Forum held	
November	Initial Meetings of each of the Community Transition Teams	
November 25	Community Resource Guides developed and printed	
November 27	City of Quesnel Community Open House held in Quesnel	
December 19-20	WorkBC and ServiceCanada information sessions at the Mill	
December	Business Transition Task force relaunched the Shop Quesnel Campaign	
January 16-17	WorkBC/Service Canada Sessions begin weekly at the WorkBC office	
January 29	Job Creation Partnership Agreement signed with QCEDC	
February 3	Job Creation Partnership Agreement with QCEDC commenced (focus on Business Walks, Reverse Trade show and other business initiatives).	
February 11	Labour Market Partnership Agreement with QCEDC commenced. (focus on organizing Job Fair and undertaking labor market research for the area)	
February 24, 25 & 26	Service Canada and Quesnel Employment Services Centre on site at Canfor to provide information & Q&A sessions to employees about services available. 2 sessions per day.	
February 25	Tolko Job Fair at Best Western Tower Inn	
February 27	Joint JTST/City of Quesnel News Release	
March 7	MLA Coralee Oakes sent out press release regarding LMDA Funding for 1 LMP and 2 JCPs with the Quesnel Economic Development Corporation	
March 17	CKPG Radio Interview – the Mayor was asked to do an interview regarding the Canfor closure and what action the city is or has been taking	
March 18	Second Job Creation Partnership agreement signed with QCEDC (focus on agriculture and tourism)	
March 24, 25 & 26	Quesnel Employment Services Centre to host group sessions for Canfor Employees to apply for Employment Insurance. Service Canada will be on site at the ESC to help and answer any questions.	
March 26 th and 28 th	Business Walks Days Over 80 businesses visited. Event viewed as very successful. Minister of State Yamamoto and Minister Oakes participated on March 26, and Hugh Flinton from JTST participated in both events.	

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March 27	Workshop on Economic Development Essentials for Local Leaders Hugh Flinton from JTST attended the session. Reports indicate the Workshop was very informative and well received.
April 3	Job Fair – Over 900 attendees, 50 employers.
April 3	Community Services Needs Survey distributed at Job Fair. 200 Surveys completed.
April 7 and 8	Northern Health provided workshops on managing stress, dealing with change & recognizing signs of depression.
April 11	MLA's luncheon with Premier
April 15	ourQuesnel Economic and Innovations Forum
April 15	MLA Coralee Oakes announced funding of \$100,000 towards a pilot project to be delivered in northern B.C. communities to help youth thrive during a period of community transition. Houston and Quesnel will be recipients.

Funding Provided Since Mill Closure Announcement		
Funder	Purpose	Amount
CCBAC	Support City's Transition Work	\$50,000
MSDSI	Labour Market Partnership	\$50,000
MSDSI	Job Creation Partnerships	\$7800 plus wages for two positions
MAVED	Funding to NWCC for training impacted workers	\$150,000
MCSCD	Funding for Youth After-School Activities (to existing community service providers)	Portion of \$100,000

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APPENDIX 2: OVERVIEW OF FOREST SECTOR LABOUR FORCE DEVELOPMENT PROJECTS FUNDED BY JTST

Updated October 2013

Labour Outlook:

- In 2012, the B.C. forest sector¹ employed over 56,000 workers, an increase of 6% compared to last year.²
- In addition to new jobs, as many as 25,000 forestry job openings are projected in the next 10 years as existing workers retire. Technological advances within the industry mean skill and educational requirements of workers are increasing.³ (Forest Sector Strategy)

Labour Market Initiatives:

- In October 2011, the Province invested over \$3 million for the Northern Skills Training Pilot to March 2014. This initiative will encourage and help workers to upgrade their skills and take advantage of new job opportunities. The pilot will enable the union to offer supports in key areas such as language and literacy training, technology upgrades, numeracy and document use. The essential skills training will be provided by the union through local service providers.
- In March, 2012, the Province invested \$494,296 to assist the Central Interior Loggers Association to undertake the Forest Industry Readiness Skills Training (FIRST) program to train 25 people to be log or chip truck drivers and heavy equipment operators and place them in permanent positions in the transportation and harvesting sectors of the forest industry. This agreement was extended to train an additional 63 people for a total investment of \$1,852,645.
- \$358,812 was provided to Okanagan College to provide essential skills training to eligible participants employed in the forestry sector, to increase participant's effectiveness and productivity and position them to maximize their opportunities in the sector. The College of the Rockies and North Island College are service delivery partners.
- Through the Labour Market Sector Solutions Program (LMSS), the Association for Mineral Exploration (AME BC) received \$424,820 to work with the Northwest

¹ The forestry sector is composed of *Forestry & Logging, Wood Product Manufacturing and Paper Manufacturing* industries.

² <http://www.bcstats.gov.bc.ca/StatisticsBySubject/BusinessIndustry/BusinessCountsEmploymentByIndustry.aspx>

³ http://www.for.gov.bc.ca/mof/forestsectorstrategy/Forest_Strategy_WEB.PDF

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Community College to provide camp-based training to 26 individuals to assist them in gaining entry level employment in early and advanced exploration camps, forestry operations, and as assistants to environmental services contractors.

- Through the Labour Market Sector Solutions Program (LMSS), Geoscience BC received \$424,820 to work with the Northwest Community College to provide camp-based training to 26 individuals to assist them in gaining entry level employment in early and advanced exploration camps, forestry operations, and as assistants to environmental services contractors.
- In July 2013, the First Nations Forestry Society (FNFS) received \$500,000 through the Labour Market Sector Solutions Program to provide 38 First Nations individuals with upgrading, forestry-specific training and work experience to assist them with entering and succeeding in British Columbia's forest economy.
- A LMSS project with the BC Forest Safety Council provides up to \$490,258 to provide faller training to 20 participants on Vancouver Island. Once participants successfully complete the 20 day program, they are authorized under B.C. Occupational Health and Safety regulations to fall trees as a trainee faller under appropriate supervision.
- Through its Labour Market Partnership Program (LMPP), the Province has provided over \$1 million to the forest sector to support the development of human resource strategies and address skills training shortages. (Forest Sector Strategy)
 - o A Labour Market Partnership investment of \$556,640 supports the silviculture industry to develop a human resource strategy and provide information and strategic tools to both employers and employees to recruit and retain a reliable silviculture workforce.
 - o An LMP agreement with the Truck Loggers Association provides \$396,480 over 24 months to research, plan and develop an industry wide human resource strategy for implementation by small and medium enterprises.
 - o The Council of Forest Industries is managing two LMPP agreements for the forestry sector: \$228,140 to implement recommendations in the human resource development strategy, and \$126,500 to research and report on current and future labour demand and supply in the sector and competing sectors, assess the industry's recruitment and training issues, and assess training capacity in the province (gap analysis).
- **Targeted Skills Shortage Program** – The objective of this program is to assist small and medium sized employers within targeted sectors with training plan development and funding to encourage the retention and advancement of low skilled employees. For 2013/14 the targeted sectors are: Health Care and Social

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Assistance, Manufacturing, Transportation, Technology/Clean Tech/Green Economy, Natural Gas, Mining, Fishing, Forestry and Tourism. 1,000 participants are targeted to be served. Forestry was included as a target sector as of April 1, 2013.

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Forestry-Related ESA Programs:

Institution	Program	Description	Location	Delivery Dates	Funding
College of the Rockies	Reforestation Boot Camp 24 participants	The Reforestation Boot Camp is an intensive 21 day, field-based training program. It is designed to prepare students with the necessary skills, knowledge, and certification, for employment in the reforestation sector. This program assists in meeting labour market needs by providing the forest sector with an increased number of skilled reforestation /silviculture workers and by increasing employee retention. Graduates from this training program will have a basic understanding of forestry, a comprehensive understanding of reforestation /silviculture and is designed to prepare students with the necessary skills, knowledge and certification to achieve entry-level employment in the BC forest sector.	Cranbrook / Blue Lake Forestry Centre	1. May 6, 2013 2. August 10, 2013	\$213,224

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College of the Rockies	Forestry Skills Bootcamp 24 participants	The College of the Rockies (COTR) Forestry Skills Boot Camp is a 15-day intensive training program, designed to provide participants with a basic understanding of forestry. Graduates will obtain the necessary skills, knowledge and certifications to achieve junior or entry-level employment within the forestry industry.	Gold Creek / Blue Lake Forestry Centre	1. June 17, 2013 2. Sept. 23, 2013	\$129,315
Thompson Rivers University	Introduction to Wood Manufacturing 36 participants	During the five week program, the participants will be introduced to Wood Manufacturing in the mill environment while earning industry recognized safety certification. Participants will be taught all nine Workplace Essential Skills as identified by Service Canada but will focus primarily on the three that have been recognized as required for wood manufacturing machine operators.	Williams Lake	1. Sept. 23, 2013 2. Oct. 28, 2013 3. Dec . 2, 2013	\$151,298

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Industry Training Authority Initiatives:

- The Industry Training Authority (ITA) is playing a key role in supplying skilled workers for all sectors. In 2012/13, ITA issued over, 8,000 Certificated of Qualification, almost triple the number issued in 2004 when ITA was established.
- There are several ITA designated trades within the forestry sector, including saw fitter, bench person, circular saw filer, and planer mill maintenance technician. Currently there are about 50 active apprentices in these four trades combined. There are also number of trades, while not specific to Forestry, are commonly found within the sector. Examples include: Industrial Electrician, Machinist, Millwright, and Instrumentation Technician. There are over 1,700 register apprentices in these trades across the Province.
- In 2013/14, the ITA will invest over \$13 million (through Labour Market Agreement funding) for initiatives aimed at increasing the participation of Aboriginal people, Immigrants, Women, and other un- or underemployed workers in trades training programs across several industry sectors. It is expected that over 1,600 individuals will be served through these initiatives.

Industry Training Organizations:

- The Resource Training Organization (RTO) is the Industry Training Organization responsible for trades within the resource sectors, including: mining and smelting; pulp and paper; solid wood and utilities; oil and gas; and shipbuilding and repair. RTO is responsible for almost 20 trades. There are currently almost 5, 400 apprentices registered in RTO managed trades. RTO activities include: developing and updating program standards, engaging employers, and promoting industry training programs within the resource sector across the province.

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Title: Beetle Action Coalitions

Revised: April 22, 2014

Issue: Government Support for Mountain Pine Beetle Impacted Communities

Recommended Response:

- Mitigation of the socio-economic and environmental impacts from the mountain pine beetle epidemic requires a sustained and focused effort by communities and various levels of governments.
- The 3 Beetle Action Coalitions (BACs) have been developing and funding projects that will stimulate economic development, growth and job creation in sectors such as tourism, value-added wood manufacturing and green energy.
- The provincial government has been working in partnership with the BACs (which include local government and First Nations) to assist communities with their economic development and diversification priorities and although significant progress has been made, there is more work to be done. The Province will continue to work with the BACs to develop practicable actions going forward.

Background/Status:

- Since 2001, the Province and the Government of Canada have committed more than \$1B (\$917M Provincial and \$340M Federal) to respond to the pine beetle epidemic, some of which is targeted to help communities with economic development and diversification.
- As shown in the table below, the province provided \$3M in funding in April 2011 to each of the three regional BACs to support their implementation activities. To date, total funding of \$17M has been provided to the BACs as follows:

Beetle Action Coalition	Funding from the Province April 2011	Funding from Federal Partners 2005-2010
Cariboo-Chilcotin Beetle Action Coalition (CCBAC)	\$3M	\$3.175M
Omineca Beetle Action Coalition (OBAC)	\$3M	\$2.67M
Southern Interior Beetle Action Coalition (SIBAC)	\$3M	\$2.1M
Funding to BACs	\$9M	\$7.945M

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- As of January 2014, each BAC has approximately \$2 million remaining of the total funding provided by the Province and federal transfers.
- In 2012/13 the BACs and JTST collectively invested over \$1.7 million in 45 projects that was leveraged with partner investment support for a total value of \$5.3 million. The following are some examples of those projects (more detail provided in the Appendix):
 - JTST, Columbia Basin Trust (CBT) and the three BACs collaborated on the *Wood Waste to Rural Heat Project*. The project is being led by SIBAC and its purpose is to create opportunities for wood waste to be used in a more effective and environmentally appropriate manner by advancing new wood biomass heating systems.
 - OBAC and Natural Resources Canada are jointly funding the *Northern Interior BC Aboriginal Forestry Business Initiative* to help establish aboriginal owned and operated forest sector businesses. Main activities include: establishing support networks and mentorships, business support and workplace skills development.
 - OBAC and CCBAC jointly funded the *Northern Agriculture Research Initiative* to improve the capacity and profitability of the agriculture and agri-food sector of northern British Columbia. The initiative will promote and support agricultural research, development and training in northern B.C.
- For 2014/15:
 - The estimates provide \$886,000 for Mountain Pine Beetle Epidemic Response under the Economic Development sub-vote.
 - The BACs will continue to focus on regional and community economic development and diversification.
 - The former Pine Beetle Epidemic Response Branch has now merged with Regional Economic Operations Branch of JTST and will continue to assist the BACs and impacted communities to develop projects and initiatives to further economic development and MPB impact mitigation.

Appendix 1: Detail on BAC Example Projects

Appendix 2: Funding to Limit Impacts of Mountain Pine Beetle

Contact:

Executive Director Sarah Fraser Regional Economic Operations (250) 387-5440

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APPENDIX 1: DETAIL ON BEETLE ACTION COALITION (BAC) EXAMPLE PROJECTS

1) Wood Waste to Rural Heat Project

The **Wood Waste to Rural Heat Project** (formerly known as the Green Heat Initiative) is a collaboration between the JTST, Columbia Basin Trust (CBT) and the three BACs. The project is being led by the SIBAC.

Wood Waste 2 Rural Heat (WW2RH) is an on-the-ground project that focuses on developing detailed business plans that will move biomass heating projects beyond the conceptual stage to construction-ready. WW2RH supports this by providing the following at no cost to participating communities/organizations:

1. A source of independent information based on best practices from Europe and other regions.
2. Technical assistance to help determine the best biomass heating solution for the specific application based on the proponent's needs.
3. Developing business cases to help proponents make critical decisions.
4. Support for proponents as they develop funding for projects, ownership structures, etc.
5. Community engagement to address specific issues either for the proponent themselves or other members of the community.

Results to Date Include:

- **Business cases** were completed in 2013 for the Village of Lumby, Village of Telkwa, the Village of Wells, the Lower Kootenay Band (in Creston) and Clearwater. Business cases are under development for Revelstoke, Barkerville Historic Site, the Freshwater Fisheries Society (Cranbrook facility) and Nakusp.
- **Initial assessments** (for biomass heating potential) were conducted in 2013 for the District of Barriere and West Kelowna's North West Community Hall.
- **FIRST Heat** was launched in September 2013, which is a new tool available for rural municipalities to assess the viability of turning wildfire abatement wood into a valuable fuel. The Fire Interface Screening Tool, FIRST Heat, is an easy-to-use Excel spreadsheet containing a vast ecological library of different forest types, conditions and forest management style data.

2) Northern Interior BC Aboriginal Forestry Business Initiative

The Northern Interior BC Aboriginal Forestry Business Initiative is jointly funded by OBAC, Prince George Nechako Aboriginal Employment & Training Association (PGNAETA) and Natural Resources Canada to help establish aboriginal owned and operated forest sector businesses.

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Main Activities:

1. Implement one Forestry Workshop in each of three First Nation communities: Burns Lake, Fort St. James, and Tsay Key Dene (say-kay-denay).
2. Establish a Cluster Support Network in each of the three regions.
3. Establish mentorships for cluster members by pairing each participant with an experienced forestry practitioner in the participant's chosen field.
4. Support business development by offering a total of fifteen workshops (five in each region.)
5. Support cluster members to increase personal capacity by offering general workplace skills development, as needed.

Key Outputs:

1. An estimated 60 people, in total, will participate in the three workshops.
2. An estimated 20 people from those workshops move to establish forest-based businesses.
3. An estimated 35 people will participate in the cluster networks.
4. 15 to 17 people will participate in the mentorship component.

Results to Date Include:

- **Aboriginal Business Development and Management Resource Toolkit** was created to provide an up-to-date, industry specific product created for aboriginal persons/groups wishing to establish a business in forestry.
- **Business Workshop Delivery** following the development of relevant business materials and tools, a series of business workshops called "Pathway to Success" were delivered in the spring and summer of 2012 in various northern communities including Prince George (16 participants from 4 Nations), Lake Babine Nation (17 participants from 6 Nations), Saik'uz (sigh-cuz) First Nation (11 participants from 3 Nations), and Nak'azdli (na-caused-lee) Band (11 participants from 4 Nations).
- **Community Dialogue Sessions** were held in January and February of 2013 in the following rural communities: Burns Lake (12 participants), Fort St. James (11 participants), Prince George (14 participants), and Vanderhoof (11 participants).
- **Business Development Mentoring, Support and Skills Development** is being offered by the Aboriginal Forestry Initiative Coordinator to provide various training components to assist client with capacity development. Community Futures-Stuart Nechako and Community Futures Fraser Fort George has delivered two business plan development workshops in Vanderhoof and Prince George.
- **Development of Business Clusters** with interested individuals and work to date in mentoring and business skills development, providing life skills and job skills training.

2014/2015 Estimates Note

3) Northern Agriculture Research Initiative

The **Northern Agriculture Research Initiative** (NARI) is jointly funded by OBAC and CCBAC to improve the capacity and profitability of the agriculture and agri-food sector of northern British Columbia. The initiative will promote and support agricultural research, development and training in northern BC.

The NARI released a request for proposals on November, 2012 to conduct research within three broad themes identified by the OBAC's Agriculture Strategy: Forage, Pasture and Local Foods. Three proposals were selected for funding:

- **The Taste of Place: Food, Culture and Planning for Resiliency in Northern British Columbia**

This project aims to create a Story of Place for the Regional District of Fraser Fort George, through the lens of food, which will reveal and highlight the current and potential capabilities of food systems grounded in its collective consciousness of place, its potential, and its capacity to sustain.

- **The Place of Wild Food in British Columbia: A Case Study of Robson Valley**

This project aims to reveal the economic, ecological, and cultural place of wild food in a North Central BC community. The project will look at the current place of wild food in the local economy, examining what is economically accounted for and what is not; the current position of wild food in ecological systems, such as how many wild plant/game species are available, if the current practices are sustainable, and what the potential for further harvesting might be; and the wild food culture in the region, examining how the knowledge was acquired, the demographic of the people who include wild food in their diet, how it varies between groups and why, and how it affects their sense of place.

- **Phase 2: Enhancing Northern Grain Production through Applied Research and Community Engagement**

This project addresses two fundamental goals to build long-term capacity, competitiveness and profitability of the grain-sector in the region:

- 1) to build applied agri-research capacity that is connected to producer-identified needs to ensure that research objectives are supportive of northern producers;
- 2) to enhance the resilience of agri-production systems in relation to current and future production risks by characterizing crop variety adaptive capacity and production potential.

Results to Date Include:

- **The Place of Wild Food in British Columbia: A Case Study of the Robson Valley** Interim Report was completed. As part of this project, eighty household questionnaires were completed and ten interviews conducted. Another five interviews are currently being scheduled. Data collection and analysis will take place over the next few months.

2014/2015 Estimates Note

- **The Taste of Place: Food, Culture and Planning for Resiliency in Northern British Columbia** Interim Report was completed.
- **The Food Hub** Final Report was completed.
- **Enhancing Northern Grain Production Through Applied Research and Community Engagement** Phase 1 Technical Report was completed. Phase II will be completed in March, 2014 and Phase III will begin shortly thereafter.

2014/2015 Estimates Note

APPENDIX 2: FUNDING TO LIMIT IMPACTS OF MOUNTAIN PINE BEETLE

- Since 2001, British Columbia has committed \$917 million to battle the beetle and mitigating future impacts.
- Government of Canada has committed \$340 million since 2002 and made a commitment for an additional \$800 million.

Provincial Funding Breakdown – \$917 million

- \$185 million for the Northern Development Initiative Trust to help northern economic diversification communities diversify their economies. To date this has been invested in 1,253 projects and has been leveraged with other funding to bring a total of \$1.15 billion in total funds over the past eight years.
 - Pine-beetle impacted communities also have access to an additional \$30 million account that to date has provided \$21 million to 179 projects – creating 5,586 new jobs.
- \$50 million for the Southern Interior Development Initiative Trust to help communities create new opportunities for economic growth.
- Since 2005, spent \$269million on Forests for Tomorrow for reforestation activities that will ensure long-term timber supply.
- \$121 million to mitigating the impacts of increased logging on roads:
 - \$90 million for rehabilitating highways.
 - \$21 million for maintaining and upgrading forest service roads.
 - \$10 million for rural municipalities to restore roads.
- \$25 million for Geoscience BC to explore central Interior mineral potential.
- \$58 million for research, fire mitigation and administrative funding.
- \$129 million for spread control and fertilizer plants since 2001.
- \$71 million for energy development and infrastructure in beetle communities.
- \$9 million to the three Beetle Action Coalitions for mountain pine beetle mitigation (March 2011).

Federal Funding Breakdown – \$340 million

- \$200 million for a Mountain Pine Beetle Program (announced in 2007) with forestry and economic diversification components.
 - \$100 million for spread control, wildfire protection, and value recovery.
 - \$100 million for supporting economic growth and job creation, and transportation infrastructure improvements.
- \$100 million transferred from the federal government to the Province in 2005/06 for investment in a number of priority areas, including:
 - \$22.5 million to pine beetle spread control along the B.C.-Alberta border.
 - \$14.1 million to UBCM to protect communities from wildfires. Funding to the Union of British Columbia Municipalities.
 - \$12.5 million to First Nations for community diversification and stability. Funding to the B.C. First Nations Forestry Council.
 - \$7.8 million to the Cariboo-Chilcotin, Omineca and Southern Interior regional Beetle Action Coalitions for community diversification.
 - \$5.5 to researching and developing new product uses for beetle-wood.

2014/2015 Estimates Note

- \$2.1 million to protect First Nations communities from wildfires. Funding to the First Nations Emergency Services Society.
- \$40 million (2002) for research, remediation of federal and private forestlands.

**APPENDIX 5: FIRST NATIONS FOCUSED LABOUR MARKET INITIATIVES
BY SECTOR
UPDATED: NOVEMBER 27, 2013**

MINING

Labour Market Initiatives

- The Province invested \$1,188,600 to support the Mineral Exploration and Mining Industry Labour Shortage Task Force, which was originally formed by industry stakeholders in 2008. The task force coordinates, develops and implements workforce measures to ensure the mining industry in B.C. has the human resources needed to support the growth and sustainability of the sector. The three-year project includes an update of the 2008 labour market demand projections, and will identify industry-specific training, educational and promotional needs required to keep pace with a growing industry facing a shortage of skilled workers. The project will have a strong focus on youth and under-represented sectors of society such as women, aboriginal people and new Canadians. The Mining HR Task Force is also conducting an underground miner occupational analysis and skills development review. Duration of the project is December 2011 to August 2014.

Labour Market Sector Solutions Program

- On Feb. 1, 2012 the Province invested an additional \$549,274 to support the development of a human resource strategy for the Northwest Transmission line, Red Chris Mine and Altagas run of the river projects that includes an outreach plan to encourage trained workers to re-locate and/or return to Northwest BC, strategies to support inclusion of Aboriginal peoples; development of a Fast Start Training Program, including identifying key streams of certification; and to develop a transition and implementation strategy and action plan to create a sustainable partnership based organization to guide and support labour market development in Northwest BC.
- A \$1M investment, funded under the Labour Market Agreement, will provide First Nations individuals, previously unemployable or under-employed, with training and corresponding skills that are directly applicable to job opportunities in the sector.

Mining-related LMSS Programs (as of Oct. 29, 2012)

Sector Organization	Program	Description	Location	Delivery Dates	Funding
BC Aboriginal Mine Training Association	Underground Mining 24	This project will assess participant's abilities in three essential skill areas, develop individual training plans, provide an Introduction to	Kootenay Region	September 2012 – July 2013	\$498,416

**APPENDIX 5: FIRST NATIONS FOCUSED LABOUR MARKET INITIATIVES
BY SECTOR
UPDATED: NOVEMBER 27, 2013**

	participants	Trades program covering five trades occupations, and deliver the Heavy Equipment Operator and Roadbuilder Foundation Programs. Successful participants receive an ITA certification at the completion of the eight-week program.			
PTP ASEP Training Society	Mining industry certification	Provide 66 First Nations individuals, previously unemployable or under-employed, with training and corresponding skills that are directly applicable to job opportunities in the sector	North Central B.C.	June 1, 2012- March 31, 2014	\$1M

Aboriginal Training for Employment

As of December 21, 2012, there are three ATEP programs in the mining sector:

- BC Aboriginal Mine Training Association (BCAMTA) is located in Quesnel. BCAMTA will train 45 participants in the mining industry, on site, at a location near Backwater Mine. Through the training participants will gain field experience in mapping, compass and global positioning system (GPS), wilderness survival including fire starting, grid layout and snowshoe travel to obtain a Mining Exploration Field Assistant Certificate. They have committed to find employment for 20 participants. \$150,000
- Nicola Tribal Association is located in Merritt. In partnership with the Nicola Valley Institute of Technology, provide training and employment to 15-20 Nlakapamux participants in the mining industry of TECK Highland Valley Copper Mine. \$150,000
- Takla Lake First Nation is located in Prince George. In partnership with the College of New Caledonia and the Prince George Nechako Aboriginal Employment and Training Association will provide pre employment training and support for 16 participants in the forestry, mining and construction industries and the Band Office Administration. \$150,000

FORESTRY

Labour Market Initiatives:

- In July 2013, the First Nations Forestry Society (FNFS) received \$320,287 through the Labour Market Sector Solutions Program to provide 22 First Nations individuals with upgrading, forestry-specific training and work experience to assist them with entering and succeeding in British Columbia's forest economy.

**APPENDIX 5: FIRST NATIONS FOCUSED LABOUR MARKET INITIATIVES
BY SECTOR
UPDATED: NOVEMBER 27, 2013**

NATURAL GAS (LNG)

Industry Training Authority Initiatives:

- The Industry Training Authority (ITA) is playing a key role in supplying skilled workers for **all sectors**. In 2012/13, ITA issued over, 8,000 Certificated of Qualification, almost triple the number issued in 2004 when ITA was established.
- In 2013/14, the ITA will invest over \$13 million (through Labour Market Agreement funding) for initiatives aimed at increasing the participation of Aboriginal people, Immigrants, Women, and other un- or underemployed workers and in trades training programs across several industry sectors.
- It is expected that over 1,600 individuals will be served through these initiatives.
- Some of these programs will support the natural gas sector, for example : ITA is offering \$405,000 in LMA funding to the Piping Industry Training Apprenticeship Board – who will partner with Pacific Trail Pipelines Aboriginal Skills Employment Partnership to deliver exploratory trades training to 75 Aboriginal people.

TRANSPORTATION

Labour Market Initiatives:

- The Province has invested \$550,000 to support the launch of the Industrial Marine Training and Applied Research Centre (IMTARC), which will act as a one-stop shop to broker training services for the sector.
- Funding from the Labour Market Partnerships program through the Canada-British Columbia Labour Market Development Agreement is providing \$321,000 for the shipbuilding sector to implement the human resource strategy developed by the Premier's B.C. Shipbuilding and Repair Workforce Table.
- Eligible employers that employ apprentices in the B.C. shipbuilding and ship repair industry can receive a refundable tax credit of 20 per cent of wages paid per year, up to \$5,250 per eligible apprentice in the first 24 months of an eligible apprenticeship program. They can also receive similar credits based on an apprentice's completion of higher training levels. These tax credits are enhanced by 50 per cent in respect of apprentices who are First Nations individuals or person with disabilities.
- Targeted Skills Shortage Program –The objective of this program is to assist small and medium sized employers within targeted sectors with training plan development and

**APPENDIX 5: FIRST NATIONS FOCUSED LABOUR MARKET INITIATIVES
BY SECTOR
UPDATED: NOVEMBER 27, 2013**

funding to encourage the retention and advancement of low skilled employees. For 2013/14 the targeted sectors are: Health Care and Social Assistance, Manufacturing, Transportation, Technology/Clean Tech/Green Economy, Natural Gas, Mining, Fishing, Forestry and Tourism. 1,000 participants are targeted to be served.

AGRIFOODS; TOURISM; AND TECHNOLOGY SECTORS

Nothing specific to First Nations

Pages 879 through 882 redacted for the following reasons:

s13, s16, s17

SUCCESS THROUGH SHARING SYMPOSIUM

presented by the **ABORIGINAL BUSINESS
AND INVESTMENT COUNCIL**

TUESDAY, DECEMBER 4TH, 2012; 7:30AM – 4:30PM

(Reception - Monday, December 3rd; 6:00pm – 8:00pm)

PAN PACIFIC VANCOUVER



BC JOBS PLAN



Business Council of
British Columbia

**ABORIGINAL BUSINESS
AND INVESTMENT COUNCIL**

JTI-2015-00009
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WELCOME

- WHO:** Aboriginal Business and Investment Council (ABIC) and the Business Council of British Columbia
- WHAT:** The ABIC Symposium will bring together leaders from Aboriginal communities, business, corporate, and government organizations to highlight and celebrate Aboriginal business success stories.
- WHEN:** Tuesday, December 4th, 2012; 7:30am – 4:30pm
(Reception – Monday, December 3rd; 6:00pm – 8:00pm)
- WHERE:** Pan Pacific Vancouver
- WHY:** As part of Canada Starts Here: BC Jobs Plan, the Aboriginal Business and Investment Council has been created to identify business models that will encourage greater participation of BC's Aboriginal people in our economy.
-



Welcome to the Aboriginal Business and Investment Council's Success Through Sharing Symposium, being held on the traditional territory of the Coast Salish Peoples.

Aboriginal people have a crucial role in British Columbia and in Canada Starts Here: The BC Jobs Plan. Our plan targets 10 new agreements with First Nations by 2015, agreements that will increase economic certainty and build on our commitment to work with Aboriginal communities and ensure they participate in and benefit from projects in their traditional territory. We're well on our way, and are now looking to exceed that target.

We want to improve Aboriginal peoples' participation in the economy; to foster economic development in Aboriginal communities; and to increase overall investment in the province. That is why we initiated the Aboriginal Business and Investment Council, chaired by Chief Councillor Ellis Ross of the Haisla Nation, and why they have launched this landmark Symposium. It brings business and Aboriginal communities from across the province together to share success stories. First Nations and business leaders in the early stages of economic ventures can learn from their peers and cement new and lasting business relationships that will help their communities become stronger economically.

Together, we can encourage investment and create jobs that will build a better future for Aboriginal people and all British Columbians.

HONOURABLE CHRISTY CLARK

Premier of British Columbia



On behalf of British Columbia's Aboriginal Business and Investment Council, welcome to the "Success Through Sharing" Symposium!

No one understands the economic obstacles encountered by Aboriginal businesspeople better than Aboriginal leaders themselves. That isn't to say we aren't having success. Many of our First Nations are working hard and have bright economic futures awaiting them as a result.

What this symposium will showcase are examples of Aboriginal business successes and the issues they've had to overcome.

Our program will examine governance structures that work, finding business capital and managing wealth, tapping into educational and professional opportunities, and how to get industry, government and Aboriginal businesses working together to establish flourishing partnerships. We've brought together Aboriginal and non-Aboriginal entrepreneurs from all around the province to share what they've learned.

The business landscape in BC is changing quickly and when one Aboriginal enterprise succeeds, others can also benefit by sharing the secrets behind that success. Let's make this great day the first step of our new journey together into a more prosperous economic future for everyone.

CHIEF COUNCILLOR ELLIS ROSS

Haisla First Nation

Chair, Aboriginal Business and Investment Council



Welcome delegates! The Business Council of British Columbia counts many of the largest employers in the province among its membership, and we're here with you today to start unlocking BC's economic potential, in partnership with Aboriginal businesspeople. And the timing couldn't be better.

Although many countries have struggled economically over the past few years, BC now stands poised to accelerate and overtake many other regional economies on this continent, and the participation of Aboriginal businesspeople and talent will be a part of that success.

Demand continues to rise in overseas markets for Canadian goods and resources, especially in the Asia-Pacific countries. BC remains Canada's strategic link to them, and energy is one of the commodities in highest demand. Developing BC's liquefied natural gas export industry could mean up to \$50 billion in investment, more than a trillion dollars in additional gross domestic product, and 1.2 million person years of employment over the next 30 years.

It will take everyone working together to realize the benefits however, so now is the time to start striking partnerships that will allow us to all aim for, and share, BC's future economic prosperity. We'll need provincial and local governments to cooperate in order to build the infrastructure required and expand training capacity for trades. We'll also need to build partnerships with Aboriginal companies and businesspeople to help fill the labour and supply gaps that growth will create.

Only by getting all British Columbians to pull in the same direction can we deliver the industrial and economic certainty that will generate prosperity that we can share right across the province. For good reason, we all have high expectations for economic success here in BC, and this symposium will help all of us aim higher together.

GREG D'AVIGNON

President & CEO, Business Council of British Columbia

AGENDA

7:00 AM **REGISTRATION**

7:30 AM **BREAKFAST**

8:30 AM **FIRST NATIONS BLESSING**

Mr. Leonard George

8:45 AM **WELCOME REMARKS AND OVERVIEW**

Chief Councillor Ellis Ross and Greg D'Avignon

9:15 AM **SESSION 1 FRAMEWORK FOR SUCCESS: GOOD GOVERNANCE, GREAT RESULTS**

Whether it's a First Nations council, a corporation or a non-profit society, to achieve great results, you need more than great people, you need a governance structure that brings people together in a way that ensures different voices are heard, respected and that leads to informed decision-making.

MODERATOR: Kim Baird, Tsawwassen First Nation

PANEL: Chris Hartman, CEO, Tsawwassen First Nations Economic Development Corporation
Chief Derek Orr, Duz Cho Construction Ltd., McLeod Lake Indian Band
Dean Martin, CEO Kinbasket Development Corporation, Shuswap Band, Invermere

AGENDA

10:20 AM **REFRESHMENT BREAK**

10:45 AM **SESSION 2 ACCESSING CAPITAL: CHOICES AND CHALLENGES FOR CREATING AND MANAGING WEALTH**

First Nations are taking advantage of innovative ways to leverage their resources, balance risk and manage their wealth. Learn how First Nations across BC are accessing capital and creating partnerships in ways that protect their assets while also developing new financial opportunities for their members.

MODERATOR: Donald McInnes, Executive Vice-Chair, Alterra Power Corp.

PANEL: Chief Rick McLean, Tahltan First Nations, Dease Lake
Chief Councillor Clint Williams, Sliammon First Nation
Scott Randall, Economic Development Manager, Powell River Regional Economic Development Society
Chief Councillor Ellis Ross, Haisla First Nation

11:45 AM **LUNCH**

12:15 PM **KEYNOTE ADDRESS**

Premier Christy Clark

1:10 PM **SESSION 3 LEVERAGING OPPORTUNITY: BUILDING A PATH TO PROSPERITY FOR PRESENT AND FUTURE GENERATIONS**

Learn from our panellists how BC First Nations are creating better futures for their people by providing them with educational and professional opportunities that will help them take command of their financial future and build stronger First Nations communities.

MODERATOR: Roger Harris, Principal, HarrisPalmer

PANEL: Wayne Drury, Coast Tsimshian Resources LP, Lax Kw'alaams First Nation, Port Simpson
Mike Robertson, Senior Policy Advisor, Cheslatta Carrier Nation, Southbank
Arnold Bellis, CEO and President of Gwaii Wood Products, Old Massett

2:10 PM **REFRESHMENT BREAK**

2:35 PM **SESSION 4 PARTNERSHIPS AND PROSPERITY: LEAVING DEPENDENCY BEHIND**

Our panellists will discuss how cooperative partnerships with industry, government and other First Nations can grow your financial and technical capacity, while also strengthening your financial independence and autonomy.

MODERATOR: Chief Jonathan Kruger, Penticton Indian Band

PANEL: Lennard Joe, Manager, Stuwix Resources Ltd., Merritt
Robert Duncan, Upnit Power Run-of-the-River Power Production, Hupacasath First Nation, Port Alberni
Robert Metcs, President, Havlik Metcs Ltd., Calgary

3:45 PM **CLOSING REMARKS**

Chief Councillor Ellis Ross and the Honourable Pat Bell

BIOGRAPHIES

ABORIGINAL BUSINESS AND INVESTMENT COUNCIL, CHAIR



MR. ELLIS B. ROSS

Ellis Ross, Chair of the Aboriginal Business and Investment Council, is the recently elected Chief Councillor of the Haisla Nation, although he has been a full-time Councillor since 2003. He has had many portfolios over his terms but has always maintained his connection to those files that have an Aboriginal rights and title component or economic development. He has worked for the private sector and the public sector, and operated his own business in partnership with his brothers through the 1990s. Over the past 12 years, he has coached and assisted Haisla basketball teams. Mr. Ross also coached the senior girls' basketball team to a zone championship.

ABORIGINAL BUSINESS AND INVESTMENT COUNCIL, MEMBERS



MR. BRIAN ASSU

Brian Assu has a background in the commercial and sentinel fisheries in the Campbell River area. He also holds prominent positions on a number of boards and councils including the Cape Mudge Indian Band Council, the Laichkwiltach Treaty Society, and chairs the A-Tlegay Fisheries Society and the Laich-Kwil-Tach Treaty Society. In addition, he is a Canadian alternate member with the Pacific Salmon Commission and the Chair of the Fish and Wildlife Compensation Program with BC Hydro. Mr. Assu is currently a Councillor with the We Wai Kai First Nation.



MS. KIMBERLEY C. BAIRD

Kim Baird was elected Chief of the Tsawwassen First Nation for six terms, from 1999-2012, and currently serves as its Strategic Initiatives Director. She also serves on the BC Agenda For Shared Prosperity Advisory Council and the TFN Economic Development Corporation Board of Directors, and was appointed to the Premier's Aboriginal Business Investment Council and the Minister's Advisory Council on Aboriginal Women.

In addition to her numerous awards, such as the National Aboriginal Women in Leadership Distinction Award, Vancouver Magazine's Power 50 Award, and Canada's Most Powerful Women Top 100 Award, Ms. Baird negotiated British Columbia's first urban treaty in 2009, and in 2007 was the first woman, who was not an MLA, to address the BC Legislature.

BIOGRAPHIES



MR. ARNOLD R. BELLIS

Arnie Bellis is the Chief Executive Officer and President of Gwaii Wood Products. He is a member of the Strastas (Eagle) Clan and is the former two-term elected Vice President with the Council of the Haida Nation. From 2002 to 2004, he was an elected councillor with Old Massett Village. Mr. Bellis was involved in the Haida Reconciliation Agreement with British Columbia in 2009 and is a former Chair of the Haida Power Authority and a current member of the Haida Gwaii Health Communities Society. He has been involved in numerous fisheries issues and the Haida land use planning processes.



CHIEF SHANE GOTTFRIEDSON

Kukpi7 spiu (Chief of the Eagles) Kuesher (Raven — Nuw-chah-nulth) Shane Gottfriedson is currently serving his third term as the 12th elected Chief of the Tk'emlúps Indian Band, situated in the heart of British Columbia's interior. In his first term, the Band became debt free almost a year ahead of schedule owns and now owns 10 corporations and operates year-to-year with an increasing surplus. Chief Gottfriedson also serves on several regional, provincial and federal committees and holds the elected position of Tribal Chief within the Shuswap Nation Tribal Council.

He believes financial certainty is a means by which to provide for the needs of the people, and is also committed to the issue of inherent Title and Rights, which he feels is imperative to the preservation of the traditions, language and culture of the people.



MR. ROGER B. HARRIS

Roger Harris is a Partner at Harris Palmer, a public affairs consulting group that works with clients to provide strategic/tactical advice, develop policies, explore business opportunities, manage projects and facilitate/negotiate agreements. Mr. Harris was elected as a member of the Legislative Assembly in 2001 representing the riding of Skeena and appointed Minister of State for Forestry Operations in 2004. He is currently President of Kalum Quarry Limited Partnership, a Director with the BC Carbon Offset Aggregation Cooperative, the Kitsumkalum Economic Development Board and has served as BC's Forest Safety Ombudsman since the role was created in 2006.



CHIEF JONATHAN J. KRUGER

Chief Jonathan Kruger is a proud member of the Okanagan Nation and Chief of the Penticton Indian Band. He has served his community and nation for 12 years. He has served eight years as band councillor and is currently on his second term as Chief. With a background in Natural Resources, Environment and Economic Development, Chief Kruger prides himself on maintaining a strong sustainable, cultural community for the children and for the future of all Band members. During his first term, Chief Kruger devoted his efforts to create a comprehensive community plan (CCP). Now with the CCP in place he is working with his community to create a land use plan. His mandate is to develop sustainably and holistically within the traditions of the Okanagan people while creating opportunities for the Penticton Indian Band by fostering positive relationships with municipalities, provincial and federal governments. Chief Kruger enjoys hunting and fishing and spending time on the land in the Okanagan territory.

**MS. FIONA J. MACFARLANE**

Fiona Macfarlane is currently the Managing Partner, British Columbia and Chief Inclusiveness Officer with Ernst & Young. Before joining Ernst & Young's South African firm in 1983, Ms. Macfarlane was trained as a lawyer in Cape Town. Her efforts in the immigrant community have been recognized with two awards, the Toronto Region Immigrant Employment Council's CBC Business Leader Award in 2008 and York University's make MORE Ontario Connections Award for Immigrants in 2010. Ms. Macfarlane's volunteer and professional achievements garnered her a place among Canada's Most Powerful Women: Top 100, presented by the Women's Executive Network in 2011. She is a governor with the Business Council of British Columbia and a member of the executive committee. Macfarlane has written and spoken extensively on indirect taxation. She holds her Bachelor of Arts in Commerce and her Bachelor of Laws from the University of Cape Town, and her Master of Laws from Cambridge University. In 2011, she was made an Honorary Chartered Accountant.

**MR. DONALD A. MCINNES**

Donald McInnes is the executive Vice Chairman of Alterra Power Corp., a British Columbia-based renewable power development company with a broad portfolio of clean energy projects. Mr. McInnes currently serves as Chair of the Clean Energy Association of British Columbia and the Chair of the Board of Directors of Prostate Cancer Canada. He is a Governor of the British Columbia Business Council. He was a participant in the inaugural year (2010) of the Simon Fraser University Leadership Exchange Program for the Industry Council for Aboriginal Business and was bestowed a Doctor of Technology honoris causa by the BC Institute of Technology in 2009. In addition, he was a finalist for 2008 and a recipient of the 2011 Ernst & Young Entrepreneur of the Year Award, Pacific Division Cleantech category. Mr. McInnes is a frequent public speaker and contributor to the debate on public policy and the integration and value of clean power.

**CHIEF DEREK D. ORR**

Chief Derek Orr is Chief of the McLeod Lake Indian Band. Previously, he was a Youth Councillor with the McLeod Lake Indian Band and a Land Referral Officer with the same band. Active in his community, Chief Orr serves as a Director on the board of Duz Cho Logging and Duz Cho Construction as well as on the boards of Summit Pipelines and the McLeod Lake Indian Band Exploration Corporation. Mr. Orr is a graduate of the Business Management Program at the College of New Caledonia and is a certified life skills coach trainer.

**MR. SIDNEY A. PELTIER**

Sid Peltier has been a helicopter pilot for 37 years and is the owner and President of White River Helicopters Inc. and Pelair Helicopters in Terrace B.C. Active in the community, he is the Vice President of the Northwest BC Metis Association, a Director of the Kermode Friendship Society, and a committee member on the Metis Consultation Project Team Enbridge. Previously, Mr. Peltier was the Chair of the Metis Ad Hoc Adoption Committee with Metis Nation British Columbia.

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Protecting resources, decreasing dependency and continuing to diversify

A story from the Haida Nation

The Haida Nation occupies the archipelago of Haida Gwaii, 100 kilometers west of the northern coast of British Columbia. Haida Gwaii's one million hectares include Gwaii Haanas in the north (formerly Graham Island) and Moresby Island in the south, along with nearly 200 smaller islands that comprise some of the richest marine and terrestrial environments on earth. Of the Haida Nation's roughly 5,000 members, approximately 3,000 live on the islands, predominantly in Old Massett at the north end of Graham Island and in Skidegate at the south end of the island. A large number also live in Vancouver and Prince Rupert.

For thousands of years, the Haida have been sustained by the land and waters of their traditional territory. Over the past 50 years, economic activity has revolved primarily around intensive large-scale logging by non-Aboriginal companies. During that time, the Haida have worked steadily to increase their role in decisions related to natural resources in their territory. Those efforts played a key role in two landmark Supreme Court of Canada decisions that have led to increased potential economic opportunities for nearly all First Nations across Canada.

Empowered by the legal recognition of their right to be consulted regarding natural resource projects on their traditional territory, the Haida created the Haida Enterprise Corporation (HaiCo) in 2009 to improve the economic, social, cultural and environmental well-being of the Haida people. Since then, HaiCo has created Haida-owned businesses in tourism, forestry and seafood processing and grown from a struggling startup to a stable operation with \$22 million in assets and \$35 million in annual sales. Most importantly, it continues to make great strides towards creating a diverse and sustainable economy on Haida Gwaii.

The Council of the Haida Nation (CHN)

While the Haida people have used the hemlock, cedar and Sitka spruce of their traditional territory for thousands of years, the greatest harvesters of timber on Haida Gwaii have been non-Aboriginal companies who brought large scale logging to the islands in the 1960s.

By 1974, the Haida were increasingly concerned about logging permits being issued in Haida Gwaii and how clear cutting was affecting the old-growth forests and surrounding ecosystems. That year, a handful of people organized the Haida people into one political entity called the Council of the Haida Nation, with a vision and mandate to settle land claims. Over the past 30 years, CHN has become the Haida Nation's national government, asserting the Nation's sovereignty over Haida Gwaii, and enacting legislation and policy affecting many aspects of life on the islands.

In the face of planned expansion of logging on the islands in the 1980s, CHN designated Gwaii Haanas as a "Haida Heritage Site", and worked with conservationists to draw international attention to the protection of their forests and their assertion of rights and title over their traditional territory.

Between 1987 and 1993, Canada and the Haida Nation negotiated the Gwaii Haanas Agreement, which committed both parties to the protection of Gwaii Haanas through the creation of Gwaii Haanas National Park Reserve (the first National Park co-managed by a First Nation and the federal government). The agreement also formally recognized and protected Haida interests and cultural practices on their traditional territory.

In 2004, the Haida and all First Nations, assumed a greater role in decisions about economic development in their traditional territories when the Supreme Court of Canada issued precedent-setting decisions on two

landmark cases led by the Haida. The Supreme Court's key ruling was that, when it came to activities that could infringe upon claimed or proven Aboriginal rights or title, the Crown and third parties had a duty to consult with First Nations.

Over the next three years, the Government of BC reduced Annual Allowable Cuts on Haida Gwaii, temporarily suspended logging in some areas and worked with the Council of the Haida Nation to develop a strategic land-use agreement (SLUA). In April 2007, a final SLUA was signed which ensured nearly half of the land base of Haida Gwaii was within protected areas, which were to be managed collaboratively by the Haida and the Province. In addition, the Province committed to an economic timber opportunity of at least 800,000 cubic metres per year, along with detailed forest planning incorporating Haida cultural and environmental priorities.

At the time, CHN President Guujaaw said, "After 50 years of intensive forestry without holistic planning, this land-use agreement now starts to bring cultural, environmental, and economic interests into balance. It provides a firm footing to take the next steps in reconciliation of our competing, yet coexisting, titles."

Those "next steps in reconciliation" were embodied in the Reconciliation Protocol signed between the Haida Nation and the Province of BC two years later, in 2009.

The Reconciliation Protocol provided a foundation for Haida economic development through the creation of a joint Province/CHN Haida Gwaii Management Council to make shared decisions in specified key strategic areas for the management of natural resources. The Council included two representatives from the Province and two from the Haida Nation, plus a chairperson agreed to by both parties. Its goals were to create greater certainty in land use decisions and to replace time-consuming referral processes with a streamlined process that reduced complexity, red tape and the time needed for decisions.

The protocol also played a key role in establishing a sustainable forest industry for the Haida Nation by providing CHN with a forest tenure of 120,000 cubic metres, \$3.2 million to support implementation of the protocol, and \$10 million towards the acquisition of forest tenures on Haida Gwaii. With the financial support now in place, CHN set about creating a new corporate entity to manage its economic opportunity.

Haida Enterprises Corporation (HaiCo)

The Council of Haida Nation's elected legislative body is the House of Assembly (HOA), which includes a president and vice president (who are elected by all Haida Citizens), and Regional Representatives from Skidegate (4), Massett (4), Prince Rupert (2) and Vancouver (2) (who are elected by Haida Citizens in those communities.) While the HOA is only held once a year, over four days each October, CHN representatives meet on a quarterly basis, and public meetings are hosted from time to time by CHN to give and receive information on specific issues.

With CHN about to receive a new forest tenure along with \$10 million towards the acquisition of additional tenures, CHN set about separating business and politics by creating a new independent corporate entity, **the Haida Enterprises Corporation (HaiCo)**, to manage, grow and govern Haida business enterprises.

HaiCo was incorporated in 2009 with the goal of developing a sustainable economy on Haida Gwaii and improving the economic, social, cultural and environmental well-being of the Haida People.

HaiCo goals include:

- generating revenue and provide meaningful employment and career opportunities for Haida People in the management of HaiCo and subsidiary businesses.
- providing responsible management practices that always consider the land, waters, life forms and the culture in all enterprises.
- developing Haida management and operational capacity to ensure well managed, profitable and integrated businesses.
- focusing on enterprises that are needed to produce a thriving, sustainable community that enhance the lives of people living on Haida Gwaii.

The relationship between HaiCo and CHN is governed by a Letter of Expectation, which outlines the roles and responsibilities of each party regarding performance expectations, policy issues and strategic priorities.

Among its key points are:

- CHN represents the Haida people as the sole HaiCo shareholder
- Accountability and responsibility for HaiCo operational management rests with the HaiCo Board
- HaiCo will prepare an annual operating/business plan for each of its enterprises, including an overall HaiCo business plan
- Profits from the HaiCo's business activities will be remitted to the Treasury of the Haida Nation
- HaiCo will advertise all career and employment opportunities in a manner that reaches out to qualified Haida people
- HaiCo will provide financial and performance reports, strategic plans, annual financial results and an Annual Statement of Management Responsibility to the Haida people. These documents will be presented at the House of Assembly (HOA), published on HaiCo's website and distributed through Haida newsletters and other vehicles.

FORESTRY

With funding and a governance model in place, HaiCo created Taan Forest Limited Partnership to manage Haida logging interests on the islands and Taan Wood to manage value-added wood products.

In 2010, HaiCo began negotiations with Western Forest Products for the purchase of Tree Farm License 60 (TFL 60) and its associated infrastructure in Haida Gwaii. TFL 60 is the largest forest tenure on Haida Gwaii, covering more than 130,000 hectares on Graham, Moresby and Louise Islands. HaiCo put a deposit on the transaction and entered into an operating agreement allowing HaiCo to harvest timber.

Taan Forest has managed TFL 60 under the agreement since 2010, harvesting timber through a contractor, Edwards & Associates *Logging*. HaiCo completed the purchase of TFL 60 for \$12.2 million in 2012, using the \$10 million from the 2009 reconciliation agreement with the Province. Combined with its other forest tenure, Taan Forest currently has a combined allowable annual harvest of more than 440,000 cubic metres.

In the past, more than one million cubic metres was logged annually on Haida Gwaii, with most of the timber shipped off-island. Today, HaiCo has increased the sustainability of the islands' forest industry by reducing the Annual Allowable Cut by more than half. It has also diversified its forest-related operations and job opportunities beyond harvesting through several different initiatives, including:

- lower grade second growth timber is exported to Asia
- Sitka spruce is custom-cut for guitar and piano manufacturers abroad

- a new joint venture pole-peeling operation with Skidegate Band Council processes cedar logs into utility poles
- an agreement to provide select cedar, hemlock, spruce, alder and pine to Abfam Enterprises in Port Clements has allowed the company to expand its operations
- timber is supplied to a joint venture sawmill with the Old Masset village council
- a small custom cutting program has started in Vancouver
- biomass opportunities are being explored to convert wood waste into energy
- opportunities are also being explored to Taan Forest's role in timber harvesting and manufacturing on Haida Gwaii

To ensure more members derive benefits from its forestry assets, HaiCo is also training more young members in felling and machine operation.

As a result of its increased focus on sustainable forestry practices, all of Taan Forest's operations and product supply chains were recently FSC certified by the Forest Stewardship Council. The global, not-for-profit organization grants its forest industry leading certification to companies whose products come from responsibly managed forests that are evaluated to FSC strict environmental and social standards. By market and selling its wood products with the FSC label, Taan Forest is finding a growing market in places like Europe where sustainably certified wood products are increasingly in demand.

Tourism

HaiCo's entry into the tourism industry began in 2010 with its purchase of the Tlell River House, a seasonal bear hunting lodge that was built in the 1980s. The CHN had called for an end to the recreational trophy hunting of Black Bears back in 1995. When the Haida Nation succeeded in retiring the last remaining bear hunting license, it purchased the lodge and renamed it the Haida House at Tllaal. Today, Haida House offers a wide variety of cultural tourism packages through which guests can experience Haida Gwaii's history, culture and natural beauty.

While Haida Gwaii has been home to some of the world's most renowned sport fishing lodges for decades, none of them were Haida-owned until 2011, when HaiCo purchased West Coast Resorts (WCR) out of receivership. West Coast Resorts operates two luxury fishing lodges on Haida Gwaii, along with two more on BC's central coast, and a fifth located in Kyuquot Sound on Vancouver Island. The company also manages the Inn at Sandspit.

Combined, the five lodges host 3,700 guests per year. With three and four night stays ranging from \$3,700 to \$5,600, the company revenue is approximately \$15 million per year. At peak operations the company employs more than 150 people, including dozens of seasonal jobs for Haida, Gitga'at and other coastal First Nations. While profit margins are small in the sport fishing industry, HaiCo has managed to turn WCR's finances around and turned a profit in 2012.

Seafood processing

In 2012, HaiCo also entered the seafood processing industry, through its acquisition of Seapak QCI Processing Limited. From its modern facility in Massett, the company provides custom seafood smoking and processing for the sports fishing industry, as well as locals and visitors. It also sells fresh and frozen salmon, smoked salmon, halibut, razor clams, cod, crab, shrimp and prawns from wild sources to the local retail market.

Now known as Haida Seapak, the company has several contracts for processing salmon and groundfish for fishing lodges in Haida Gwaii. Through Haico's acquisition of West Coast Resorts, it now has an opportunity to expand its business by providing its processing services and a wide range of seafood products to guests at HaiCo's new WCR lodges, as well as the Inn at Sandspit and Haida House at Tlaa.

Energy

Having expanded into the forest, tourism and seafood processing industries, Haico is now exploring opportunities in the energy sector. With Haida Gwaii not connected to BC Hydro's electric grid, island residents rely on diesel generators for their power. While Haida Gwaii has tremendous potential for offshore wind power, in 2011, Haida Nation members overwhelmingly rejected a proposed business partnership to build an offshore wind farm in Hecate Strait due to environmental concerns.

One potential way for Haida Gwaii to reduce its dependency on fossil fuels is through the use wood waste, also known as biomass. Through its forest harvesting and manufacturing operations, HaiCo generates a tremendous amount of wood waste, which could be converted to energy through gasification or combustion.

In 2012, Haico was one of 26 proponents to submit a proposal to BC Hydro's Request for Expressions of Interest for clean electricity projects on the north grid of Haida Gwaii. BC Hydro has stated it will consult with stakeholders and First Nations before any process is initiated. If selected, the HaiCo proposal would create 10 to 12 new, permanent, full-time Haida Gwaii jobs and would generate \$20 million net revenue over the next 20 years.

Aboriginal Business & Investment Council

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Review stories of economic achievement from Aboriginal communities across B.C. Learn how they developed success...

Success Stories

Storytelling is important in teaching and preserving Aboriginal history and culture.

Our desired outcome for this section is to chronicle and share Aboriginal economic development stories from across the province so that First Nation communities are given the opportunity to learn from others' positive business experiences and so that they do not make the same costly mistakes that have been encountered elsewhere.

Having connected with First Nation communities around the province we are aware that there are many examples of Aboriginal success but we have selected just a small few. Over time, we would like to continue adding stories to this collection.

Stories by region

1. North Coast

2. Nechako

3. Northeast

4. Cariboo

5. Vancouver Island / Coast

6. Mainland / Southwest

7. Thompson Okanagan

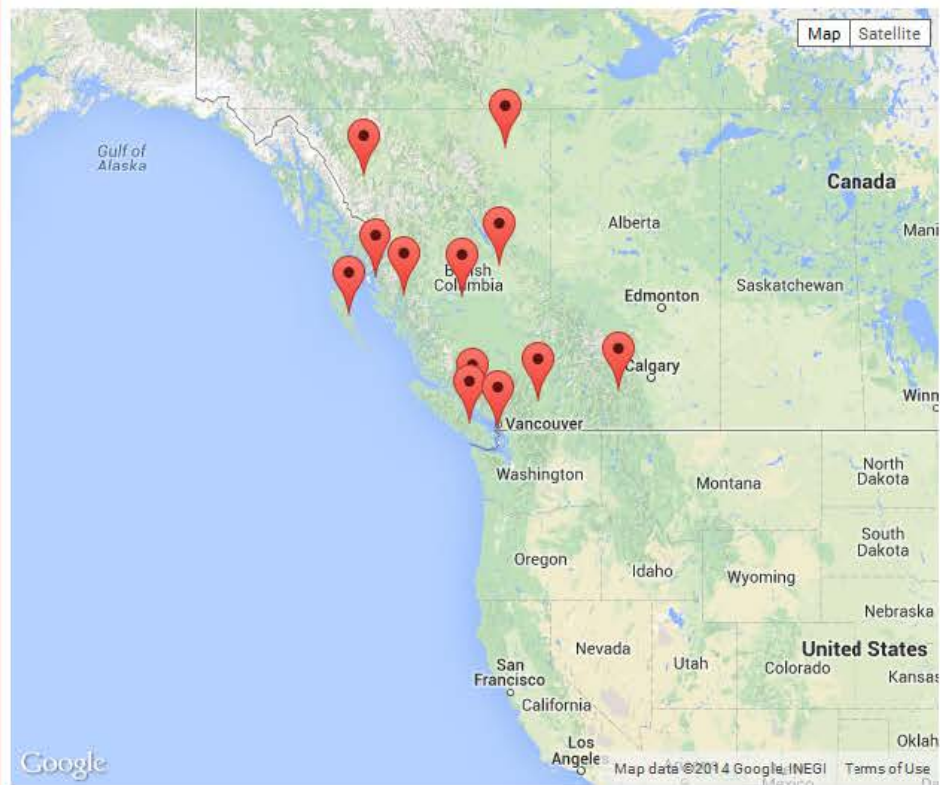
8. Kootenay

Stories by industry

Appendix 2 – Success Stories: Screen Shots of ABIC Website and Sample Story

selected just a small few. Over time, we would like to continue adding stories to this collection.

Stories Map



Stories by industry

[Agriculture](#)
[Energy](#)
[Fishing](#)
[Forestry](#)
[Mining](#)
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Glossary

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[Band](#)
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Stories

Economic development through the foundations of mutual respect

A story from the Fort Nelson First Nation (Published July 4, 2013)

The Fort Nelson First Nation (FNFN) has roughly 800 members and its nearly 10,000-hectare traditional territory makes up the northeastern corner of British Columbia, one of the most active gas and oil exploration regions in...

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Stories

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[read more](#)

First Nation success through partnership and creating certainty for industry

A story from the Haisla First Nation (Published July 2, 2013)

The Haisla are a First Nation of about 1,500 members, whose traditional territory encompasses 13,000 square kilometres on BC's North Coast. Roughly half of the members live in Kitamaat Village at the head of the Douglas Channel, 10...

[read more](#)

Protecting resources, decreasing dependency and continuing to diversify

A story from the Haida Nation (Published May 23, 2013)

The Haida Nation occupies the archipelago of Haida Gwaii, 100 kilometers west of the northern coast of British Columbia. Haida Gwaii's one million hectares include Gwaii Haanas in the north (formerly Graham Island) and Moresby Island in the...

[read more](#)

United Aboriginal communities lend to developing joint ventures

The story of eight First Nation Bands in the Nlaka'pamux and Syilx territories (Published May 23, 2013)

Stuwix Resources Ltd. (Stuwix) is a forest company in the Merritt area that is jointly owned and operated by eight First Nation Bands in the Nlaka'pamux and Syilx territories (Cooks Ferry,...

[read more](#)

Principles for sustainability and respect

A story from the Tahltan Nation (Published March 22, 2013)

The Tahltan Nation is based in northwest British Columbia. It has approximately 5,000 members, and includes two Bands: the Tahltan Indian Band (with headquarters at Telegraph Creek) and the Iskut First Nation (with headquarters at Iskut...

[read more](#)

Developers at heart

A story from the Shuswap Indian Band (Published March 22, 2013)

The Shuswap Indian Band (SIB) is a First Nation community in the East Kootenays. The band has 260 members, and two reserves on 1,240 hectares of land, with its main reserve located one mile north of Invermere. Whereas many First...

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Growing and fostering capacity towards organizational development

A story from the Hupacasath First Nation (Published March 25, 2013)

The Hupacasath First Nation (HFN) is a member of the Nuuchah-nulth Tribal Council. Its traditional territory spans 2290 square kilometres, including the entire Alberni Valley on Vancouver Island. Currently, HFN has five...

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A model of municipal-First Nation intergovernmental relations

A story from the Sliammon First Nation and City of Powell River: PRSC Limited Partnership (Published March 25, 2013)

The relationship between Powell River and the Sliammon First Nation provides a blueprint for many communities across British Columbia. For more than a century, the people of...

[read more](#)

You're never too small to achieve big things

A story from the Cheslatta carrier nation (Published March 25, 2013)

For centuries, the Cheslatta people were hunters and trappers living on the shores of Cheslatta and Murray lakes in central British Columbia. In the early 1950s, the Aluminum Company of Canada (Alcan) built the Kenney...

[read more](#)

Separating the politics to create the best new seaside community

A story from the Tsawwassen First Nation (Published March 26, 2013)

Located on the Strait of Georgia, 25 km south of Vancouver, the Tsawwassen First Nation (TFN) has 450 members. A little more than half live within the boundaries of their community with the remaining population divided between...

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Stories

Developing a community turnaround and leveraging opportunities

A story from the Lax Kw'alaams First Nation (Published March 25, 2013)

The 3,200-member Lax Kw'alaams First Nation (LFN) is an economic powerhouse in Northwestern British Columbia, with 78 reserves on 12,000 hectares, and Band revenues of \$200 million in 2012.

The Band is based 30 km...

[read more](#)

Selecting business ventures that offer profitability and employment

A story from the McLeod Lake Indian Band (Published March 25, 2013)

The McLeod Lake Indian Band is part of the Tse'khene group of Aboriginal peoples that includes Bands at Fort Ware (Kwadacha) and Ingenika (Tseh Kay Dene). The main community of McLeod Lake Indian Band is located on McLeod Lake...

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2014/2015 Estimates Note Advice to the Minister

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

Title: Aboriginal Business and Investment Council (ABIC)

Revised: April 22, 2014

Issue: ABIC's progress to date and priorities for the next term

Recommended Response:

- ABIC's mandate is to help improve Aboriginal participation in the economy and promote economic certainty in the province by encouraging economic growth in Aboriginal communities.
- Members were selected for their understanding of successful business models, Aboriginal cultures and relationship building.
- ABIC has developed a number of success stories, hosted on their website, which offer real examples of strategies used by First Nations to promote economic development. These stories will be used to develop a "playbook" of best practices in Aboriginal economic development for both First Nations and industry.
- ABIC is currently developing a publicly available database of First Nations economic development initiatives and businesses which will make it easier to locate First Nation suppliers and business partners.
- ABIC's priorities for the coming year include doubling the number of success stories and launching the database. ABIC will also assess and implement other initiatives to improve Aboriginal participation in the economy.

Background/Status:

- The Aboriginal Business and Investment Council (ABIC) was a deliverable of the *BC Jobs Plan*.
- ABIC's strategic objectives are to advance Aboriginal people's participation in the economy by:
 - Identifying successful businesses and partnerships between Aboriginal communities and investors, and identifying ways that they can be replicated in BC;
 - Helping act as a conduit for Aboriginal associations and communities to voice their issues;
 - Providing investors with a forum to engage and partner with BC First Nations and Aboriginal people; and

2014/2015 Estimates Note Advice to the Minister

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

- Encouraging relationships between Aboriginal communities, industry and government to implement practical measures for economic development.
- ABIC's first term expired December 15, 2013, and its mandate was renewed for another two years. Three members are new, replacing vacancies created by resignations (see Appendix 1).
- ABIC is chaired by Chief Councillor Ellis B. Ross (Haisla).
- In January 2013, ABIC launched a website (www.bcabic.ca) for Aboriginal communities and organizations, private sector businesses and government. The website currently hosts a series of success stories that offer real examples of strategies used by First Nations to promote economic development (see Appendix 2).
- On December 6, 2012, ABIC delivered a Success through Sharing Symposium which brought together Aboriginal and non-Aboriginal leaders to showcase partnership ventures. The Symposium was attended by approximately 300 people (see Appendix 3).
- New deliverables for ABIC for the coming term include:
 - Launching the First Nation Economic Development Database for the North and expanding its coverage for the Province;
 - Doubling the number of success stories on the ABIC website and include examples from both the First Nations and non-First Nations' perspectives on business partnerships and publishing the ABIC Success Stories hardcopy playbook;
 - Actively participating in key First Nations and business conferences to represent the work of ABIC (to be determined by ABIC).
 - Establishing a framework to assist First Nations in engaging on Economic Benefit Agreements to expedite First Nation / Major Project agreements;
- JTST provides secretariat services for ABIC.
- See Appendix 4 for a list of First Nations-related Jobs Plan commitments.
- See Appendix 5 for a list of First Nations focused labour market initiatives by sector.

Contact:

Executive Director	Chris Gilmore	Industrial and Land Initiatives Branch	(250) 952-0139
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2014/2015 Estimates Note Advice to the Minister

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

APPENDIX 1: ABIC MEMBERS TO BE APPOINTED/ REAPPOINTED

Name	Organization/Position
Assu, Brian	Councillor, Wewikai First Nation
Baird, Kimberley C.	Tsawwassen First Nation
Bellis, Arnold R.	Chief Executive Officer and President of Gwaii Wood Products
D'Avignon, Greg (new member)	President and CEO of the Business Council of British Columbia
Gottfriedson, Shane	Chief, Kamloops Indian Band (Tk'emlups te Secwepemc)
Harris, Roger B.	Principal, Harris Palmer Consultancy Firm Former MLA for Skeena
Ireland, Brenda M. (new member)	Chief Executive Officer and Executive Director for the Industry Council for Aboriginal Business
Joe, Lennard P. (new member)	Administrative Advisor to the Shackan Indian band and General Manager of Stuwix Resources Joint Venture
Kruger, Jonathan J.	Chief, Penticton Indian Band
McInnes, Donald A.	Executive Vice Chairman, Alterra Power Corporation
Orr, Derek D.	Chief, McLeod Lake Indian Band
Peltier, Sidney A.	Owner and President of White River Helicopters Inc. and Pelair Helicopters. Vice President of the Northwest BC Metis Association.
Ross, Ellis B. (Chair)	Chief Councillor, Haisla Nation

Economic Development Division Profile

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Economic Initiatives & Analysis Branch Profile

Division: Economic Development

ADM Responsible: Shanna Mason

Branch Objectives:

- Economic Initiatives –Provide leadership and coordination to develop and implement major initiatives of strategic importance to the B.C. economy and across the eight sectors of the *BC Jobs Plan*.
- Economic Analysis – Leads the development of strategic and analytical reporting that advance industry competitiveness, productivity, innovation, investment, and business development in British Columbia.

Branch Description:

- The Economic Initiatives & Analysis Branch (EI&AB) engages industry representatives, stakeholders, and other sources of industry and economic information across the eight *Job Plan* Sectors, to understand economic opportunities, challenges, priorities and constraints relating to economic growth. The branch works with industry, other ministries and regulators to break down barriers and constraints to economic growth and job creation.
- EI&AB provides economic analysis in support of increased productivity, competitiveness, innovation, investment, and business development in British Columbia.
- The branch also contribute expertise on cross-ministry major project working groups to ensure that impacts on jobs and the community economic impacts are fully considered.
- EI&AB produces the bi-monthly British Columbia Economic Snapshot and British Columbia Baseline Indicators; a quarterly Major Projects Inventory; regular *Jobs Plan* progress reporting updates; and sector and regional economic development profiles.

Client Profile:

- Business associations at provincial and local levels.
- Sector Associations in the eight Jobs Plan sectors
- Aerospace and Defence Industry
- Shipbuilding and Marine Sector (i.e., Seaspan)

Economic Initiatives & Analysis Branch Fast Facts

Branch Outcomes (Impacts)/Service Statistics

- 24 Month Jobs Plan Progress report released September 17, 2013.
- BC Jobs and Investment Board released its interim report in the fall of 2012 and its final report was released in December 2013.
 - Government has actioned 66 of the 67 recommendations.
 - The reports and tracking of recommendations can be found at www.bcjib.ca
- Major Projects Inventory produced quarterly
- Commissioned a KPMG report to inventory BC's Marine Sector Cluster.
 - The report was received in April 2013 and will inform future work to develop the sector.
- First Nations Economic Development Database (in development)
- Developed the partnership agreement with the Aerospace Industries Association of Canada (AIAC) Pacific Division in support of a unified B.C. aerospace cluster.
- Helped raise the profile of BC's aerospace and defense industry participating at the 2013 Abbotsford Aerospace, Defense and Security Expo.

2014/15 Priorities/Key Initiatives

- Collaborate with other ministries and industry to advocate and evaluate potential regulatory and/or policy changes to support growth in *Jobs Plan* sectors.
- Lead on-going work on the *Jobs Plan* refresh and support development of the *36-Month Jobs Plan Progress Report* expected in September, 2014.
- Manage and support the key deliverables of the partnership agreement with AIAC Pacific to grow the aerospace sector including work to leverage the new Industrial Technology Benefits (former Industrial Regional Benefits) Program to attract global aerospace and defense contractors to BC.
- Develop a Marine Cluster Strategy that supports and leverages participation in the strategic 30-year federal government procurement process for naval, coast guard and fisheries research vessels.
- Quarterly update, production and dissemination of the Major Projects Inventory.
- Work with industry and ABIC to deliver First Nations Economic Development Database.

Contact: Angelo Cocco, Executive Director
(250) 952-0612

Last update: April, 2014

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Industrial & Land Initiatives Branch Profile

Division: Economic Development

ADM Responsible: Shanna Mason

Program Objectives:

- Develop, support, analyze and implement industrial and land-based economic development initiatives that contribute to the BC Jobs Plan and broader economic development objectives.
- Support operations of the Aboriginal Business and Investment Council including leading and facilitating implementation of council initiatives.
- Lead and/or support development and implementation of cross sector strategies in support of the Jobs Plan (e.g., investment attraction, First Nations and Industry collaboration on economic development, and manufacturing strategy).
- Coordinate cross-government support and actions related to the redevelopment of high-value contaminated sites.

Program Description:

- The Industrial and Land Initiatives Branch engages with stakeholders (e.g., industry, First Nations, communities) to understand cross-sectoral linkages, opportunities and barriers to growth. The branch works with stakeholders, other ministries and regulators to pursue initiatives that lead to positive economic outcomes.
- The Branch develops tools to increase BC's investment readiness and connect potential investors with investment opportunities and related economic data.
- Based in Victoria, the branch consists of nine staff: an administrative coordinator (shared with Regional Economic Policy and Projects Branch), 5 project managers/advisors and planning/geo-spatial analysts, two Directors, one Executive Director.

Client Profile:

- Business community and sector associations within the Jobs Plan sectors
- Manufacturing sector businesses and associations
- Foreign investors, turn-key business investors, and entrepreneurs
- Aboriginal Business and Investment Council
- First Nations
- Local governments

Industrial & Land Initiatives Branch Fast Facts

Program Outcomes (Impacts)/Service Statistics:

- BC Economic Atlas, a web-based mapping application that integrates economic, socio-demographic and natural resource spatial data to support investment opportunities and decision ready for launch in January 2014.
- Aboriginal economic development success stories posted on the Aboriginal Business and Investment Council website located at www.bcabic.ca.
- Developed a provincial industrial land base inventory with an initial focus on large parcels suitable for industrial development purposes.
- Reached agreement with the City of Prince Rupert to remove high risk chemicals (up to \$5M), to redevelopment of Watson Island industrial site (formerly Skeena Cellulose near Prince Rupert).
- Support cross-agency initiatives, such as First Nations treaty settlement land proposals and legislation development to ensure ministry economic development interests are identified.

2014/15 Priorities/Key Initiatives:

- Lead and support implementation of industrial or land based economic development initiatives.
- Develop, support and implement cross-sectoral strategic economic development initiatives
 - Work with Industry Stakeholders to develop a Manufacturing Strategy for fall 2014.
- Launch and market the BC Economic Atlas.
 - Work with Ministry of International Trade to leverage BC Economic Atlas in broader investment attraction efforts.
- Work with the Aboriginal Business and Investment Council to identify and recommend alternative business models and best practices to help improve Aboriginal participation in the economy; and promote economic certainty in the province by encouraging economic growth in Aboriginal communities.
- Lead inter-ministry team to provide one window access to requests for support related to the Evaluation Framework: Contaminated Sites Development Assistance.
- Collaborate with other ministries on further development of a provincial industrial land inventory.

Contact: Chris Gilmore, Executive Director, Industrial & Land Initiatives Branch
(250) 952-0139

Regional Economic Operations Branch Profile

Division: Economic Development

ADM Responsible: Shanna Mason

Program Objectives:

- Work with communities and regions to identify economic development priorities, share best practices and provide economic development expertise on the ground throughout British Columbia.
- Help communities to improve investment attraction and business retention and expansion. Assist communities, businesses and industry to access provincial and federal agencies to connect with appropriate programs and assist in removing barriers to economic development.
- Provide cross-government, strategic leadership for implementation of the Provincial Mountain Pine Beetle Action Plan to mitigate the impacts of the mountain pine beetle (MPB) epidemic and support impacted communities in creating and implementing socio-economic adjustment and mitigation plans.

Program Description:

- The Branch has 19 experienced staff located on the ground in British Columbia. Our offices are located in Courtenay, Cranbrook, Fort St. John, Kamloops, Nanaimo, Prince George, Prince Rupert, Terrace, Smithers, Williams Lake, Vernon and Victoria.
- Assist communities to create regional strategies for business attraction and retention and promote economic diversification.
- Support communities and regions to become investment ready and identify potential investment initiatives.
- Work closely with international offices and other ministries to identify and link investors with opportunities in the regions.
- Co-ordinate resources to help communities respond to changing economic and social realities.
- Provide specialized community transition services for rural communities that are experiencing significant job loss impacts, such as Burns Lake, Houston and Quesnel.
- Provide on the ground regional intelligence and expertise to assist with the development of informed government policy, initiatives and tools.
- Work closely with the three regional Community Beetle Action Coalitions (BACs) – Omineca (OBAC), Cariboo Chilcotin (CCBAC), and Southern Interior (SIBAC) – to develop and implement projects and initiatives that assist with MPB impact mitigation.

- Work with various government agencies and economic development organizations to assist MPB impacted communities to increase public awareness of, and facilitate access to, government programs and services.

Client Profile:

- Local governments: regional districts, municipalities and electoral areas.
- Economic and community development stakeholder groups.
- Industry and business associations.
- First Nations communities and organizations.
- BC communities and regions that are adversely impacted by the mountain pine beetle epidemic.
- Beetle Action Coalitions
- Economic Development Trusts

Regional Economic Operations Branch Fast Facts

Program Outcomes (Impacts)/Service Statistics:

- Implemented three economic development initiative pilots and completed priority projects (we continue to work with the McBride to Barrier pilot and have additional projects for the region – see Estimates Note).
- Implement projects in the four Regional Economic Development Collaboratives launched in:
 - Northwest
 - Lytton-Clinton-Lillooet
 - Elk Valley
 - Quesnel
- Deliver response to significant industrial closures affecting rural communities. Mitigate the impacts of the mill closures in the District of Houston and City of Quesnel (see Estimates Note for accomplishments and activities).
- Assist communities to access government programs and services
- For the 2012/13 fiscal year, the branch and the BACs collectively invested over \$1.7 million in over 45 mitigation projects. This investment attracted additional funding of \$3.6 million in these 45 projects resulting in a total project value of \$5.3 million. (See Estimates Note).
- Each BAC has approximately \$2 million remaining of the total funding it received through Provincial and Federal transfers:

Beetle Action Coalition	Total Funding from the Province (\$3 million each, April 2011) & Federal Transfers
CCBAC	\$6.2 million
OBAC	\$5.7 million
SIBAC	\$5.1 million
Total	\$17 million

2014/15 Priorities/Key Initiatives:

- Implement four Regional Economic Collaboratives, identifying economic opportunities and working in partnership with communities and stakeholders in the regions to implement those priorities.
- Completing the Houston and Quesnel community transition responses.
- Identify and link the regions, investors and investment opportunities.
- Work with rural communities and economic development stakeholders to develop capacity to attract and retain investment.

- Work with other ministries to develop and enhance policies that promote job creation within the regions.
- Assist communities to utilize the Ministry's Business Attraction Tool Kit for BC Communities and other resources to support and advance their economic priorities.
- Provide expertise and on the ground assistance in developing and delivering economic development workshops.
- Deliver Business Walks in a number of BC communities.
- Support MIT and MIO in developing investor tours and provide on the ground assistance.
- Support business sector development and immigrant investor regional engagement tours.
- Continue to work with the BACs and impacted communities to develop projects and initiatives that will assist with MPB mitigation.
- Work with the Beetle Action Coalitions and other government ministries to explore the recommendations from the Rural BC Project and examine existing programs/services to support development of potential practical actions/solutions. Continue to provide on the ground economic development assistance throughout the Province of BC.
- Support Parliamentary Secretary Donna Barnett on the Rural BC initiative.

Contact: Sarah Fraser, Executive Director
(250) 952-0644

Regional Economic Policy and Projects Branch Profile

Division: Economic Development

ADM Responsible: Shanna Mason

Program Objectives:

- Identifies regional and community level economic development themes and needs.
- Develops tools and coordinates resources to equip communities and economic development practitioners
- Leads outreach and communication activities to showcase existing resources, profiles community led examples of success and encourages two-way communication/feedback.
- Delivers \$10.5 million annual funding for Resort Municipality Initiative

Program Description:

- The branch initiates, develops, implements, manages and evaluates new initiatives and existing programs in support of regional, rural and community development.
 - Leads initiatives under the *Enhanced Community Economic Support Initiative*:
 - *Economic Development Essentials for Local Leaders* – workshops to provide elected officials with practical tools and advice related to advancing economic development goals and priorities.
 - *Business Attraction Toolkit for BC Communities* – an online suite of tools and resources to support communities to increase and succeed in attracting investment.
 - *OpportunitiesBC* – a database of investment opportunities.
 - Produces bi-monthly editions of Economic Development in BC newsletter and distributes to over 1500 stakeholders.
 - Utilizes social media to profile economic development initiatives.
 - Enhances community outreach tools based on user feedback to ensure ongoing relevance and currency.
 - Manages the following programs:
 - Resort Municipality Initiative which distributes \$10.5 million annually in incentive-based financial support to 14 resort municipalities:
 - Fernie,
 - Golden,
 - Harrison Hot Springs,
 - Invermere,
 - Kimberley,
 - Osoyoos,
 - Radium Hot Springs,

- Revelstoke,
 - Rossland,
 - Sun Peaks,
 - Tofino,
 - Ucluelet,
 - Valemount and
 - Whistler.
- Economic Development Division webinar series covering topics that support and build capacity related to regional economic development.
- Manages the corporate relationship with three Regional Development Trusts and one Crown Corporation:
 - Northern Development Initiative Trust (Northern Development),
 - Island Coastal Economic Trust (ICET),
 - Southern Interior Development Initiative Trust (SIDIT), and;
 - Nechako-Kitamaat Development Fund Society (NKDFS) – a Crown Corporation
- Staff of 11 with expertise in regional and community economic development, project management, communications and website and database development.

Client Profile:

- Mayors, councillors, regional district Chairs and electoral area directors of local governments: regional districts, municipalities and electoral areas.
- Three of the economic initiative trusts (Northern Development Initiative Trust (Northern Development), Island Coastal Economic Trust (ICET) and Southern Interior Development Initiative Trust (SIDIT) and one Crown Corporation.
- Industry associations.
- Business community.
- Community Futures Development Corporations.
- British Columbia Economic Development Association and community based economic development officers.
- Other economic and community development stakeholder groups.
- Academic community dedicated to regional and rural development.

Regional Economic Policy and Projects Branch Fast Facts

Program Outcomes (Impacts)/Service Statistics

- Delivered three of four initiatives under the *Enhanced Community Economic Support Initiative*:
 - *Economic Development Essentials for Local Leaders* – fifteen regional workshops were held January – April 2013 to provide elected officials with practical tools and advice related to advancing economic development goals and priorities. Six additional workshops are under development, as well as tailored workshops related to land development.
 - *Business Attraction Toolkit for BC Communities* – an online suite of tools and resources to support communities to increase and succeed in attracting investment – launched in April 2013, with new content being added as additional topics of interest and community needs are identified.
 - *OpportunitiesBC* – continued enhancement and expansion of database of investment opportunities (over 700 as of April 22, 2014) across the province.
- Delivered the Resort Municipality Initiative which has distributed \$10.5 million annually (\$87.6 million since 2007) in incentive-based financial support to 14 resort municipalities.
- Delivered a total of 35 webinars to local government staff, officials and other community leaders. The webinars provide access to expert advice and a virtual venue to share best practices about issues and opportunities in rural B.C.
- 23 local B.C. governments have established economically robust ties with Asian communities and local governments through the Asia-Pacific Twinning Program.
- 37 community development corporations across the province signed new contribution agreements, following the 2010 legislated expansion of the renamed Community Business Loans Program. The Community Business Loans Program made an additional \$14 million in capital available to small businesses in key economic sectors.

2014/15 Priorities/Key Initiatives

- Issue six *Economic Development in BC* newsletters to over 1500 stakeholders
- Deliver, in partnership with BCEDA, six *Economic Development Essentials for Local Leaders* workshops.
- Deliver, in partnership with FLNRO and other ministries, 15 community based workshops related to land development, supporting communities who wish to market or develop available land into more productive uses.

- Produce five community based video vignettes to create an environment of shared learning and showcase best practices in long-term economic planning, strong local leadership and other economic development strategies.
- Build online content on OpportunitiesBC through identifying investment opportunities across the province.
- Promote the recently launched *Business Attraction Toolkit for BC Communities* and continue to add tools and resources to the site.
- Continue improvement of communication tools including: Economic Development Division website, webinars and other outreach activities to showcase existing resources, share community led examples of success and encourage two-way communication/feedback.

Contact: Greg Goodwin, Executive Director
(250) 356-0778

Labour Division Profile

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Labour Division Profile

The Labour Division is comprised of Labour Programs, Labour Policy and Legislation and Industrial Relations. As a team, the Division works cohesively and collaboratively to ensure safe, healthy and fair workplaces where employers and workers prosper and contribute to B.C.'s economic growth and prosperity.

Labour Programs Overview

The largest area within the Division is Labour Programs, which manages the strategic design and service delivery of Labour's operational branches (Employment Standards Branch, the Workers' Advisers Office, the Employers' Advisers Office and the Executive office). Labour Programs is comprised of roughly 180 positions. All but six positions in the Executive Office have a direct role in providing front line services to workers and employers in B.C. Key strategic functions of Labour programs include administering the *Employment Standards Act*, responsibility for the *Workers Compensation Act*, providing assistance to workers and employers involved in the workers' compensation system, correspondence, internal communications, performance management, strategic business planning and stakeholder engagement.

Employment Standards Branch Profile

Division: Labour

ADM Responsible: Trevor Hughes

Program Objectives:

- Ensure that employees covered by the Employment Standards Act (Act) receive basic standards of compensation and conditions of employment as defined by the Act.
- Provide fair and efficient procedures for resolving workplace disputes.
- Ensure employers and employees understand their rights and responsibilities under the Act.

Program Description:

- The Employment Standards Branch (ESB) administers the Employment Standards Act, which sets minimum standards for wage payments, overtime, vacation, statutory holidays, leaves, compensation for length of service and hours of work, and for the employment of children, and requires the licensing of employers in specific sectors.
- Receives, investigates or mediates and adjudicates complaints of Act contraventions from employees not covered by a collective agreement and orders appropriate remedies.
- Responds to public inquiries and educates employers and employees about their rights and responsibilities under the Act through a variety of means including: a 1-800 Information Line; factsheets and videos in numerous languages; a website; presentations to employer associations and groups of workers; and by partnering with stakeholders to deliver information to targeted audiences.
- Provides services to the Labour Relations Board in respect of union certification and decertification votes and employer last offer votes.

Client Profile:

- Workers, particularly those not covered by a collective agreement.
- Employers to ensure compliance with the Act.
- Labour Relations Board.

Service Provider:

- Nine office locations: Dawson Creek, Langley, Kelowna, Nanaimo, Nelson, Prince George, Richmond, Terrace and Victoria.
- Services provided in person, by telephone, by email, through the Internet and via a 1-800 information line.

Employment Standards Branch Fast Facts

Program Outcomes (Impacts)/Service Statistics

The following stats are all averages over the most recent 5-year period, calendar 2009 – 2013

- 6,594 complaints received and 6,363 complaints closed per year.
- \$6.5 million in wages recovered per year.
- 760 penalties totaling \$450, 400 issued per year.
- 103,277 calls received through the 1-800 information line per year.
- 301 audits conducted, 143 variances requested (103 granted), 265 Labour Relations Board assignments completed, 92 education sessions provided per year.
- 482 corporate determinations (decisions) issued per year.
- 87% of all appealed ESB (corporate and directors') determinations are confirmed by the Employment Standards Tribunal (4 year average only, 2010-2013).

2014/15 Priorities/Key Initiatives

- Balance efforts to resolve disputes with focused attention on increasing compliance with the Employment Standards Act and, ultimately, reducing the volume of complaints.
- Engage in focused efforts to improve service delivery and streamline the complaint resolution and related processes.
- Foster partnerships that support ESB in meeting its goals and managing its workload. This includes partnering with other jurisdictions and other parts of the B.C. government to identify alternative approaches for delivering our services and to realize increased efficiencies through joint initiatives.
- Replace ESB's legacy Case Tracking System.

Contact: Chris Johnson, Executive Director
Phone: 250 387-3314

Workers' Advisers Office Profile

Division: Labour

ADM Responsible: Trevor Hughes

Program Objectives:

- Provides advice, assistance, and education to, and represents injured workers and their dependents with respect to claims, appeals and occupational health and safety issues under the *Workers Compensation Act*.
- Provides expert advice and training to government, WorkSafeBC senior managers and other stakeholder groups, including professional associations and unions.

Program Description:

- The Workers' Advisers Office (WAO) is established under Section 94 of the *Workers Compensation Act* with a mandate to give assistance to workers on claims matters before the Board or the Workers Compensation Appeal Tribunal where there is merit, and advise workers and their dependents on the interpretation and administration of the Act. Some form of the Workers' Advisers Office has been in place under the Act since the 1950s.
- WAO promotes early dispute interventions to mitigate appeals in the system.
- WAO is fully funded by WorkSafeBC and receives no funding from government.

Client Profile:

- Workers who have received a decision from WorkSafeBC about a claim for compensation but disagree with it and want advice and assistance on a potential appeal.
- WAO also provides input on policy and practice issues to WorkSafeBC.
- WAO also provides advice and training to government and a broad range of stakeholder groups including unions and professional associations.

Service Provider:

- The WAO has approximately 50 staff across 8 office locations: Richmond, Campbell River, Kamloops, Kelowna, Nanaimo, Nelson, Prince George and Victoria.
- Workers may initiate contact with the WAO through an online form submission process, by phone or in person.

Workers' Advisers Office Fast Facts

2013 Program Outcomes (Impacts)/Service Statistics

- 1,935 submissions and hearings
- Approximately 5,000 client requests (final numbers expected later in Spring 2014 with the completion of enhancements to WAO's data systems).
- 59.22% success rate at Review Division. Review Division is the first level of appeal under the *Workers Compensation Act*.
- 66.61% success rate at Workers' Compensation Appeal Tribunal (WCAT). WCAT is the final level of appeal under the *Act*.
- 84.67% Client satisfaction rate (Jan. 2013 – Sep. 2013).

2014/15 Priorities/Key Initiatives

- Increase collaboration with WorkSafeBC to promote early resolution of claims through timely adjudication and implementation of decisions, and to mitigate unnecessary appeals in the system.
- Manage the influx of claims expected as the result of the *Workers Compensation Amendment Act 2011*, which expanded compensation to include diagnosed mental disorders caused by significant work-related stressors. Prior to the amendments, workers experiencing these disorders were not eligible to claim benefits under the *Act*.
- Promote Electronic services delivery to clients via WAO's recently launched Worker Portal and internet Pre-inquiry system.
- Expand the use of technology and file sharing amongst staff across the province to provide efficient and responsive services to clients.
- Increase ownership and engagement of clients to manage their claims with expert advice, assistance and appropriate representation from the WAO.

Contact: Lucas Corwin, Executive Director
604 713-0364

Employers' Advisers Office Profile

Division: Labour

ADM Responsible: Trevor Hughes

Program Objectives:

- Provide employers with advice, assistance, representation and training regarding the interpretation and administration of the *Workers Compensation Act* or any regulation or decision made under it.
- Liaise with all levels of WorkSafeBC and the Workers' Compensation Appeal Tribunal (WCAT) to identify process or procedural inefficiencies affecting employer files.

Program Description:

- The Employers' Advisers office (EAO) is established under Section 94 of the *Workers Compensation Act*. Some form of the Employers' Advisers has been in place under the Act since 1974.
- EAO provides independent advice, assistance, representation, education, seminars, and training to employers, potential employers and employer associations on occupational health and safety issues, prevention, claims management, assessments and appeals.
- EAO is fully funded by WorkSafeBC and receives no financial support from government.

Client Profile:

- Employers, potential employers and employers' associations in relation to assistance, representations, advice and education.
- WorkSafeBC, for the purposes of providing input on policy and practice issues.
- Policy and Legislation Division, for the purposes of providing feedback when requested on legislative impacts to the workers' compensation system.

Service Provider:

- The EAO has 8 office locations: Richmond, Abbotsford, Kamloops, Kelowna, Nanaimo, Trail, Prince George and Victoria.
- Clients may initiate contact with the EAO by phone, fax, in person and through online seminar registration and newsletter sign up on the Employers' Advisers website. EAO produces a quarterly newsletter circulated to 15,233 readers.

Employers' Advisers Office Fast Facts

Program Outcomes (Impacts)/Service Statistics for Calendar Year 2013

- 1,368 written submissions (of these 1,131 were on behalf of employer clients, and 237 were written submissions, at the request of Review Division or WCAT on behalf of a deregistered/defunct employer to ensure fairness in the system).
- 214 oral hearings/mediations (of these 187 were on behalf of employer clients, and 27 were at the request of Review Division or WCAT on behalf of a deregistered/defunct employer to ensure fairness in the system).
- 6,794 new instances where advice or assistance was provided by way of telephone or email to an employer's inquiry.
- 187 appeals deflected (this is where an Adviser ensures an employer fully understands the issues, and as a result, the employer chooses not to proceed with a review/ appeal).
- 745 seminars provided (245 Standard, 500 Tailored).
- 11,501 seminar participants.

2014/15 Priorities/Key Initiatives

- Provide written responses to WorkSafeBC consultation papers and aid the development of policy, regulatory guidelines and practice directives.
- Expand outreach efforts, including enhancing EAO's web presence.
- Refine and enhance educational programming, including improving seminar access.
- Conduct a client satisfaction survey to improve service delivery.
- Apply LEAN process principles to the file intake and management processes.

Contact: Alex Booth, A/Executive Director
604-713-0383

Executive Office Profile

Program Objectives:

- Provide leadership, strategic guidance and support to all Labour staff and program areas.
- Provide direct corporate support to the ADM Industrial Relations and Labour Programs, the Labour Policy and Legislation and other ministry executive offices.
- Successful completion and implementation of corporate priorities and initiatives within the Labour Division, including Labour Policy and Legislation.

Program Description:

- Delivery of executive leadership to Labour Division, including strategic direction on service delivery, prioritization and annual business planning.
- Management and delivery of Labour's corporate programs, including correspondence, finance, Freedom of Information, internal communications, business continuity planning, filing/records management, annual service planning, core review, staff engagement and transformation planning.
- Ensure commitments/deliverables are created to achieve corporate targets and that the commitments are completed on time and reported out on.

Client Profile:

- All Labour branches and staff.
- The Minister and Ministry Executive offices.
- Central government agencies, including Cabinet Operations and the Premier's Office.
- Stakeholders and citizens.

Service Provider:

- The Executive office is comprised of 5.6 FTEs (including the ADM Industrial Relations and Labour Programs).
- The Executive office takes the lead and or coordinates the completion of all corporate and division-wide deliverables.

Executive Office Fast Facts

Program Outcomes

- Resolution of official correspondence (letters/emails and faxes) from the public with an average turnaround time (within the Labour Division itself) of 5 days.
- 100% compliance with FOI timelines within the division.
- Development and ongoing implementation of Transformation Plan targets and government's corporate internet strategy.
- Leadership of Lean process review training and initiatives.
- Leadership of the Premier's LNG Working Group.
- Leadership of the ministry's Core Review of Agencies, Boards and Commissions.
- Coordinated and consistent Business Continuity Plan (BCP) strategy for all of Labour including a quick reference, 1 page guide for BCP contacts.
- Financial leadership of the Division's budget management process.

2014/15 Priorities/Key Initiatives

- Ongoing delivery of Transformation/Workforce Plan/Lean commitments.
- Enhancing staff engagement via targeted initiatives and programs.
- Refresh of the Division's Strategic Business Plan.
- Ongoing commitment to developing leadership in support of succession planning.
- Core review of Labour's Agencies, Boards and Commissions.

Contact: Trevor Hughes, Assistant Deputy Minister
250 356-1346

Industrial Relations Overview

The Industrial Relations Branch works on behalf of government to promote stable labour relations in key sectors. Key activities and functions supporting this objective include:

- Providing formal and informal assistance to parties in collective bargaining disputes.
- Maintaining communication and positive relationships with stakeholders in the labour relations community.
- Working closely with the Labour Relations Board.
- Providing expert advice and assistance to the ministry and Minister in relation to bargaining relationships that impact the public interest and.
- Monitoring all disputes in both the public and private sector.

The Branch is also responsible for the *Labour Relations Code*, the *Fire and Police Services Collective Bargaining Act* and the B.C. Labour Relations Board.

Industrial Relations Profile

Program Objectives:

- Promote stable labour relations.
- Provide expert advice and formal and informal assistance as required and directed.

Program Description:

- The Industrial Relations Branch provides informal and formal assistance to parties in collective bargaining disputes.
- The Branch consults with stakeholders to provide an ongoing dialogue on broader labour relations and policy issues.
- The Branch monitors all ongoing disputes that could impact the public interest.
- The Branch conducts fact finding, may help to facilitate the resolution of disputes, provides advice to government and helps to build labour relations capacity across government.

Client Profile:

- Parties in collective bargaining disputes.
- The Labour Relations Board.
- Labour relations stakeholder groups.
- Government, including the ministry and Minister.

Service Provider:

- 1 FTE.
- Services are generally provided by way of email, phone call or in person. At other times however, recommendations and findings may be included in reports.

Industrial Relations Fast Facts

Program Outcomes/Service Statistics

- Hughes Report on the status of collective bargaining between the BCPSEA and BCTF (February 2012).
- Special mediator's report: VIU/VIUFA Non-binding recommendations.
- Informal assistance in several collective bargaining disputes.
- Worked with the Minister to facilitate the appointment and reappointment of order-in-council positions at the Labour Relations Board.
- Engaged the Business Council of B.C. in the BC Bargaining Database partnership, which supports government's Open Data objectives.

2014/15 Priorities/Key Initiatives

- Continue to build positive relationships within the labour relations community.
- Provide as needed advice, recommendations and specific support to the ministry, government and Minister on technical labour relations matters including collective bargaining disputes.
- Review of the *Labour Relations Code* to ensure that it meets the needs of employees and people who want to invest in B.C.
- Enhance government's overall labour relations capacity.

Contact: Trevor Hughes, Assistant Deputy Minister
250 356-1346

Labour Policy and Legislation Branch Overview

The Labour Policy and Legislation Branch provides labour and employment related information, research, analysis and expertise to the Minister, ministry executive, senior officials and associated boards and agencies. It is responsible for developing legislation and regulations, and legislative and regulatory changes, as well as authoring briefing materials, Cabinet submissions and reports. The Branch also provides a range of corporate support services, including representing the ministry at major events such as Canadian Association of Administrators of Labour Legislation (CAALL) meetings, assisting with international labour law and policy consultations, participating on cross-government initiatives such as deregulation and federal provincial consultations and monitoring relevant trends, data and legal developments.

Labour Policy and Legislation Branch Profile

Division: Labour

ADM Responsible: Trevor Hughes

Program Objectives:

- Ensure British Columbia's labour laws and policies are supportive of the evolving world of work and the direction set by government.
- Ensure expert advice and information is available to support the government, Minister, ministry, tribunals and agencies, and other stakeholders.
- Engage stakeholders in consultations on the ministry's legislation and regulations, including the *Labour Relations Code*, *Employment Standards Act* and *Workers Compensation Act*.

Program Description:

- The Labour Policy and Legislation Branch develops legislation and regulations, legislative and regulatory changes, cabinet submissions and Treasury Board submissions.
- The Branch is the lead for providing information, research, analysis and expertise on labour law and policy issues.
- Staff in the Branch are the leads for responding to official correspondence and leading consultations on labour related issues such as changes to the minimum wage and reviews of provincial labour legislation.

Client Profile:

- The Labour Programs Division, WorkSafeBC and the various boards and tribunals that fall under Labour.
- The Minister, Deputy Minister's Office, Executive, other Divisions within the Ministry and other areas of government in relation to the development of materials and/or providing expert advice.
- Workers, employers and others affected by labour policies, legislation and regulations.
- The public, including stakeholder groups and associations, in relation to responses to official correspondence and public consultations.

Service Provider:

- Staff (5 FTEs) are located in Victoria.
- Services are largely provided through email/mail and in-person or telephone, depending upon the client.

Labour Policy and Legislation Branch Fast Facts

Program Outcomes/Service Statistics

- Developed options for Government pertaining to its commitment to restore an occupational disease presumption under the *Workers Compensation Act* for heart disease and firefighters.
- Developed Orders in Council to clarify the application of employment standards to dental therapists, approving changes to WorkSafeBC's superannuation plan, and extending workers' compensation to participants in the new Project Based Labour Market Training program.
- Finalized a draft Futures of Work Framework for the ministry's internal use.
- Provided advice and support to the Ministry of Justice to help inform B.C.'s Action Plan to Combat Human Trafficking, particularly in relation to labour trafficking.
- Served as Labour's project lead on:
 - The Agencies, Boards and Commission Core Reviews of the Labour Relations Board and WorkSafeBC.
 - The Ministry of Forests, Lands and Natural Resource Operation's Natural Resource Roads Act legislation.
 - The Ministry of Justice's Tribunal Transformation initiative.

2014/15 Priorities/Key Initiatives

- Implement Government's commitment to restore an occupational disease presumption under the *Workers Compensation Act* for heart disease and firefighters.
- Participate in the inter-ministry review examining issues of concern for temporary foreign workers.
- Review of the minimum wage and the *Employment Standards Act*, as directed by government.
- Support the Ministry of Forests, Lands and Natural Resource Operations in the resource roads safety framework.
- Support the core reviews of WorkSafeBC and the Labour Relations Board.
- Support Tribunal Transformation initiatives affecting the labour tribunals.

Contact: John Blakely, Executive Director
250 356-9987

Estimates Note Advice to the Minister

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

Title: Agriculture Sector Compliance

Revised: February 12, 2014

Issue:

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Recommended Response:

- As a government, we are committed to protecting the health and safety of farm workers and ensuring that vehicle safety is enforced.
- Since the tragic van accident in 2007, we strengthened the protections for farm workers. This includes changing the law to require a seatbelt for every passenger transported in a van or other passenger vehicle.
- We established an interagency committee to oversee vehicle inspections, deliver education sessions, conduct farm inspections, interview workers and facilitate information sharing. The percentage of vehicles not passing inspection was 18% in 2013, down from a high of 32% in 2007.
- The Employment Standards Branch maintains an agriculture compliance team that conducts site visits and payroll audits, participates in roadside vehicle inspections and conducts education sessions with employers and employees in the agriculture sector.

Background/Status:

Protections added since 2007:

- In 2007, a van accident killed three agricultural farm workers. In the wake of this event, the Minister of Labour announced changes to better protect farm workers. Changes to the *Employment Standards Act* were implemented with the intent to:
 - Eliminate the use of unlicensed farm labour contractors to ensure improved compliance with Regulations;
 - Allow for the cancellation or suspension of a farm labour contractor's license if they violate relevant WorkSafeBC and motor vehicle laws and regulations, and;
 - Charge farm labour contractors the costs paid by government to provide safe alternative transportation for stranded workers when an unsafe vehicle is taken out of service during roadside inspections.

Estimates Note Advice to the Minister

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

- In 2010, government received the findings of a Coroner's inquest. Government has addressed all the recommendations arising from the inquest it is responsible for including:
 - Establishing an interagency committee to coordinate enforcement, prevention and education.
 - Amending the *Motor Vehicle Act* to allow government to act swiftly and strongly against those Designated Inspection Facilities that do not perform inspections to standards.
 - Changing the laws to require a seatbelt for every passenger transported in a van or other passenger vehicle.
 - Increasing random roadside safety checks on vehicles used to transport farm workers.
- The interagency committee includes representatives from:
 - Employment Standards Branch (ESB)
 - WorkSafeBC
 - Commercial Vehicle Safety and Enforcement (Ministry of Transportation and Infrastructure)
 - Superintendent of Motor Vehicles (Ministry of Justice)
 - RCMP.
- Statistics summarizing the Interagency Committee's activities are reported on the website: www.gov.bc.ca/farmworkers.
- From a high of 32% in 2007, the percent of vehicles failing inspection has fallen to 18% in 2013 (33 of the 181 inspected vehicles).

Farm Labour Contractors (FLC)

- The *Employment Standards Act* requires farm labour contractors to be licensed by the Director of Employment Standards.
- Applicants must pass a written test on the *Employment Standards Act* and Regulation, and post security for wages in the form of a bond equal to 80 hours at minimum wage for each employee. In addition, a WorkSafeBC clearance letter must also be provided that shows the employer to be registered and in good standing.
- The licence can be cancelled or suspended should it be found that the contractor is in contravention of the *Employment Standards Act* or Regulation, or certain provisions of occupational health and safety regulations under the *Workers Compensation Act* or provisions of the *Motor Vehicle Act* Regulations.
- Farm Labour Contractors are required to deposit wages directly to the employee's bank account.

Estimates Note Advice to the Minister

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

- ESB also undertakes a combination of random roadside inspections, farm visits, worker interviews, education sessions and payroll inspections over the course of the harvest season.

ESB Agriculture Compliance Team, Selected Stats (Calendar Year 2013)

- 84 Site Visits
- 26 Audits
- 36 Determinations issued finding one or more contraventions of the Act

Seasonal Agriculture Worker Program (SAWP)

- The Seasonal Agriculture Worker Program is a partnership between the Canadian government and those of Mexico and Caribbean countries. There is no direct provincial involvement in negotiating the agreement.
- Under SAWP, B.C. employers can hire temporary workers from Mexico or the Caribbean Commonwealth to assist during harvest when there is a shortage of available agriculture workers in the province.
- Under the program, employers must cover the cost of airfare for workers to and from their home country.
- The hourly wage rate for SAWP is based upon a rate negotiated between the Mexican and Canadian governments.
- For the 2013 season, Mexican workers only (Caribbean workers operate under a separate agreement) were paid \$10.25 per hour. Workers doing hand-harvesting work paid on a piece rate basis must be paid the greater of the approved piece work rate as set out in the "Minimum Piece Rates - Hand harvested crops" in the Employment Standards Regulation, or \$10.25 per hour.
- B.C. has jurisdiction over the non-payment of wages and actively investigates those claims along with employment standards, occupational health and safety, various types of municipal by-laws and provincial housing standards.
- ESB staff meet annually with representatives of the industry, Mexican Consulate, Service Canada, Ministry of Agriculture, and the BC Agriculture Council and member organizations to review the program operations and discuss any identified issues with respect to wages, housing, or conditions of employment.
- Issues relating to housing standards or conditions are dealt with under the terms of the Seasonal Agriculture Worker Contract administered by Service Canada.

Estimates Note Advice to the Minister

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

Comparison with other jurisdictions:

- Farm workers in British Columbia are entitled to minimum employment standards that generally meet or exceed those in other provinces. Farm workers in B.C. are covered by most sections of the *Employment Standards Act* and Regulation but are excluded from overtime and statutory holiday entitlements. Farm workers who harvest specified crops by hand may be paid by piece rate but must be paid at least the minimum piece rate for each crop. Vacation pay is included in the piece rates as set out in Regulation. Farm workers not paid by piece rate are entitled to vacation pay.
- Other provinces exclude at least some farm workers from significant provisions of their employment standards. Many farm workers in Saskatchewan have no employment standards coverage at all.
- Farm workers in Alberta are excluded from provisions governing minimum wage, hours of work, rest periods and days of work, overtime, vacation and vacation pay, holidays, and employment of youth.
- Many of these same exclusions apply to farm workers in Ontario, Quebec, and the Maritime provinces.

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Contact:

Executive Director	Chris Johnson	Employment Standards Branch	(250) 357-3314
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Pages 938 through 939 redacted for the following reasons:

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Estimates Note Advice to the Minister

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

Title: Employment Standards Act Review

Revised: April 25, 2014

Issue: Modernizing BC's Employment Standards

Recommended Response:

- The last major reviews of the *Employment Standards Act* were done in 1993 by consultant Mark Thompson and in 2002 as part of government's core review.
- At this time, no formal review of employment standards is planned.
- The ministry, however, continues to review the *Employment Standards Act* to ensure that it continues to reflect the reality and needs of employees and employers in 21st century workplaces.

Background/Status:

- Over the past several decades, British Columbia has seen significant economic and social changes affecting the world of work. These transformations have led to changing needs for employers and employees.
- In particular, employers are looking for flexibility in the workplace to meet their operational and business needs in a globalized economy. Employees are also seeking flexibility to balance work-life-family demands.
- In early 2011, on the direction of the Minister, the ministry discussed employment standards challenges and opportunities with a targeted group of key stakeholders.
- In broad terms, employers were supportive of the changes that were made to the Act in 2002 and suggested that any future changes should support that general direction.

Estimates Note Advice to the Minister

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

s13

Contact:

Executive
Director

John Blakely

Labour Policy &
Legislation Division

(250) 356-9987

Estimates 2014 - Ministry of Jobs, Tourism and Skills Development and Minister Responsible for Labour
Employment Standards Branch - Statistical Summary

	2009	2010	2011	2012	2013	AVG.
Complaints Received	7,632	7,206	6,527	5,998	5,608	6,594
Complaints Closed	6,461	6,375	6,527	5,610	6,842	6,363
Resolution Phase:						
Assessment/Education	40%	35%	31%	32%	29%	33%
Mediation	30%	28%	31%	34%	19%	28%
Adjudication	2%	1%	1%	2%	2%	2%
Investigation	15%	17%	19%	19%	13%	17%
Collections	3%	5%	6%	5%	6%	5%
Child Permit Applications	7	46	13	13	12	18
Audits Conducted	218	287	381	370	247	301
Variances Requested	164	134	139	145	131	143
Variances Granted	110	103	98	107	97	103
Corporate Determinations Issued	510	486	473	454	489	482
Appeal Results:						
Determination Confirmed	not available	82%	86%	88%	90%	87%
Determination Cancelled	not available	3%	4%	5%	9%	5%
Determination Varied	not available	15%	9%	5%	1%	8%
Determination Referred Back	not available	0%	1%	1%	0%	1%
Penalties Issued on Corporate Determinations	770	733	727	778	793	760
\$ Value	\$ 486,500	\$ 433,000	\$ 455,500	\$ 452,500	\$ 424,500	\$ 450,400
Wages recovered (voluntary and paid determinations)	\$ 6,948,168	\$ 7,407,274	\$ 6,210,355	\$ 5,623,691	\$ 6,288,333	\$ 6,495,564
Labour Relations Assignments	279	251	213	212	371	265
Self-Help Kit Downloads	10,332	13,139	14,857	14,204	13,651	13,237
Infoline Calls	100,235	96,441	105,233	110,587	103,887	103,277
Information/Education Seminars	141	99	99	68	54	92
Farm Labour Compliance						
Complaints	20	43	23	17	14	23
Site Visits	98	91	74	101	84	90
Audits	37	36	30	35	26	33
Roadside vehicles inspected	235	186	209	197	181	202
Determinations Issued finding a contravention	80	53	36	57	36	52

Contact:

Chris Johnson, Executive Director
Employment Standards Branch
250-387-3314

07-Apr-14

Estimates Note Advice to the Minister

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

Title: Employment Standards Branch (ESB) Budget, Resources and
Service Levels

Revised: April 25, 2014

Issue: s13

Recommended Response:

- Our government is committed to ensuring workplaces are safe, healthy and fair so that employers and workers can prosper and contribute to B.C.'s economic growth.
- The budget of the ESB has been stable over the past few years, sitting at \$7.8 million for 2011/12, 2012/13 and 2013/14.
- ESB makes the best use of its resources to ensure the delivery of quality, accessible programs and services to all British Columbians. For example, 87.5% of ESB staff positions provide frontline/direct services to the public, and over half of the remaining 12.5% provide direct services as part, although not all, of their daily work.
- I am proud of the work that the dedicated staff of ESB do. For example:
 - The Branch resolves over 6,300 complaints per year, and recovers an average of \$6.5 million per year in wages for workers (average over past five calendar years).
 - Staff who answer our 1-800 information line help over 100,000 callers per year.
 - 90% of decisions issued by the Branch were upheld on appeal in 2013.

Background/Status:

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Estimates Note Advice to the Minister

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

s13

Contact:

Executive Director	Chris Johnson	Employment Standards Branch	(250) 357-3314
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2014/15 Estimates Note Advice to the Minister

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

Title: Khaira Enterprises

Revised: April 25, 2014

Issue: Khaira Enterprises: *Employment Standards Act* violations

Recommended Response:

- The Employment Standards Branch completed its investigation of Khaira Enterprises in January 2011 and determined that Khaira owed almost \$237,000* in wages to 58 employees. A subsequent investigation completed in June 2012 determined that Khaira owed five additional employees more than \$18,000.
- Approximately \$129,000 has been collected from the company, of which just over \$127,000 has been disbursed among 48 workers. The remaining \$2,200 is being held in trust for 10 workers we have not been able to locate.
- Khaira is now out of business and neither the organization nor the directors have any known assets. It is unlikely that the outstanding balance of approximately \$115,000 (including penalties), plus the additional \$18,400 from the subsequent investigation, will be collected.
- Any impacted worker who has questions about their cheques is encouraged to contact the Employment Standards Branch.

**This amount was varied by the Employment Standards Tribunal (on appeal) to \$242,000.*

Background/Status:

- In July 2010, concerns came forward regarding a failure to pay wages, working conditions, and camp conditions at a silviculture camp being operated by Khaira Enterprises in the Golden, B.C. area.
- Workers at this camp were living in substandard conditions without adequate water, food, or sanitary services. The workers were mostly immigrant workers with legal employment status in Canada. All workers were removed from the camp and taken to Golden, where they were provided with accommodation, medical care, and meals.
- The Employment Standards Branch, WorkSafeBC and the RCMP were all involved in investigations involving the camp and the employer.

2014/15 Estimates Note

Advice to the Minister

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

- Collections activities undertaken by the Employment Standards Branch included recovering money from the Ministry of Forests / BC Timber Sales, who owed Khaira funds for tree planting contracts. Those monies have since been disbursed by the Employment Standards Branch to the employees.
- Once Khaira filed for bankruptcy, federal bankruptcy laws took over and the province no longer had jurisdiction. It is for that reason that the Employment Standards Branch has been unable to collect anything more on the Corporate Determinations issued.
- In addition to the Corporate Determinations, the Employment Standards Branch issued Directors' determinations on the company directors. As a result, the Branch has been successful in collecting some funds in relation to one director. The Branch continues to conduct periodic searches in respect of the company directors and, where it appears assets may be available, the Branch issues third-party demands on those assets.

Silviculture Review Group:

- In 2011, the Labour Policy and Legislation Division chaired an inter-agency group to determine the scope of the issues related to Khaira Enterprises and to generate recommendations to prevent similar incidents. In addition to the Labour Policy and Legislation Division (JTST) the group included representatives from the Ministry of Health, the Northern Health Authority, the Ministry of Forests, Lands and Natural Resource Operations (MFLNRO) and WorkSafeBC.
- The group undertook a number of initiatives such as improving inspections, including the coordination of inspections by the various agencies (e.g. MFLNRO, WorkSafeBC, health authorities), improved information sharing with workers and amongst inspection and enforcement agencies and the posting of employment standards information at all camps.
- The Silviculture Review Group has completed its work and is no longer meeting.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour

Minister Responsible: Hon. Shirley Bond

Contact:

Executive Director	Chris Johnson	Employment Standards Branch	(250) 357-3314
Executive Director	John Blakely	Labour Policy and Legislation	(250) 356-9987

Estimates Note Advice to the Minister

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

Title: Minimum Wage

Revised: April 25, 2014

Issue: Minimum Wage

Recommended Response:

- In 2011, government decided that after almost ten years, it was necessary to phase in a meaningful increase to the minimum wage in order to benefit many low income individuals and families across the Province of BC.
- The last increase took place on May 1, 2012. As of May 1, 2014, at \$10.25/hour, the minimum wage in BC is tied with Ontario for the fourth highest among Canadian provinces (Manitoba is at \$10.45, Quebec at \$10.35 and Nova Scotia is at \$10.30).
- We recognize that some other provinces have increases later in 2014. Our government is committed to regular reviews of the minimum wage to avoid the need for large one-time jumps. However, at this time no decision has been made about a specific minimum wage review.
- Our approach to liquor servers is in line with what already existed in Ontario and Quebec and what has been subsequently introduced in Alberta. The liquor server rate allowed the general minimum wage to increase while maintaining and supporting jobs in the food and beverage service sector.

Background/Status:

- On March 16, 2011, Government announced a three-stage increase to the general minimum wage, the elimination of the “first job rate” (sometimes referred to as “the training wage”), and the creation of a separate minimum wage for liquor servers.
- The **general minimum wage** increased from \$8.00 to:
 - \$8.75/hour effective May 1, 2011,
 - \$9.50/hour effective November 1, 2011, and
 - \$10.25/hour effective May 1, 2012.

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
Responsible for Labour

Minister Responsible: Hon. Shirley Bond

- The **liquor server rate** was established at \$8.50/hour effective May 1, 2011. It increased to \$8.75/hour effective November 1, 2011, and to \$9.00/hour effective May 1, 2012.

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Estimates Note Advice to the Minister

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

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Other jurisdictions

s13

General Minimum Wage:

- As of May 1, 2014, B.C.'s regular minimum wage of \$10.25 per hour is tied with Ontario as the fourth highest among Canadian provinces.
- In January 2014, a Minimum Wage Advisory Panel in Ontario released a detailed report recommending that Ontario base minimum wage increases on changes in the province's Consumer Price Index (CPI). On January 30, 2014, the Ontario government announced it will increase the minimum wage to \$11.00, effective June 1, 2014, and tie future increases to inflation (based on the provincial consumer price index).
- Quebec's minimum wage increases to \$10.35/hour effective May 1, 2014
- PEI has announced it will increase the minimum wage to \$10.20/hour effective June 1, 2014, and to \$10.35/hour effective October 1, 2014.
- Manitoba's rate is \$10.45/hr. Nova Scotia's rate is \$10.40/hr. Yukon and Nunavut have higher rates of \$10.72 and \$11.00 respectively.
- Alberta has the lowest minimum wage rate among Canadian jurisdictions at \$9.95 per hour.

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Liquor Server Wage:

- BC's minimum wage for liquor servers is \$9.00/hour.
- Alberta has a minimum wage for liquor servers of \$9.05/hour.
- Ontario has a minimum wage for liquor servers of \$8.90/hour (it is unclear whether this rate will be increased in proportion to the general minimum wage increases effective June 1, 2014)

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
Responsible for Labour

Minister Responsible: Hon. Shirley Bond

- Quebec has a minimum wage for employees who customarily receive gratuities of \$8.75/hour (Quebec has announced intentions to increase to \$8.90 in May 2014).

Contact:

Executive	John Blakely	Labour Policy &	(250) 356-9987
Director		Legislation Division	

Estimates Note Advice to the Minister

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

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Estimates Note Advice to the Minister

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

Title: Piece Rates for Hand Harvesters

Revised: February 12, 2014

Issue: Regulated Minimum Piece Rates for Hand Harvesters

Recommended Response:

- The changes government made to the minimum wage are an important step in supporting families and addressing poverty in British Columbia. This includes the increase to the piece rates which took effect on May 1, 2011.
- Given that the last formal review of piece rates was in the mid-1990s, it was important that the ministry take a formal look at the piece rates to see how they are working for employers and employees. The 2011 review included the use of an environmental consulting firm, which provided information and observations about the hours of work and compensation trends as well as a profile of the industry sectors that are covered by the regulated minimum piece rates.
- Government decided that piece rates for hand-harvested crops listed in the *Employment Standards Regulation* would remain unchanged as the review found current piece rates are appropriate for both workers and employers.

Background/Status:

- In BC, farm workers who hand harvest certain berry, fruit or vegetable crops and who are employed on a piece work basis are paid for the amount they pick and not in relation to a minimum hourly wage. The minimum piece rates for these crops are established in the *Employment Standards Regulation* [see Appendix for list of the minimum piece rates].
- This system of regulated minimum piece rates, which is unique within Canada, was established in 1981 with the intent that an average, reasonably-diligent hand harvester would be able to earn the equivalent of the general minimum wage.
- On March 16, 2011, government announced a series of staged minimum wage increases effective May 1, 2011; November 1, 2011; and May 1, 2012. It was also announced that the minimum piece rates would receive an increase on May 1, 2011, of the same proportion as the first increase in the general minimum wage (i.e., 9.375%), but that any further increases would depend upon the results of a review of the piece rates.

Estimates Note Advice to the Minister

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

- The review had two major components. First, government engaged Zbeetnoff Agro-Environmental Consulting (Zbeetnoff) to conduct research and analysis on the regulated piece rates. Zbeetnoff's final report was provided to the ministry on December 29, 2011, and provides information and observations about the hours of work and compensation trends, as well as a profile of the industry sectors that are covered by the regulated minimum piece rates. The Zbeetnoff report is posted on the ministry's website.
- The second component of the review involved meetings between ministry staff and producers and worker advocates. The purpose of these meetings was to elicit stakeholder views and perspectives on how the regulated piece rates are working for hand harvesters and producers, the impact of the increase in piece rates that took effect in May 2011, the potential impact of any future increases, and any other issues, challenges or considerations that they wished to raise.
- The decision to leave the current piece rates unchanged as of May 2011 was based on the information provided by Zbeetnoff as well as the input from stakeholders who met with senior ministry officials.
- Any future change to the general minimum wage (see "Minimum Wage" Estimates Note) will require a consideration of whether the piece rates should receive an increase corresponding to the minimum wage change.

Contact:

Executive	John Blakely	Labour Policy &	(250) 356-9987
Director		Legislation Division	

Estimates Note Advice to the Minister

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

APPENDIX Minimum Wage for Piece Work Crops Effective May 1, 2011

The minimum wage for farm workers who are employed on a piece work basis and hand harvest the following crops is as follows (rates include vacation pay of four percent of earnings):

Apples	\$ 17.06/ bin (27.1 cu. ft.)
Apricots	\$ 19.62/ ½ bin (13.7 cu. ft.)
Beans	\$ 0.234/ pound
Blueberries	\$ 0.396/ pound
Brussels Sprouts	\$ 0.163/ pound
Cherries	\$ 0.224/ pound
Grapes	\$ 18.13/ ½ bin (13.7 cu. ft.)
Mushrooms	\$ 0.235/ pound
Peaches	\$ 18.13/ ½ bin (12.6 cu. ft.)
Pears	\$ 19.21/ bin (27.1 cu. ft.)
Peas	\$ 0.292/ pound
Prune plums	\$ 19.21/ ½ bin (13.7 cu. ft.)
Raspberries	\$ 0.357/ pound
Strawberries	\$ 0.343/ pound
Daffodils*	\$ 0.137/ bunch (10 stems)

*The rate for daffodils **does not** include vacation pay.

Estimates Note Advice to the Minister

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

Title: Self Help Kit

Revised: February 12, 2014

Issue: Use of Employment Standards Branch (ESB) Self Help Kit

Recommended Response:

- The Self Help Kit is a resource that encourages employees and employers to resolve disputes directly on an informal basis.
- The Self Help Kit provides a step-by-step guide to assist both parties.
- If the Self Help process is unsuccessful, workers can make a formal complaint to the Employment Standards Branch.
- Vulnerable employees and those with language barriers are exempt from the requirement to use the Self Help Kit.

Background/Status:

- The Self Help Kit is intended to assist employees in learning if the *Employment Standards Act* (Act) applies to their situation, help them understand their rights, assist in calculating any wages owed and facilitate communication with their employers to enable a prompt resolution with a mutually beneficial outcome.
- The original Self Help Kit has been reduced in size and complexity. Also included in the Kit is a feedback form to enable users to identify if there are issues with the format or content that compromise the clarity or ease of use. The number of feedback forms returned to ESB is relatively low, but of the responses received, the vast majority have been positive.
- Various categories of employees are exempted from the requirement to use the Self Help Kit. These include children, agriculture workers, domestics, garment/textile workers, and employees with a significant language barrier. In addition, where the issue relates to a leave entitlement, the use of the Self Help Kit is not required.
- There are conflicting views from stakeholders on the Self Help Kit. Some assert that the reduction in complaints since the introduction of the Kit is proof of the effectiveness of the self-help process in resolving disputes directly. Others take the position that it is a barrier which effectively discourages individuals from filing a complaint to pursue their statutory entitlements.

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
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Minister Responsible: Hon. Shirley Bond

- The Self Help Kit was implemented when changes to the Act introduced a requirement for employees to attempt to resolve employment disputes concerning wages with their employers directly before filing a complaint with the ESB.
- The Self Help Kit is available on the ESB website, or by contacting a field office or the Information Line for a printed copy. Approximately 13,000 kits are downloaded from the ESB website each year.

Contact:

Executive Director	Chris Johnson	Employment Standards Branch	(250) 357-3314
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Estimates Note Advice to the Minister

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

Title: *Employment Standards Act* – summary of legislative changes

Revised: February 12, 2014

Issue: Summary of Legislative Changes to the *Employment Standards Act* and Regulation

Recommended Response:

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

- Provide flexibility in the workplace and encourage productive and mutually beneficial relationships between employers and employees.
- Reduce and simplify regulatory burden.
- Increase protection for vulnerable workers by imposing mandatory penalties against employers who fail to comply with the *Employment Standards Act* and Regulations.
- Revitalize and stimulate economic growth in B.C., specifically in small business, by recognizing the needs and realities of the modern workplace.

Since 2002, Government has added job protection for compassionate care leave and for reservists. This provides employees the security of a job to return to after caring for a loved one who is terminally ill or serving in the military.

Government has also increased safety protections for farm workers.

No changes were made to the *Employment Standards Act* in 2013.

Background/Status:

The purpose of the *Employment Standards Act* (Act) is:

- To ensure that employees in British Columbia receive at least basic standards of compensation and conditions of employment.
- To promote the fair treatment of employees and employers.
- To encourage open communication between employers and employees.
- To provide fair and efficient procedures for resolving disputes over the application and interpretation of this Act.

Estimates Note Advice to the Minister

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

- To foster the development of a productive and efficient labour force that can contribute fully to the prosperity of British Columbia.
- To contribute to assisting employees to meet work and family responsibilities.

The key legislative changes that were made to the *Employment Standards Act* and Regulations in 2002 include:

Simplification of workplace rules:

- Requirement for employers to keep payroll records was reduced from 5 years to 2 years.
- The minimum daily call-in was reduced to 2 hours from 4.
- The liability for unpaid wages was reduced from 2 years to 6 months.
- Daily overtime changed to double-time after 12 hours instead of 11.
- Statutory holiday pay requirements were simplified.

Flexibility in the workplace:

- Averaging agreements, which permit hours of work to be averaged over a period of one, two, three or four weeks, were introduced to allow flexibility in the workplace by permitting an averaging of the work hour standards.

Encouraging timely resolution of employment standards problems:

- The Employment Standards Self-Help Kit was introduced as an informal tool to encourage early resolution of issues between employees and employers.
- The Employment Standards mediation and adjudication conflict resolution processes were introduced to resolve employment standards disputes in an effective and timely fashion.

Protection of vulnerable workers:

Penalties (which apply to all contraventions, not just those involving vulnerable workers):

- Mandatory penalties when a determination is issued:
 - First determination: \$500
 - Second determination: \$2,500
 - Third determination: \$10,000

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
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Minister Responsible: Hon. Shirley Bond

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Scope of the Act – Collective Agreements:

- Government provided unions and employers with the ability to negotiate provisions that work for them.
- There are a number of basic provisions of the Act that cannot be negotiated away. In other areas, the Act applies unless the parties have negotiated alternative provisions in their collective agreement.
- Where there is a collective agreement, the grievance procedures, and not the Director of Employment Standards, resolve disputes about the application of standards.

Enhanced Public Education:

- In addition to legislative changes, the Employment Standards Branch increased and enhanced its education initiatives in order to increase public knowledge of the Act and Regulations.

Changes to the Act since 2002:

- Job protection for compassionate care leave:
 - This provides employees the security of a job to return to after caring for a loved one who is terminally ill. Under these changes, an employee who requests leave will be entitled to up to eight weeks of unpaid leave to provide care or support to a family member who is terminally ill and is at risk of death within 26 weeks.
- Job protection for reservists:
 - This provides employees the security of a job to return to after serving in the military. The job protected leave means that, in certain situations, employers are required to allow employees who are members of the Military Reserves to take leave from their domestic employment while they serve in a Canadian Forces operation.
- Government has also increased safety protections for farm workers. Changes to the *Employment Standards Act* were implemented with the intent to:
 - Eliminate the use of unlicensed farm labour contractors to ensure improved compliance with Regulations;

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
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Minister Responsible: Hon. Shirley Bond

- Allow for the cancellation or suspension of a farm labour contractor's license if they violate relevant WorkSafeBC and motor vehicle laws and regulations, and;
 - Charge farm labour contractors the costs paid by government to provide safe alternative transportation for stranded workers when an unsafe vehicle is taken out of service during roadside inspections.
- In 2012, the Act was amended to add Family Day as a statutory holiday.
- Also in 2012, changes were made to the Employment Standards Regulation with respect to children working in live entertainment to provide limits on hours worked, a requirement for child performers to be chaperoned and an income protection provision. As well, the 2012 amendment permits child performers to participate in rehearsals and performances when required during school hours, thus recognizing that performing in live entertainment provides a unique learning opportunity for children.

Contact:

Executive Director	John Blakely	Policy & Legislation	(250) 356-9987
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Estimates Note Advice to the Minister

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

Title: Temporary Foreign Workers

Revised: April 29, 2014

Issue: Temporary foreign workers in British Columbia

Recommended Response:

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Background/Status:

- The TFW Program is a federal program jointly administered by Citizenship and Immigration Canada (CIC) and Employment and Social Development Canada (ESDC).
- ESDC is responsible for issuing Labour Market Opinions (LMO), through which the Department confirms that employers have made reasonable attempts to fill their vacancies domestically, while CIC is responsible for issuing work permits.

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
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- The 2010 Canada-BC Immigration Agreement includes a Temporary Foreign Worker (TFW) Annex, which allows the Province to streamline the entry of TFWs by providing a recommendation to the federal government for the exemption of foreign nationals from the LMO requirement. B.C. is readying itself to exercise its authority in this regard, to support major projects such as those in the LNG sector.

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- A large proportion of TFWs in British Columbia (39 per cent) are admitted under youth mobility programs, which allow foreign nationals aged 18 to 35, to work for any employer while they experience Canada. Only 22 per cent of TFWs in the province are admitted to work for a specific employer under an LMO.
- TFWs are a key source of applicants to B.C.'s Provincial Nominee Program (PNP). Approximately 90 per cent of nominees under the PNP's Skilled Occupations stream were first TFWs working in the province.
- Even with efforts to ensure British Columbians/Canadians are trained and first in line for jobs, labour shortages will persist and a temporary workforce will be essential to fill the temporary positions in sectors such as liquified natural gas. Use of the TFW Program in this regard will be instrumental.

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

s13

Contact:

Executive Director	John Blakely	Labour Policy and Legislation	(250) 356-9987
Executive Director	Chris Johnson	Employment Standards Branch	(250) 357-3314
A/Executive Director	Keith Godin	Labour Market and Immigration Division	(250) 952-6567
Associate DM	Tim McEwan	Major Investments Office	(604) 290-4012

2014/15 Estimates Note Advice to the Minister

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

Title: B.C. Bargaining Database.

Revised: April 25, 2014

Issue: Status of the B.C. Bargaining Database.

Recommended Response:

- The ministry launched the B.C. Bargaining Database in 2008 in partnership with the B.C. Federation of Labour, the B.C. Labour Relations Board, and the Business Council of B.C. to provide data and trends on collective bargaining.
- The Database provides important information about collective bargaining to the public. It is particularly valuable because it provides objective data to employers and unions about other collective bargaining settlements so that they do not have disputes about this information at the bargaining table. A new website for the Database was unveiled in late 2013.
- As of April 1, 2014, a new 2 year shared cost funding arrangement between the Ministry and the Business Council is in place.
-

Background/Status:

2014/15 Estimates Note Advice to the Minister

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

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Contact:
ADM Trevor Hughes Labour Division 250-356-1346

2014/15 Estimates Note Advice to the Minister

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

Title: B.C. Labour Relations Board Update

Revised: April 25, 2014

Issue: Update on the B.C. Labour Relations Board (LRB), including staffing, the addition of members and timelines for decisions.

Recommended Response:

- **Staffing:** I value a strong and effective Labour Relations Board (LRB) that supports a stable and productive labour relations environment. We have recently appointed a new vice chair and are now fully staffed to meet the needs of the labour relations community in 2014. I am aware of the two LRB appointments expiring in 2014 and will be working through the Board Resourcing and Development Office (BRDO) on a process to determine whether re-appointments or new appointments are appropriate.
- **Members:** I appreciate that there is interest in seeing members re-introduced on panels at the LRB. My staff continue to review this matter and are looking at some possible options for moving forward on this, recognizing the difficult fiscal times.
- **Timelines for Decisions:** In 2012, a ministerial regulation established a timeline of 180 days for the LRB to issue final decisions. This timeline, which begins from the date an application is made to the LRB and has limited exceptions, applies to all applications and was effective on September 1, 2012. I am proud that B.C. is a leader in Canada with a regulated timeline for the issuance of LRB decisions. Timely decisions help support positive labour-management relations and labour stability, which in turn support a strong and vibrant economy.

Background/Status:

- **Staffing:** The LRB is responsible for mediating and adjudicating disputes between employers and unions, and in some cases between unions and employees, that arise under the *Labour Relations Code* (the Code). The LRB is a quasi-judicial administrative tribunal with a chair and vice chairs appointed by the Lieutenant Governor in Council (LGIC) after a merit-based process.
- As of April 25, 2014, the LRB is staffed with the following Order-In-Council (OIC) appointments: a chair (Brent Mullin), one associate chair (Bruce Wilkins, Adjudication Division), and 6 vice chairs. The six current vice-chairs are:

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- Jacquie de Aguayo (expires March 14, 2018)
- Ken Saunders (expires Oct 10, 2014)
- James Carwana (expires May 31, 2015)
- Leah Terai (expires June 15, 2015)
- Richard Longpre (expires September 1, 2015)
- Jitesh Mistry (expires January 1, 2016)
- The LRB also employs staff lawyers, mediators, and administrative/support staff.
- In 2014, the appointment of two of the LRB's OIC positions will expire (Bruce Wilkins on May 25 and Ken Saunders on October 10). A decision will need to be made by the Minister about whether to re-appoint either or both candidates, assuming they wish to be re-appointed. A decision will also be required on the vacant vice-chair position which was posted and for which there are applicants being screened by BRDO.
- The chair has been re-appointed to a three-year term that will expire on January 31, 2015.
- Historically, vice chairs are appointed in equal number from the employer and union communities to ensure a measure of balanced representation at the LRB. There is a history of consultation with the labour relations community prior to the appointment and/or re-appointment of vice-chairs.

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Minister Responsible: Hon. Shirley Bond

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Contact:
ADM Trevor Hughes Labour Division 250-356-1346

2014/15 Estimates Note Advice to the Minister

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

Title: Collective Bargaining

Revised: February 12, 2014

Issue: How the B.C. Labour Relations Board and the ministry assist in bargaining disputes to facilitate resolution and protect the public interest

Recommended Response:

- My ministry monitors collective bargaining disputes, including those that might have a negative impact on the public interest. Where possible, we encourage the parties to utilize the services of the Mediation Division of the B.C. Labour Relations Board (LRB) to assist them in resolving disputes. In addition, prior to a strike or lockout, the LRB will establish essential services levels to protect the health, safety, or welfare of the residents of the province.
- In the event that there are public sector collective bargaining disputes, I am confident that the LRB has the resources to assist the parties in mediation and adjudication. My ministry is also prepared to assist the parties and to do whatever is necessary to protect the public interest.

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Background/Status:

- As collective agreements expire, there is a risk of work stoppages (either strikes or lockouts) that may require the involvement of the ministry. There may be pressure from the public, from the parties involved, from line ministries, or political pressure to intervene in a particular dispute. The issue for the ministry is identifying when and how to intervene, if at all.
- The ministry is neutral with respect to collective bargaining. That is, the ministry takes no position in collective bargaining or in any dispute other than to protect the public interest. The ministry is not involved in public sector bargaining or the establishment of the collective bargaining mandate.

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- The services of the Mediation Division of the B.C. Labour Relations Board (LRB) may be needed to assist employers and unions resolve disputes during collective bargaining. Generally those services are accessed by one or both parties making an application to the LRB. Disputes may include establishing the services and staffing to ensure the provision of essential services to protect the health, safety, or welfare of the residents of the province prior to a union being able to engage in a legal strike (or an employer in a legal lockout).
- The Industrial Relations Branch of the ministry monitors all disputes (public and private sector) that could have an impact on the public interest. The Branch provides advice to the Minister about when and how government may need to intervene in a dispute in order to protect the public interest. The Branch may get involved informally or formally to assist the parties to facilitate collective bargaining. Further, the *Labour Relations Code* provides formal mechanisms for the Minister to assist in disputes if requested by the parties or if the Minister determines it to be necessary and in the public interest, such as appointing a Special Mediator or an Industrial Inquiry Commission with specific terms of reference.
- At times there is public or media pressure for the Minister to direct parties in a collective bargaining dispute to binding arbitration to resolve the dispute. There is no mechanism for the Minister to do that (including under the *Labour Relations Code*) except in police and fire fighter collective bargaining due to the specific provisions of the *Fire and Police Services Collective Bargaining Act*.
- The Industrial Relations Branch is in touch with the parties in disputes to offer assistance, where possible, and to be as informed as possible of developments. The ministry's objective is to try to assist parties achieve a voluntary end to their collective bargaining dispute while minimizing the negative impact of a work stoppage on the public.
- Generally, other jurisdictions in Canada have similar statutory mechanisms for intervention in collective bargaining disputes and for protecting the public interest.
- The *Fire and Police Services Collective Bargaining Act* recognizes that there is no real right to strike or lockout with respect to police and fire fighters due to their high essential services nature and that an alternative mechanism is necessary to end bargaining deadlocks. The Act establishes a framework for resolving collective bargaining disputes by binding interest arbitration. Either the union or the employer may apply to the Minister for direction that a dispute be resolved by arbitration if the parties fail to reach agreement on their own.

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s13

Contact:
ADM Trevor Hughes Labour Division 250-356-1346

Estimates Note Advice to the Minister

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

Title: Summary of Legislative Changes to the *Labour Relations Code*

Revised: February 26, 2014

Issue: Summary of Legislative Changes since 2001

Recommended Response:

- Government introduced some modest amendments to the *Labour Relations Code* (Code) in 2001 and 2002 to ensure labour relations in British Columbia are balanced, fair-minded, and support economic growth and prosperity. The purpose of these changes included:
 - Helping to revitalize B.C.'s economy.
 - Providing a framework for labour and management to build healthy workplace environments and enterprises that can compete in a modern world economy.
 - Restoring workers' democratic rights and their right to be informed about issues before a union certification or decertification vote.
 - Ensuring that no child's right to education takes a back seat to a labour dispute by making education an essential service.
 - Giving more flexibility to negotiate agreements in the construction sector.
- With respect to questions about future changes to the Code, I understand the importance of a stable and balanced labour law regime in this province. I also understand the importance of a strong economy where investment is encouraged. I do not have any immediate plans to formally review provincial labour statutes, but I will remain engaged with stakeholders and others to determine when and if a review should take place.

Background/Status:

- The key legislative changes that were made to the *Labour Relations Code* (the Code) in 2001 and 2002 include:
 - Creating new duties for the Labour Relations Board, and for others with responsibilities under the Code, to foster the employment of workers in economically viable businesses and to recognize the rights of employees, trade unions and employers.

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- Clarifying the right of employers and unions to communicate with employees about unionization matters.
- Restoring the mandatory secret ballot vote in the union certification process.
- Making education an essential service.
- Repealing mandatory sectoral bargaining in the construction sector.
- In 2008, the Code was amended to introduce a new requirement for the Labour Relations Board to issue its decisions on applications and complaints within time periods to be prescribed by ministerial regulation. A ministerial regulation setting out the details of the timeline requirement came into force September 1, 2012. It sets a 180-day time period for a final decision for all complaints and applications from the time they are filed.
- In June 2013, the Minister's mandate letter from the Premier referenced a commitment to working "with private sector union partners to ensure our labour code meets the needs of employees as well as those who want to invest in our province." The Ministry has no plans to formally review the Code at this time. However, the Minister and Ministry continue to engage with all stakeholders with respect to labour law issues.

Contact:

Executive Director	John Blakely	Labour Policy & Legislation	(250) 356-9987
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Estimates Note Advice to the Minister

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

Title: Bullying, Harassment and Mental Disorders

Revised: April 25, 2014

Issue: Actions to address bullying and harassment in the workplace through Bill 14, *Workers Compensation Amendment Act, 2011* and WorkSafeBC Regulations.

Recommended Response:

- Bill 14 (2011) broadened compensation coverage for mental disorders arising in the workplace. Mental disorders resulting from one or more traumatic events, as well as mental disorders primarily caused by significant work related stressors including bullying and harassment, are now compensated.
- It is important to treat job-related mental disorders the same way we treat physical illness and injuries. Mental disorders have a significant impact on workers, their families and the workplace.
- WorkSafeBC has developed a policy on bullying and harassment under the existing *Occupational Health and Safety Regulation* to prevent and address this behaviour in the workplace. The policy came into effect on November 1, 2013.
- WorkSafeBC has provided resources on its website in a Workplace Bullying and Harassment Tool Kit. Government encourages all employers and workers to review this important material.

Background/Status:

- Government introduced Bill 14, *Workers Compensation Amendment Act, 2011*, in November 2011 and passed it in May 2012. The primary change was to amend the mental stress provisions of the *Workers Compensation Act*, which previously compensated acute reactions to a single sudden and traumatic event, but excluded chronic stress conditions arising from the workplace. The exclusion of chronic stress was the subject of legal challenges of discrimination under the *Human Rights Code*.
- With Bill 14, the *Workers Compensation Act* now provides that:

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- Mental disorders resulting from one or more traumatic events, as well as mental disorders resulting from significant work related stressors such as bullying and harassment (i.e., chronic stress), are now compensated.
- For significant work-related stressors, including bullying or harassment, the stressor must be the predominant cause of the mental disorder. The predominant cause requirement recognizes the unique characteristics of mental disorders that can involve work-related and non-work stressors. As such, requiring that a mental disorder be predominantly caused by a significant work-related stressor arising out of employment supports the objectives and financial integrity of the workers' compensation system.
- There is explicit recognition of bullying or harassment as significant work-related stressors that can result in a compensable mental disorder. Government made its position on bullying and harassment clear by stating that these destructive behaviours are simply not acceptable in the workplace.
- Compensation requires that a psychiatrist or psychologist diagnose a mental disorder. Non-traumatic claims are more complex, and psychiatrists and psychologists have the necessary training to diagnose recognized mental disorders. Having a psychiatrist or psychologist as the first point of contact will mean a quicker diagnosis.
- The terminology has been changed from "mental stress" to "mental disorder" to make clearer that compensation always requires a diagnosed mental disorder. It is not available just for experiencing some stress at work.
- Mental disorder claims that result from termination, discipline and other decisions related to the worker's employment continue to be excluded.
- On July 1, 2012, Bill 14 coverage for mental disorders came into effect.

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- To handle the new and complex working of mental disorder claims, WorkSafeBC has been working closely with employer, union, worker and mental health groups in the establishment and evolution of this program. It has been doing the same with psychology and medical communities including BC College of Psychologists, the BC Psychologist's association and the BC Medical Association.
- WorkSafeBC added over 30 staff, many of whom form part of a specialized Mental Health Claims Unit (the MHCU) specifically created in July 2012 to deal with the new claims. The MHCU team includes specially trained Case Managers, Vocational Rehabilitation Consultants and team assistants. It also includes Psychologists, Physicians, Nurses and mental health specialists, all of whom have significant community mental health expertise. MHCU staff also has access to trained investigators when dealing with bullying and harassment investigations and to a wide network of contracted mental health providers and social workers.
- As part of this initiative to address workplace mental disorders, WorkSafeBC was tasked with developing a policy on bullying and harassment under the existing *Occupational Health and Safety Regulation* to prevent and address this behaviour in the workplace. The policy came into effect on November 1, 2013.
- On October 2, 2013, WorkSafeBC held a stakeholder and media event in Vancouver which marked the introduction of its Occupational Health and Safety policies on bullying and harassment. WorkSafeBC also introduced the resources that are now available in a Workplace Bullying and Harassment Tool Kit.

Contact:

Executive	John Blakely	Policy & Legislation	(250) 356-9987
Director			

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
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Minister Responsible: Hon. Shirley Bond

Title: Firefighters' Heart Disease Presumption

Revised: April 25, 2014

Issue: Legislation that delivers on the 2013 election commitment to restore heart disease in firefighters to the list of presumptive diseases recognized by WorkSafeBC.

Recommended Response:

- The contributions our firefighters make in communities all over B.C. should never be underestimated. It's important we support them in every way we can.
- During the 2013 election, a commitment was made to restore heart disease in firefighters to the list of presumptive diseases recognized by WorkSafeBC.
- Bill 17, Miscellaneous Statutes Amendment Act, 2014, includes an amendment to the *Workers Compensation Act* that restores the occupational disease presumption for heart injury and heart disease for firefighters similar to what existed prior to 2000.
-

Background/Status:

- The *Workers Compensation Act* ("Act") sets out a number of occupational disease presumptions which provide that, where a worker is disabled by a particular disease and has been employed in a specified occupation, the disease is presumed to have been due to the nature of that employment unless the contrary is proved. Where an occupational disease presumption exists, the worker is eligible for compensation without having to gather scientific and medical evidence to establish that the disease arose out of their employment.
- In 2005, government introduced changes to the *Workers Compensation Act* that recognized certain cancers as occupational diseases associated with long-term employment as a firefighter. The 2005 change established presumptions for brain cancer, bladder cancer, kidney cancer, non-Hodgkin's lymphoma, ureter cancer, colorectal cancer, and leukemia. Since 2005, further changes added presumptions for testicular cancer, lung cancer and esophageal cancer. They apply to local government firefighters, including part-time and volunteer firefighters, but do not apply to forest firefighters.

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- Prior to 2000, the Act included a presumption in favour of coverage for firefighters who suffer an injury to or disease of the heart. Heart injury includes events such as heart attacks whereas heart disease can include acute and chronic coronary disease, coronary hypertension issues and heart arrhythmias.
- The amendments to the *Workers Compensation Act* included in Bill 17 will restore the presumption for heart disease and heart injury similar to what existed prior to 2000. Specifically, the legislation will:
 - Provide a presumption for heart injury or heart disease including heart attacks.
 - Provide that the presumption will apply if the claimant was employed as a firefighter at or immediately before the date of a heart injury or disablement from heart disease.
 - Be available to forest firefighters as well as local government firefighters.
 - Not have any restrictions for lifestyle factors such as smoking or require any minimum period of employment as a firefighter.
 - Apply to eligible firefighters who first become disabled from heart disease or suffer a heart injury on or after the date that the legislation comes into force.
- No other jurisdiction in Canada has a presumption for heart disease under their workers' compensation legislation.

Contact:

Executive Director	John Blakely	Labour Policy & Legislation	(250) 356-9987
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Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
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Title: Fire Inspection and Prevention Initiative

Revised: April 25, 2014

Issue: The purpose and priorities of the Fire Inspection and Prevention Initiative created in response to sawmill explosions at Burns Lake and Prince George

Recommended Response:

- An explosion on January 20, 2012, at the Babine Forest Products Company in Burns Lake killed two workers and an explosion on April 23, 2012, at Lakeland Mills Ltd. in Prince George killed 2 workers. Many more were injured.
- In October 2012, the B.C. government announced the Fire Inspection and Prevention Initiative (FIPI) to ensure that similar explosions do not happen in the future.
- The FIPI is focused on improving fire safety compliance in high risk facilities.
- The FIPI is addressing inspectional and jurisdictional gaps related to Fire Code compliance and fire inspections of commercial facilities, particularly high-risk complex industrial facilities with the potential for combustible wood dust accumulation.
- The FIPI's mandate is to help ensure the combustible dust/explosion hazard is effectively controlled through:
 - development of combustible dust/explosion hazard training provided to wood manufacturing operations and BC's fire services, , and
 - a referral process between the three inspectorates – BC's Fire Services, BC Safety Authority and WorkSafeBC.

Background/Status:

- The priorities of the FIPI are to:
 - Develop a referral system to triage Fire Code compliance issues identified by WorkSafeBC and BC Safety Authority inspectors to the appropriate fire inspection jurisdiction.
 - Develop and deliver increased training opportunities for the fire inspection community, e.g., the Local Assistant Fire Commissioners, particularly in rural areas of the province.

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- Update training and educational material about fire safety and deliver to high-risk building owners and employers with responsibility under the BC Fire Code and to their workforces.
- WorkSafeBC will invest up to \$1 million in funding over two years for the FIPI.
- The FIPI Steering Committee is chaired by the Deputy BC Fire Commissioner and includes representatives from the B.C. Safety Authority, WorkSafeBC, and industry stakeholders.
- Ray Roch has been seconded to FIPI for two years from his WorkSafeBC role as Director, Emerging Issues Prevention.
- The FIPI is working collaboratively with the BC Safety Authority and WorkSafeBC, who continue with their responses to the two explosion events.
- The FIPI is also working collaboratively with the Office of the Fire Commissioner and the authorities having jurisdiction through the Local Government Managers' Association, the Fire Chiefs' Association of BC and the Fire Prevention Officers' Association of BC to address the inspectional gaps in fire safety inspections.
- The FIPI is also working collaboratively with the First Nations Emergency Services Society and with Aboriginal Affairs and Northern Development Canada to achieve similar improvement on First Nations Lands, which falls under federal jurisdiction.
- A website was developed and launched in December 2013 called www.fipibc.ca, to assist all interested parties in learning more about the work of FIPI and the responsibilities of the parties
- Training modules were developed to help employers and workers improve their knowledge of combustible dust hazards: Combustible Dust Hazards Recognition and Combustible Dust Hazard Mitigation. Training materials were developed to support the different requirements of employers – large employers want materials their training staff can deliver to employees, smaller employers want “plug and show” materials. E-learning modules for smaller employers have been available on the FIPI website since early January 2014.
- The FIPI Local Assistant Fire Commissioners (LAFC) working group developed training material for LAFCs in 2013. Training began December 1, 2013. Eight sessions are planned around the province to be delivered by the end of April 2014. The last session was conducted on April 24/25. It is expected that 170 LAFC's will have been trained in that period. A 'make-up' session will be held after the Fire Chiefs' Association of BC's June conference in Victoria.
- A referral service has been developed by the FIPI Referral Working Group. It provides WorkSafeBC officers and BC Safety Authority officers with guidance on

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reviewing a facility's fire safety plan. The process began November 4, 2013, to align with the most recent phase of inspections of sawmills being conducted by WorkSafeBC and BC Safety Authority. By the end of March 2014, officers of the two agencies had made 118 referrals for LAFC fire inspections, from 246 operating location inspections for a referral rate of 48%. The primary reason for the referrals was the lack of, or inadequate, fire safety plans.

- During its current Phase IV sawmill inspection initiative, which runs from April 7, 2014 to mid-June 2014, WorkSafeBC will be assessing workplace knowledge of combustible dust and promoting the use of the FIPI training material available at www.fipibc.ca.

Contact:

Executive Director	John Blakely	Labour Policy & Legislation	(250) 356-9987
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Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Hon. Shirley Bond

Title: Government's Response to Forest Safety Issues

Revised: April 25, 2014

Issue: Action taken by Government and WorkSafeBC on forest safety issues.

Recommended Response:

- In 2013, there were 10 forest worker fatalities due to injury, including wood and paper mills, log hauling and integrated forestry (includes manual falling) – compared to 15 in 2012, 9 in 2011, and 8 in 2010.
- Without minimizing the tragedy of these deaths, the numbers are a vast improvement to the 34 fatalities experienced in 2003. Government remains determined to make our forests even safer.
- Action has been taken on all of the 15 recommendations issued by the Auditor General in his 2008 report on forest safety.
- WorkSafeBC, the BC Forest Safety Council and the Ministry of Forests, Lands and Natural Resource Operations are continuing to address the safety issues and procedures that impact safety in the forest workplace. Other actions taken subsequent to the Auditor General's report included:
 - WorkSafeBC's amendments to Part 26 (Forestry Operations) of the *Occupational Health and Safety Regulation*.
 - An increase in enforcement.
 - WorkSafeBC has a dedicated Safety at Work centre webpage for the forest industry; and forestry is part of WorkSafeBC's high-risk strategy.
 - Government has ensured the hiring of a dedicated safety officer for the Ministry of Forests, a senior manager for safety in BC Timber Sales, and a coroner dedicated to forest safety.
- My colleague, the Minister of Forests, Lands and Natural Resource Operations, can discuss the measures that his ministry has taken in response to the AG's recommendations and to make our forests safer.

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Background/Status:

- In 2004, government committed to cutting the number of deaths and serious injuries by half within three years. Several months later, the goal was revised to zero deaths and serious injuries. In 2006, the Minister of Forests and Range called for an independent review of forest safety issues – concerns shared by the then Minister of Labour and Citizens' Services.
 - On January 23, 2008, the Office of the Auditor General released its report *Preventing Fatalities and Serious Injuries in B.C. Forests – Progress Needed*.
 - This report focused on the role of the provincial government and its agencies involved in forest worker safety. It concluded that government still had to overcome significant challenges if it is to meet the goal set in 2003 to radically decrease deaths and injuries in the forest industry.
 - The report contains 15 recommendations for improving forest worker safety. The Ministry of Labour and Citizens' Services and the Ministry of Forest and Range accepted all 15 of the report's recommendations for improving forest worker safety.
 - An inter-ministry committee was created to respond to the concerns and recommendations set out in the report. The committee was dissolved in 2010, after completing its work.
 - Of the 15 recommendations issued by the Auditor General in the report, four have been fully implemented, five have been substantially implemented, five have been partially implemented with actions still underway, and one recommendation has been addressed through an alternative action.
 - WorkSafeBC has a dedicated Safety at Work centre webpage for the forest industry.
 - The Ministry of Forests, Lands and Natural Resource Operations (MFLNRO) has advised the ministry responsible for Labour that it is taking action to improve safety in the B.C. forest industry by:
 - reviewing regulations and policy from a safety perspective
 - establishing best practices
 - ensuring business objectives go through a safety lens
 - ensuring compliance and enforcement of legislation and licences
 - raising the profile of forest safety internally and externally.
- If required, MFLNRO can speak to these matters in more detail.

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Contact:

Executive John Blakely Policy & Legislation (250) 356-9987
Director

Pages 990 through 992 redacted for the following reasons:

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Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Hon. Shirley Bond

SELF-ASSESSED PROGRESS IN IMPLEMENTING RECOMMENDATIONS



OFFICE OF THE
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Report 5, 2008/09 – Preventing Fatalities and Serious Injuries in B.C. Forests: Progress Needed

As at July 2010

Introductory comments from Ministry of Labour and Ministry of Forests and Range

Thank you for the opportunity to update you on our progress in implementing the recommendations from your report on forest safety. This status report provides an update on the five outstanding recommendations, and was prepared jointly by the Ministry of Labour and the Ministry of Forests and Range.

Recommendations addressed in previous follow-up report(s)

RECOMMENDATION	STATUS
Recommendation 1: Government assign one ministry to lead in issuing policy direction including: <ul style="list-style-type: none"> • initiating regularity change; • closing jurisdictional gaps; and • assigning resources to meet government's safety commitments. 	Alternative action taken
Recommendation 2: The Ministry of Labour and Citizens' Services consider how best to ensure that a robust safety infrastructure is directly supporting every forestry work site.	Substantially implemented
Recommendation 4: The Ministry of Labour and Citizens' Services ensure that a mandatory prequalification requirement for all firms is put in place, ensuring that forest industry firms, regardless of the size of the entity, be required to demonstrate safe operation and organization as a precondition for working in the industry.	Substantially implemented
Recommendation 6: Existing health and safety regulations be more vigorously enforced by WorkSafeBC through inspections, follow up on infractions and punishment of non-compliance.	Fully implemented
Recommendation 7: Government leadership on safety seek direct input from other natural resource-based industries having better safety records, such as mining.	Fully implemented
Recommendation 10: WorkSafeBC enforce the requirement that supervision be in place for all forest workers, including fallers and truckers.	Fully implemented
Recommendation 11: The Ministry of Forests and Range use its powers to enforce safe use of resource roads. The Ministry should establish and participate actively in resource road user committees.	Fully implemented

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour
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Report 5, 2008/09 – Preventing Fatalities and Serious Injuries in B.C. Forests: Progress Needed



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Recommendations addressed in previous follow-up report(s) continued...

RECOMMENDATION	STATUS
Recommendation 12: Training relative to known risks should be made mandatory. For example, drivers who lack specific experience and training in driving large loads off-highway should be required by ICBC to demonstrate competency before being given independent control of such a vehicle. Fallers should be required by WorkSafeBC to demonstrate competency in danger-tree recognition, non-destructive tree evaluation, and blasting, so that they have a wider range of tools and techniques available when specific risks are present.	Substantially implemented
Recommendation 13: The Ministry of Labour and Citizens' Services identify, through credible third party research, safe work hour limits for high-risk forestry occupations and then regulate and enforce those limits accordingly. These limits should be made applicable to self-employed forest workers as well as those employed in the industry.	Substantially implemented
Recommendation 14: The Ministry of Labour and Citizens' Services consider ways to better protect all forest workers during work-time travel.	Substantially implemented

Outstanding recommendations

RECOMMENDATION AND SUMMARY OF PROGRESS	STATUS
Recommendation 3: The Ministry of Labour and Citizens' Services bring self-employed forest workers under the province's occupational health and safety regulations.	Partially implemented
Actions taken, results and/or actions planned	
<i>An amendment to the Workers' Compensation Act is under consideration to address the accountability and protection of self-employed forest workers.</i>	

Estimates Note Advice to the Minister

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

Report 5, 2008/09 – Preventing Fatalities and Serious Injuries in B.C. Forests: Progress Needed



Outstanding recommendations continued...

RECOMMENDATION AND SUMMARY OF PROGRESS	STATUS
<p>Recommendation 5: Government consider economic incentives, outside the workers' compensation system, for rewarding safe operators. These should reach down to the smallest firms and the self-employed, to encourage faster progress toward achieving the forest worker safety goals of government.</p> <p>Actions taken, results and/or actions planned</p> <p>An Options Paper was drafted that examined economic incentives for rewarding safe operators outside the workers' compensation system. Paper was reviewed by the Interagency Committee on Forest Safety (ICFS).</p> <p>The Interagency Committee on Forest Safety agreed no other economic incentive program would be as effective as that provided by the Workers' Compensation Board's Certificate of Recognition and Injury Management/Return to Work (COR). This incentive program entitles a qualified employer i.e. a Safe Certified Company up to a 15% rebate on the injury insurance premium the employer has paid to WorkSafeBC. No further action to be taken.</p>	Alternative action taken
<p>Recommendation 8: Robust safety planning in all aspects of forest operations should be made mandatory by the Ministry of Forests and Range.</p> <p>Actions taken, results and/or actions planned</p> <p>MFR has created a Forest Worker Safety Strategy which provides strategic direction and mandate for the Ministry with respect to forest worker safety. An Action Plan to implement the strategy and the detailed plans to accomplish goals has been prepared.</p> <p>MFR has developed a draft Forest Worker Safety Policy to clarify and advance MFR's role in supporting a positive safety culture in the forest sector as a whole. It is currently being circulated internally for comment and to commence dialogue throughout the ministry regarding our cultural influence.</p> <p>The Forest and Range Evaluation Program report on Worker Safety Impacts identified a need for increased understanding of roles and responsibilities among forest workers and professionals. Many phases/components to overall forest operations exist and many parties must take on appropriate roles to address safety planning. This spectrum of engagement ensures appropriate skills, experience and knowledge are applied to the circumstance.</p>	Alternative action taken
<p>Recommendation 9: The Ministry of Forests and Range seek two amendments to the Foresters Act:</p> <ul style="list-style-type: none"> • Make forest worker safety an explicit object of the Association of Forest Professionals under section 4 (2) • Include in the definition of 'practice of professional forestry' explicit mention of competence in forest worker protection. <p>Actions taken, results and/or actions planned</p> <p>The Association of BC Forest Professionals (ABCFP) has amended By-law 12.7.1 which now states "members maintain safe work practices and consider the safety of workers and others in the practice of professional forestry". Section 4 (2) of the Foresters' Act provides for ABCFP members to be governed by the Act, the bylaws and its resolutions. Bylaw 12.7 has the status of provincial regulation, which makes safety consideration an obligation of ABCFP members.</p> <p>The ABCFP has produced <u>Interpretative Guidelines</u> to support its membership in the achievement of professional standards regarding consideration of the safety of workers and others. The Ministry of Forests and Range supported the ABCFP in drafting these Interpretive Guidelines, which serve as guidance to forest professionals in carrying out their legal obligations for safety.</p>	Alternative action taken

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Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Hon. Shirley Bond

Report 5, 2008/09 – Preventing Fatalities and Serious Injuries in B.C. Forests: Progress Needed



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of British Columbia

Outstanding recommendations continued...

RECOMMENDATION AND SUMMARY OF PROGRESS	STATUS
<p>Recommendation 15: A lead ministry coordinate sharing and consolidation of information on fatalities, serious injuries and near-misses to support more extensive educational and enforcement activities to promote safety. The lead ministry should consolidate fatalities and injuries data and ensure that a system of comprehensive research and reporting is in place, one that covers the activities of all forest workers including the self employed. That ministry should report meaningful information to the Legislative Assembly on a regular basis to provide legislators and the public with a basis for knowing whether safety improvements are working.</p> <p>Actions taken, results and/or actions planned</p> <p><i>In fall 2009, a report was prepared which includes injury and serious injury rates covering a ten-year period in the province and in the coastal and interior regions by harvest volumes. Forest injury statistics by employer size were also provided, in addition to the frequency of types of accidents and causes of fatalities. The information was compiled from WorkSafeBC and MFR data. Also included were links to WorkSafeBC's Hazard Alerts and the BC Forestry Coroner's Office. Starting in fall 2010, this report will be updated annually.</i></p>	Alternative action taken

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Ministry: Ministry of Jobs, Tourism and Skills Training and
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Minister Responsible: Hon. Shirley Bond

Title: Mill Explosions at Babine and Lakeland

Revised: April 25, 2014

Issue: Response to the fire and explosions at the Babine Forests Products mill at Burns Lake and Lakeland Mills in Prince George, including the Combustible Dust Strategy.

Recommended Response:

- An explosion on January 20, 2012, at the Babine Forest Products Company in Burns Lake killed two workers and an explosion on April 23, 2012 at Lakeland Mills Ltd. in Prince George killed another two workers. Many more were injured.
- Our thoughts and prayers are with all the families impacted, particularly with the families of the workers who did not survive these tragedies.
- It is important that government, WorkSafeBC, employers and workers do everything possible to ensure that such tragedies do not happen again.
- On April 3, 2014, WorkSafeBC announced it had imposed an administrative penalty of \$97,500 against Babine Forest Products. WorkSafeBC also imposed a claims cost levy of over \$914,000, for a total penalty cost of over \$1,000,000. The fine is the largest ever handed out in B.C. and the maximum amount allowed under current WorkSafeBC rules. The employer has stated that it is appealing this penalty decision so no further comment is appropriate.
- On March 31, 2014, Government, the forest industry, organized labour, and WorkSafeBC issued a joint statement to announce an aggressive co-ordinated plan to accomplish a number of specific outcomes over the coming 90 days with regard to mill safety and the combustible dust strategy.
- On April 14, 2014, I announced that the chair and board of directors of WorkSafeBC agreed to appoint Mr. Gord Macatee as Administrator at WorkSafeBC to ensure that necessary reforms are undertaken. This includes the full implementation of Deputy Minister John Dyble's recommendations to ensure that WorkSafeBC handles all future investigations correctly.
- I have asked the Attorney General to direct B.C.'s Chief Coroner to conduct an inquest into the explosion at Lakeland. As the Coroner stated about her inquest

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into the explosion at Babine, an inquest is the best venue to address the concerns and issues raised about why the explosion happened and what can be done to prevent a similar event in the future.

- I do not believe there is a need for a public inquiry into these mill explosions. The coroner's work in fact is absolutely critical and chief coroner Lisa Lapointe will personally preside over the coroner's inquest. The coroner's inquest is the best venue to address many concerns and questions raised.

Background/Status:

Babine Forest Products – Decision not to lay charges and follow-up actions

- On January 10, 2014, Crown Counsel announced that no charges will be approved against Babine Forest Products in relation to the January 20, 2012, explosion and fire that killed two workers and injured many others. On January 16, 2014, WorkSafeBC released its Incident Investigation Report into the cause and underlying factors of this event. The WorkSafeBC report concluded that all of the elements for a wood dust explosion were present.
- Crown Counsel stated there is no substantial likelihood of conviction for any of the regulatory offences recommended following the WorkSafeBC investigations citing two reasons:
 - The inadmissibility of some of the evidence gathered by investigators, and
 - The defence of due diligence.
- The BC Safety Authority (BCSA) also publicly released its investigation report on January 16, 2014. BCSA's full report was not previously released in order to avoid compromising Crown Counsel's review of WorkSafeBC's charge referral. However, in January 2013, BCSA published a Recommendations Report with nine recommendations arising from its investigation, and has issued three safety orders since 2012 to improve safety in the wood processing industry. Now that the Crown processes have been completed, BCSA has released its full report.
- On January 16, 2014, Premier Clark ordered Deputy Minister John Dyble to conduct an internal review of the decision not to lay charges. The report found that WorkSafeBC paid insufficient attention to important legal precedents that underpin the legitimate gathering of evidence for prosecution purposes, even though the Criminal Justice Branch had previously shared its concerns on collection of evidence.

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- The report recommended that measures be taken to improve interaction between investigating and prosecuting agencies. It also recommended an improvement of policies, procedures and communications within WorkSafeBC.
- The Premier and Minister Bond directed that all the recommendations must be implemented and that WorkSafeBC must fully examine why it failed to ensure the rules of evidence-gathering were observed, or request clarification from Criminal Justice Branch to safeguard its admissibility.
- On March 4, 2014 WorkSafeBC released the results of a three-month inspection of all active sawmills across B.C. which was in support of the ongoing Combustible Dust Strategy.
- A summary of the inspection results are as follows:
 - 249 inspections were undertaken related to combustible dust regulations.
 - 83 of the 144 locations inspected were in compliance at the time of inspection and received no orders related to combustible dust.
 - 61 employers were issued a total of 93 orders related to combustible dust.
 - 11 employers were issued a total of 13 stop-work orders due to unacceptable accumulations of secondary dust and other significant violations, which posed an immediate hazard to the health and safety of workers.
 - Two locations inspected during the initiative received a second stop-work order and have been directed to participate in a closely monitored compliance plan that includes weekly submissions to WorkSafeBC prevention officers regarding their dust management process.
 - 17 warning letters were recommended during this inspection phase to advise employers that an administrative penalty may be considered for further similar violations of the regulations and 3 administrative penalties were recommended for violations of the regulations.
- On March 10, 2014, Lisa Lapointe, chief coroner with the BC Coroners Service, issued a public statement indicating that after reviewing the investigations, an inquest into the circumstances surrounding the Babine blast would be the best venue to address the many concerns and questions raised about how and why the explosion happened and what can be done to prevent a similar event in the future.
- Following a meeting held on March 28, 2014, Government, the forest industry, organized labour, and WorkSafeBC issued a joint statement on March 31, 2014, to announce an aggressive co-ordinated plan to accomplish a number of specific

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outcomes over the coming 90 days with regard to mill safety and the combustible dust strategy.

- On April 3, 2014, WorkSafeBC announced it had imposed an administrative penalty of \$97,500 against Babine Forest Products. WorkSafeBC also imposed a claims cost levy in the amount of over \$914,000, for a total penalty cost of over \$1,000,000. The employer has stated that it is appealing this penalty decision.

Lakeland Mills – Decision not to lay charges and follow-up actions

- On April 14, 2014, Crown Counsel announced that no charges would be approved in the fire and explosion at Lakeland Mills in Prince George. As in the Babine decision, Crown Counsel stated that there is no substantial likelihood of conviction for any of the regulatory offences recommended following the WorkSafeBC investigations.
- On April 14, 2014, Minister Bond announced that she had asked Attorney General Suzanne Anton to direct B.C.'s Chief Coroner to conduct an inquest into the explosion at Lakeland. Minister Anton made that direction which was accepted by the Chief Coroner (although no decision has yet been made about whether to consolidate the inquest with the Babine inquest).
- On April 14, 2014, Minister Bond also announced that the chair and board of directors of WorkSafeBC have agreed to appoint Mr. Gord Macatee as Administrator at WorkSafeBC to ensure that necessary reforms are undertaken.
- Mr. Macatee has been directed by government to ensure that future WorkSafeBC investigations are handled correctly by implementing the recommendations from Deputy Minister John Dyble's report and to ensure that sawmills are safe workplaces by implementing the 90-day action plan on sawmill safety.
- Mr. Macatee is also responsible for reviewing workers' compensation boards in other jurisdictions to understand the merits of, and determine best practices in, organizational structures specifically relating to the separation of enforcement vs. regulation. He will provide government with a status report by July 1, 2014.

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Progress to date on key actions

- Progress to date on the Dyble Report recommendations and progress on sawmill inspection initiative phase 4 and the 90-day sawmill safety action plan are attached to this note as appendices.

Contact:

Executive Director	John Blakely	Policy & Legislation	(250) 356-9987
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Estimates Note Advice to the Minister

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

Dyble Report Update – as of April 22, 2014

Recommendations	Status	Update as of April 22
WSBC and Police Services Memorandum of Understanding	<p>April 10/2014 WSBC was advised by Police Services at Justice that the MOU has been signed by all parties. A copy of the signed MOU between WorkSafeBC and Police Agencies is attached as Appendix A.</p> <p>A/General Counsel WSBC and Director of Appeals and Special Prosecutions have met to consider amendments to this MOU to meet the recommendations set out in the Dyble Report.</p> <p>CJB recommends three areas for clarification:</p> <ul style="list-style-type: none">a. WSBC should acknowledge a distinction between its inspection and investigation roles; the different powers associated with those roles; the constitutional and other legal restrictions placed on WSBC investigational powers that do not similarly limit its inspection powersb. The MOU acknowledge the importance of Major Case Management and	<p>Proceeding:</p> <p>Following the meeting on April 25/2014 Chief Operating Officer, WSBC will advise the Board of Directors of a revised MOU and will advise on steps to be taken to execute the MOU.</p>

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Recommendations	Status	Update as of April 22
	<p>the necessity of appointing a single competent person to oversee each workplace death and serious injury investigation</p> <p>c. The MOU should clarify which agency carries primary responsibility for investigations of breaches of the <i>Workers Compensation Act</i> and OHSR</p> <p>WorkSafeBC agrees that these recommendations should be incorporated into the MOU with Police Agencies and in that regard has provided a draft to the Director of Appeals and Special Prosecutions. A meeting has been scheduled for April 25/2014 between the Director and WSBC A/General Counsel to ensure that the draft addresses CJB's recommendations.</p>	
CJB and WSBC Memorandum of Understanding	<p>WSBC and CJB met on April 7/2014, prior to that an exchange of draft MOUs had taken place. At this meeting a draft was reviewed on a clause by clause basis. Other than minor drafting and editorial issues the terms of this MOU were largely finalized, with the exception of two or three clauses.</p> <p>On these clauses there is</p>	<p>Proceeding:</p> <p>WSBC and CJB have engaged in ongoing review and discussion on a draft MOU.</p> <p>MOU to be ready for senior approval April 28/2014.</p> <p>A draft overview of a new model for referring files to the</p>

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Recommendations	Status	Update as of April 22
	<p>agreement in principle; however some re-drafting is needed to ensure the terms properly reflect the intent of the parties. The Director of Appeals and Special Prosecutions has agreed to take on that task.</p> <p>WSBC A/General Counsel WSBC and Director of Special Prosecutions CJB are meeting April 25/2014 with a view to having an MOU ready for senior review and subsequent approval by April 28/2014.</p> <p><u>New Model</u></p> <p>WSBC will require a new model for referral of files to the Crown for consideration under the <i>Workers Compensation Act</i>.</p> <p>As reported in the update provided on March 7/2014, staff from CJB recommended that WSBC examine the model that has been developed for the Ontario Securities Commission (OSC). On March 13/2014 WSBC held a teleconference with OSC to discuss the model.</p> <p>An overview of how the OSC model could be implemented by WSBC was attached as Appendix B in the April 11/2014 update.</p> <p>WSBC continues to examine a new model which will address the recommendations in the Dyble Report; as well, the model</p>	<p>Crown under the <i>Workers Compensation Act</i> was attached as Appendix B, April 11/2014. WorkSafeBC will continue to seek CJB input into model design.</p>

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
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Recommendations	Status	Update as of April 22
	will be considered within the larger task assigned by the Minister responsible for the WCA to Mr. Gordon Macatee.	
Enhanced Co-operation	<p>WSBC and CJB continue to work cooperatively by planning ongoing seminars and training opportunities. CJB attended WSBC training in March, and among other matters, spoke to Legal Issues and Fraud; and Ling and Jarvis.</p> <p>WSBC and CJB have agreed their next joint training session will take place in the Fall.</p>	<p>Proceeding:</p> <p>The March training session has taken place.</p> <p>The next session is scheduled for September 2014</p>
Legal Advice During Investigations	A process to engage in seeking advice will be discussed with CJB.	<p>Proceeding:</p> <p>Further information on this recommendation to be provided on completion of the MOU between WSBC and CJB.</p>
Major Case Management Model and Senior Prosecutor Availability	<p>CJB has provided a document that summarizes their approach; WSBC has been training staff in major case management since the Fall 2012 and will fully implement a major case management model; potential systems have been identified; an RFIQ has been issued by WSBC.</p> <p>A four day session tailored to Major Case Management and</p>	<p>Proceeding:</p> <p>An RFIQ for the Major Case Management Model System was issued March 5/2014. Final decision is anticipated by March 28/2014 and full implementation is targeted for Q4/2014.</p> <p>Justice Institute (JI) Training Sessions on</p>

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
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Recommendations	Status	Update as of April 22
	<p>the <i>Workers Compensation Act</i> will be held at the Justice Institute. All Fatal and Serious Injury investigators will attend.</p> <p>Training includes:</p> <ul style="list-style-type: none"> ➤ Duties of first investigator on scene ➤ Obtaining and evaluating information and evidence beginning at the scene ➤ Principles of major case management ➤ Procedures for effective witness management 	<p>Major Case Management are scheduled for May through June 2014 to permit all Fatal and Serious Injury Investigators to attend.</p> <p>Work on Major Case Management will continue, with due consideration being given to the direction provided to WSBC by the Minister.</p>
Regular Informational Meetings	Semi annual meetings are being planned by WSBC and CJB.	<p>Proceeding:</p> <p>The initial meeting is planned for mid-May/2014. Thereafter CJB and WSBC staff will meet twice yearly to share information.</p>
Improvement of policies, procedures and communications within WSBC	Under review by SVP Worker and Employer Services and SVP Corporate Services. These improvements will be governed by the MOU between CJB and WSBC and by the implementation of the Case Management Model.	<p>Proceeding:</p> <p>An overview of the approach will be provided by the SVP Q2 2014.</p>
Seminars and Training	CJB staff are scheduled to attend WSBC training in March on a variety of topics, including legal issues in regard to fraud; Ling and Jarvis; additional topics are planned for later this year; a	<p>Proceeding:</p> <p>The schedule will be provided by the SVP Worker and Employer Services Q2 2014.</p>

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Recommendations	Status	Update as of April 22
	package of material that was provided by CJB to policing agencies has been provided to WSBC	
Investigations protocol review	<p>This review will be governed by the MOU between CJB and WSBC; the MOU between Police Services and WSBC, adjusted to address CJB input; and the Major Case Management Model.</p> <p>WSBC, as has been noted above, anticipates that there will be a new model for referring its files to the Crown under the <i>Workers Compensation Act</i>.</p>	<p>Proceeding:</p> <p>An overview of the approach will be provided by the SVP Worker and Employer Services Q2 2014, subject to direction provided under the direction of the Minister responsible for the Act to WSBC.</p>

Estimates Note Advice to the Minister

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

Progress on sawmill inspection initiative phase 4 and the 90-day sawmill safety action plan - As of April 14, 2014

Actions Completed

WorkSafeBC will double the size of the designated inspection team to 20 and launch further sawmill inspections during phase 4 of their sawmill inspection initiative. The focus of this phase will be on companies which were found to be out of compliance, particularly in phase 3, but all sawmills will be included.

- Phase 4 launched on April 7, 2014.

WorkSafeBC will write to the 61 sawmills found to have combustible dust compliance issues during phase 3 to set expectations for the next round of inspections. Where there is repeat non-compliance, WorkSafeBC Officers will consider penalties.

- WorkSafeBC sent letters on March 31, 2014, indicating that phase 4 was underway and penalties would be considered if compliance was not achieved.

The Council of Forest Industries (COFI) will contemplate their ability to stipulate membership conditions related to compliance with the combustible dust strategy.

- COFI informed industry that use of the Wood Dust Mitigation and Control Audit tool is a requirement of membership.

Sawmill employers, organized labour, and WorkSafeBC will launch an awareness campaign on workers' rights in refusing unsafe work. A toolbox kit on the issue will be provided by WorkSafeBC to employers, health and safety committees, and health and safety representatives in all sawmills.

- WorkSafeBC delivered a Toolbox Talk and Bulletin to all sawmills April 7, 2014, focused on combustible dusty and workers' right to refuse unsafe work.

All parties agreed to continue the dialogue from the meeting on April 1, 2014, when WorkSafeBC hosted a joint meeting with industry and labour at the COFI convention in Kelowna.

- WorkSafeBC held the meeting with labour and representatives from 72 active sawmills at the COFI convention with about another 20 calling in, to review the commitments made in the 90-day action plan. They discussed the Joint Statement on Sawmill Safety and Sustained Compliance and all parties received a copy of the statement.

WorkSafeBC is currently reviewing its Occupational Health and Safety Policy with a focus, at this stage, on

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high-risk violations and the consequences for non-compliance. The elements that can lead to a dust explosion will be included.

- At the April 1, 2014, meeting, WorkSafeBC emphasized to industry the parallel between the seriousness of combustible dust non-compliance and non-compliance with the regulations around asbestos.

Actions In Progress

A team of technical experts to help ensure all mills are in compliance with the Workers Compensation Act and occupational health and safety regulations.

- WorkSafeBC committed to funding to make technical expertise available to the forest industry and WorkSafeBC has requested the sawmill industry to secure the appropriate technical experts.
- The CEO and president of the B.C. Forest Safety Council indicated to WorkSafeBC that the council would be willing to assist industry or industry groups and associations in the process of identifying and securing those technical experts.
- The MAG is working the B.C. Forest Safety Council to set up the infrastructure and administrative support for MAG regarding the industry experts/advisors. Industry will provide training (in operating sawmills) to the experts/advisors and will then offer equivalent training to all mills in the province.
- On April 22, 2014, WorkSafeBC will meet with Industry and the B.C. Forest Safety Council to work out the structure of this partnership/working arrangement around the experts/advisors.

The Manufacturers' Advisory Group, made up of a dozen companies which account for about 75% of B.C.'s lumber production, has developed a Dust Mitigation and Control Audit protocol and is offering it to mills of every size throughout B.C. The group will use its expertise and resources to ensure that best practices regarding sawmill dust risk reduction are shared with any company needing help within the province.

- WorkSafeBC is supporting MAG in its efforts and will work with sawmills of all sizes to ensure the audit tool is usable for both large and small sawmills.

At organized labour's request, this Audit Tool will be reviewed by all parties to evaluate it as an enforceable standard. WorkSafeBC has agreed to lead that discussion.

- WorkSafeBC will lead the discussion to create a draft of an enforceable policy which would be reviewed by its Board of Directors before engaging in public and industry consultation.

Estimates Note Advice to the Minister

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

Title: Resource Roads and the *Workers Compensation Act*

Revised: April 25, 2014

Issue: Regulation to clarify how the *Workers Compensation Act* will apply to resource roads in British Columbia

Recommended Response:

- Safety on resource roads is everyone's responsibility. For example: users are encouraged to report unsafe behaviour; companies will supervise their employees and monitor their contractors; and WorkSafeBC will enforce the *Workers Compensation Act* and Occupational Health and Safety Regulation (OHSR).
- Government amended the OHSR in 2012 to clarify that a "workplace" does not include a resource road, except when a portion of a resource road is being built, maintained or otherwise worked on.
- By enacting this regulation, Government is clarifying for WorkSafeBC that it does not have jurisdiction over the resource road – and therefore, that it does not have the authority to issue orders or impose penalties on prime contractors or owners of those roads on matters pertaining to the roads themselves.
- This regulation is consistent with the policy direction that Government is taking through the development of the *Natural Resource Roads Act*.
- The regulation is an interim measure until the *Natural Resource Roads Act* is in place.
- During this interim period, enforcement agencies will rely upon existing legislation that covers different aspects of resource road use that will stand until the *Natural Resource Roads Act* comes into effect. WorkSafeBC continues to have a significant presence on resource roads.

Background/Status:

- In October 2012, Cabinet approved an Order in Council (OIC) that amended the OHSR to clarify the *Workers Compensation Act* (WCA) definition of "workplace" and its application to resource roads. Specifically, the regulation states that a resource road is not a "workplace", and therefore, it establishes that resource roads will be treated much the same as public highways for the purpose of occupational health and safety enforcement.

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Ministry: Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour
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- This regulation was developed following the Environment and Land Use Committee's (ELUC) recommendation to Cabinet that the Minister responsible for Labour direct WorkSafeBC not to implement a policy that would have treated resource roads as "workplaces". The Minister subsequently requested that the WorkSafeBC Board of Directors consider making a regulation that would treat resource roads in a manner that is consistent with new legislation that the Ministry of Forests, Lands and Natural Resource Operations (MFLNRO) is currently developing – the proposed *Natural Resource Roads Act* (NRRA).
- In its response, the WorkSafeBC Board indicated that, given the array of statutes that Government intends to consolidate into the NRRA and the urgency with which regulatory action is required, it would not be possible for WorkSafeBC to develop the regulation within the available timeframe, and that it would be preferable for Government to enact the regulation.
- This regulation addresses concerns that MFLNRO and other government ministries and agencies have long had with the enforcement approach established under the WCA and OHSR. Specifically, it was their view that WorkSafeBC's enforcement approach, which considered a resource road as a whole to be a single workplace, was untenable because it was impossible for government to have knowledge of, and control over, all of the activities that occur on these roads.
- This regulation is intended as an interim measure that will be in place until the proposed NRRA is presented to the Legislature ^{s13, s17} and is brought into force ^{s13, s17}
- Subsequent to the enactment of the regulation, WorkSafeBC developed, in consultation with stakeholders, a guideline which provides more detail and insight into the application of the new regulation. In addition, MFLNRO and WorkSafeBC have committed to working closely with each other under this new policy approach in the interest of safety.

Contact:

Executive Director	John Blakely	Labour Policy & Legislation	250-356-9987
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Estimates Note Advice to the Minister

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

Title: **Summary of Legislative Changes to the *Workers Compensation Act***

Revised: February 12, 2014

Issue: **Key legislative amendments to the *Workers Compensation Act* since 2002**

Recommended Response:

- Government introduced a wide range of amendments to the *Workers Compensation Act* in 2002 and 2003. These changes were made to make the workers' compensation system more responsive to the needs of both workers and employers.
- The changes were made for the following reasons:
 - Ensure the financial sustainability of the workers' compensation system.
 - Make it possible for WorkSafeBC to maintain employer rates at a competitive level to other provinces.
 - Provide benefits that are comparable with other provinces, but that remain among the best in Canada, while ensuring fairness for workers and employers.
 - Improve the management of the system by providing a new governance structure focused on the best interests of the system overall.
 - Streamline the appeal system and bring finality and better timeliness to decisions.
 - Improve quality in workers' compensation decisions and services.
- I must emphasize that benefits paid to injured workers remain amongst the best in the country.
- Many of these changes were recommended by both the Royal Commission Report on Workers' Compensation in 1999 and the 2001-2002 WCB Core Services Review conducted by Alan Winter.
- Since 2003, key amendments include supporting firefighters through the introduction of several occupational disease presumptions, and enhancing compensation for mental disorders arising out of work.

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Minister Responsible: Hon. Shirley Bond

Background/Status:

Bill 49, *Workers' Compensation Amendment Act, 2002*

- Bill 49 sought to maintain benefits for workers that were among the best in Canada while making the system financially sustainable for the future. The main legislative changes of Bill 49 included:
 - A new governing body for WorkSafeBC was introduced.
 - The rate upon which benefits are calculated was changed.
 - The method of indexing compensation benefits for inflation was changed.
 - Pensions were no longer provided for the lifetime of a worker, but instead end at age 65. A lump sum retirement benefit was introduced in the legislation.

Bill 63, *Workers Compensation Amendment Act (No. 2), 2002*

- Provided a revised appeals process for the workers' compensation system that ensured fair, timely and consistent decisions.
- The previous appeal structure had three levels of appeal: the Workers Compensation Review Board, the Appeal Division, and the Medical Review Panel. This appeal process could take years before a final decision was reached.
- Bill 63 provided for a new internal Review Division that has a 150-day time limit to make its decision. The second and final level of appeal, the independent external Workers' Compensation Appeal Tribunal (WCAT), has 180 days to make a final and binding decision.
- A backlog of approximately 22,000 appeals was transferred to WCAT on March 3, 2002, from the former Workers' Compensation Review Board and Appeal Division. This backlog was effectively eliminated by 2006.

Bill 37, *Skills Development and Labour Statutes Amendment Act, 2003*

- Bill 37 amended compensation for surviving dependants of workers who die as a result of workplace injuries or illnesses. The legislation provided monthly benefits for life to surviving partners and introduced a new benefit program for childless surviving partners. It also established a provision for lay advocates (non-lawyers) to advise employers and employees who are going through the workers' compensation system.

Bill 11, *Workers Compensation Amendment Act, 2005*

- Bill 11 recognized certain cancers as occupational diseases associated with employment as a firefighter.

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Responsible for Labour
Minister Responsible: Hon. Shirley Bond

Bill 13, *Labour and Citizens' Services Statutes Amendment Act, 2008*

- Bill 13 provided that workers' advisers and employers' advisers are to be appointed under the *Public Service Act*, rather than by Order-in-Council of the Lieutenant Governor in Council.

Bill 8, *Workers Compensation Amendment Act, 2009*

- This bill enacted a lung cancer presumption for firefighters effective May 27, 2008.
- Government also amended the regulation to add testicular cancer to the list of presumptions for firefighters in 2008 and to add esophageal cancer in 2011.

Bill 14, *Workers Compensation Amendment Act, 2011*

- The primary reason for this legislation was to expand workers' compensation for diagnosed work-related mental disorders.
- It also amended the compensation payable to injured apprentices and learners to more fairly reflect their loss of earnings.
- WorkSafeBC has also developed and approved a new policy under the existing *Occupational Health and Safety Regulation* to further support the province's efforts to combat workplace bullying and harassment. This policy came into effect on November 1, 2013.

Election commitment to restore heart disease presumption for firefighters.

- During the 2013 provincial election, a commitment was made to restore the workers' compensation presumption for heart disease and firefighting as it existed prior to 2000. No other jurisdiction in Canada has a presumption for heart disease embedded in their workers' compensation legislation. Government remains committed to this legislative amendment.

Contact:

Executive John Blakely Policy & Legislation (250) 356-9987
Director

2014/15 Estimates Note Advice to the Minister

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

Title: *Emergency Intervention Disclosure Act* and Regulation

Revised: February 12, 2014

Issue: The act and regulation, and website, came into force on March 2, 2013

Recommended Response:

- The *Emergency Intervention Disclosure Act* and related regulation came into force on March 2, 2013.
- The act permits fire fighters, police and paramedics, others providing emergency health services, and victims of crime to apply to the court to have another person tested for HIV, Hepatitis B and Hepatitis C if they come into contact with the blood or other bodily substances of that other person.
- The contributions first responders make in communities all over B.C. should never be underestimated. It's important we support them in every way we can.
- To date, the ministry is not aware of any court applications under the Act.

Background/Status:

- The *Emergency Intervention Disclosure Act* ("Act") was passed on May 31, 2012.
- Effective March 2, 2013, an Order-in-Council brought the Act into force and established the *Emergency Intervention Disclosure Regulation* to support the Act.
- The ministry consulted with representatives of firefighters, police, paramedics, and AIDS service organizations; the Ministries of Health, Justice and Children and Family Development; WorkSafeBC; the Provincial Health Officer; and the Information and Privacy Commissioner on the act and regulation. We also advised the Provincial and BC Supreme Courts about the Act and Regulation.
- The ministry has created a comprehensive website that explains the Act and Regulations and includes the required forms and procedures. It also contains links to information about preventing infection with HIV and Hepatitis B and C. The website has had 779 views since it was launched.
- Health Authorities will absorb the costs to take and test a blood sample under a testing order. The Minister of Health can answer questions on these costs.
- Similar legislation exists in Alberta, Saskatchewan, Manitoba, Ontario and Nova Scotia, and has been used very infrequently (e.g., twice in Alberta since 2007).

2014/15 Estimates Note Advice to the Minister

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

- The intent of B.C.'s legislation is to encourage voluntary testing of the source individual as a first step in the unfortunate event of a bodily substance exposure.
- It is expected that the legislation will rarely, if ever, be used to obtain a testing order from the court. To date, the ministry is not aware of any applications to the court under this legislation.

Contact:

Executive Director	John Blakely	Labour Policy and Legislation	250-356-9987
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2014/15 Estimates Note Advice to the Minister

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

Title: Port Metro Vancouver Container Truckers Dispute

Revised: April 25, 2014

Issue: Labour Relations at the Port Metro Vancouver

Recommended Response:

- On March 26, 2014, the governments of Canada and British Columbia and Port Metro Vancouver reached agreement with members of the United Truckers Association (UTA) and Unifor to end the 28-day work disruption at Port Metro Vancouver and resume full operations as of Thursday March 27, 2014.
- The agreement was reached following extensive discussions between all parties, and the adoption of a joint action plan to address truckers' concerns.
- Mediator Vince Ready has been retained to meet with all parties including UTA and Unifor leaders, to assist with implementing the action plan.
- With the agreement, the Government of British Columbia did not proceed with the legislation that would have ordered a cooling off period in the Unifor job action.
- Staff in the Ministry's Labour Division have been observing the parties' work to implement the action plan (through participation on a steering committee) and will offer any assistance where needed. However, the province's lead for participating in the implementation of the agreement is my colleague, the Minister of Transportation and Infrastructure. Further questions should be directed to him.

Background/Status:

- Port Metro Vancouver (PMV) has returned to full operations, with current container volumes exceeding 3800 transactions daily (3500 transactions considered normal volume).
- A Drayage Steering Committee has been struck, with representatives of Transport Canada, BC, PMV, TSI Global Container Systems, DP World, Unifor and UTA.
- The committee meets weekly and is overseeing the implementation of the Action Plan.

2014/15 Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
Minister Responsible for Labour

Minister Responsible: Hon. Shirley Bond

Contact:

ADM	Trevor Hughes	Labour Division	250-356-1346
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Executive and Support Services Profile

Executive and Support Services consists of the Minister's Office, Deputy Minister's Office and the Management Services Division.

The primary function of the Management Services Division is to develop infrastructure and internal systems within the Ministry that support programs and contribute to improved service delivery capabilities. This includes sound financial management and reporting, support for business planning and performance management, effective use of information and technology, support for legislative changes and board appointments, and a strategic approach to human resources.

The Management Services Division also provides services to the Ministry of Community, Sport and Cultural Development, the Ministry of International Trade and Destination BC.

Branch Overviews:

Executive	Deputy Minister's Office, including administrative support staff.
ADM's Office	Oversees a range of corporate management services provided to Ministry programs.
Finance and Administration	Provides financial management and oversight of ministry budgets. Includes financial planning and reporting (budgets); financial operations (accounts); contracts policy and review; FOI response; and facilities and administration services.
Information Systems	Provides information technology services including business needs analysis; technology acquisition and support (help desk); training; and standards compliance.
Strategic Human Resources	Provides professional strategic HR services including workforce planning; organizational design assistance; engagement, recognition and wellness programs; learning and development programs; and diversity strategy.
Corporate Planning and Priorities	Leads corporate work in a variety of areas including performance management (service plans, annual reports, program evaluation); risk management and business continuity planning; internal communications; legislative changes and board appointments; and executive support during transitions and Estimates.

Contact: George Farkas, ADM, Management Services Division
250 387-9180

Estimates Note Advice to the Minister

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

Title: Advertising – STOB67

Revised: April 23, 2014

Issue: Amount spent on STOB67 Advertising

Recommended Response:

- Advertising budget for 14/15 is \$1.672M. No change from 2013/14.
- Represents less than 1% of total Ministry budget.
- \$1.672M is allocated to Immigration Initiatives for advertising expenditures related to Work BC. These costs are fully recoverable from the federal government (Labour Market Development Agreement).
- Total expenditures at March 31/14 are \$2.463M. (Note: Public Accounts released July 2014).
- \$0.791M of the over-expenditures is related to Immigration Initiatives (e.g. advertising related to Jobs Fest) and approved by GCPE. Expenditures are managed within JTST's existing base budget.

Contact:

Budget Manager	Tracy Campbell	FSB	250-356-9509
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Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and the Minister
Responsible for Labour
Minister Responsible: Hon. Shirley Bond

Title: Audits

Revised: April 23, 2014

Issue: Summary of Audit Work Performed in Fiscal Year 2013/14
(as at March 31st)

Recommended Response:

- The Ministry was not subject to any audits in fiscal 2013/14.

Background/Status:

Crown Agencies and Boards

- The Ministry is also responsible for the following crown agencies and boards:
 - Creative BC
 - Destination BC
 - Industry Training Authority
 - Industry Training Appeal Board
 - Trades Training Consortium of BC
 - WorkSafe BC
- None of these crown corporations incurred any external audits during the fiscal year.

Contact:

CFO/Director Murray Jacobs Finance and Admin 250-356-6950

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and the Minister responsible for Labour
Minister Responsible: Hon. Shirley Bond

Title: Contracting

Revised: April 25, 2014

Issue: Summary of Contracts

Recommended Response:

The following information is as at March 31, 2014.

What is the BUDGET for operational contracts?

Fiscal 2013/14	\$17,032,000
<u>Fiscal 2014/15</u>	<u>\$11,165,000</u>
Variance	\$ 5,867,000 decrease

The reduction is due to the following:

- Termination of CIC agreement (\$4.359M) and internal budget reallocations in the LMI division (\$0.945M to STOB 50)
- Transfer from SSBC to DBC (\$0.560M reported as STOB63 in FY14 but is now reported as STOB 80 in FY15)

How much was SPENT on contracts:

During fiscal 2013/14, JTST spent \$12,820,000 on operational contracts:

259	Professional services	\$ 9,274,000
14	Information systems	<u>\$ 3,546,000</u>
273	Suppliers	\$12,820,000

- Operational contracts include:
 - STOB 60 – Professional services – operational & regulatory
 - STOB 61 – Professional services – advisory
 - STOB 63 – Information systems
 - STOB 67 – Info Advertising and Publications
 - STOB 69 – Utilities, Materials and Supplies

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and the Minister responsible for Labour
Minister Responsible: Hon. Shirley Bond

Additional Information

- JTST follows a fair, open and transparent contracting process.
- Service contracts over \$75,000 are openly tendered on BCBid.
- Service contracts between \$25,000 and \$74,999 require a competitive process that is appropriate based on the value and complexity of the opportunity.
- BC has the lowest thresholds for direct awarding contracts in Canada under the New West Partnership Trade Agreement (NWPTA) between BC, Alberta and Saskatchewan.

Some examples of ministry oversight on contracts:

- JTST has three individuals responsible for overseeing ministry contracts and providing procurement information sessions to ensure compliance with government controls including:
 - ***Assisting the program areas with each phase of the contracts lifecycle***, from planning on the best approach to solicit the required services through to the evaluation and closing of a contract file.
 - ***Ensuring both government representative and/or vendor representative signatures is documented on the contract prior to contract commencement.*** This limits government's liability of verbal contracting and provides documentation of agreed-upon expectations and responsibility for insurance, rates, quantities and deliverable agreements.
 - ***Requiring contractors to carry the Commercial General Liability insurance*** and to add the Province as an additionally insured. Insurance supports their ability to make good on the indemnity clause.
 - ***Ensuring that expenditures are recorded to the Corporate Financial System consistent with government's chart of accounts*** conform to GAAP, the substance of transactions are captured, and government's financial statements reflect the complete, relevant and accurate picture of the transactions and events as accurately as possible.
 - ***Ensuring that the accrual for the receipt of goods, services, or construction is accurately recorded and accounted for at the time in which the transfer of pownership occurs or was received.***

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and the Minister responsible for Labour
Minister Responsible: Hon. Shirley Bond

Costs associated with managing contracts

- JTST has three dedicated staff responsible for the oversight and management of ministry contracts
- Costs for salaries and benefits for these three individuals is approximately \$0.265M
- Additional costs may include some travel for training sessions held in Vancouver (max \$0.005M)
- Benefits far outweigh costs, for instance
 - A likely consequence of not ensuring that contractor has insurance coverage may result in legal challenges and financial obligation where contractor performance results in third party injury, neglect and/or property damage. Increased legal costs or fines ^{s13} and supplier or market animosity. ^{s13}

Analysis of contracts:

	<u># Contracts</u>	<u>Contract Value</u>
Contracts currently open	87	\$ 19,029,000
New contracts issued in 2013/14	87	\$ 4,074,000
Direct awards contracts issued in 2013/14	41	\$ 641,000

The Ministry issued **eighty-seven (87) NEW** contracts in fiscal 13/14, with a total value of **\$4,074,000**.

The Ministry issued **\$3,038,000 for NEW professional services** contracts. This total is made up of seventy-nine (79) contracts. The breakdown by contracts in excess of \$75,000:

- **Connell, Dr. Ian** – legislated on call physician (Workers' Compensation Appeal Tribunal - \$269,000);
- **Stewart-Patterson, Dr. Christopher** – legislated on call physician (Workers' Compensation Appeal Tribunal - \$269,000);

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and the Minister responsible for Labour
Minister Responsible: Hon. Shirley Bond

- **MNP LLP** – project management of the Industry Training Authority review (Skills Training Branch - \$233,000)
- **Brudder Productions Inc.** – Produce videos to promote BC businesses (Tourism & Small Business - \$200,000)
- **Barbershop Films Inc.** – WorkBC success story videos (Labour Market Development Agreement - \$150,000);
- **KPMG LLP.** – market analysis of value added natural gas products (Major Investment Office - \$150,000);
- **Barbershop Films Inc.** – newcomer's guide videos (Immigration - \$98,000);
- **Goss Gilroy Inc.** – targeted evaluations (Immigration - \$94,000);
- **Goss Gilroy Inc.** – targeted evaluations (Immigration - \$85,000);
- **Social Research & Demonstration Corp** – evaluation of the vulnerable immigrant population program (Business Strategy & Accountability - \$85,000)
- **RTO BC Resource Training Organization** – evaluate how government can support BC companies (Tourism & Small Business - \$81,000)
- **MNP LLP.** – skills connect program evaluations (Immigration - \$75,000);
- **Apollo Communications Ltd.** – project management (Labour Market Development Agreement - \$75,000);
- **Kerschbaumer, Susan** – project management (Labour Market Development Agreement - \$75,000); and
- Sixty-five (65) small contracts each under \$75,000 (\$1,099,000).

The Ministry issued **\$962,000 for NEW information systems services** (operating) contracts. This total is made up of seven (7) contracts. The breakdown by contracts in excess of \$75,000:

- **CGI Information Systems and Management Consultants Inc.** – powerhouse programmers and business analysts (Workers' Compensation Appeal Tribunal - \$315,000);

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and the Minister responsible for Labour
Minister Responsible: Hon. Shirley Bond

- **Randall, Robert.** – project management (Labour Market Development Agreement - \$250,000);
- **Gauthier, Janice** – project management (Labour Market Development Agreement - \$250,000);
- **KPMG LLP** –analysis of current labour market and occupation research (Policy & Stakeholder Relations - \$95,000); and
- Three (3) small contracts each under \$75,000 (\$52,000).

The Ministry issued **\$74,000 for NEW capital** contracts. This total is made up of one (1) contract:

- **Pearson Ellis Consulting inc.** – wood innovations project (Small Business - \$74,000);

The Ministry issued **forty-one (41) DIRECT AWARD** in fiscal 2013/14, with a total value of **\$641,000**.

These contracts were classified as:

<u>Rationale for Direct Award</u>	<u>#</u>	<u>Contract Value</u>
Issued to government organizations	1	\$ 25,000 (4%)
Sole Source	1	\$ 24,000 (4%)
Notice of Intent	1	\$ 81,000 (13%)
Value under \$25,000	38	\$511,000 (79%)
Total Direct Award Contracts	41	\$641,000

The **government organization DIRECT AWARD** contract was for:

- **Receiver General for Canada** – Stats Canada immigration forecast model (Immigration - \$25,000);

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and the Minister responsible for Labour
Minister Responsible: Hon. Shirley Bond

The **sole source DIRECT AWARD** contract was for:

- **Work/Life Innovations** – provide HR expertise for recruitment of Vice Chairs (Workers' Compensation Appeal Tribunal - \$24,000);

The **notice of intent DIRECT AWARD** contract was for:

- **RTO BC Resource Training Organization** – pilot project - how government can support BC companies (Tourism & Small Business - \$81,000);

The average value of the **contracts under \$25,000** was \$13,447. One of these contracts was extended above this threshold to allow for additional services:

- **Hjermstad, Madelaine** – provide financial management assistance to the Labour Market Programs Branch (Labour Market Agreement - \$42,000)

Core Policy: Direct Awards

Contracts may be negotiated and directly awarded without competitive process where one of the following exceptional conditions applies:

- Another government organization
- Only **ONE** contractor is qualified, or is available
- Unforeseeable emergency exists
- Maintain security or order
- Confidential or privileged nature
- A notice of Intent is posted on BC Bid

Contact:
CFO/Director Murray Jacobs Finance and Admin 250-356-6950

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and the Minister
Responsible for Labour
Minister Responsible: Hon. Shirley Bond

Title: Payments

Revised: April 29, 2014

Issue: Summary of Operating Contract Related Payments Made in Fiscal Year
2013/14 (as at March 31, 2014)

Recommended Response:

The Ministry made operating contract related payments to **273** suppliers in fiscal 2013/14, for a total value of **\$12,820,000**. These contracts include a blend of contracts that were created in prior years, as well as new contracts that were issued in current fiscal year.

NOTE: Some of the listed suppliers have multiple contracts with the Ministry, and as such the aggregate payment values have been provided.

These contract related payments link to the following types of contracts:

Professional services: 259 suppliers (95%) worth \$9,274,000 (72%)

Information systems: 14 suppliers (5%) worth \$3,546,000 (28%)

Of these 293 suppliers, thirty (30) received payments in excess of \$75,000:

FCV Technologies Ltd. (\$1,814,000) (information systems)

Vizeum Canada Inc. (\$821,000) (professional services)

Barbershop Films Inc. (\$657,000) (professional services)

Dare Digital LP (\$633,000) (professional services)

CGI Information Systems and Management Consultants Inc. (\$555,000)
(information systems)

Sierra Systems Group Inc. (\$468,000) (professional services)

SH Trade Invest Limited (\$406,000) (professional services)

Inventia Sales and promotions Inc. (\$405,000) (professional services)

Kimbo Design (\$390,000) (professional services)

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and the Minister
Responsible for Labour
Minister Responsible: Hon. Shirley Bond

Agamya Business Services LLP (\$320,000) (professional services)
Ho Hing Consultancy Inc. (\$308,000) (professional services)
Vanguard AP (\$306,000) (professional services)
Baytree Communications Inc. (\$266,000) (professional services)
Keemax Asia Ltd. (\$253,000) (professional services)
Oceanblue Marketline Inc. (\$237,000) (professional services)
Fox, William (\$220,000) (professional services)
Dynasty Plus Limited (\$209,000) (professional services)
Guangzhou Jaiyue Business Consulting Co. Ltd. (\$187,000)
(professional services)
KPMG LLP (\$183,000) (professional services)
Goss Gilroy (\$179,000) (professional services)
Gauthier, Janice (\$161,000) (information systems)
The Castlemain Group Inc. (\$148,000) (professional services)
Dr. Gurdeep Parhar Inc. (\$146,000) (professional services)
MNP LLP (\$130,000) (professional services)
Randall, Robert (\$126,000) (information systems)
T4G Limited (\$122,000) (information systems)
Mediative G.P. Inc. (\$100,000) (professional services)
Work At Play Media Labs Ltd. (\$94,000) (information systems)
Corcoran, Rene (\$91,000) (professional services)
MacLaren McCann Canada Inc. (\$77,000) (professional services)

Background/Status:

N/A

Contact:

CFO/Director Murray Jacobs Finance and Admin 250-356-6950

2014/15 Estimates Note Advice to the Minister

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

Title: Core Review

Revised: March 19, 2014

Issue: Core Review Outcomes

Recommended Response:

- One of government's priorities is to conduct a core review of government to make sure government is structured for success on all of its objectives.
- There is always an opportunity in our ministry or any ministry to deliver services and programs in a better manner.
- The refinement phase of core review is underway. Announcements will be made as decision are reached.
- At this time, these questions may be better canvassed with the minister responsible for the core review when his ministry is up for Estimates.

Background/Status:

- The ministry completed the Phase 1 ministry mandate review in January 2014.
- At the same time, WorksafeBC and the Labour Relations Board were also reviewed to look for efficiencies.
- For the two agency reviews, the refinement phase of the core review is underway. Our ministry is in the process of developing more detailed analysis and business cases. As these items will be referred back to the Cabinet Working Group on Core Review, we will not be discussing them until decisions are reached.
- Pending Cabinet decisions, it is expected that the ministry recommendations would be implemented within the existing ministry budget.
- The review of the ministry's Regulatory Reform program is included in the government-wide core review process currently underway to ensure BC remains the forerunner in building a modernized regulatory reform agenda in our efforts to reduce red tape and regulatory burden.

Contact:

Executive Director Vera Sit ADM Office 250-387-6061

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
the Minister Responsible for Labour
Minister Responsible: Hon. Shirley Bond

Title: Deputy Minister's Office – JTST

Revised: April 23, 2014

Issue: Deputy Minister's budget in 2014-15

Recommended Response:

- Deputy Minister's budget remained status quo (\$1.156M) in 2014-15 compared to 2013-14.
- \$0.943M is allocated to salaries and benefits. No change from 2013-14.
- There are 17 FTEs in the Deputy's Office which includes staff for the ministry's correspondence branch. Of the 17 FTEs, 5 positions are currently vacant (30%).
- Budget details are provided below.

Estimates Budget	FY14	FY15	Change
Salaries and Benefits	943,000	943,000	-
Travel	50,000	50,000	-
Legal	2,000	2,000	-
Professional Services	15,000	15,000	-
Information Systems	10,000	10,000	-
Office and Business	50,000	50,000	-
Amortization	81,000	81,000	-
Building Occupancy Charges	5,000	5,000	-
TOTAL	1,156,000	1,156,000	-

Contact:

Position	Name	Branch	Phone
Budget Manager	Tracy Campbell	FSB	250-356-9509

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
the Minister Responsible for Labour
Minister Responsible: Hon. Shirley Bond

Title: Ministry Fees

Revised: February 13, 2014

Issue: Fees Collected by JTST Programs

Recommended Response:

- The only fees collected by JTST programs in 13/14 are those collected by the Provincial Nominee Program, which collects the following fees:
- A) Strategic Occupations processing fee (\$550 per service) – a non-refundable processing fee for each application to the Strategic Occupations component of the BC PNP.
- B) Business Immigration (\$125 per service) – fee for pre-immigration seminars to help prospective immigrants to explore and establish business opportunities in BC
- C) Business Immigration (\$3,000 per service) – a non-refundable processing fee for each application submitted by the principal applicant to the Business Immigration stream of the BC PNP

Background/Status:

Total annual fees for the above three fees are:

- A) Strategic Occupations processing fee - \$1.8M
- B) Business Immigration seminars - \$0.017M
- C) Business Immigration processing fee - \$0.900M

Director: Murray Jacobs

Finance and Admin.

Phone #: 356-6950

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and the Minister
Responsible for Labour
Minister Responsible: Hon. Shirley Bond

Title: Government Transfers

Revised: April 25, 2014

Issue: Summary of Shared Cost Arrangements (formerly: Transfer Under Agreements) Awarded in Fiscal Year 2013/14

Recommended Response:

The following information is as at March 31, 2014.

The Ministry issued **one hundred and thirty-six (136)** new shared cost arrangements in fiscal 2013/14, with a total value of **\$34,777,000**.

The breakdown by agreements in excess of \$1,000,000:

- **Aboriginal Community Career Employment Services Society** – Bladerunners program (Labour Market Agreement - \$3,730,000);
- **Aboriginal Community Career Employment Services Society** – Bladerunners program (Labour Market Agreement - \$3,499,000);
- **Aboriginal Community Career Employment Services Society** – Bladerunners program (Labour Market Agreement - \$2,380,000);
- **Creative BC Society** – annual funding (Film Policy - \$2,208,000);
- **Capilano University** – employment skills access program (Labour Market Agreement - \$1,032,000);
- **Aerospace Industries Association of Canada** – grow the Province's aerospace sector (Economic Development - \$1,000,000);
- Eighty-three (83) agreements between \$75,000 and \$1M (\$19,194,000)); and
- Forty-seven (47) small agreements all under \$75,000 (\$1,734,000).

Background/Status:

N/A

Contact:

CFO/Director Murray Jacobs Finance and Admin 250-356-6950

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour

Minister Responsible: Hon. Shirley Bond

Title: Ministers' Offices Budget- JTST

Revised: April 24, 2014

Issue: Ministers' Offices budget in 2014-15

Recommended Response:

- The Ministers' Office budgets for 2014/15 is \$0.923 million
- Minister's Office budget is \$0.642M; Minister of State for Tourism and Small Business budget is \$0.281M (Total combined \$0.923M)
- For comparison purposes, and to show effects of government re-organizations, budgets are restated for 2013-14. The Ministers' Offices budget for 2013-14 restatement remained the same at \$0.923M
- Compared to Estimates presented in June 2013, the following changes occurred:
 - Minister Bond's budget was reduced by \$0.003M and transferred to Minister of State for Tourism and Small Business
 - The \$0.003M transfer was due to increase in benefit rate chargeback (from 24% to 25%)

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour

Minister Responsible: Hon. Shirley Bond

Minister's Office						
Expenditure Type	FY14 Estimates (Feb)	FY14 Estimates (June)	FY14 Re- stated Budget	FY15 Estimates	FY15 compared to FY14 June	FY15 compared to Restated FY14
Salaries	429,000	288,000	288,000	288,000	0	0
Supplementary Costs	10,000	10,000	10,000	10,000	0	0
Benefits	99,000	88,000	88,000	91,000	3,000	3,000
Legislative Salaries	85,000	52,000	52,000	53,000	1,000	1,000
Travel	100,000	100,000	100,000	100,000	0	0
Information Systems	6,000	6,000	6,000	6,000	0	0
Office and Business	8,000	8,000	8,000	8,000	0	0
Amortization	1,000	1,000	1,000	1,000	0	0
Other	52,000	92,000	92,000	85,000	-7,000	-7,000
TOTAL	790,000	645,000	645,000	642,000	-3,000	-3,000
Minister of State for Tourism and Small Business						
Expenditure Type	FY14 Estimates (Feb)	FY14 Estimates (June)	FY14 Re- stated Budget	FY15 Estimates	FY15 compared to FY14 June	FY15 compared to Restated FY14
Salaries	127,000	142,000	142,000	142,000	0	0
Benefits	29,000	47,000	47,000	49,000	2,000	2,000
Legislative Salaries	52,000	37,000	37,000	38,000	1,000	1,000
Travel	25,000	25,000	25,000	25,000	0	0
Information Systems	2,000	2,000	2,000	2,000	0	0
Office and Business	10,000	10,000	10,000	10,000	0	0
Amortization					0	0
Other	15,000	15,000	15,000	15,000	0	0
TOTAL	260,000	278,000	278,000	281,000	3,000	3,000
Combined Bottom-line	1,050,000	923,000	923,000	923,000	0	0

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour

Minister Responsible: Hon. Shirley Bond

Information Systems (STOB63)- represents data communications charges (e.g. email)

Office and Business (STOB65)- includes Queens Printer charges, shipping, business meeting expenses and office supplies

Other (STOB85)- includes Min of Finance chargeback for VIP computer support (24 hr)

- Minister's Office VIP Support \$25,200 (estimated)
- MoS VIP Support \$7,200 (estimated)
- STOB85 also includes purchasing card transactions that have not yet been allocated to appropriate STOBs (e.g. office and business). These charges are entered and adjusted by Ministry of Finance, usually on a monthly basis.

Salary and Benefit Info (excludes legislative salaries)

Minister's Office	Level	Salary	Benefits	Total
Chief of Staff	Band A	89,812	22,453	112,265
Ministerial Assistant	Band A	66,177	16,544	82,722
Ministerial Assistant	Band A	66,177	16,544	82,722
Exec Assistant	Band B	51,321	12,830	64,152
Admin Assistant	ADMIN	52,435	13,109	65,544
Clerk	Clerk 14	38,002	9,500	47,502
Pension Adjustments (est.)			19,000	19,000
TOTAL		363,924	109,981	473,905

Minister of State	Level	Salary	Benefits	Total
Ministerial Assistant	Band A	66,177	16,544	82,722
Exec Assistant	Band B	54,743	13,686	68,429
Administrative Coordinator		54,781	13,695	68,476
Pension Adjustments (est.)			13,000	13,000
TOTAL		175,701	56,925	232,627

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and Minister
Responsible for Labour

Minister Responsible: Hon. Shirley Bond

Contact:

Budget Manager	Tracy Campbell	FSB	250-356-9509
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Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
the Minister Responsible for Labour

Minister Responsible: Hon. Shirley Bond

Title: Ministers' Offices- Travel

Revised: April 28, 2014

Issue: Travel expenditures

Recommended Response:

- Ministers' Offices budget for travel in 2014-15 is \$0.125M (no change from 2013-14)
- Allocation: Minister's Office \$0.100M; Minister of State for Tourism and Small Business \$0.025M
- Travel requirements will be assessed throughout the year to ensure fiscal prudent management practices are adhered to

Additional Information

- FY13-14 Travel expenditures as at March 31, 2014 for **Minister's Office** are as follows:
 - \$91,671 total (Min Bond \$24,117; staff \$67,554)
- FY13-14 Travel expenditures as at March 31, 2014 for **Minister of State for Small Business** are as follows:
 - \$36,297 total (Min Yamamoto \$8,363; staff \$27,934)

Final expenditure balances for the fiscal year ended March 31, 2014 will be released with Public Accounts in July 2014.

The above amounts reflect JTST Ministerial Travel Only. Capital City Allowance, Living Allowance and travel to/from Constituency are paid by the Ministry of Finance (details below)

- Minister Bond's travel as at March 31, 2014 is \$56,132 (JTST, FIN, JAG).
- Minister Bond's CCA and Travel total as per 2012/13 Public Accounts was \$67,451.

Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and
the Minister Responsible for Labour

Minister Responsible: Hon. Shirley Bond

Minister Bond Travel	YTD @ March 31/14
Ministerial Travel - JTST	24,117
Ministerial Travel - JAG	5,085
Daily CCA - FIN	711
To/From Constituency - FIN	12,527
Living Allowance – FIN	13,692
Total	56,132

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- Minister Yamamoto's travel as at March 31, 2014 is \$34,145 (JTST,FIN,PREM)
- Minister Yamamoto's CCA and Travel total as per 2012/13 Public Accounts was \$44,764.

Minister Yamamoto Travel	YTD @ March 31/14
Ministerial Travel - JTST	8,363
Minister and Staff (Air Charters) – PREM	296
Daily CCA - FIN	2,998
To/From Constituency - FIN	10,392
Living Allowance – FIN	12,096
Total	34,145

Contact:

Budget Manager	Tracy Campbell	FSB	250-356-9509
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Estimates Note Advice to the Minister

Ministry: Ministry of Jobs, Tourism and Skills Training and the Minister
Responsible for Labour
Minister Responsible: Hon. Shirley Bond

Title: Vendor Complaint Review Process (VCRP)

Revised: April 23, 2014

Issue: Report on the Vendor Complaints received in Fiscal Year 2013/14
(as at March 31, 2014)

Recommended Response:

- The Ministry received **one (1)** vendor complaint in fiscal 2013/14.
 - The complaint related to the **Workers' Compensation Appeal Tribunal (WCAT)**.
 - The complainant (a systems service provider) questioned whether a Request For Proposal (RFP) had been drafted to favour the incumbent.
 - WCAT extended the solicitation period and posted additional information for potential vendors onto BCBid.
 - The complainant was satisfied with WCAT's approach.

Contact:

CFO/Director Murray Jacobs Finance and Admin 250-356-6950

2014/15 – 2016/17 Service Plan Questions & Answers

Contents

1.	What are the Ministry's goals?	2
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5.	Why does tourism no longer have its own goal?	3

1. What are the Ministry's goals?

- **Goal 1:** British Columbia is recognized globally as a preferred place to invest and do business, in order to foster job creation.*
- **Goal 2:** Investment potential in each of British Columbia's regions and communities is maximized.
- **Goal 3:** British Columbia's small business, tourism and creative sectors are thriving.
- **Goal 4:** British Columbia has a highly skilled and competitive labour force.
- **Goal 5:** Safe, healthy and fair workplaces where employers and workers prosper and contribute to British Columbia's economic growth and prosperity.

*Goal 1 is shared with the Ministry of International Trade.

2. What are the Ministry's performance measures?

- **PM 1:** Net change in the number of government-wide regulatory requirements since 2004. (p. 20)
- **PM 2:** Development and implementation of the marine, aerospace and manufacturing sub-sector strategies. (p. 22)
- **PM 3:** Number of investment opportunity listings available through the OpportunitiesBC website. (p. 23)
- **PM 4:** Provincial tourism revenues. (p. 25)
- **PM 5:** Value of annual motion picture production expenditures in British Columbia. (p. 26)
- **PM 6:** Percentage of foreign worker and entrepreneur nominations processed each year under the Provincial Nominee Program. (p. 29)
- **PM 7:** Percentage of employers whose employment practices resulted in no complaints being registered with the Employment Standards Branch. (p. 30)
- **PM 8:** Percentage of Employment Standards Branch cases resolved within 180 days. (p. 31)

3. What's changed since the Revised 2013/14 Service Plan (tabled June 2013)?

Goals and Objectives

The goals, objectives, strategies and performance measures have primarily been carried forward from the 2013/14 Service Plan. Key changes include:

- **A new goal** (Goal 3) was created to bring tourism, small business and creative sector content under a single heading and show linkages between government's work to support these sectors. (p. 23)
- **Objectives 1.1 and 1.2** were created to highlight the work of MIO and the Regulatory Reform branch. (p. 20)
- **Objectives 2.1 and 2.2** were re-worded to better highlight the Ministry's work to support key Jobs Plan sectors (Obj. 2.1) and capacity building in communities and regions (Obj. 2.2). (p. 21-22)

Performance Measures

For the measures carried over from the previous service plan (PM 1, 4, 5, 7, and 8) targets have remained steady (with a slight exception for PM 5, see below). The remaining measures and associated targets are new.

- **Added:** PM2 and PM3. (p. 22, 23)

- **Amended:**
 - The title of **PM1** was updated to reflect government's commitment to zero net increase in regulatory requirements. The substance and methodology of the measure remain unchanged. (p. 20)
 - **PM 5** "Value of annual motion picture production". Targets for 2015/16 and 2016/17 were adjusted from "\$1.1 billion" to "Maintain or improve" at the 1.1 billion level. (p. 26)
 - **PM 6** "Number of foreign workers and entrepreneurs nominated for permanent immigration through the Provincial Nominee Program" was amended to "Percentage of foreign worker and entrepreneur nominations processed each year under the Provincial Nominee Program". This was done to reflect that the federal government is responsible for PNP allocation levels. (p. 29)
- **Removed:**
 - PM "Number of clients supported to access the labour market" was removed. Targets could not be set for due to the ongoing renegotiation of the Canada-B.C. Labour Market Agreement.
 - PM "Client satisfaction with Employers' Advisers Office and Workers' Advisers' Office" has been removed to bring the number of measures under Goal 5 into line with government practice. Results continue to be tracked internally.

(See comparison table below for additional detail).

4. Were any performance targets adjusted since the Revised plan?

Overall, for the measures carried over from the previous service plan (PM 1, 4, 5, 7, and 8) targets have remained steady. The only exception is PM 5, where targets for 2015/16 and 2016/17 were adjusted from "\$1.1 billion" to "Maintain or improve" at the 1.1 billion level. The remaining measures and associated targets are new.

5. Why does tourism no longer have its own goal?

Tourism, small business and the creative sector now share a single goal, Goal 3. The decision to bring this content together under a single heading was a conscious one. It reflects the close linkages between these sectors and government efforts to support them.

Key Changes since the Previous Service Plan

Green = revision.

2013/14 – 15/16 Revised Service Plan	2014/15 – 16/17 Service Plan	Rationale
<p>Goal 1: British Columbia is recognized globally as a preferred place to invest and do business.</p> <ul style="list-style-type: none"> Obj. 1.1: Increase B.C.'s economic development and competitiveness. Obj. 1.2: Foster a business climate that supports small business, improves investment readiness and encourages economic development. <ul style="list-style-type: none"> Measure 1: Number of government-wide regulatory requirements. Obj. 1.3: British Columbia has a dynamic and sustainable creative industry. <ul style="list-style-type: none"> Measure 2: Value of annual motion picture production expenditures in British Columbia. 	<p>Goal 1: British Columbia is recognized globally as a preferred place to invest and do business, in order to foster job creation.</p> <ul style="list-style-type: none"> Objective 1.1: Facilitate major investments Objective 1.2: Reduce red tape for businesses and citizens. <ul style="list-style-type: none"> Measure 1: Net change in the number of government-wide regulatory requirements since 2004. 	<p>Small business, tourism and creative sector content was moved out of Goal 1 and into the new Goal 3, which was created to show alignment between the Ministry's work to support these sectors. Objectives 1.1 and 1.2 were added to showcase the work of the MIO and the Regulatory Reform Branch.</p> <p>The name of Measure 1 was updated to reflect commitment to zero net increase. The methodology remains unchanged.</p>
<p>Goal 2: Investment potential in B.C.'s regions and communities is maximized.</p> <ul style="list-style-type: none"> Obj. 2.1: Improve investment attraction and retention in all regions of the province. Obj. 2.2: Increase economic diversification and resilience across B.C. <p>No measures.</p>	<p>Goal 2: Investment potential in each of British Columbia's regions and communities is maximized.</p> <ul style="list-style-type: none"> Obj. 2.1: Enhance investment attraction and economic opportunities within each of B.C.'s eight key industry sectors. <ul style="list-style-type: none"> Measure 2: Development and implementation of the marine, aerospace and manufacturing sub-sector strategies. Obj. 2.2: Increase the capacity of communities to support economic development, diversification and resilience across all regions of B.C. <ul style="list-style-type: none"> Measure 3: Number of investment opportunity listings available through the OpportunitiesBC website. 	<p>New wording highlights EDD's focus on supporting key Jobs Plan sectors (Obj. 2.1) and on capacity building at the community and regional levels (Obj. 2.2).</p> <p>New measures were developed for this Goal as none previously existed.</p>
<p>Goal 5: British Columbia's tourism industry is globally competitive and sustainable.</p> <ul style="list-style-type: none"> Obj. 5.1: Ensure a Competitive and Sustainable Tourism Sector. 	<p>Goal 3: British Columbia's small business, tourism and creative sectors are thriving.</p> <ul style="list-style-type: none"> Obj. 3.1: Make B.C. the most small business friendly jurisdiction in Canada by reducing red tape, streamlining 	<p>Goal created to better reflect ministry structure (the creation of the TSB division)</p>

Green = revision.

2013/14 – 15/16 Revised Service Plan	2014/15 – 16/17 Service Plan	Rationale
<ul style="list-style-type: none"> Obj. 5.2: Attract visitors from priority markets and increase revenue per stay. Obj. 5.3: Maximize efficiency and effectiveness of marketing within the B.C. tourism industry. <ul style="list-style-type: none"> Measure 8: Provincial Tourism Revenues 	<p>information and processes, and improving tools and resources to support business start up, growth and competitiveness.</p> <ul style="list-style-type: none"> Obj. 3.2: Work to ensure a globally competitive tourism industry by working with the tourism sector to better align and focus marketing activities, pursue emerging markets and support new business opportunities across all regions of the province. <ul style="list-style-type: none"> Measure 4: Provincial Tourism Revenues. Obj. 3.3: British Columbia has a dynamic and sustainable creative sector. <ul style="list-style-type: none"> Measure 5: Value of annual motion picture production expenditures in British Columbia. 	<p>and to highlight linkages between small business, tourism and the creative industries.</p>
<p>Goal 3: British Columbia has a highly skilled and competitive labour force.</p> <ul style="list-style-type: none"> Obj. 3.1: Support British Columbians to develop the skills needed to take advantage of job opportunities in B.C. <ul style="list-style-type: none"> Measure 3: Number of clients supported to access the labour market. Obj. 3.2: Attract and retain new workers, entrepreneurs, and students throughout British Columbia and facilitate integration of them and their families. <ul style="list-style-type: none"> Measure 4: Number of foreign workers and entrepreneurs nominated for permanent immigration through the Provincial Nominee Program. 	<p>Goal 4: British Columbia has a highly skilled and competitive labour force.</p> <ul style="list-style-type: none"> Obj. 4.1: Support British Columbians to be first in line for the jobs of today and tomorrow by helping them develop the skills they need to take advantage of job opportunities. <ul style="list-style-type: none"> Measure 6: Number of clients supported to access the labour market. Obj. 4.2: Attract and retain new workers, entrepreneurs, and students throughout British Columbia and facilitate integration of them and their families. <ul style="list-style-type: none"> Measure 6: Percentage of foreign worker and entrepreneur nominations processed each year under the Provincial Nominee Program. 	<p>Wording change reflects Minister's mandate letter and recent messaging.</p> <p>No targets could be set for this measure due to ongoing negotiations with the federal government.</p> <p>Measure adjusted to reflect that the federal government controls PNP allocation levels.</p>
<p>Goal 4: Safe, healthy and fair workplaces where employers and workers prosper and contribute to British Columbia's economic growth and prosperity.</p> <ul style="list-style-type: none"> Obj. 4.1: Labour laws and policy are responsive to, and supportive of, the evolving world of work. Obj. 4.2: Clients and stakeholders are aware of and understand labour requirements and processes. <ul style="list-style-type: none"> Measure 5: Percentage of employers whose employment practices resulted in no complaints being registered with the Employment Standards Branch. 	<p>Goal 5: Safe, healthy and fair workplaces where employers and workers prosper and contribute to British Columbia's economic growth and prosperity.</p> <ul style="list-style-type: none"> Obj. 5.1: Labour laws and policy are responsive to, and supportive of, the evolving world of work. Obj. 5.2: Clients and stakeholders are aware of and understand labour requirements and processes. <ul style="list-style-type: none"> Measure 7: Percentage of employers whose employment practices resulted in no complaints being registered with the Employment Standards Branch. 	

Green = revision.

2013/14 – 15/16 Revised Service Plan	2014/15 – 16/17 Service Plan	Rationale
<ul style="list-style-type: none"> Obj. 4.3: Accessible, reliable and timely services. <ul style="list-style-type: none"> Measure 6: Percentage of Employment Standards Branch cases resolved within 180 days. Measure 7: Client satisfaction with Employers' Advisers Office and Workers' Advisers' Office. 	<ul style="list-style-type: none"> Obj. 5.3: Accessible, reliable and timely services. <ul style="list-style-type: none"> Measure 8: Percentage of Employment Standards Branch cases resolved within 180 days. Measure 7: Client satisfaction with Employers' Advisers Office and Workers' Advisers' Office. 	<p>Performance measure removed to bring the number of measures in this section in line with the rest of the plan and with CARO direction to focus on the "few, critical aspects of performance". Measure continues to be tracked internally.</p>

**Ministry of
Jobs, Tourism and Skills Training
and Minister Responsible for Labour**

**2014/15 – 2016/17
SERVICE PLAN**



For more information on the British Columbia
Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour,
see Ministry Contact Information on Page 30 or contact:

Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour

PO BOX 9846
STN PROV GOVT
VICTORIA, B.C.
V8W 9T2

or visit our website at

www.gov.bc.ca/jtst

Published by the Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour

Message from the Minister and Accountability Statement



British Columbia has a once-in-a-generation opportunity ahead. Our growing labour pool of almost 2.5 million people, among the best educated, talented and productive in the world, is our greatest asset in seizing that opportunity. We are also committed to ensuring that all British Columbians, including those currently underrepresented, in the job market have access to the skills training they need to be first in line for the million job openings expected in the next decade.

The Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour is dedicated to British Columbia remaining a leader in skills training, job creation, and fostering opportunities for families. Our government will make this happen by ensuring B.C. has a competitive investment climate that supports job creation and business development while also supporting communities in growing their local and regional economies. We remain focused on achieving the long-term goals set out in [Canada Starts Here: The BC Jobs Plan](#) and [The Skills and Training Plan](#). We will build on these plans by constantly setting ambitious new goals to keep growing B.C.'s economy and creating jobs for decades to come.

British Columbia's overall economic picture remains strong. Small business confidence is the highest in the country. Our government has received three A-grades in a row for reducing the red tape that strangles investment. And as a foundation the province is on track for a balanced budget. The Ministry will ensure that it balances its budget in order to control spending and protect taxpayer dollars.

Tremendous economic opportunities lie ahead for our province, with job creation expected across the every sector of the economy – liquefied natural gas (LNG), energy and mining, forestry, agrifoods, tourism, transportation, technology and international education among others. The Ministry is working with colleagues across government to ensure we have a skills training plan in place to connect British Columbians with these opportunities.

Since the release of our *BC Jobs Plan*:

- Two new mines have opened, five more are under construction or permitted and six major expansions to existing mines have been approved.
- Seven LNG plants have been approved for export licenses by the National Energy Board and have the potential to deliver over \$1 trillion in GDP to B.C. in the next 30 years.
- Transportation to and through our ports has become more efficient with the opening of the South Fraser Perimeter Road.
- B.C. has added approximately 4,000 jobs per year to the technology sector and, for the second year in a row, the number one ranked company in Deloitte's Technology Fast 50 list is located in Vancouver.
- International students spent more than \$2.1 billion to fuel our economy.
- Vancouver's YVR airport saw an increase of almost six per cent in passengers from outside B.C. and international flights are up two per cent since 2011.

- Our recently-established Major Investments Office has been proactively working with prospective investors to help advance significant projects.

Last year, we established Destination BC, a new tourism marketing Crown corporation, to adapt our global tourism market approach and ensure a strong and sustainable tourism sector. The number of British Columbians working in tourism-related activities is the highest it has been with 127,300 employed in the sector. I am happy to report that 2013 was a great year for the B.C. tourism industry with international visitors to B.C. up significantly, especially from some of our key markets: the United States, China and Mexico.

The BC Small Business Accord continues to hold government accountable for meeting the needs of the small business community and ensures our province remains the most small-business friendly jurisdiction in Canada, even as our economy changes. Whether they provide part-time employment for students or careers that support families, British Columbia's small businesses are significant job creators and economic drivers, contributing 26 per cent of B.C.'s gross domestic product. Making sure entrepreneurs and small business owners have the economic environment they need to maintain this momentum is one of government's top priorities.

Our Ministry has begun the Core Review process to identify programs, services and agencies in our Ministry that require change and improvement. This means we will be submitting ideas and ensuring programs and activities are focused on achieving government's vision of a strong economy and secure tomorrow, cutting red-tape and unnecessary regulations that hinder economic growth, and operating as efficiently and effectively as possible. All members of Cabinet will work together, through the Core Review process, to protect the best interest of taxpayers.

The Ministry will continue striving to ensure that B.C.'s labour laws and policy keep pace with and reflect the ever-changing world of work. Our constant goal is fair and balanced laws and policies on labour relations, workers compensation, and employment standards.

The goals and objectives laid out in this service plan will ensure the Ministry meets the objectives contained in [the Minister's mandate letter](#) from Premier Christy Clark.

I am grateful to be supported in my work as Minister by the Honourable Naomi Yamamoto, the Minister of State for Tourism and Small Business and by Greg Kylo, the Parliamentary Secretary for the *BC Jobs Plan*.

The *Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour 2014/15 – 2016/17 Service Plan* was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. I am accountable for the basis on which the plan has been prepared.



Honourable Shirley Bond
Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour
February 6, 2014

Message from the Minister of State for Tourism and Small Business and Accountability Statement



As the Minister of State for Tourism and Small Business, it is my role to ensure that government is doing everything possible to listen to and support members of B.C.'s small business community. As well, I look forward to continuing to work with my colleague, the Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour, to support growth in the tourism industry — a critical economic driver for our province. Together, we are also committed to balancing the ministerial budget in order to control spending and ensure an overall balanced budget for the province of British Columbia.

With the launch of the [BC Small Business Accord](#) in March 2013, we are working to make B.C. the most small-business-friendly jurisdiction in the country. Ninety-eight per cent of all businesses in the province are small and they employ over one million people, accounting for 55 per cent of all private-sector jobs. Small businesses are the heart and soul of every B.C. community and they help us to build a strong, secure tomorrow. To that end, I will continue to engage with the BC Small Business Roundtable to ensure we identify and deliver on actions, programs and policies in alignment with the Accord.

Under the Accord, we have already delivered on a number of priority actions for small businesses and we have a strong agenda of activity moving forward. We are planning a first-ever event to recognize the best of small business during the Premier's People's Choice Awards in February 2014. We recently launched both web and mobile versions of MentorshipBC, an easy-to-use database of business-mentoring programs. We are continuing to expand our Mobile Business Licence Program, register more communities on BizPal and consult and implement on recommendations from the Small Business Roundtable to make it easier to do business in B.C. We are also working with the Minister of Finance to implement a 40 per cent reduction in the small business tax rate by 2016/17.

I am very proud of our government's achievements in the area of red tape reduction and regulatory reform. Since 2001, we've reduced regulatory requirements by over 42 per cent — that's more than 150,000 regulatory requirements off the books — and are leading the country in the fight against red tape. In January 2012, 2013 and again in 2014, the Canadian Federation of Independent Business (CFIB) awarded B.C. an "A" for regulatory reform. We are the only province to receive an "A".

With the Minister of Technology, Innovation and Citizens' Services, we are working hard to ensure that more small businesses have better opportunities to secure business with government. We have now reduced government requests for proposal forms (RFPs) to two pages for contracts under \$250,000. Our two ministries have also been working together to increase government's procurement from small businesses by 20 per cent. The Small Business, Doing Business with Government project will deliver a final report on how to do that in 2014, after consulting with businesses across B.C.

2013 was a great year for the B.C. tourism industry, which has shown remarkable resilience and growth over the past decade. The number of international visitors to the province is up significantly and tourism revenue has grown by 43 per cent since 2000. In 2012, the revenues from the tourism sector were 13.5 billion dollars — that's up 2.5 per cent from the previous year. And that number is growing because B.C. is recognized for the exceptional quality of visitor experiences.

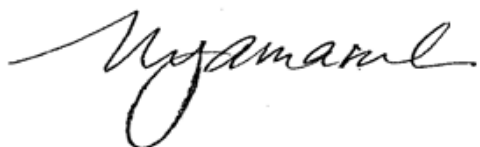
Our province really offers something for everyone — domestic and international travelers alike. And it creates careers; both full and part-time jobs that meet the needs of businesses and local residents around the province. We know the industry has some very large operations, but we also know that about 16,000 of the tourism businesses are small businesses, together employing 127,000 British Columbians. That's almost 1 in every 15 jobs in BC! I'm excited to see that projections for tourism employment in B.C. indicate the number of positions in the tourism and hospitality sector will increase from 255,860 in 2010 to 300,080 by 2020 — meaning more than 44,000 new jobs will be added to B.C.'s economy.

In 2014, we look forward to more success as we work in partnership with our new Crown corporation, [Destination British Columbia](#), which will market our province to the world.

The goals and objectives laid out in this service plan will ensure the Ministry meets the objectives contained in the [Minister of State's mandate letter](#) from Premier Christy Clark.

I am the Minister of State for Tourism and Small Business and under the *Balanced Budget and Ministerial Accountability Act*, I am responsible for achieving the following results for 2014/15:

- a) Lead the work of the small business portfolio and support the implementation of initiatives that contribute to making British Columbia one of the most small-business-friendly jurisdictions in Canada.
- b) Implement the BC Small Business Accord and monitor the effectiveness of initiatives.
- c) Support and direct the ongoing work of British Columbia's Small Business Roundtable to help identify key issues and opportunities facing small businesses in British Columbia.
- d) Work across government and in partnership with private sector organizations and other levels of government to continue to deliver tools, training and information to assist small business start-up and growth in all regions of British Columbia.
- e) Work with the Ministry of Technology, Innovation and Citizens' Services to monitor the implementation and impacts of the framework to reduce to two pages government request for proposal documents for contracts under \$250 000 for the purpose of enabling more small businesses to participate in government procurement.
- f) Work with the Ministry of Technology, Innovation and Citizens' Services towards increasing small business participation in government procurement by at least 20 per cent.
- g) Monitor the implementation of the inaugural Premier's Small Business of the Year awards, which were developed for the purpose of recognizing and celebrating the best of the British Columbia small business community.
- h) Review and update the 2011 provincial tourism strategy, *Gaining the Edge*, and work with partners to implement that strategy.
- i) Work with the Ministry of Finance to explore options within the government fiscal plan that could support a possible phased reduction of the small business tax rate by 40 per cent.
- j) Submit to Cabinet a report on the results referred to in paragraphs a) to i) on or before March 31, 2015.



Honourable Naomi Yamamoto
Minister of State for Tourism and Small Business
February 6, 2014

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Purpose of the Ministry

The [Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour](#) manages key lines of government service that help create the strong economy British Columbians need for a secure tomorrow. This means seizing the opportunities and responding to the challenges of a globalized economy in order to create new jobs, defend existing ones and position ourselves for long-term growth. To accomplish this, the Ministry works to ensure that:

- B.C. is recognized globally as a preferred place to invest and do business
- Investment potential in each of British Columbia's regions and communities is maximized
- B.C.'s small business, tourism and creative sectors are thriving
- B.C.'s labour force is highly skilled and competitive
- B.C.'s workplaces are safe, healthy and fair



The Ministry leads, and is guided by, government's economic strategy, [Canada Starts Here: The BC Jobs Plan](#). The *Jobs Plan* is built around three pillars — enabling job creation, opening and expanding markets, and getting goods to market — and rests on a foundation of fiscal responsibility and a skilled labour force. Central to the *Jobs Plan* is the recognition that B.C. needs to secure its place in markets, in Asia and elsewhere, that will drive global economic growth. To achieve this, B.C. must build on its competitive advantages in industries like natural gas, mining, forestry, tourism, technology, agri-foods, transportation (ports, marine and aerospace) and international education.

The Ministry's work to implement the *BC Jobs Plan* is carried out in collaboration with ministries and agencies from across government. The Ministry also collaborates with government, industry and communities to help advance government's liquefied natural gas (LNG) agenda and assist B.C. in capitalizing on this once-in-a-lifetime opportunity.

A preferred place to invest and do business

The Ministry works to support B.C. in becoming the preferred place for business and investment. As an integral part of the *BC Jobs Plan*, the Ministry's [Major Investments Office](#) (MIO) works directly with prospective investors whose projects have the potential to provide significant economic and job creation benefits for British Columbia (this includes supporting the work of the Ministry of Natural Gas Development with LNG proponents). The MIO provides client-focused and personalized business services to help major investors save time and money, minimize risk and maximize certainty as their project proposal moves through provincial regulatory and approval processes. The Hosting Program, housed within the MIO, aims to create a competitive advantage for B.C.'s investment

attraction activities. It coordinates government services to ensure that targeted itineraries enable potential investors to clearly see the resource and business potential in all regions of B.C. and that the Province and its partners are committed to removing investment impediments.

The Ministry also works to reduce red-tape that hinders economic development or creation of new jobs and makes it difficult for citizens and businesses to interact with government. This results in simplified processes for businesses, easy access to services for citizens, and a more competitive investment climate for B.C. As part of these efforts, the Ministry works to ensure that government meets its commitment to zero net growth in regulatory requirements up to 2015.

Additionally, the Ministry works closely with the Ministry of International Trade and the Intergovernmental Relations Office to lead Premier's trade missions and to support other outbound and inbound missions.



Investment potential in regions and communities is maximized

The ministry works with communities, employers, investors and other partners to enable investment and job creation in communities and regions across B.C.

Economic growth and diversification benefits regions and rural communities across the province by creating jobs and supporting municipal, provincial and federal services and programs. The Ministry is responsible for working with communities, industry representatives, economic development agencies, and other ministries to:

- Share best practices in economic development.
- Facilitate regional economic collaboration and priority setting.
- Connect communities, industries, associations and government on issues critical to provincial economic development.
- Provide communities, industries and associations with information on programs and initiatives supporting economic development.
- Help communities recover from unplanned and unforeseen events that have significant negative impact their local economies.
- Advocate for greater share of federal procurement to B.C. suppliers and contractors.

The Ministry develops partnerships with communities, First Nations, local, regional and federal governments, businesses, associations and economic development organizations, as well as international partners to facilitate the creation of an enabling environment where small and large businesses can thrive and create permanent, sustainable employment.

Key alliances of the Ministry include supporting the work of the [Aboriginal Business and Investment Council](#) and the [BC Business Council](#). The Ministry works with regional economic development trusts — including the [Nechako-Kitimaat Development Fund Society](#), the [Northern Development Initiative Trust](#), the [Island Coastal Economic Trust](#), and the [Southern Interior Development Initiative Trust](#) — three Beetle Action Coalitions — including the [Omineca Beetle Action Coalition](#), the [Cariboo Chilcotin Beetle Action Coalition](#) and the [Southern Interior Beetle Action Coalition](#) — as well as other economic development agencies, associations, funds and societies to align on-the-ground efforts to sustain potential employment achieve the best regional economic outcomes.

Thriving small business, tourism and creative sectors



The Ministry works with small businesses to advance their economic competitiveness. It does this by providing businesses with access to tools and resources through [Small Business BC](#) and by delivering on key actions that support the [BC Small Business Accord](#). The [Small Business Roundtable](#) and the business community as a whole are critical partners in identifying actions that government and others can take to increase economic competitiveness. Helping British Columbia's businesses achieve new levels of operational excellence ensures that British Columbia businesses are internationally competitive and can serve global supply chains. Simplifying and streamlining regulatory requirements and leading innovation on government service delivery will make it easier to do business in the province, create jobs and enhance British Columbia's competitive business environment.

Tourism is one of British Columbia's most important industries, and it is growing. The Ministry is responsible for developing, coordinating and leading the implementation of the Provincial Government's agenda for tourism. This includes working collaboratively across and between governments to refresh and implement [Gaining the Edge](#), the government's five-year tourism strategy. This strategy aims to ensure that the tourism sector remains a key driver for growing the B.C. economy. The Ministry coordinates activities between government and [Destination British Columbia](#) — an industry-led, tourism marketing Crown corporation. The Ministry leads activities that enhance the economic growth and job prospects of the tourism sector, with a focus on strategies and policies that increase the competitiveness of British Columbia's tourism sector.

The Ministry also builds partnerships with other ministries and agencies to drive economic development and potential employment opportunities across the creative sector. In April 2013, the Province established an independent, non-profit society, [Creative BC](#), to champion and build British Columbia's creative sector. This was followed by moving the film, television and interactive digital media portfolio into the economic development focus of the Ministry. Through a partnership with the Ministry of Finance, the Ministry supports the delivery of more than \$375 million in film, television and interactive digital media tax credits. The Ministry maximizes growth across the creative sector, working with key partners to establish a British Columbia presence in Los Angeles, California, and driving enhancements to tax credit programs. Through \$2.3 million funding to Creative BC, the

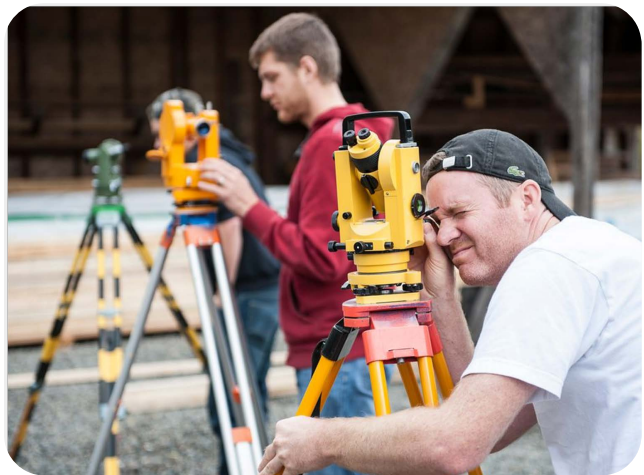
Ministry supports long term planning for the creative sector, a broad range of services, production support, funding for international marketing, and support for domestic content development.

A highly skilled and competitive labour force

The Ministry plays a leadership role in aligning skills training to where the jobs are, as well as ensuring that training and skills development match the needs of sectors that are creating jobs. No where is this more important than in B.C.'s emerging liquefied natural gas (LNG) industry. The Ministry is taking a leadership role in bringing together representatives from private sector unions, LNG proponents, and government to identify strategies that will ensure British Columbians have the training and skills to be first in line for the thousands of jobs the industry will create. The Ministry also leads the attraction and retention efforts of new workers by establishing British Columbia as a destination of choice to live, study and work for people from across Canada and around the world.

With input from stakeholders, the Ministry launched the [Skills and Training Plan](#) in September 2012 to ensure British Columbians can take advantage of job opportunities today and in the years ahead. Together with the [Industry Training Authority](#) and the [Trades Training Consortium of BC](#) (two Crown corporations affiliated with the Ministry), the Ministry develops and implements skills training, apprenticeship and credential recognition initiatives and programs to ensure British Columbians are first in line for the jobs of today and tomorrow.

The Ministry's immigration and labour market programs also contribute to the prosperity of the provincial economy and the quality of life of B.C. families. They do this by investing in the skills training, credential recognition and career development of our students, workers and immigrants, the attraction and retention of skilled international talent, and the integration of newcomers and their families into communities across the province.



Safe, healthy and fair workplaces

The Ministry promotes awareness of B.C.'s labour laws among employers, workers and unions and establishes processes to administer and enforce their application. We do this through the [Employment Standards Branch](#), the [Workers' Advisers Office](#) and the [Employers' Advisers Office](#) as well as three independent tribunals — the [Labour Relations Board](#), the [Employment Standards Tribunal](#) and the [Workers' Compensation Appeal Tribunal](#). These entities are established under our key pieces of legislation that include the [Employment Standards Act](#), the [Workers Compensation Act](#) and the [Labour Relations Code](#).

The Ministry also builds relationships with employer and worker stakeholders groups and is responsible for [WorkSafeBC](#), which is an employer-funded organization responsible for setting and

enforcing health and safety standards and providing compensation and rehabilitation to injured workers. Other key functions of the Ministry include conducting fact-finding and research on behalf of government, providing assistance to parties in collective bargaining disputes, assisting and representing workers and employers with the workers' compensation system and educating workers and employers about their rights and obligations. These activities support the objectives of the *BC Jobs Plan* by supporting a stable labour environment that balances the interests of workers and employers. The Ministry will continue to support the *BC Jobs Plan* and the *Strong Economy, Secure Tomorrow* by ensuring that B.C.'s labour laws and policy keep pace with and reflect the ever-changing world of work.

Strategic Context

The Ministry's work to enhance B.C.'s economic prosperity takes place in the context of a broader external environment. Understanding this environment, with its evolving challenges and opportunities, is critical to designing successful strategies for growth. The Ministry also ensures its operational expenditures align with government's fiscal plan and priorities.

A preferred place to invest and do business

British Columbia is ideally positioned for international investors contemplating large initiatives. We have a long history of political and economic stability, a strategic location on the west coast of North America, and a wide range of economic opportunities. But the competition for investment dollars is both global and intense and B.C. must actively work to position itself as the preferred destination for major investment. The Ministry does this by supporting the investment attraction efforts of the Ministry of International Trade and by working closely with major investors to take their projects from idea to completion.

Regulatory reform reduces the cost and time of doing business. This, in turn, can be reinvested in the business to create more jobs. Since 2001, the Province has reduced regulatory requirements by 42.8 per cent and focused efforts on streamlining and simplifying government processes. This has made B.C. a world leader in regulatory reform and smart regulation and an even more attractive destination for international investment. The evolution of regulatory reform efforts globally requires British Columbia to build on its positive reputation and solid foundation and undertake the next phase of regulatory reform that will lead to even more benefits. Work is being done in other jurisdictions to increase the transparency and accountability of government in developing and amending regulatory requirements, including taking a less prescriptive approach to legislation and employing new measures of regulatory performance. British Columbia is well positioned to further modernize and intensify its regulatory reform efforts on priority economic sectors to strengthen the competitiveness and attractiveness of British Columbia as a preferred place to do business.

Investment potential in regions and communities is maximized

British Columbia is at the cusp of extraordinary growth and economic opportunity arising from LNG development and other products and services that global markets desire. The opportunity ahead occurs once in a generation and we must act both decisively and strategically to capture the full range of benefits for British Columbians.

However, we appreciate that not all communities and regions are experiencing this economic opportunity in the same way. Some areas are seeing activity that hasn't been seen in decades, while others are experiencing challenges tied to a changing marketplace. Some will directly benefit from this unprecedented development, while others will rely on local incremental economic growth.

As such, the Ministry works to support all communities throughout B.C. to not only prepare for the impacts of major project development but to build their local economies one step at a time and one decision at a time. We aid local decision making by developing and sharing economic development programs and initiatives, best practices and resources. The Ministry also works to ensure local

governments are aware of, and connected to, the numerous government resources available to support their economic development efforts.

The Ministry also works with industry, association and board representatives to identify and reduce barriers and constraints impacting sector and industry development across B.C. By listening to industry and communities and identifying their needs, the Ministry informs government programming and policy to address issues and foster a positive economic climate.

Thriving small business, tourism and creative sectors

Small business drives job creation, productivity and economic growth. There are approximately 385,900 small businesses in British Columbia, accounting for 98 per cent of all businesses in the province. These businesses employ over one million people, generate 26 per cent of the province's GDP, and account for 85 per cent of all provincial exporters. British Columbia's small businesses are leading the way to prosperity, and the Ministry and government will continue to support small business start-up, growth and succession planning to establish anchor businesses and enhance small business productivity and competitiveness.

Tourism is one of British Columbia's most important industries. The traveler economy generated about \$7.1 billion of GDP in 2012 (up 1.5% from 2011) and \$13.5 billion in revenue (up 2.5%). It directly employs approximately 127,000 British Columbians in jobs located in communities around the province. The industry's growth in 2012 is especially encouraging given challenges such as a high-valued Canadian dollar and continued economic instability around the globe. Competition from other jurisdictions continues to grow, both from traditional markets as well as emerging tourism destinations, such as Eastern Europe and Southeast Asia. British Columbia's traditional markets will continue to play a vital role in increasing tourism revenues, which include the United States, European countries, Japan, and a healthy domestic travel market. Additionally, there are significant opportunities to further grow our tourism markets. The growing middle class in China and other Asian countries is demonstrating an increased interest in travel and this interest represents a significant opportunity. British Columbia's diverse landscapes, communities and experiences, coupled with the warm welcome of British Columbians, continue to uniquely position the province to attract visitors from around the world.

British Columbia's creative sector remains world-class. British Columbia is a key location for film and TV production, a growing hub for digital animation and visual effects, and our interactive digital media industry is gaining global recognition. The motion picture industry spends more than \$1 billion annually on production activity in British Columbia generating an estimated 25,000 direct and indirect jobs. British Columbia remains home to more than 2,100 digital media and wireless businesses employing approximately 24,200 workers and generating \$4.2 billion in revenue. British Columbia's creative sector also includes the second largest English language book market in Canada and a magazine publishing industry that is developing products read by more than 1 million global clients. British Columbia's music and sound recording industry hosts world-class studio facilities and



generates more than \$500 million in revenue. The success of British Columbia's creative sector rests on ongoing development of international markets, highly skilled workers, strong infrastructure and industry collaboration.

A highly skilled and competitive labour force

Without action, skills shortages will present a hurdle to B.C.'s economic development. By 2020, B.C. is projected to have over one million job openings, about half of which will require some kind of trades or technical training. British Columbia's working age population will only provide workers for two-thirds of those jobs, and only about 70 per cent of B.C.'s workforce currently possesses the level of education required for those positions. As the *BC Jobs Plan* accelerates job creation, skills shortages in some regions and sectors are anticipated to increase. The government's [*Skills and Training Plan*](#) provides a roadmap for addressing these challenges.



The challenge for B.C. is to make use of every opportunity to build a more skilled workforce with the right skills, and to match those skills with the demand from employers in communities across the province. This requires increasing the labour market participation rates of our citizens and aligning the education and skills training programs with the needs of workers, employers and industry as a whole. Based on demographics, B.C. will need to continue to increase the participation rates of underrepresented populations in the labour force (such as youth, Aboriginal people, women, older workers and persons with disabilities) and the attraction and retention of skilled immigrants to provide a much needed supply of workers to meet

its labour market needs over the next 10 years. Ensuring that immigrants and newcomers can fully participate in their communities and the economy is critical to meeting B.C.'s labour market challenge.

Safe, healthy and fair workplaces

The world of work is ever-changing. Demographics, technology, skills shortages, new and emerging industries, work/life balance and the increasing global influence on employment relationships are just some of the factors transforming how, when and where we work, along with the kinds of work we do. We must keep pace with these changes and ensure that labour law and policies are aligned with current and future realities as well as the changing needs of workers and employers.

A number of factors continue to affect health and safety in B.C.'s workplaces. For example, the current economic environment has the potential to place strain on employment relationships as employers seek ways to decrease costs, which may inadvertently lead to an increased risk to occupational health and safety. Additionally, the [*Workers Compensation Amendment Act 2011*](#) expanded compensation to include diagnosed mental disorders caused by significant work-related stressors. This change is reshaping how mental illness is addressed in the workplace.

The needs of employers are always changing. Over the past decade, B.C.'s demand has grown for employees in construction natural gas, and mining. While this increasing demand represents a tremendous opportunity for employment and economic growth, there is a need to ensure that less experienced workers are aware of their right to safe and healthy workplaces. Ensuring workers and employers understand their workplace rights and responsibilities requires new communication, outreach and educational strategies. In addition, facilitating access to dispute resolution and other mechanisms to protect the public interest will remain an important role of the Ministry.

Goals, Objectives, Strategies and Performance Measures

Each year, the Ministry looks ahead three years and maps out its plans. The development and communication of the resulting goals, objectives and strategies serves to ensure the Ministry's work is clearly linked to government's priorities and that those priorities, including leadership in the creation of jobs and investment attraction, are clearly communicated to citizens. Over the next three fiscal years, the Ministry aims to work towards achieving the following outcomes:

- Goal 1: British Columbia is recognized globally as a preferred place to invest and do business, in order to foster job creation
- Goal 2: Investment potential in each of British Columbia's regions and communities is maximized
- Goal 3: British Columbia's small business, tourism and creative sectors are thriving
- Goal 4: British Columbia has a highly skilled and competitive labour force
- Goal 5: Safe, healthy and fair workplaces, where employers and workers prosper and contribute to British Columbia's economic growth and prosperity

Minister Bond and Yamamoto's Mandate Letters from Premier Christy Clark dated June 10, 2013, include the following key deliverables. The locations in this Service Plan of the Ministry's specific strategies in support of these deliverables are noted in parentheses.

Minister Bond's deliverables:

1. Balance your ministerial budget in order to control spending and ensure an overall balanced budget for the province of British Columbia. (p. 3)
2. Refresh, set new ambitious goals and continue implementation of the BC Jobs Plan. (p. 3)
3. Working with the ministries of Advanced Education and Education develop a seamless 10-year skills training plan for students from high school through entry into the workforce. (p. 26)
4. Review role and function of the Industry Training Authority. (p. 26)
5. Working with industry, training organizations and labour, identify areas of apprenticeship reform to improve results and reduce barriers to apprenticeship participation either on the part of employers or apprentices. (p. 27)
6. Review sectoral jobs round tables outcomes to ensure that government is meeting the needs of industries as they face the challenges of a growing economy. (p. 27)
7. Working with the Ministry of Education, identify best practices and pilot new programs to ensure high school students are able to obtain applied trades skills while in high school. (p. 27)

8. Working with the Ministry of International Trade and the Intergovernmental Relations Secretariat, act as lead ministry for Premier's trade missions. (p. 9)
9. Execute on our provincial tourism strategy and achieve goals as described in Gaining the Edge, the provincial sectoral strategy for tourism in our BC Jobs Plan. (p. 23)
10. Implement film industry commitments as outlined in Strong Economy, Secure Tomorrow including increased tax credits for post production and a new BC Film Commission office in California. (p. 25)

Minister Yamamoto's deliverables:

1. With the Minister of Jobs, Tourism and Skills Training, balance your ministerial budget in order to control spending and ensure an overall balanced budget for the province of British Columbia. (p. 5)
2. Ensure implementation of the Small Business Accord and monitor for effectiveness of initiatives. (p. 22)
3. With the Ministry of Technology, Innovation and Citizens' Services ensure that government RFP documents are reduced to two pages for contracts under \$250,000 to enable more small businesses to participate in government procurement. (p. 5)
4. With the Ministry of Technology, Innovation and Citizens' Services develop strategies and reporting systems to ensure that our goal of 20 per cent of government procurement being won by small business is achieved. (p. 5)
5. Create and provide to me options for best executing on our commitment to having Premier's Small Business of the Year awards which will celebrate and recognize the best in BC small business community. (p. 22)
6. Execute on provincial tourism strategy and achieve goals as described in Gaining the Edge, the provincial sectoral strategy for tourism in our BC Jobs Plan. (p.23)

Goal 1: British Columbia is recognized globally as a preferred place to invest and do business, in order to foster job creation

In today's globalized world, capital and businesses are more mobile than ever, flowing easily across borders to where opportunities for growth are the greatest. To successfully compete in this environment, B.C. must become globally recognized as a preferred place to invest and do business. This means supporting potential investors and removing red tape that hinders economic growth. This goal is shared with the Ministry of International Trade.

Objective 1.1: Facilitate major investments

Strategies

- Assist global investors in taking their projects from idea to completion by bringing proponents, various levels of government and First Nations together to advance investment decisions.
- Work across government to help facilitate timely permitting and approvals for major projects.
- Utilize the Hosting Program to ensure significant investors have a positive experience when visiting B.C., including by expediting airport arrivals, arranging visits to remote sites, and identifying appropriate officials for meetings.

Major Investments Office

B.C.'s [Major Investments Office](#) (MIO) works directly with global investors to take projects from idea to completion. MIO helps investors manage risk, smooth the path from concept to launch, reduce costs and expedite project approvals. MIO's project portfolio represents around \$35 billion in prospective investment.

Objective 1.2: Reduce red tape for businesses and citizens

Strategies

- Reduce red tape and unnecessary regulations that hinder economic growth.
- Partner with local, federal and other provincial governments to reduce the overall regulatory burden for British Columbians.
- Support efforts to bundle government services across sectors to make it easier for businesses and citizens to interact with government and create new jobs.
- Take a citizen-centered and plain-language approach to government forms.
- Publish an Annual Regulatory Reform Report to demonstrate government's progress on cutting red tape and moving towards smart regulation.

Performance Measure 1: Net change in the number of government-wide regulatory requirements since 2004

Performance Measure	2004 Baseline	2013/14 Forecast	2014/15 Target	2015/16 Target	2016/17 Target
Net change in the number of government-wide regulatory requirements since 2004 ¹	228,941	10% net decrease	0 net increase ²	0 net increase ²	N/A ³

Data Source: Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour.

¹ The description has been refined to reinforce the target of zero net increase in regulatory requirements. The methodology remains unchanged.

² From the baseline.

³ Government has committed to a zero net increase in regulatory requirements up to 2015.

Discussion

Reducing the regulatory burden placed on citizens and businesses is critical to ensuring British Columbia's economic competitiveness, attracting international investment and providing all citizens with easy access to government service and programs. Regulatory reform reduces the cost and time of doing business that can, in turn, be reinvested in the business to create more jobs. The net zero increase target reflects government's strong commitment to making British Columbia a leader in regulatory reform. The Ministry publishes regulatory requirement count information on its website at www.gov.bc.ca/regulatoryreform.

Goal 2: Investment potential in each of British Columbia's regions and communities is maximized

Investment is a key contributor to economic growth. The Ministry works to engage communities and regions to become investment-ready by supporting economic development strategies that make investment a priority, and by attracting and facilitating investment across the province in order to drive job creation.

Objective 2.1: Enhance investment attraction and economic opportunities within each of B.C.'s eight key industry sectors

Strategies

- Continue to implement the *BC Jobs Plan* and release annual reports on its implementation.
- Ensure B.C.'s economic strategy and priorities are well communicated.
- Inform government policy and programming on how to improve the investment climate for B.C.'s eight key sectors and link industry to programs and information helpful in making investment decisions.
- Support the work of the Aboriginal Business and Investment Board.
- Connect international trade representatives from the Ministry of International Trade with business opportunities and products in B.C.
- Develop and implement sub-sector strategies to grow and advance the marine, aerospace and manufacturing industries.



Performance Measure 2: Development and implementation of the marine, aerospace and manufacturing sub-sector strategies

Performance Measure	2013/14 Forecast	2014/15 Target	2015/16 Target	2016/17 Target
Development and implementation of the marine, aerospace and manufacturing sub-sector strategies	N/A ¹	Three sub-sector strategies completed	50% of strategy commitments underway	75% of strategy commitments underway

Data Source: Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour.

¹ This is a new measure for 2014/15.

Discussion

This new performance measure sets targets for the development and implementation of three sector strategies to support and grow the areas of advanced manufacturing, aerospace goods and services, and the marine industry cluster. These three sectors have been identified in the *BC Jobs Plan* as important areas for future economic growth in addition to the eight key industry sectors. The Ministry will engage with industry and cross-government representatives to review the sectors and undertake an inventory of industry capabilities, analysis of opportunities for industry growth, and identification of barriers and constraints impacting industry development. The three sector strategies are to be developed in 2014/15, with implementation of the resulting commitments to occur the following two years.

Objective 2.2: Increase the capacity of communities to support economic development, diversification and resilience across all regions of B.C.

Strategies

- Develop and share economic development best practices, government programming and supports with municipalities, regional districts and First Nation communities.
- Advance and implement priority economic initiatives established through five Regional Economic Collaborative Forums within the communities of the Elk Valley, Northwest, Nisga'a, Lytton-Clinton-Lillooet and Quesnel.
- Support the work of Ministry of Forests, Lands and Natural Resource Operations pertaining to rural development and ensure an economic perspective is applied to rural development decisions.
- Provide communities and businesses with online economic development tools such as the Business Attraction Toolkit and OpportunitiesBC.
- Support the cross-provincial tour of B.C.'s international trade and investment representatives.

Performance Measure 3: Number of investment opportunity listings available through the OpportunitiesBC website

Performance Measure	2013/14 Forecast	2014/15 Target	2015/16 Target	2016/17 Target
Number of investment opportunity listings available through the OpportunitiesBC website	700	840	1,000	1,200

Data Source: OpportunitiesBC.

Discussion

This new performance measure sets targets for the number of investment opportunities listed on the Ministry's [OpportunitiesBC](#) web tool. OpportunitiesBC is an online searchable database of business and project opportunities within B.C. that are suitable for investment. Opportunities included on the site are diverse, from bare land available for development, to business succession opportunities, to entrepreneurs looking for investment partners. OpportunitiesBC is a powerful investment attraction tool as listings can be viewed in B.C. and around the globe by interested investors and are utilized by B.C.'s trade and investment representatives to profile B.C. opportunities overseas. Usage of OpportunitiesBC continues to grow, and communities have reported interest from potential investors resulting from the site. In 2013, the site received 16,752 visits and over 149,364 views. The Ministry works with communities and regions to increase the number, quality and diversity of opportunities listed on OpportunitiesBC.

Goal 3: British Columbia's small business, tourism and creative sectors are thriving

Objective 3.1: Make B.C. the most small business friendly jurisdiction in Canada by reducing red tape, streamlining information and processes, and improving tools and resources to support business start up, growth and competitiveness

Strategies

- Implement the actions that the [Small Business Accord](#) consultations identified as key to making it easier to do business in B.C. and new actions identified through the Small Business Roundtable.
- Continue to provide and improve tools and resources to support start up and growth of small businesses, including Small Business BC, Biz Pal, and Service to Business.

- Support the Premier's People's Choice Award, as part of a series of Small Business BC awards that recognize the best of B.C.'s small business community.
- Continue to consult and work with local governments to expand the Mobile Business License Program to streamline and simplify the licensing process, making it easier to do business in B.C.
- Identify key succession planning issues facing small businesses seeking to sell their business.
- Develop, deliver and promote the LNG Buy BC Program to allow B.C. businesses to take full advantage of LNG opportunities.
- Develop and implement — through collaborations with industry, post-secondary educational institutions and the federal government — a supplier development initiative that raises the productivity and competitiveness of B.C. businesses in key economic sectors.

Key actions under the Small Business Accord

Over 35,000 individuals and businesses helped create B.C.'s Small Business Accord and government has committed to taking the following key actions to ensure the Accord's implementation:

- 1. Develop a small business awareness strategy*
- 2. Encourage provincial/municipal collaboration on the Small Business Accord*
- 3. Develop a mobile trainers program for remote communities*
- 4. Reduce barriers to government's procurement process*
- 5. Support an integrated small business mentoring program*
- 6. Support additional skills training*

You can read the full text of these strategies on the Small Business Accord [webpage](#).

- Support the reduction of the small business tax rate by 40 per cent by 2016/17.
- Support the new Premier's Women's Economic Council to provide face-to-face feedback on how government policy changes can help further women's business opportunities in the province.

Objective 3.2: Work to ensure a globally competitive tourism industry by working with the tourism sector to better align and focus marketing activities, pursue emerging markets and support new business opportunities across all regions of the province

Strategies

- Refresh and execute on [Gaining the Edge](#), the provincial tourism strategy, by working with Destination British Columbia and other key partners.
- Work with Destination British Columbia — the new tourism marketing Crown corporation — to market British Columbia domestically, nationally and internationally as a tourist destination, and

promote the development and growth of the tourism sector to increase revenue and employment in the industry.

- Continue to remove barriers to tourism growth and ensure that British Columbia's brand promise of Super, Natural British Columbia® is considered in Crown land and resource use decisions.
- Maximize benefits to tourism from provincial infrastructure, including improving traveler services by investing \$3 million per year, beginning in 2015/16, to upgrade rest stops and visitor centres across British Columbia.
- Increase the flow of international travelers by working with the federal government and other provincial and territorial governments to improve traveler access (e.g., border issues, visa issues and air access).
- Support the implementation of a Trails Strategy for British Columbia and the Off Road Recreational Vehicle strategy to develop new trail networks and improve safety.
- Improve the effectiveness and accountability of the Municipal and Regional District Tax (MRDT) in order to better align and amplify results from community and provincial marketing activities.
- Build on existing partnership networks with First Nations tourism entrepreneurs to support regional business development and job creation.
- Work with the tourism industry to address workforce challenges and opportunities resulting from the diversity of careers, flexible job options and labour shortages found in this key employment sector.



Performance Measure 4: Total provincial tourism revenues

Performance Measure	2013/14 Forecast	2014/15 Target	2015/16 Target	2016/17 Target
Total provincial tourism revenues	\$15.1 billion	\$16.1 billion	\$17.2 billion	\$18.0 billion

Data Source: Provincial tourism revenues are estimated by BC Stats from data on revenues of B.C. tourism businesses and an assessment of their dependence on spending by tourists. This measure is calculated on a calendar year basis. For example, the 2014/15 target is based on the period from January 1, 2014 to December 31, 2014.

Discussion

Provincial tourism revenues are an overarching industry indicator of tourism growth in the province, and a key measure for tracking the health and growth of the tourism industry. Increases and decreases are affected by numerous factors — such as exchange rates, fuel costs, international security policies, ease of air travel access and the provincial, national, and global economy — in addition to Ministry efforts aimed at supporting tourism.

Objective 3.3: British Columbia has a dynamic and sustainable creative sector

Strategies

- Partner with BC Stats and sector stakeholders to evaluate the size and economic impact of B.C.'s creative sector and work to raise awareness of the sector's contributions.
- Support work to build new opportunities for British Columbia's screen-based content and services, including by creating a British Columbia presence in Los Angeles and through new Bollywood partnerships and initiatives.
- Support work to ensure an effective tax credit regime for film production, including by redefining distant location eligibility to include Victoria and by extending the Digital Animation or Visual Effects (DAVE) credit to include post-production.
- Support work to expand opportunities for value-added jobs and economic activities including a one-stop shop for investors looking to start new digital ventures in British Columbia.
- Continue to support the unique role of Creative BC in advancing the interests of British Columbia's creative sector.

Creative BC

[Creative BC](#) is a non-profit society responsible for the development of the province's creative sector (including film, publishing, music, gaming and interactive industries). Supported by government funding of \$2.3 million in 2014/15, Creative BC will work to support B.C.-originated film and television content, extend digital and market access programs to an expanding client base in publishing, music and interactive content development, and assist B.C.'s regional film commissions.

Performance Measure 5: Value of annual motion picture production expenditures in British Columbia

Performance Measure	2013/14 Forecast	2014/15 Target	2015/16 Target	2016/17 Target
Value of annual motion picture production expenditures in British Columbia	\$1.1 billion	\$1.1 billion	Maintain or improve	Maintain or improve

Data Source: Creative BC. Data is based on calendar years (i.e., 2014/15 target is for 2014).

Discussion

This measure demonstrates the British Columbia motion picture industry contribution to the economy and how the province has been able to maintain its position as a world-class centre for all types of motion picture production. Competition from other jurisdictions makes this progress significant and can be attributed to British Columbia's international reputation as a full service production centre and proven track record for providing exceptional value for the producer's dollar. Estimates show that motion picture production expenditures contributed over \$1 billion to the provincial economy in 2012. The sector creates local jobs and brings revenue to many communities across British Columbia.



Goal 4: British Columbia has a highly skilled and competitive labour force



A highly skilled and competitive labour force is vital to economic growth that can support the prosperity of families across the province. The Ministry provides leadership to reduce demand-supply gaps in the labour market through targeted skills development programs and information, refocusing labour market and training investments to meet regional and sector-based labour market needs, and by helping employers and workers connect efficiently. Immigrants do more than increase

our workforce; they add to community renewal and innovation by contributing their ideas and energy to the social, civic and cultural fabric of the province's communities and workplaces. The Province will continue to support our reputation as an attractive and welcoming destination for all.

Objective 4.1: Support British Columbians to be first in line for the jobs of today and tomorrow by helping them develop the skills needed to take advantage of job opportunities

Strategies

- Work with the Ministries of Advanced Education and Education to develop a seamless 10-year skills training plan for youth.
- Implement strategies to enhance the performance and outcomes of B.C.'s industry training system based on the recent review of the role of the Industry Training Authority.
- Ensure the best available labour market information is used to align skills training priorities with labour market needs.

- Work to implement the *Skills and Training Plan* to meet employers' needs for trades workers and give British Columbians access to skilled trades jobs.
- Work with the federal government to renew the labour market agreement/Canada Jobs Fund and allocate funds to meet B.C.'s unique labour market needs.
- Work with industry, training organizations and labour to identify further areas of apprenticeship reform in order to improve results and reduce barriers to apprenticeship participation.
- Provide up to \$7.9 million a year to industry sector partnerships to help them identify their skills and workforce needs.
- Review sectoral jobs roundtable outcomes to ensure that government is meeting the needs of industries as they face the challenges of a growing economy.
- Implement sector-specific initiatives to facilitate foreign qualifications recognition and immigrants' integration into the labour market and the economy.
- Work with the Ministry of Education to identify best practices and pilot new programs to ensure high school students are able to obtain applied trades skills while in high school.
- Increase support to introduce more unemployed individuals to trades careers, with a particular focus on underrepresented groups such as Aboriginal people, women and immigrants, subject to renewal of the Canada / BC Labour Market Agreement.
- Continue to enhance WorkBC.ca using innovative platforms and social media to help all British Columbians make informed education, training and career decisions and to promote entrepreneurship.
- As part of the Premier's Labour working group, build on the New West Partnership by finding ways to co-operate and make it easier for businesses and consumers to benefit from economic growth across Canada's West.

Objective 4.2: Attract and retain new workers, entrepreneurs and students throughout British Columbia and facilitate integration of them and their families

Strategies

- Promote the [Provincial Nominee Program](#) (PNP) to attract and retain more immigrants to help meet regional economic and labour market needs in support of *BC Jobs Plan* priorities.
- Examine ways to modernize the PNP application process to ensure its efficiency.
- Improve employers' access to workers from outside the province by providing them with information and supports to access programs, implementing international talent attraction strategies and developing pilot projects to streamline the attraction and retention of temporary foreign workers and international students in B.C.

- Work with Canada to enhance the responsiveness of federal immigration programs to B.C.'s particular labour market and economic needs, in particular by working with the federal government to increase B.C.'s annual PNP allocation levels.
- Develop and implement social marketing strategies to promote B.C. as a destination of choice to work and live.

Performance Measure 6: Percentage of foreign worker and entrepreneur nominations processed each year under the Provincial Nominee Program

Performance Measure	2013/14 Forecast	2014/15 Target	2015/16 Target	2016/17 Target
Percentage of foreign worker and entrepreneur nominations processed each year, based on the total Provincial Nominee Program (PNP) targets allocated by the federal government.	100%	100%	Maintain	Maintain

Data Source: Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour.

Note: This measure's description has been updated to increase understanding that the federal government sets the annual number of nominations available to each province and is responsible for issuing permanent resident visas.

Discussion

The [Provincial Nominee Program](#) (PNP) is designed to increase the economic benefits of immigration to the province by attracting skilled and entrepreneurial immigrants based on provincial economic needs, priorities and selection criteria. The PNP offers accelerated immigration for qualified skilled workers and experienced entrepreneurs and investors who can contribute to the economy. In the coming months, the Ministry will be looking at ways to modernize the PNP application process to increase efficiency and accelerate investment and job creation.

Goal 5: Safe, healthy and fair workplaces where employers and workers prosper and contribute to British Columbia's economic growth and prosperity

The Ministry supports the *BC Jobs Plan* by maintaining a stable labour environment in the province and by supporting a fair workers' compensation system and minimum employment standards. In practice, this means reducing strikes and labour disruptions by monitoring and assisting parties in negotiations. It also means balancing the interests of employers and workers. We do this through employment standards and workplace health and safety standards that attract and protect all B.C. workers, while creating a level playing field, and through a fair and equitable workers' compensation system for workers and employers.

Objective 5.1: Labour laws and policy are responsive to, and supportive of, the evolving world of work

Strategies:

- Monitor the evolving world of work and collect feedback on labour laws, policy and other key issues through ongoing communication and dialogue with workers, employers, stakeholders and the public.
- Identify opportunities to enhance labour laws and policy to ensure they align and support strategic outcomes, including the *BC Jobs Plan*.
- Deliver on Government's commitment to restore heart disease in firefighters to the list of presumptive diseases recognized by WorkSafeBC.



Objective 5.2: Clients and stakeholders are aware of and understand labour requirements and processes

Strategies:

- Conduct outreach, education and training, and make educational materials available in relation to employment standards, the workers' compensation system and the *Labour Relations Code*.
- Leverage our workforce's diverse abilities and skills to deliver multilingual services where practicable, including videos, written materials and translated voice services.
- Provide direct workers' compensation assistance, guidance, representation and advisory services to workers and employers through the Workers' Advisers Office and the Employers' Advisers Office.

Performance Measure 7: Percentage of employers whose employment practices resulted in no complaints being registered with the Employment Standards Branch

Performance Measure	2004/05 Baseline	2013/14 Forecast	2014/15 Target	2015/16 Target	2016/17 Target
Percentage of employers whose employment practices resulted in no complaints being registered with the Employment Standards Branch	97.7%	97.7%	97.7%	97.7%	97.7%

Data Source: Labour Division, Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour.

Discussion

This performance measure is both a reflection of labour stability and employer and worker knowledge of requirements and processes. The measure is determined by dividing the total number of employers subject to complaints filed with the Employment Standards Branch within a fiscal year by the total number of business establishments with employees throughout the province. A high percentage of employers without employee complaints registered with the Employment Standards Branch indicates a comprehensive and wide-spread understanding of Labour requirements and processes. This in turn creates the stable labour climate that the *BC Jobs Plan* is based upon. While there are no specific national benchmarks for this performance measure, other jurisdictions within Canada have also adopted this measure as a means to track labour stability.

The target range for this measure continues to reflect an ambitious and appropriate target for labour stability in our province.

Objective 5.3: Accessible, reliable and timely services

Timely, accurate and quality decisions are critical to ensuring that a fair and effective process exists, and to the successful delivery of Ministry programs and services. Our commitment to service excellence is reflected in the way we interact with the public and our clients; we set service delivery standards to ensure consistency. We also engage our clients to identify ways we can further improve.

Strategies:

- Track, analyze and report out on service timelines.
- Use client satisfaction surveys to gather feedback about how service delivery can be improved.

Performance Measure 8: Percentage of Employment Standards Branch cases resolved within 180 days

Performance Measure	2010/11 Baseline	2013/14 Forecast	2014/15 Target	2015/16 Target	2016/17 Target
Percentage of Employment Standards Branch cases resolved within 180 days	78%	greater than 78%	greater than 78%	greater than 78%	greater than 78%

Data Source: Labour Division, Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour.

Discussion

In 2011/2012, the Ministry developed this measure, which presents a timeliness indicator. By aiming to resolve cases within the 180-day time period, we are able to establish clear expectations for workers and employers and can ensure workers will receive any money they are owed within a designated time period. The measure is based on a 2010/2011 baseline and is calculated by dividing the number of cases resolved within 180 days by the total number of cases filed.

Resource Summary

Core Business Area	2013/14 Restated Estimates ¹	2014/15 Estimates	2015/16 Plan	2016/17 Plan
Operating Expenses (\$000)				
Labour Market and Immigration Initiatives...	17,248	17,248	17,248	17,248
Tourism and Small Business	7,470	7,470	7,470	7,470
Major Investments Office	2,871	2,871	2,871	2,871
Economic Development	6,800	6,800	6,800	6,800
Transfers to Crown Corporations and Agencies	145,418	145,418	145,418	145,418
Executive and Support Services	3,881	3,881	3,881	3,881
Labour Programs	14,697	14,697	14,697	14,697
Northern Development Fund Special Account.....	500	500	500	500
Total	198,885	198,885	198,885	198,885
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)				
Executive and Support Services	21,944	9,472	1	1
Labour Programs	108	3	3	3
Total	22,052	9,475	4	4

¹ For comparative purposes, amounts shown for 2013/14 have been restated to be consistent with the presentation of the 2014/15 Estimates.

*Further information on program funding and vote recoveries is available in the [Estimates and Supplement to the Estimates](#).

Appendix 1: Ministry Contact Information

Ministers' Offices

Honourable Shirley Bond
Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour
PO Box 9071
Stn Prov Govt
Victoria B.C. V8W 9E2
Email: JTST.Minister@gov.bc.ca
Phone: 250 356-2771

Honourable Naomi Yamamoto
Minister of State for Tourism and Small Business
PO Box 9054
Stn Prov Govt
Victoria B.C V8W 9E2
Email: SSB.Minister@gov.bc.ca
Phone: 250 356-0946

Deputy Minister's Office

Dave Byng
Deputy Minister
Ministry of Jobs, Tourism and Skills Training and Ministry Responsible for Labour
PO Box 9846
Stn Prov Govt
Victoria B.C. V8W 9T2
Email: DM.JTST@gov.bc.ca
Phone: 250 952-0102

To learn more about the numerous programs and services provided by the Ministry of Jobs, Tourism and Skills Training and the Ministry Responsible for Labour please visit www.gov.bc.ca/jtst

To find a specific person or program in the Ministry of Jobs, Tourism and Skills Training and the Ministry Responsible for Labour, you can use the [B.C. Government Directory](#).

Appendix 2: Nechako-Kitamaat Development Fund Society

Organizational Overview

The Nechako-Kitamaat Development Fund Society (NKDFS) was incorporated on August 18, 1999 to support sustainable economic activity in northern communities affected by the Kemano Completion Project and by the creation of the Nechako Reservoir. The Government of British Columbia provides NKDFS with \$500,000 annually from the Northern Development Fund, a 50-50 cost-sharing partnership fund created by the Province and Alcan.

NKDFS spends the income from its long-term investments on programs and projects that meet each community's goals for economic development and community stability. For more information on the Nechako-Kitamaat Development Fund Society, visit their website at www.nkdf.org.

Corporate Governance

The Nechako-Kitamaat Development Fund Society's board of directors includes:

- John Amos
- Janice Baker
- Shannon Eakin
- Greg Goodwin, (Ministry Representative)
- Ray Klingspohn
- Mike Robertson
- Lianne, Olson
- Wayne Salewski (Chair)
- Shelley Wall

Biographical information can be located at: nkdf.org/aboutus/board-members.

Goals and Strategies

Nechako-Kitamaat Development Fund Society will focus on the following primary areas: Capacity Building, Planning, Business Development, Recreational-Social, Community Infrastructure and Tourism. At the strategic planning session held in Burns Lake on May 28, 2013, the NKDFS Board of Directors determined to:

1. Continue to accept proposals and evaluate applications using the existing criteria.
2. Continue to refine decision making, reporting, consultations, and evaluation.
3. Implement changes to policies and procedures based on the consultations with communities, while honouring the recommendations of the Advisory Board.
4. Continue learning how to measure and evaluate projects funded, past and future.
5. Ensure effective communications with stakeholders, including reporting of outcomes.

Summary Financial Outlook

	2012/13 Actual	2013/14 Forecast	2014/15 Budget	2015/16 Budget	2016/17 Budget
Transfers from British Columbia Investment Management Corporation.....	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000

Ministry of
Jobs, Tourism and Skills Training and Minister
Responsible for Labour

2012/13
Annual Service Plan Report



For more information on how to contact the British Columbia Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour see Ministry Contact Information on Page 48 or contact:

**Ministry of
Jobs, Tourism and Skills Training and Minister Responsible for Labour**

PO BOX 9846
STN PROV GOVT
VICTORIA B.C.
V8W 9T2

or visit our website at

www.gov.bc.ca/jtst

Published by the Ministry of Jobs, Tourism and Skills Training
and Minister Responsible for Labour

Message from the Minister and Accountability Statement



In this time of great economic uncertainty, enormous opportunity and fierce competition, British Columbia's unique advantages, including proximity to Asian markets, abundant natural resources, cultural diversity and stable economy provide our province with the assets required to succeed. The Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour work to ensure we remain a leader in the creation of jobs and investment attraction.

Over the past year, we launched a number of key actions to build on our strengths. To ensure a strong and sustainable tourism sector, we established [Destination British Columbia](#), a new industry-led tourism marketing Crown corporation. We launched the [BC Small Business Accord](#) to hold government accountable for meeting the needs of the small business community and to ensure B.C. remains small-business-friendly, even as our economy changes. We worked to put British Columbians first in line for the jobs of today and tomorrow by releasing the [Skills and Training Plan](#) that expands and aligns our skills training programs with new economic opportunities and increases the number of people entering apprenticeships. Our ministry led a Premier's mission to Japan, Korea and the Philippines—resulting in business deals and agreements valued at over \$500 million—and played a key role in expanding air access to B.C. from five important tourism markets.

These and many other successes were made possible because of the dedication of ministry staff and their hard work on behalf of all British Columbians. I very much look forward to working with them and with my government colleagues in the year ahead to build on these achievements to continue to secure prosperity for families and communities around the province.

The *Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour 2012/13 Annual Service Plan Report* compares the actual results to the expected results identified in the Ministry's 2012/13 - 2014/15 *Service Plan*. I am accountable for those results as reported.

A handwritten signature in blue ink that reads "Shirley Bond".

Honourable Shirley Bond
Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour

June 24, 2013

Message from the Minister of State and Accountability Statement



Small business is the backbone of our communities and our economy. It accounts for 98 per cent of all businesses in B.C. and employs over one million people. It has been a great privilege for me to work with small business owners and operators to advance this important portfolio since my appointment as Minister of State for Small Business in September 2012.

And it has been a busy seven months. Over 35,000 people participated in province-wide consultations that led to the creation of the [BC Small Business Accord](#), which was revealed in March 2013. As part of the consultation, I visited many communities throughout B.C. to engage with businesses on identifying the issues they face and the opportunities to continue to make B.C. the most business-friendly jurisdiction in Canada.

The Accord contains a list of principles for government to consider when making policy, resource and program decisions. Instilling these principles throughout government and making them a part of the culture provides the foundation for better interactions with the small business community. I look forward to continuing to work to ensure the successful implementation of the Small Business Accord, which will require the ongoing and active engagement of the BC Small Business Roundtable.

Our government proclaimed October 2012 as Small Business Month, a time for small business owners and operators to network and learn about government services and programs that support the sector. We also continued to emphasize the importance of cutting red tape and regulatory burdens by holding a Red Tape Awareness Week in January. Since 2001, government has reduced unnecessary red tape by 42 per cent and we remain committed to holding that line until 2015—an effort which has allowed B.C. to maintain its “A” rating for cutting red tape with the Canadian Federation of Independent Business.

In my role as the Minister of State for Small Business and under the *Balanced Budget and Ministerial Accountability Act*, I have been responsible for achieving the following results for 2012/13:

- (a) Leading the work of the small business portfolio and support the implementation of initiatives that contribute to making British Columbia one of the most small-business-friendly jurisdictions in Canada.
- (b) Developing the BC Small Business Accord through consultation with small businesses, which will outline specific principles for the BC government to follow.
- (c) Supporting and direct the ongoing work of the Small Business Roundtable to help identify key issues and opportunities facing small businesses in British Columbia.

(d) In response to recommendations from the Small Business Roundtable, coordinating the delivery of the Action Plan for Small Business, which sets out government's strategy for supporting small business.

(e) Working across government and in partnership with private sector organizations and other levels of government and continue to deliver tools, training and information to assist small business start-up and growth in all regions of British Columbia.

(f) Submitting to Cabinet a report on the results referred to in paragraphs (a) to (e) on or before March 31, 2013.

A handwritten signature in black ink, appearing to read 'Naomi Yamamoto', with a stylized, cursive script.

Honourable Naomi Yamamoto
Minister of State for Tourism and Small Business

June 24, 2013

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Highlights of the Year

The Ministry manages a large and diverse portfolio of government services aimed at supporting economic growth, job creation and skills training in the province. Over the past year, the Ministry undertook a number of key initiatives to advance these goals. This section highlights some of the most significant work and achievements of the 2012/13 fiscal year.¹

Doubling Overseas Trade and Investment Presence

In 2012/13, B.C.'s network of overseas offices was reinforced and expanded—growing from 29 people to over 60 by March 2013—to open and expand markets for B.C. goods and services, and attract investment to grow priority sectors. This included the opening of four new B.C. trade and investment offices: in London, Hong Kong, Mumbai and Chandigarh.



Premier Christy Clark announces the opening of the Hong Kong trade and investment office.

Trade and Investment Missions

Building on the success of the November 2011 trade and investment mission to China and India, the Ministry led the Premier's mission to Japan, Korea and the Philippines in May 2012 to promote B.C.'s natural resources, as well as clean and high technologies to Asian investors. This mission resulted in 25 business deals and partnership agreements, valued at over \$500 million, being signed or announced as well as in deepened relationships in key markets throughout Asia.

Renewing our Focus on India

The Ministry opened two new B.C. trade and investment offices in Mumbai and Chandigarh in December 2012 to provide export-ready B.C. companies with additional entry points into the diverse and fast-growing Indian market and offer support for Indian companies interested in business and investment opportunities in B.C.

As part of a renewed focus on raising B.C.'s profile and increasing trade and investment opportunities with India, B.C. also hosted the inaugural B.C.-India Global Business Forum in Vancouver on March 11



Panelists discuss case studies of B.C.-India business successes at the inaugural B.C.-India Global Business Forum.

¹ The 2012/13 fiscal year spanned the period from April 1, 2012 to March 31, 2013.

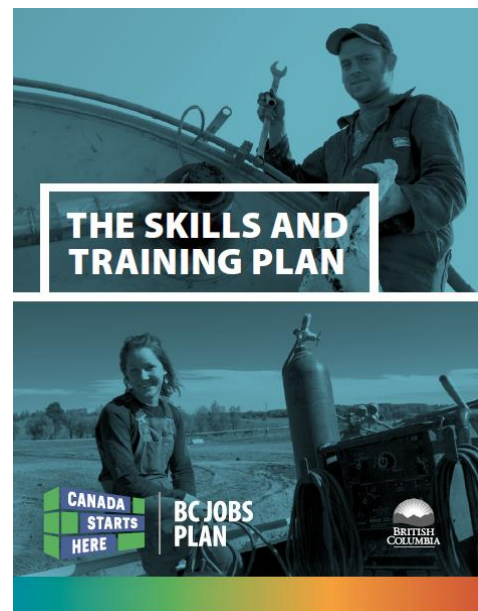
and 12, 2013. The event attracted over 450 participants including delegations from India and Canada, and high-profile speakers from India, Canada and around the world. The Ministry also undertook planning to partner with the Times of India Group, India's largest media conglomerate, to host the inaugural Times of India Film Awards (TOIFA) in Vancouver in April 2013. With a projected viewership of 400 million in India and around the globe, TOIFA represented an opportunity to build awareness of B.C. among Indian tourists and businesses, deepen existing relationships and launch enhanced trade activities with India.

Resolution of Trade Disputes

In 2012, a key dispute launched by the U.S. under the Softwood Lumber Agreement was won by the Province, with the Ministry's Softwood Lumber Unit and the Ministry of Forests, Lands and Natural Resource Operations playing the lead roles. Similarly, the trade dispute launched by Alberta against B.C. under the B.C.-Alberta Trade, Investment and Labour Mobility Agreement (TILMA) was also won by the Province. Actions to combat protectionism in other jurisdictions were launched by the Ministry to enforce the Province's right of access for its exporters to the markets of Ontario, Quebec and Alberta.

Skills Training for the Jobs of Today and Tomorrow

A skilled workforce is one of the foundations of the BC Jobs Plan, and working to ensure that British Columbians have the right skills for the job opportunities of today and tomorrow was one of government's top-priorities in 2012/13. To this end, government released [*The Skills and Training Plan*](#), a comprehensive plan to expand and align skills training programs with economic opportunities to ensure British Columbians have the right skills, in the right places, at the right times. The plan centers on: promoting opportunities in the trades and technical fields; investing in training facilities and equipment; getting the right mix and quality of trades and technical programs while reducing the time required to achieve certification, and; aligning economic immigration to British Columbia's labour market needs. The work was a collaborative effort between the Ministry and our key partners in skills training – the Industry Training Authority, the Ministry of Advanced Education, Innovation and Technology and the Ministry of Education.



The Skills and Training Plan was launched in September 2012.

Helping Immigrants Integrate

In order to support the effective integration of immigrants into communities and the economy, the Ministry, through [*WelcomeBC*](#), provided settlement services to approximately 60,000 immigrants over the past year and access to English language training to approximately 27,000

immigrants in the communities in which they live. The Ministry provided ongoing support for family integration within the school system, active in over 1,000 schools across the province, as well as new programming targeted at supporting vulnerable immigrant populations (refugees, families and youth). In addition, the Ministry's initiatives, such as the [Skills Connect for Immigrants](#) program, continued to show positive results for the integration of immigrants into B.C.'s labour market, with Skills Connect showing an 80 per cent employment success rate those completing the program in 2012/13.

Helping British Columbians Access Labour Market Information and Employment Opportunities

In 2012/13, the new [WorkBC.ca](#) website was launched to increase British Columbians' access to quality labour market information and employment opportunities in B.C. This new, innovative online platform has helped over 2 million people navigate the B.C. labour market, including career options in high demand occupations, and education and training pathways to connect to jobs throughout the province. Two new web-based labour market information products were also successfully launched - [Career Trek](#) and the



Young people attending one of the many JobFest events held in communities across B.C. in the summer of 2012.

[Labour Market Navigator](#). The Ministry also embarked on the JobFest 2012 tour of 52 communities across the Province. JobFest engaged with over 16,000 youth to help connect them with career, education and training opportunities within their communities.

Supporting Communities in Transition

When major events impact B.C. communities, the Ministry leads government's on-the-ground response and recovery efforts. For example, when a fire and an explosion occurred at the Babine Forest Products sawmill in Burns Lake last year, Ministry staff pulled together the appropriate ministries and led the development and implementation of the recovery plan for the community. Since the mill fire, the Province has accelerated over \$17.4 million in local infrastructure investments into the Burns Lake region to support job creation and community recovery. The funding supported highway upgrades in the Burns Lake area, downtown revitalization, expansion of the community arena and recreation centre, a number of community projects such as trails and community safety initiatives, jobs fairs, tourism and economic recovery planning, as well as funding for two community labour market partnership projects. The rebuilding of the mill promises to bring additional jobs into the community.

Resort Municipality Initiative

Established in 2006, the Resort Municipality Initiative (RMI) distributed more than \$10.5 million to 14 B.C. resort municipalities in 2012. RMI is an ongoing incentive-based grant program,

where funding is based on accommodation revenue performance of the previous year. The municipalities of Fernie, Golden, Harrison Hot Springs, Kimberley, Osoyoos, Radium Hot Springs, Revelstoke, Rossland, Sun Peaks, Tofino, Ucluelet, Valemount, Invermere and Whistler use the funding to plan and build tourism infrastructure and amenities to attract visitors in today's globally competitive economy.

BC Immigrant Investment Fund and B.C. Renaissance Capital Fund

In 2012/13, the [BC Immigrant Investment Fund](#) (BCIIF) managed over \$400 million of investments aimed at stimulating economic development and job creation in three primary areas: B.C.'s public sector infrastructure, venture capital and short-term securities. Investments were made on a diversified portfolio and were concentrated in lower-risk areas.

In 2012/13, the [B.C. Renaissance Capital Fund](#) (BCRCF), a subsidiary of the BCIIF, managed \$90 million of investments in venture capital funds focused on four of B.C.'s key technology sectors: digital media, information technology, life sciences and clean technology. BCRCF investments supported the commercialization of innovative goods and services and enhanced the visibility of B.C. as an attractive market for venture capital opportunities globally. Fund managers also helped provide B.C. companies with the global connections needed to take them into global markets. Many of the B.C. portfolio companies have garnered prestigious international recognition for innovation and exported B.C. home-grown technologies across North America and Europe.



Minister of State for Small Business Naomi Yamamoto and members of the BC Small Business Accord forum cut the ribbon on the BC Small Business Accord.

Small Business Accord

The new [BC Small Business Accord](#) was released on March 19, 2013, following extensive consultations with the Small Business Community. The Accord consists of a set of principles to guide government interactions with the small business community. It is a commitment to ensure government initiatives and services consider the needs of small business, and to ensure B.C. remains the most small business friendly jurisdiction in Canada.

The Province also took initial steps toward addressing several of the action items contained in the Accord, including: providing incentives for local governments to operate within the spirit of

the accord; establishing a small business mentoring program through partnership with the BC Innovation Council; and developing a small business awareness strategy to celebrate the social and economic contribution of small business to their communities and to the province.

Regulatory Reform

In June 2012, as required under the *Regulatory Reporting Act, 2011*, B.C. released the first report on its regulatory reform program [*Achieving a Modern Regulatory Environment: BC's Regulatory Reform Initiative - First Annual Report 2011-2012*](#). The report described B.C.'s regulatory reform vision and achievements and outlined seven key commitments government would pursue to continue reducing the regulatory burden on businesses and citizens. B.C.'s leadership on regulatory reform was recognized in January 2013 by the Canadian Federation of Independent Business, which granted B.C. an "A" rating for cutting red tape, the highest rating awarded to any Canadian jurisdiction.

Mobile Business Licence Expansion

In January 2013, the Ministry implemented two additional Mobile Business Licence agreements, involving 12 communities in the lower mainland. The first of these involved nine municipalities of the Fraser Valley region, and the second involved the Tri-Cities municipalities of Port Coquitlam, Coquitlam and Port Moody. These agreements reduce red tape and simplify operations for a mobile business (e.g. electrician, plumber, caterer), which can now purchase a single mobile business licence to operate in all participating jurisdictions, rather than having to purchase separate licences for each jurisdiction.

New Provincial Tourism Marketing Organization

Government collaborated with B.C.'s tourism industry to create a new industry-led, formula-funded provincial destination marketing organization called [*Destination British Columbia*](#). Destination British Columbia is a legislated Crown corporation, and was officially launched on April 1, 2013.

International Tourism Market Campaigns Successes

The Ministry implemented two very successful international tourism marketing campaigns. The 2012 Summer Campaign, called '100 BC Moments' targeted long-haul North America markets. One of tools used in this campaign was a 14-foot-high '100 BC Moments' vending machine placed in San Francisco. While the in-person response was high as expected, the social media response was staggering - over 129,000 YouTube views, over 180,000 Twitter users and over 40 media stories, as far away as India, Germany and Japan. The similarly successful



A 14-foot-high '100 BC Moments' vending machine awaits its first 'customers' in a San Francisco square. About 7000 people experienced the machine, as seen in [this video](#).

2012/13 North America ‘Ski it to Believe it’ ski campaign – targeting the Ontario, California and Washington markets – was launched at the Toronto Ski, Snowboard and Travel Show, in early October.

Visitor Centre Excellence

British Columbia has 115 visitor centres located in all regions of the province to provide a wide range of services to visitors, including professional visitor counselling, helpful travel information and literature, and accommodation reservations. In 2012, these centres welcomed over 2.7 million visitors, 90 per cent of whom rated their experience at a B.C. visitor centre as “very satisfying”.

Improving Air Access

Efficient air access is key to attracting tourists from far away markets. In 2012 the Ministry was a key collaborator on government’s aviation strategy, [*Connecting with the World*](#). The strategy lays out B.C.’s plan for increasing air access to the world, especially Asia, and for reducing the cost of air travel.

The ministry was also instrumental in enabling improved air access from several countries during the past year:

- Virgin Atlantic Airways launched its inaugural service from London-Heathrow to Vancouver in May 2012.
- Sichuan Airlines launched its inaugural service from Chengdu, China to Vancouver in June 2012.
- Air Canada increased its daily, non-stop services between Vancouver and Sydney, Australia from seven to ten flights per week over the peak December and January ski season.
- Air New Zealand increased its non-stop service between Vancouver and Auckland, New Zealand by two-to-three flights per week during December to February for the ski season.
- United Airlines launched a new direct service to Kelowna from Los Angeles in December 2012.



Premier Christy Clark welcomed Sir Richard Branson and Virgin Atlantic Airways to British Columbia for the airline's inaugural flight from London, U.K. to Vancouver, B.C. on May 24, 2012.

Moving Major Projects Forward

In its first year of operation, the [Major Investments Office's](#) (MIO) portfolio of projects totalled approximately \$32 billion, with the potential to create an estimated 21,000 jobs. A few examples of MIO's successes in moving key projects forward include:

- Helping to expedite a resolution to an impasse over a proposed amendment to a water licence to put the \$700 million Rio Tinto Alcan project in Kemano back into construction.
- Accelerating construction timelines, in partnership with other agencies, by a year for a \$400 million copper and gold mine operation by resolving how best to get power to the site.
- Playing a key role in securing federal and proponent funding commitments necessary for a \$600 million residential/commercial development.
- Leading a B.C.-focused value added natural gas study to further expand and capitalize beyond the already identified project opportunities.

In 2012/13, MIO also designed a new, highly effective Hosting Program. Some of its early successes included:

- Negotiating an expedited clearance program for high potential investors with the Intergovernmental Relations Secretariat, Canada Border Services Agency and Vancouver International Airport.
- Supporting a visit from Japan's Namco Bandai Studios, which led to an announcement in of the opening of their online social gaming studio at the Centre for Digital Media in Vancouver.

The MIO takes a partnered approach to driving major investment delivery. Recently, an MIO client survey revealed 100 per cent satisfaction of project proponents with MIO services. The majority of those also indicated that the MIO had greatly increased the likelihood they would invest in B.C.

Expediting Resolution of Workplace Disputes

In 2012/13, the [Labour Relations Board](#) established a 180-day timeline for resolving workplace disputes that fall under the *Labour Relations Code*. The timeline applies to all applications received on or after September 1, 2012. The creation of the timeline reduces the risk of having workplace issues drag on without resolution and makes Canada a leader in establishing a prescribed timeline for board decisions.

Engaging the Public in Choosing a Date for Family Day

In 2012, the Ministry led one of the largest online public engagement campaigns in the history of the B.C. public service to determine the date of the new Family Day statutory holiday. More than 30,000 citizens responded to an online survey and blog. Citizen participation in this initiative led to the second Monday of February being selected. The decision was welcomed by tourism-based industries and businesses because of the increase in business associated with the new holiday as

well as the ability to capitalize on the statutory holidays that occur on the third week of February in both neighbouring Alberta and Washington State.

New Labour Legislation

Last year, the Ministry developed two critical pieces of labour legislation. The *Emergency Intervention Disclosure Act*, which came into force on March 2, 2013, permits first responders, people providing emergency health services and victims of crime, to apply for a court order to have another person tested for Hepatitis B, Hepatitis C or HIV if they came into contact with a person's bodily substance. The Act creates peace of mind so that qualified applicants don't have to wait months to determine with certainty whether they were potentially exposed to these diseases.



The new The Emergency Intervention Disclosure Act gives peace of mind to B.C.'s emergency responders.

The second piece of legislation was Bill 14, the *Workers Compensation Amendment Act 2011*, which came into force on July 1, 2012. This legislation extended the compensation provided for mental disorders that arise out of work. Previously, compensation was limited to an acute reaction to a sudden and unexpected traumatic event that arises out of the course of employment. Compensation is also now available for a mental disorder primarily caused by a significant work-related stressor, including bullying and harassment. In support of this expanded recognition of mental health issues in the workplace, WorkSafeBC is developing new policy aimed at addressing workplace bullying and harassment.

Purpose of Ministry

[The Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour](#) manages key lines of government service that help create the economic prosperity needed for the success of families and communities across the province. This means seizing the opportunities and responding to the challenges of a globalized economy in order to create new jobs, defend existing ones and position ourselves for long-term growth.

To accomplish these tasks, the Ministry works to:

- Open and expand priority international and domestic markets for B.C. goods and services, and attract and facilitate new investment to grow B.C.'s priority sectors.
- Ensure that B.C. has enough skilled, highly productive workers to meet the needs of our growing economy.
- Develop B.C.'s regions and key industries to their full economic potential.
- Enhance B.C.'s competitiveness by increasing the commercialization of innovative new goods and services by B.C. companies and improve the visibility of B.C. as an attractive market for venture capital opportunities globally.
- Enhance the business climate in B.C. by streamlining regulatory requirements and processes, and support the growth and success of small business by building awareness of the available small business resources.
- Support B.C.'s tourism industry in being globally competitive and sustainable.
- Promote safe and healthy workplaces and ensure that employers, workers and unions understand and apply B.C.'s labour laws.
- Promote labour stability and protect workers, by balancing the interests of employers and workers.²

Opening Markets and Attracting Investment

The Ministry provides integrated trade and investment programs and services to help B.C. increase exports, develop international partnerships and attract investment. We market B.C.'s competitive business environment and sector strengths in key markets and build relationships with industry and government partners — domestic and international — to advance B.C.'s economic interests. Canada starts here, in B.C., and the Ministry integrates marketing efforts across government to aggressively promote the province's unique strategic advantage as [Canada's Pacific Gateway](#) and its growing reputation as an attractive and competitive international trade and investment partner.

² As of June 7, 2013 responsibilities for trade and investment policy and programming, competitiveness (venture and investment capital) and the Columbia Basin Trust have left the ministry. The Ministry gained responsibilities for film, television and digital policy, Premier's trade missions, Creative BC and the Trades Training Consortium of BC. These changes will be reflected in future annual reports.

We work to strengthen B.C.'s economic relationships with priority Asian markets like China, Japan, South Korea and India. These efforts are supported by Forestry Innovation Investment, a Crown corporation affiliated with the Ministry that works with the forest sector to take advantage of export opportunities in key markets for forest products. This includes promoting the use of wood products and implementation of B.C.'s Wood First initiatives that encourage a cultural preference toward viewing wood as the first choice for construction, interior design and daily living. At the same time we ensure that we work to protect our market position in large existing markets, such as the U.S. and the E.U.

The Ministry also leads B.C.'s efforts to reduce or eliminate domestic and international impediments to trade, investment and labour mobility. We advance B.C.'s interests with the federal government in international trade negotiations to create opportunities in key markets like India and Europe, and ensure that the [Softwood Lumber Agreement](#) between the United States and Canada is honoured and B.C.'s interests are protected. We also work to strengthen regional trade and commercial relationships with Alberta and Saskatchewan through the [New West Partnership Trade Agreement](#).

Ensuring a Skilled Workforce

By 2020, B.C. is projected to have almost 1 million job openings, nearly 80 per cent of which will require some post-secondary education – a level of education that only about 70 per cent of B.C.'s workers currently possess. Moreover, B.C.'s population can only provide some of the workers for the anticipated job openings, with an estimated one-third of jobs expected to be filled by people from outside B.C.

To address these challenges, the Ministry is taking a leadership role to invest in skills development for British Columbians and to attract and retain new workers. With input from labour market partnerships and regional workforce tables to better define skills challenges and identify training solutions, the Ministry and the [Industry Training Authority](#) (the Crown corporation responsible for trades training in B.C.) are developing and implementing initiatives and programs to better position British Columbians for economic success. In addition, significant investments through the federally funded [Labour Market Agreement](#) are helping to up-skill and train British Columbians for job opportunities in their communities across the province.

The Ministry's immigrant settlement and labour market programs also contribute to the prosperity of B.C. communities and the quality of life of B.C. newcomers by supporting the settlement and integration of immigrants and their families in communities in every region of the province.

Supporting Economic Development

The Ministry works with communities, First Nations, local governments, businesses and international partners to stimulate the provincial economy and create an environment where small and large businesses can thrive and create permanent, sustainable employment. The

Ministry works closely with both the [Aboriginal Business Investment Council](#) and the [BC Jobs and Investment Board](#).

Economic growth and diversification of B.C.'s industries benefit regions and rural communities across the province. The Ministry works with regional economic development trusts – including the [Columbia Basin Trust](#), the [Nechako-Kitamaat Development Fund Society](#), the [Northern Development Initiative Trust](#), the [Island Coastal Economic Trust](#) and the [Southern Interior Development Initiative Trust](#) – to ensure that co-ordinated efforts result in the best outcomes. The Ministry also co-ordinates the provincial government's response to the social and economic effects of the mountain pine beetle epidemic.

Enhancing Competitiveness and Supporting Small Business

The Ministry works to advance the global competitiveness of the province for investment and growth for a broad range of businesses and services, including oversight and policy direction for access to venture capital, provincial infrastructure investment, and tools and resources for businesses to encourage a competitive business environment for B.C. Through the deployment of [B.C. Renaissance Capital Fund](#), the Ministry ensures that B.C. technology companies have access to early stage and expansion capital. The Ministry also administers the Venture Capital programs, Employee Share Ownership program, and the Labour-Sponsored Funds program which support the growth and capitalization of businesses within the province.

The Ministry leads government's regulatory reform program, aimed at reducing the cost of doing business in the province. A streamlined regulatory environment is crucial to attracting new investments; it encourages growth and innovation in the business community, which creates new jobs that benefit all British Columbians. The Ministry works towards maintaining B.C.'s position as an international leader in regulatory reform.

The Ministry also focuses on providing the programs and tools to support the growth and expanding of small businesses, which make up 98 per cent of all businesses in the province. The Ministry views the [Small Business Roundtable](#) and the business community as a whole, as critical partners in identifying actions that government and others can take to increase economic competitiveness.

Ensuring a Competitive and Sustainable Tourism Industry

The Ministry oversees the implementation of government's tourism-sector related activities. This includes working across all levels of government to ensure that actions in support of tourism are coordinated and that tourism is recognized as a key driver of economic growth in B.C. The Ministry co-ordinates activities between government and the newly established [Destination British Columbia](#) — an industry-led marketing agency and key tourism partner — as well as other Provincial bodies with mandates that impact tourism (such as the Ministry of Forests, Lands and Natural Resource Operations and BC Parks).

Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour

During 2012/13, the Ministry was responsible for leading and coordinating tourism marketing at the international, provincial and local levels. As of April 1, 2013 those functions have been transferred to Destination British Columbia.

Promoting Major Investments

The [Major Investments Office](#) (MIO) works directly with prospective investors whose projects have the potential to provide significant economic and job creation benefits to British Columbia. The MIO provides client-focused and personalized business services to help major investors save time and money, minimize risk and maximize certainty as their project proposal moves through provincial government regulatory and approval processes. The Hosting Program, housed within the MIO, aims to create a competitive advantage for B.C.'s investment attraction activities. It coordinates government services to ensure that targeted itineraries enable potential investors to clearly see the resource and business potential in all regions of B.C. and that the Province and its partners are committed to removing investment impediments.

Creating Safe, Healthy and Fair Workplaces

The Ministry promotes awareness of B.C.'s labour laws among employers, workers and unions and establishes processes to administer and enforce their application. We do this through the [Employment Standards Branch](#), the [Workers' Advisers Office](#) and the [Employers' Advisers Office](#) as well as three independent tribunals — the [Labour Relations Board](#), the [Employment Standards Tribunal](#) and the [Workers' Compensation Appeals Tribunal](#). These entities are established under our key pieces of legislation that include the [Employment Standards Act](#), the [Workers Compensation Act](#) and the [Labour Relations Code](#).

The Ministry also builds relationships with employer and worker stakeholders groups and is responsible for [WorkSafeBC](#), which is an employer-funded organization responsible for setting and enforcing health and safety standards and providing compensation and rehabilitation to injured workers. Other key functions of the Ministry include conducting fact-finding and research on behalf of government, providing assistance to parties in collective bargaining disputes, assisting and representing workers and employers with the workers' compensation system and educating workers and employers about their rights and obligations. The Ministry works to ensure that B.C.'s labour laws and policy keep pace with the evolving world of work, and that the interests of workers and employers are balanced. Together, these conditions support a stable labour environment, which is a pre-condition for economic growth.

Strategic Context

The Ministry's work to enhance B.C.'s economic prosperity takes place in a context of world markets and a variety of other external factors. This section discusses some of the key external realities that affected the Ministry's work during the past fiscal year.

Opening Markets and Attracting Investment

B.C. relies on trade and investment for its economic development and, while no other province in Canada is as well positioned to serve as Canada's gateway to the growing economies of the Asia-Pacific, B.C. faces international competition in trade and investment. The trade environment has been especially challenging in recent years with the global economic downturn, the corresponding decline in trade with the U.S., our largest trading partner, and continuing economic problems in Europe.

While historic growth in Asia has experienced a recent slowdown, China's economy is showing signs of renewed strength. At the same time, the middle-class in the fast-growing economies of Asia continues to gain new buying power. In fact, in 2011 the share of exports destined for the Pacific Rim eclipsed those to the U.S. for the first time in the province's history. In 2012, exports to China increased by 16.4 per cent over 2011, and wood product exports to the U.S. were up by over 25 per cent.

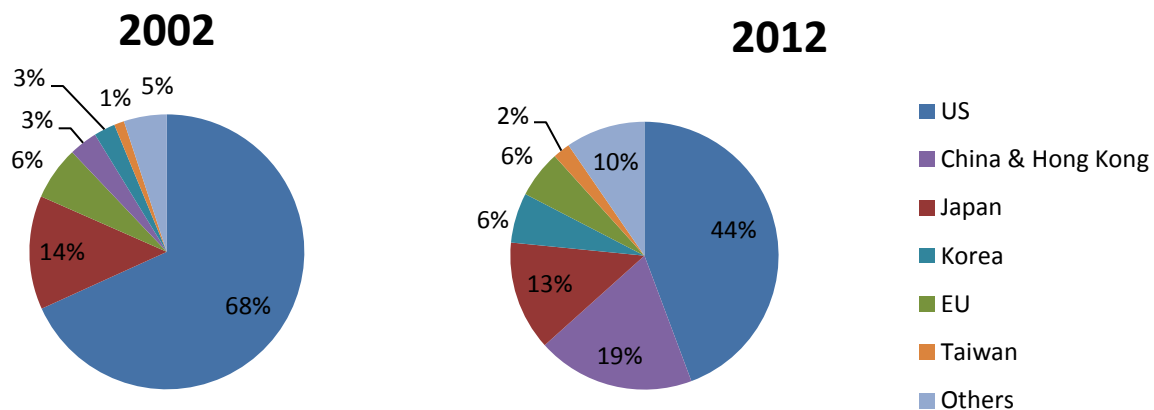


Figure 1: B.C. Goods Exports (2002, 2012)

Exports to India increased by 60 per cent between 2011 and 2012 alone. India, as one of the world's fastest growing economies, represents real growth potential for B.C. products and services including forestry, mining, agri-foods, transportation, natural gas and international education. More broadly, global investors' interest in liquefied natural gas (LNG), biomass and

clean energy fuel cell technology ventures resulted in new partnerships, markets and job creation across the province.

Ensuring a skilled workforce

An aging population, a rapidly growing knowledge and innovation economy, and enormous opportunities in resource development places pressure on British Columbia to ensure there is a sufficient supply of workers with the right skills, in the right place and at the right time.

Research suggests there will be about one million job openings in B.C. through to 2020, and only about two thirds of the jobs will be filled by British Columbians – this means that about one third of jobs will need to be filled by people from outside of B.C. While British Columbia remains an attractive destination for people from across Canada and from other countries, economic immigration to B.C., particularly through federal immigration categories, has decreased 30 per cent over the last three years. In 2012/13, the federal government continued to cap the availability of spaces in the [Provincial Nominee Program](#) (PNP) – which accelerates the permanent resident application process for skilled or experienced workers and experienced business persons – below the levels necessary to address B.C.’s labour market needs. Also, immigrants and newcomers to British Columbia continue to face barriers to full social and economic integration – about 36 per cent of recent immigrants have a lower level job than their country of origin.

B.C. is facing not only a labour shortage, but a skills shortage as well. Almost 80 per cent of job openings to 2020 will require some post-secondary training, while only 70 per cent of workers currently have this level of education. This has the potential to impact the ability of regional economies to take advantage of emerging economic opportunities, such as the enormous resource-development opportunities in Northern British Columbia. The supply of workers in the trades is also projected to be a challenge in British Columbia. Of the 1 million job openings to 2020, about 43 per cent of them will be in technical occupations, paraprofessional and skilled occupations. At the same time growth in demand for trades and technical occupations is expected to exceed supply.

Supporting Economic Development

While the world economy continued to face challenges, B.C. remained well positioned not simply to protect its economy from losses, but to prosper. The Ministry, in collaboration with its partners across the province and government, continued to support provincial, regional and municipal economic development and worked to harness opportunities and translate them into resilient and diverse local economies.

The Ministry encouraged communities to become investment-ready by supporting economic development strategies that made investment a priority, assisting to identify strategic assets and attract and facilitate investment in them. The Ministry also worked with both business and First Nations leaders to celebrate and promote shared business opportunities and partnered with

regional trusts, beetle action coalitions and other agencies to share best practices in economic development and to identify regional priorities.

Creating Safe, Healthy and Fair Workplaces

During the past year, the Ministry's Labour Programs division faced the following challenges and opportunities in the pursuit of its mandate:

- Collective bargaining in the public sector during a period of cooperative gains that created challenges for labour stability.
- Concern about temporary foreign workers and other vulnerable workers in conjunction with declining levels of unionization that put pressure on the employment standards system.
- Concern about gaps in Fire Code compliance, identified as a result of two mill fires that killed four workers and injured 42 others in 2012, led to Labour's involvement, along with the Office of the Fire Commissioner and WorkSafeBC, in the development of the Fire Inspection and Prevention Initiative to help address inspectional and jurisdictional gaps in high-risk industrial facilities.
- Changing workforce demographics and new technologies continued to drive changes in social norms and expectations.

Ensuring a Competitive and Sustainable Tourism Industry

Tourism is one of British Columbia's important industries. British Columbia's tourism industry grew 1.2 per cent in 2011, generating \$6.5 billion of GDP and employing approximately 127,000 people, which translates to roughly one out of every 15 people employed in the province.

The growth is especially encouraging given the challenges such as a high-valued Canadian dollar, limited direct air access to B.C. from overseas markets, and economies around the globe that continued to be troubled.

Competition from other jurisdictions also continued to grow, both from traditional markets as well as emerging tourism destinations, such as Eastern Europe and Southeast Asia.

B.C.'s traditional markets will continue to play a vital role in increasing tourism revenues, which include travel from the United States and a healthy domestic travel market. A growing Asian middle class with an increased interest in travel represents a significant opportunity. Other emerging markets such as India and Mexico are also promising. B.C.'s diverse landscapes and

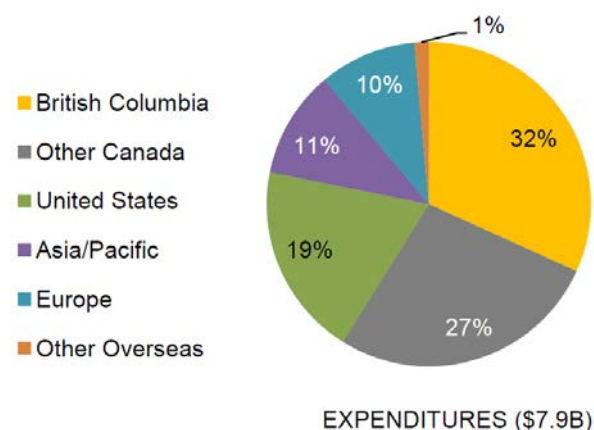


Figure 2. 2010 overnight visitor expenditures by market of Origin. Source: Statistics Canada

experiences, coupled with the warmth of British Columbians, continue to uniquely position the province with potential visitors from around the world.

Enhancing Competitiveness and Supporting Small Business

Venture capital investment activity in Canada steered a steady course in 2012, resulting in a 5-year high for investment activity since the financial crisis of 2008. In total, \$3.2 billion of venture capital was invested across Canada, with B.C. capturing \$222 million, or 15 per cent, of the total. This put B.C. in second place in Canada for per capita venture capital investment—behind only Quebec. Notable venture capital deals included the \$35 million financing of Vancouver-based D-Wave Systems Inc. This B.C. deal was among the top 5 Canadian venture capital deals of 2012.

Small business continued to represent 98 per cent of all businesses in the province, providing the majority of private sector jobs and contributing to approximately 56 per cent of the province's GDP. Business confidence, as indicated by the Canadian Federation of Independent Businesses, fluctuated throughout the year. Factors behind these fluctuations included the repeal of the HST and return to the PST and the change in B.C.'s financial outlook as reported by Moody's Investors Service in December 2012.

However, with the launch of the Small Business Accord consultations, the province had the opportunity to identify several key concerns affecting small business in B.C., namely:

- A general lack of awareness of existing government programs and initiatives for small business, options for access and the level of government responsible.
- The need to save time for business and reduce regulatory 'red tape'.
- An interest in expansion of training where skilled jobs are available or needed.
- A lack of financing and the need to improve access to capital.
- The perception that provincial government procurement is inaccessible to small business.

The development of the B.C. Small Business Accord detailed several principles that will ensure that government can address these issues and others raised by small business owners.

Report on Performance

The following sections report on the progress made by the Ministry towards achieving the goals, objectives and performance targets it had set for itself in the [2012/13 – 2014/15 Service Plan](#), published in February 2012. The Ministry exceeded its targets for six of its 16 performance measures, fully achieved another five, and substantially achieved three. Data is not yet available for the two remaining targets.

Changes to Ministry Structure in 2012/13

There have been several changes to the Ministry's structure during the period covered by this report. Responsibilities for research, innovation, multiculturalism and the B.C. Pavilion Corporation (PAVCO) left the Ministry in September 2012. Progress towards the related goals and performance targets is being reported in the 2012/13 annual service plan reports for the Ministry of Advanced Education, Innovation and Technology (research and innovation), the Ministry of Finance (multiculturalism) and the Ministry of Energy, Mines and Natural Gas and Minister Responsible for Housing (PAVCO).

The Ministry also took on new responsibilities related to labour and its statutory mandates—including employment standards, policy and legislation development, labour relations, industrial relations and workers' compensation. This included responsibility for [WorkSafeBC](#), the [Labour Relations Board](#), the [Employment Standards Tribunal](#) and the [Workers' Compensation Appeals Tribunal](#). Goals 5, 6 and 7, described below, relate to labour and were originally articulated in the *Ministry of Labour, Citizens' Services and Open Government 2012/13 – 2014/15 Service Plan*.

The position of Minister of State for Small Business was also created in September of 2012. The associated responsibilities and achievements are outlined in the Message from the Minister of State and Accountability Statement on page five of this report.³

³ As of June 7, 2013 responsibilities for trade and investment policy and programming, competitiveness (venture and investment capital) and the Columbia Basin Trust have left the ministry. The Ministry gained responsibilities for film, television and digital policy, Premier's trade missions, Creative BC and the Trades Training Consortium of BC. These changes will be reflected in future annual reports.

Performance Results Summary Table

Goal 1: British Columbia is recognized as a preferred place to invest and do business	2012/13 Target	2012/13 Actual
For greater detail see pages 26 to 31		
1.1 Attract trade and investment to B.C. by focusing on priority sectors and markets		
Performance Measure 1: Foreign direct investment facilitated by Ministry programs	\$550 million	\$4.295 billion EXCEEDED
Performance Measure 2: Total number of international business agreements facilitated by Ministry programs	60	178 EXCEEDED
1.3 Foster a business climate that supports small business, improves investment readiness and encourages economic development		
Performance Measure 3: Number of government-wide regulatory requirements	0 net increase ⁴	-10% EXCEEDED
Performance Measure 4: Percentage of Canada's venture capital and the amount of foreign capital invested in B.C.	\$220 million	\$222 million ACHIEVED
• Total venture capital invested		\$59 million
• Foreign venture capital invested in B.C.	\$65 million	SUBSTANTIALLY ACHIEVED
• B.C.'s share of Canada's total venture capital investment	14%	15% ACHIEVED
Goal 3: British Columbia is positioned as one of North America's preferred tourism destinations	2012/13 Target	2012/13 Actual
For greater detail see pages 32 to 35		
3.2 Maximize efficiency and effectiveness of marketing within the B.C. tourism industry		
Industry Performance Indicator (Measure 5): Total Provincial Tourism Revenues	\$14.8 billion	DATA NOT AVAILABLE
Performance Measure 6: Visitors to HelloBC.com consumer websites worldwide	7 million	7.9 million EXCEEDED
Goal 4: British Columbia has a highly skilled and competitive labour force	2012/13 Target	2012/13 Actual
For greater detail see pages 35 to 39		
4.1 Develop the skills of British Columbians to match the needs of regional economies		
Performance Measure 7: Number of clients supported to access the labour market	42,911	46,518 EXCEEDED ⁵

⁴ As measured against the 2004 baseline.

⁵ Estimate as of May 27, 2013. Final figure expected at the end of June 2013.

4.2 Attract and retain new workers, entrepreneurs, and students throughout British Columbia and facilitate integration of them and their families	3,875	4,035 EXCEEDED
Performance Measure 8: Number of foreign workers and entrepreneurs nominated for permanent immigration through the Provincial Nominee Program		
Goal 5 : Balanced Law and Policy⁶ For greater detail see pages 39 to 41	2012/13 Target	2012/13 Actual
5.2 Balanced Law and Policy		
Performance Measure 9: Percentage of employers whose employment practices resulted in no complaints being registered with Employment Standards Branch	96.5 - 98.5%	97.6% ACHIEVED
Performance Measure 10: Percentage of mediation applications settled	>86%	86% SUBSTANTIALLY ACHIEVED
Goal 6 : Outstanding People	2012/13 Target	2012/13 Actual
For greater detail see page 42		
Goal 7 : Service Excellence⁴ For greater detail see page 41 to 44	2012/13 Target	2012/13 Actual
7.1 Accessible, reliable, and timely adjudicative services		
Performance Measure 11: Percentage of Employment Standards Branch cases resolved within 180 days	>78%	74.8% SUBSTANTIALLY ACHIEVED
7.3 Increased client and stakeholder satisfaction through open and effective communication		
Performance Measure 12: Client satisfaction with the Employment Standards Branch	>75%	DATA NOT AVAILABLE
Performance Measure 13: Client satisfaction with the Employers' Advisers Office	At least 90%	91% ACHIEVED
Performance Measure 14: Client satisfaction with the Workers' Advisers Office	At least 80%	81% ACHIEVED

⁶ This goal and its associated measures moved to the Ministry in September 2012 from the Ministry of Labour, Citizens' Services and Open Government.

Goals, Objectives, Strategies and Performance Results

Goal 1: British Columbia is recognized as a preferred place to invest and do business.

British Columbia is fortunate to have abundant natural resources, a highly skilled workforce and a diverse multicultural community. It also has a strong fiscal foundation, with an AAA credit rating, low taxes for job creators, and a strong modern regulatory environment. These competitive advantages combine to make this province a great place to do business and a safe harbour for investment.

Objective 1.1: Attract trade and investment to B.C. by focusing on priority sectors and markets.

Strategies

Key strategies over the past year included:

- Expanding markets for B.C. in key sectors – including forestry, tourism, technology, mining, natural gas, agri-foods, transportation (port, marine and aerospace) and international education – by providing export market development and other services in B.C. and by doubling our international trade and investment representative presence.
- Implementing focused business development and marketing programs in key overseas markets like China, India, Korea, Japan, the U.S. and Europe, including showcasing B.C.'s products and services during high-level missions and at trade shows and other major events, and informed by market and sectoral research and intelligence.
- Pursuing stronger relationships with industry and government partners – both domestic and international – through high-level relationship building, and by developing the B.C. business network and other trade and investment contacts at home and overseas.
- Attracting investment to the province by promoting B.C.'s world-class competitive advantages, offering enhanced hosting capabilities, targeting international companies to



Premier Clark signed an MOU with the Japan Oil Gas and Metals National Corporation (JOGMEC) at the Canadian Embassy in Tokyo during the trade mission to Asia in spring 2012.

relocate to B.C., and assisting B.C. to be ready to successfully conclude priority investment opportunities.

- Advancing B.C.'s priorities in international trade negotiations, including the Canada-European Union free trade negotiations, free trade negotiations with India and other key trade partners, and in response to the U.S. arbitration request filed against Canada under the Softwood Lumber Agreement.
- Strengthening internal trade across Canada and the Western region through collaboration with partners on agreements including the [Trade, Investment and Labour Mobility Agreement](#), [New West Partnership Trade Agreement](#) and [Agreement on Internal Trade](#).

Performance Measure 1: Total value of foreign direct investment facilitated by Ministry programs.

Performance Measure	2010/11 Actual	2011/12 Actual	2012/13 Target	2012/13 Actual
Total value of foreign direct investment facilitated by Ministry programs ¹	N/A ²	\$3.5 billion	\$550 million	\$4.295 billion EXCEEDED ³

Data Source: Ministry of Jobs, Tourism and Skills Training.

¹ In future years, the results for this performance measure will be reported in the annual reports of the Ministry of International Trade and the Minister Responsible of Asia Pacific Strategy and Multiculturalism.

² This measure was not yet in place in 2010/11.

³ This figure includes \$3.11 billion in LNG-related foreign direct investment.

Discussion of Results

Foreign direct investment helps B.C. grow its industries, create jobs and secure a position of strength in the global economy. The Ministry attracts foreign direct investment to B.C. by marketing the province's competitive advantages and world-class business environment, targeting potential investors through our international office network, providing hosting and other services in B.C. to inbound investment delegations, and helping sectors and communities to be investment-ready.

While the Ministry works to increase the amount of foreign direct investment attracted to B.C., foreign investment results ultimately depend on private sector intentions. Performance targets are based on annual foreign direct investment in B.C. averaged over a number of years. As a result, there may be significant variation in actual achievements on a year-to-year basis, as was the case this past year. The large increase in this year's results can also be attributed in part to the doubling of B.C.'s overseas presence in priority international markets.

Performance Measure 2: Total number of international business agreements facilitated by Ministry programs.

Performance Measure	2010/11 Actual	2011/12 Actual	2012/13 Target	2012/13 Actual
Total number of international business agreements facilitated by Ministry programs ¹	N/A ²	103	60	178 EXCEEDED

Data Source: Ministry of Jobs, Tourism and Skills Training.

¹ In future years, the results for this performance measure will be reported in the annual reports of the Ministry of International Trade and the Minister Responsible of Asia Pacific Strategy and Multiculturalism.

² This measure was not yet in place in 2010/11.

Discussion of Results

International business is critical to the success of companies in British Columbia's small, open economy. Agreements take the form of international purchases of B.C. goods and services (export agreements), research and innovation partnerships and agreements between industry and government that create the environment for deeper commercial relationships between companies. The Ministry supports the conclusion of international business agreements by arranging meetings and introductions between parties, providing information necessary to conclude agreements, assisting parties to work with all levels of government in B.C. and Canada and providing other services tailored to the needs of the parties.

The conclusion of international business agreements is largely dependent on private sector intentions. The Ministry's performance target is based on a multi-year average of agreements concluded per year. There may be significant variation in actual achievements on a year-to-year basis, as was the case this past year. The large increase in this year's results can also be attributed in part to the doubling of B.C.'s overseas presence in priority international markets.

Objective 1.2: Increase B.C.'s economic development and competitiveness.

Strategies

Key strategies over the past year included:

- Establishing a Major Investments Office to lead and work with ministries and agencies to support job creation by working directly with investors proposing significant projects.
- Creating a new Hosting Program to ensure significant investors have a positive experience knowing B.C. is a safe, desirable place to invest.
- Seeking investors and buyers of liquefied natural gas, capitalizing on new market opportunities.
- Aggressively promoting and positioning B.C. companies to gain a larger share of federal procurement contracts.

- Establishing a [BC Jobs and Investment Board](#) to foster economic development by identifying issues and processes potentially limiting economic development, and proposing solutions.
- Establishing an [Aboriginal Business and Investment Council](#) to improve relationships between Aboriginal communities, industry and government to implement practical measures for economic development.



260 delegates from 50 Aboriginal communities, the business sector attended the Aboriginal Business and Investment Council's "[Success through Sharing](#)" symposium in December. The forum highlighted successful Aboriginal-business partnerships and included sessions on good governance, accessing capital, leveraging opportunities and partnering for success.

Objective 1.3: Foster a business climate that supports small business, improves investment readiness and encourages economic development.

Strategies

Key strategies over the past year included:

- Establishing partnerships with public and private-sector organizations to deliver programs that support the sustainability and growth of the small business sector, creating new jobs for British Columbians.
- Increasing business competitiveness by reducing the costs of regulatory compliance and simplifying access to government services and information.
- Promoting alignment of federal, provincial and local government regulatory requirements.
- Identifying and address regulatory barriers in the key sectors targeted in the BC Jobs Plan.
- Streamlining the requirements and expanding the resources of the Small Business Venture Capital Program while ensuring it responds to the needs of regional economies.
- Targeting venture capital programs and policy to support the expansion of “anchor” technology companies that drive job creation and innovation.
- Through the B.C. Renaissance Capital Fund, providing investors with a complete understanding of the opportunities B.C. provides to them.

- Helping small business owners to hone their skills and increase productivity by launching the successful Micro-Business Training Pilot, in partnership with the B.C. Chamber of Commerce.

Performance Measure 3: Number of government-wide regulatory requirements

Performance Measure	2004 Baseline ¹	2010/11 Actual	2011/12 Actual	2012/13 Target	2012/13 Actual
Number of government-wide regulatory requirements	228,941	206,228	206,049	0 net increase ²	206,059 -10% EXCEEDED

Data Source: Ministry of Jobs, Tourism and Skills Training

¹ As defined in 2004.

² As measured against the 2004 baseline.

Discussion of Results

Since 2001, the Province has reduced regulatory requirements by 42.8 per cent and focused efforts on streamlining and simplifying regulatory reform and government processes. Reducing the regulatory burden placed on citizens and businesses is critical to ensuring British Columbia's economic competitiveness, and to providing all citizens with easy access to government service and programs. Regulatory reform reduces the cost and time of doing business that can, in turn, be reinvested in the business to create more jobs. The net zero increase target reflects government's strong commitment to making British Columbia a leader in regulatory reform and its efforts to date have earned it the Canadian Federation of Independent Business's "A" rating for cutting red tape – the highest rating awarded to any Canadian jurisdiction. The Ministry publishes regulatory requirement count information on its website at www.gov.bc.ca/regulatoryreform.

Performance Measure 4: Percentage of Canada's venture capital and the amount of foreign capital invested in B.C.¹

Performance Measure	2007 Baseline	2010/11 Actual	2011/12 Actual	2012/13 Target	2012/13 Actual
Total venture capital invested	\$225 million	\$226 million	\$228 million	\$220 million	\$222 million ACHIEVED
Foreign venture capital invested in B.C.	\$70	\$100 million	\$70 million	\$65 million	\$59 million SUBSTANTIALLY ACHIEVED
B.C.'s share of Canada's total venture capital investment	12%	20%	15%	14%	15% ACHIEVED

Data Source: Thomson Reuters, prepared for Canada's Venture Capital and Private Equity Association (available at www.cvca.ca/resources/statistics) and Ministry of Jobs, Tourism and Skills Training and Minister responsible for Labour.

¹ In future years, the results for this performance measure will be reported in the annual reports of the Ministry of International Trade and the Minister Responsible of Asia Pacific Strategy and Multiculturalism.

Discussion of Results

The Ministry's venture capital programs give small businesses access to early-stage venture capital, business expertise, and contacts for seed-stage companies to help them develop and expand. In 2012/13, B.C. captured 15 per cent of all venture capital disbursements in Canada. With \$222 million invested, B.C. was second in per-capita investment, behind only Quebec. During the year, the credit programs administered by the Ministry supported \$102.8 million of investments in over 240 small businesses. This performance reflects the overall success of the B.C. economy, its competitive tax rates and the continued attractiveness of B.C. to small businesses. While Canadian venture capital investments held steady in 2012, U.S. venture capital investments in B.C. and a number of other markets around the world dropped noticeably. U.S. venture capital investments are a significant contributor to B.C.'s foreign venture capital and their softening in 2012 helps explain why total foreign venture capital investments in B.C. did not reach predicted levels.

Goal 2: Investment potential in B.C.'s regions and communities is maximized.

Investment is a key contributor to economic growth. The Ministry works to encourage communities and regions to become investment-ready by supporting economic development strategies that make investment a priority, and by attracting and facilitating investment across the province.

Objective 2.1: Improve investment attraction and retention in all regions of the province.

Strategies

Key strategies pursued over the past year included:

- Encouraging communities to become investment-ready by identifying viable project opportunities and attracting investors to them.
- Bringing local government, community organizations, and business and industry associations together to facilitate creating investment attraction strategies to accelerate economic growth and job creation in each region of the province.
- Through the [Regional Economic Investment Pilots](#), working with a pilot set of communities to boost job creation by working with employers and investors.
- Connecting trade officers to business stakeholders across the province and connect investors to opportunities in the regions.
- Providing communities and businesses with public access to data, information, programs and services that develop and improve investment readiness, including:
 - Intelligence on B.C.'s competitiveness.

- Quarterly publication of the Major Project Inventory.
- The [RuralBC website](#) of grant sources and other information.
- Conducting economic analysis in support of direct investment opportunities.
- Creating and launching Atlas BC, a web-based mapping application to integrate spatial data for economic development.

Objective 2.2: Increase economic diversification and resilience across B.C.

Strategies

Key strategies pursued over the past year included:

- Continuing working with the regional beetle action coalitions and partnering with the regional economic development trusts to develop and implement strategies and actions that accelerate job creation through regional community diversification and economic development.
- Working with partners to establish the Wood Innovation Design Centre in Prince George to expand the use of wood in construction and innovative wood product manufacturing.
- Implementing the \$50-million Western Economic Partnership Agreement between the Province and Western Economic Diversification Canada.

RuralBC Website



The RuralBC website offers valuable information for individuals, businesses, local governments and rural communities. It contains a funding database (222 funding sources!), best practices, an interactive provincial map, webinar information, and a calendar of events designed specifically for rural communities and is accessible at www.ruralbc.gov.bc.ca

Goal 3: British Columbia is positioned as one of North America's preferred tourism destinations.

Due to its wealth of unparalleled tourism experiences, British Columbia is already recognized as one of the best places in North America to visit. In 2012/13, the Ministry built on these strengths by working to attract visitors from priority markets and to maximize the efficiency and effectiveness of marketing of B.C.'s tourism industry.

Objective 3.1: Attract first time and repeat visitors from priority markets.

Strategies

Key strategies over the past year included:

- Highlighting key tourism products where B.C. has a competitive advantage and target markets where B.C.'s products have existing and future potential.
- Deploying a combination of media relations, social media, travel trade and consumer direct marketing to address and influence each stage of the vacation planning process.
- Harnessing the power of emerging technology to deliver timely, accurate travel and product information to consumers regardless of location or device.
- Conducting research and evaluation on consumers, markets, products and trends to inform decision making.
- Working in collaboration with international, national and B.C.-based partners to further leverage marketing efforts.
- Improving the visitor experience through progressive customer service training, quality assurance programs and integrated visitor information services.



British Columbia Magazine connects over one million readers worldwide to the [Super, Natural British Columbia](#) opportunities. The magazine was honoured for journalistic excellence in eight award categories at the 2012 International Regional Magazine Association conference.

Objective 3.2: Maximize efficiency and effectiveness of marketing within the B.C. tourism industry.

Strategies

Key strategies over the past year included:

- Ensuring that tourism efforts provincially, regionally and locally are co-ordinated to achieve maximum efficiency and effectiveness, by establishing Destination British Columbia, a new industry-led provincial tourism marketing agency to lead this alignment and cooperation.
- Creating a new model for tourism partnership and co-ordination by creating a market-driven regime to solidify and strengthen B.C.'s competitive advantage.
- Working with the tourism industry and federal, provincial and local government agencies to address issues and opportunities affecting tourism growth.

- Helping communities and sectors in increasing the professionalism and market readiness of the industry.
- Encouraging the growth of Aboriginal cultural tourism in B.C. and First Nations investment in tourism and outdoor recreation ventures.
- Working with partners to address shortages in B.C.'s tourism workforce.

Destination British Columbia

[Destination British Columbia](#), officially launched on April 1, 2013 is responsible for leadership roles critical to the long-term, sustainable growth of the provincial tourism industry.

These include:

- *Marketing British Columbia domestically, nationally and internationally as a tourist destination;*
- *Promoting the development and growth of the tourism industry in British Columbia to increase revenue and employment in, and the economic benefits generated by, the industry, including, without limitation, by:*
 - *Providing support for regional, sectoral and community tourism marketing;*
 - *Providing industry leadership in tourism marketing;*
 - *Promoting training and development in relation to tourism marketing;*
 - *Providing support for visitor centres; and*
 - *Conducting tourism-related market research;*
- *Enhancing public awareness of tourism and its economic value to British Columbia.*

Industry Performance Indicator (Measure 5): Provincial Tourism Revenues.

Performance Measure	2010/11 Actual	2011/12 Actual	2012/13 Target	2012/13 Actual
Provincial Tourism Revenues	\$13.2 billion	\$13.4 billion	\$14.8 billion	Data Not Available ¹

Data Source: Provincial tourism revenues are estimated by BC Stats from data on revenues of B.C. tourism businesses and an assessment of their dependence on spending by tourists. This measure is calculated on a calendar year basis. For example, the 2012/13 result is based on the period from January 1, 2012 to December 31, 2012.

¹ Data will be published in Destination British Columbia's *Value of Tourism in British Columbia* report in the fall of 2013.

Discussion of Results

Provincial tourism revenues are an overarching industry indicator of tourism growth in the province, and a key measure for tracking the health and growth of the tourism industry. Increases and decreases are affected by numerous factors – such as exchange rates, fuel costs, international security policies, ease of air travel access and the provincial, national, and global economy – in addition to Ministry efforts aimed at supporting tourism.

The Total Provincial Tourism Revenues data is expected to be available from BC Stats in the early fall of 2013 and to be published in Destination British Columbia's *Value of Tourism* publication, also in the fall of 2013.

Performance Measure 6: Visitors to HelloBC.com consumer websites worldwide.

Performance Measure	2010/11 Actual	2011/12 Actual	2012/13 Target	2012/13 Actual
Visitors to HelloBC.com consumer websites worldwide	6 million	7.5 million	7 million	7.9 million EXCEEDED

Data Source: Ministry of Jobs, Tourism and Skills Training.

Discussion of Results

This measure tracks the number of visitors to British Columbia's tourism consumer website HelloBC.com and related foreign-language websites, and is an indicator of the success of marketing programs. This past year has been a successful one, with the Ministry exceeding its target by 900,000 visitors.

HelloBC.com is the Province's consumer-facing website. The technology powering this website has been upgraded, and deployed on five international websites (UK, Germany, France, Australia and India). Also, third-party user-generated reviews have been added to the North America consumer website through Trip Advisor. HelloBC's [Facebook page](#) has been refreshed to increase fans in priority markets. This has led to tremendous growth with a fan base of over 97,000. Twitter followers now number over 38,000.

Goal 4: British Columbia has a highly skilled and competitive labour force.

A highly skilled and competitive labour force is vital to economic growth that can support the prosperity of families across the province. The Ministry provides leadership to reduce demand-supply gaps in the labour market through targeted skill development programs to up-skill and train British Columbians for job opportunities, and to provide relevant, timely labour market to help British Columbians navigate the labour market and connect directly to employers and jobs throughout the province.

Objective 4.1: Develop the skills of British Columbians to match the needs of regional economies.

Strategies

Key strategies over the past year included:

- Supporting the launch of the [Skills and Training Plan](#) to ensure B.C. has the right number of trades and technical workers, at the right time, to meet regional labour market demand.
- Enhancing access to skills and apprenticeship training throughout the province, and refocusing labour market and training investments to meet regional labour market needs and investing over \$100 million into trades training initiatives.
- Creating regional workforce tables to bring together employers, labour, industries, communities, chambers of commerce and local trainers to ensure that training is matched with regional employment needs.
- Providing up to \$6 million a year to industry sector partnerships to help them identify their skills and workforce needs.
- Providing up to \$10 million over three years to support sector-based training through the Labour Market Sector Solutions Program.
- Implementing immigrant labour market participation services, and delivering sector-specific initiatives to facilitate immigrants' integration into the labour market and the economy.
- Providing high quality, innovative labour market information products and services through WorkBC.ca to support British Columbians to make informed decisions about the labour market and their training and career choices, and to match job seekers with employers.



More than 134,000 British Columbians from 42 communities attended B.C. job fairs in 2012/13 to connect with employers and learn more about the job opportunities and skills-training resources available to them.

Performance Measure 7: Number of clients supported to access the labour market.

Performance Measure	2010/11 Actual	2011/12 Actual	2012/13 Target	2012/13 Actual
Number of clients supported to access the labour market	32,213	39,764	43,911	46,518 EXCEEDED ¹

Data Source: Ministry of Jobs, Tourism and Skills Training

¹ Estimate as of June 18, 2013. Final figure expected in July 2013.

Discussion of Results

Ministry programs covered by this measure include programs under the Canada-B.C. Labour Market Agreement (LMA) (approximately 16,800 participants), the Targeted Initiative for Older Workers (approximately 360 participants) and a portion of WelcomeBC programs funded largely under the Canada-B.C. Immigration Agreement (30,158 participants).

LMA programs are highly successful, with over 90 per cent of participants reporting the services received have sufficiently prepared them for employment opportunities and over 70 per cent reporting that they are either in school or employed three months after participating in a LMA-funded program. This past year, LMA programs focused on providing community-based and post-secondary training—aligned with local and provincial labour market needs—addressing growing job openings in the construction sector—primarily in the north—supporting trades awareness programming for women, immigrants and Aboriginal people, and expanding capacity in pre-apprenticeship training.

Under the labour-market related WelcomeBC programs, participants benefited from English language training and labour-market-focused settlement assistance. For example, the Skills Connect for Immigrants program has helped skilled immigrants connect to jobs related to their pre-arrival skills and training with an 80 per cent employment success rate.

Objective 4.2: Attract and retain new workers, entrepreneurs and students throughout British Columbia and facilitate integration of them and their families.

Strategies

Key strategies over the past year included:

- Expanding and promoting the Provincial Nominee Program to attract and retain more immigrants to help meet regional economic and labour market needs.
- Delivering over \$100 million in immigrant settlement and integration services, including online client engagement channels, like WelcomeBC.ca, to increase access to immigrant services and improve the integration of immigrants and their families throughout the province.



Participants mingle at the annual WelcomeBC Day celebration honouring outstanding achievement by immigrants, and the hard work of organizations that welcome immigrants into B.C. communities.

- Developing and implementing social marketing and international talent attraction strategies to promote British Columbia as a destination of choice to work and live.
- Improving employers' access to workers from outside the province by supporting national and international labour mobility.
- Working with the Ministry of Advanced Education, Innovation and Technology to attract and retain more international students by supporting welcoming communities and pathways for students to stay and work in British Columbia.
- Collaborating with communities, organizations, sectors and employers to build welcoming and inclusive communities and workplaces in British Columbia where immigrants and their families can fully participate in British Columbia's social and economic development.
- Exploring the potential for a single body to oversee formal credential assessments for foreign-trained professionals.
- Expediting the immigration process for researchers and scientists by engaging the federal government on this issue.
- Implementation of the recommendations of B.C.'s Immigration Task Force to enhance the effectiveness of immigration programs, including continuing to negotiate for an increase in the 2013 federal cap on nominations under B.C.'s Provincial Nominee Program to 5000 from the current allotment of 3800.

Performance Measure 8: Number of foreign workers and entrepreneurs nominated for permanent immigration through the Provincial Nominee Program.

Performance Measure	2010/11 Actual	2011/12 Actual	2012/13 Target	2012/13 Actual
Number of foreign workers and entrepreneurs nominated for permanent immigration through the Provincial Nominee Program ¹	3,500	3,500	3,875 ²	4,035 ³ ACHIEVED

Data Source: Ministry of Jobs, Tourism and Skills Training.

¹ Total number includes the Business and Strategic Occupations/Skilled Workers categories.

² Targets are subject to federal government agreement and budget approval. The 2012/13 target pro-rated the federal allocation of 3,540 B.C. Provincial Nominee Program nominations for the 2012 calendar year.

³ This includes 2655 nominations made during the first three quarters of 2012/13, 1164 nominations made during the last quarter of 2012/13, and 216 nominations of highly skilled workers nominated through the Federal Skilled Worker Backlog Reduction Pilot.

Discussion of Results

The [Provincial Nominee Program](#) (PNP) is designed to increase the economic benefits of immigration to the province by attracting and retaining skilled and entrepreneurial immigrants based on provincial economic needs, priorities and selection criteria. It offers accelerated immigration for qualified skilled workers and experienced entrepreneurs who can contribute to the economy. This performance measure indicates the number of principal applicants (excluding family members) nominated through the PNP in 2012/13, including 3,968 workers and 67 entrepreneurs.

In addition to the 2012/13 nominations, the PNP supported 130 new entrepreneurs to obtain initial work permits for the purpose of establishing businesses and creating jobs in British Columbia, which will lead to future PNP nominations. Since 2007, entrepreneurs attracted through the PNP have invested approximately \$580 million, creating 1,068 new jobs.

Goal 5: Balanced Law and Policy

Objective 5.1: Labour laws and policies responsive to, and supportive of, the evolving world of work

The Ministry's legislation, policy and services are designed to: protect the health and well-being of British Columbia's workers; foster fairness; ensure that appropriate protections, supports and remedies are available; and promote labour stability. To maintain these outcomes, the law, regulations and services must keep pace with changes in the labour and health and safety environment.

Strategies

Key strategies over the past year included:

- Creating dialogue between the Ministry and stakeholders in the employer and worker communities so that critical employment and labour relations issues are addressed in a timely, effective and mutually beneficial manner and in a way that promotes labour stability.
- Ensuring that the principles of early intervention are available and applied, where necessary and appropriate, in collective bargaining and in the disposition of employment standards complaints.

Objective 5.2: Clients and stakeholders have knowledge of and understand labour requirements and processes

To achieve our objective of employment and labour laws and policies being responsive to and supportive of the evolving world of work, it is imperative that employers, workers, and other stakeholders are knowledgeable about workplace requirements, conflict resolution processes, and how to access them.

Strategies

Key strategies over the past year included:

- Ensuring access to a responsive and efficient [Labour Relations Board](#) to address issues in unionized workplaces as regulated by the *Labour Relations Code*.
- Engaging in initiatives aimed at increasing knowledge of employment standards among employees and employers.
- Providing direct workers' compensation assistance, guidance and service to workers and employers.
- Providing education, training, and mentoring to government agencies, public groups, professional associations, and unions on compensation claims and appeals issues.
- Providing training, mentoring and coaching to employers on workers' compensation and occupational health and safety issues to create safer, more effective workplaces and to protect vulnerable workers.
- Addressing language barriers within various ethnic communities by providing information and services in multiple languages.

Performance Measure 9: Percentage of employers whose employment practices resulted in no complaints being registered with the Employment Standards Branch

Performance Measure	2004/05 Baseline	2010/11 Actual	2011/12 Actual	2012/13 Target	2012/13 Actual
Percentage of employers whose employment practices resulted in no complaints being registered with the Employment Standards Branch	97.7%	97.5%	97.4%	96.5 – 98.5%	97.6% Achieved

Data Source: Employment Standards Branch Case Management System and BC STATS. The performance measure is determined by dividing the total number of employers not subject to complaints filed with the Employment Standards Branch within a fiscal year by the total number of business establishments with employees throughout the province.

Discussion of Results

This performance measure is both a reflection of labour stability and employer and worker knowledge of requirements and processes. A high percentage of employers without employee complaints registered with the Employment Standards Branch indicates a comprehensive and wide-spread understanding of labour requirements and processes. This in turn creates the stable labour climate that our economy relies on. The Ministry works to influence the measure through its educational and compliance initiatives, particularly in those sectors where vulnerable workers are most likely to be employed.

Performance Measure 10: Percentage of mediation applications settled

Performance Measure	2009/10 Baseline	2010/11 Actual	2011/12 Actual	2012/13 Target	2012/13 Actual
Percentage of mediation applications settled	86%	95%	89%	>86%	86% SUBSTANTIALLY ACHIEVED

Data Source: Labour Relations Board Annual Statistics (calendar years). The measure is calculated by dividing the number of mediator appointments under sections 55 and 74 of the Labour Relations Code that resulted in settlements, by the total number of appointments disposed of under those sections.

Discussion of Results

This measure demonstrates the extent to which mediation appointments made by the Labour Relations Board have resulted in settlements (i.e., where the parties agree to settle matters by way of mediation and/or arbitration). It is an important indicator of labour stability in the province and reflects the broad goal of balanced law and policy.

Goal 6: Outstanding People

Objective 6.1: Leaders who are accountable to deliver service, develop qualified people, and implement transformation

Strategies:

Key strategies over the past year included:

- Supporting a high-performance, service-oriented culture.
- Developing a critical knowledge transfer framework.
- Enhancing leadership and develop supervisory and management skills.
- Maintaining and enhancing the level of expertise of staff by providing professional development.

Goal 7: Service Excellence

Objective 7.1: Accessible, reliable, and timely adjudicative services

Timely, accurate and quality decisions are critical in ensuring that a fair and effective dispute resolution process exists and the successful delivery of Ministry programs and services is achieved.

Strategies

Key strategies over the past year included:

- Improving the efficiency and effectiveness of the Employment Standards Branch decision-making process through access to clear policy direction, sharing of best practices and the development and delivery of appropriate training.
- Ensuring that the Employment Standards Branch works to meet established timeline targets for resolving cases.
- Ensuring that systems are in place to track productivity and adherence to timeline targets for administrative tribunals.
- Establishing timelines and a baseline for the disposition of cases before the Labour Relations Board, with a performance measure to be implemented in the next year.
- Focusing on ensuring the efficiency and responsiveness of the workers' compensation appeal system.

Performance Measure 11: Percentage of Employment Standards Branch cases resolved within 180 days

Performance Measure	2010/11 Baseline	2010/11 Actual	2011/12 Actual	2012/13 Target	2012/13 Actual
Percentage of Employment Standards Branch cases resolved within 180 days	78%	82%	82%	>78%	74.8% SUBSTANTIALLY ACHIEVED

Data Source: Employment Standards Branch case management statistics. This measure is calculated by dividing the number of cases resolved within 180 days by the total number of cases filed.

Discussion of Results

This measure represents a timeliness indicator for the [Employment Standards Branch](#). By aiming to resolve cases within 180-days, we are able to establish clear expectations for workers and employers and can ensure workers will receive any money they are owed within a designated time period. The target for this measure was not fully achieved due to a variety of factors, including a backlog of unresolved complaints, the complexity and timing of new complaints received, staff attrition rates that exceeded projections, and the conduct of investigations with respect to temporary foreign workers.

Objective 7.2: Innovative early intervention processes

Early intervention and the use of alternative dispute resolution processes support the timely, effective and fair resolution of complaints and disputes, which promotes overall compliance with labour legislation and fosters stability in labour relations. The Ministry continues to garner the support of essential stakeholders in innovative dispute resolution processes and initiatives.

Strategies

Key strategies over the past year included:

- Encouraging the use of early intervention and alternative dispute resolution methods such as self-help, mediation and relationship building.
- Continuing the emphasis of the Labour Relations Board on offering conflict resolution programs to the labour relations community that focus on team building, joint consultation committee effectiveness and relationship enhancement, to promote and encourage cooperative participation in resolving workplace issues between employers and unions.
- Supporting the Employment Standards Branch in providing education and proactive measures to facilitate and promote the use of early intervention and alternative dispute resolution in support of the complaint resolution model for employment standards (self-help materials and mediation prior to adjudication).
- Ensuring that sector-specific initiatives undertaken by the Employment Standards Branch foster mutual co-operation between government and industry, particularly as they relate to vulnerable workers.
- Promoting use of early intervention and early dispute resolution in the workers' compensation system (including self-help materials and merit assessments).

Objective 7.3: Increased client and stakeholder satisfaction through open and effective communication

Increased satisfaction arises from increased understanding, trust and respect. The success of these values relies upon open and effective communication.

Strategies:

Key strategies over the past year included:

- Providing services in multiple languages.
- Surveying biannually to measure client satisfaction with the service of the [Employers' Advisers Office](#) and [Workers' Advisers Office](#).

Performance Measure 12: Client Satisfaction with the Employment Standards Branch

Performance Measure	2010/11 Baseline	2010/11 Actual	2011/12 Actual	2012/13 Target	2012/13 Actual
Client Satisfaction with the Employment Standards Branch	75%	86%	N/A ¹	>75%	Data Not Available ¹

Data Source: ESB Client Satisfaction Survey Results 2010 .

¹ No surveys were conducted in 2011/12 and 2012/13.

Discussion of Results

This performance measure assesses how satisfied clients are with the services provided by the Employment Standards Branch (ESB). The measure is based on responses to a client satisfaction survey first conducted in 2010. Results of the survey assist the Ministry in determining where improvements should be made to the services provided by the ESB. Because of significant staffing pressures experienced by the ESB in 2012/13, a decision was made not to conduct the survey. Instead staffing resources were focussed on resolving the more than 7,000 *Employment Standards Act* complaints the branch received within the 180-day timeline.

Performance Measure 13: Client Satisfaction with Employers' Advisers Office

Performance Measure	2004/05 Baseline	2010/11 Actual	2011/12 Actual	2012/13 Target	2012/13 Actual
Percentage of respondents satisfied or very satisfied with the Employers' Advisers Office	90%	87%	N/A ¹	At least 90%	91% ACHIEVED

Data Source: Biannual survey of clients of the Employers' Advisers Office.

¹ This is a biannual survey and no survey was conducted in 2011/12.

Discussion of Results

This measure demonstrates how satisfied clients are with the services provided by the [Employers' Advisers Office](#) (EAO). It is based on a biannual satisfaction survey conducted by BC Stats. The 2012/13 survey surveyed 3,721 employers and found a 91 per cent satisfaction level.

Performance Measure 14: Client Satisfaction with the Workers' Advisers Office

Performance Measure	2004/05 Baseline	2010/11 Actual	2011/12 Actual	2012/13 Target	2012/13 Actual
Percentage of respondents satisfied or very satisfied with the Workers' Advisers Office	73%	82%	N/A ¹	At least 80%	81% ACHIEVED

Data Source: Biannual surveys of clients of the Employers' Advisers Office and the Workers' Advisers Office.

¹ This is a biannual survey and no survey was conducted in 2011/12.

Discussion of Results

This measure demonstrates how satisfied clients are with the services provided by the [Workers' Advisers Office](#) (WAO). It is based on a biannual satisfaction survey conducted by BC Stats. The 2012/13 survey surveyed 993 clients whose files were closed between April 1, 2012 and September 30, 2012 and found an 81 per cent satisfaction level.

Report on Resources: Summary Table

	Estimated	Other Authorizations ¹	Total Estimated	Actual	Variance ²
Operating Expenses (\$000)					
Labour Market and Immigration Initiatives	18,071	(625)	17,446	18,562	1,116
Trade and Investment Attraction	16,258	21,679	37,937	36,279	(1,658)
Tourism	48,870	2,376	51,246	54,355	3,109
Major Investments Office	2,667	0	2,667	1,385	(1,282)
Competitiveness and Innovation	8,062	(2,397)	5,665	4,777	(888)
Economic Development	6,996	10,500	17,496	16,708	(788)
Transfers to Crown Corporations and Agencies	127,536	(15,292)	112,244	113,244	1,000
Executive and Support Services	5,648	173	5,821	5,615	(206)
Northern Development Fund	500	0	500	500	0
Labour	0	15,713	15,713	13,706	(2,007)
Sub-Total	234,608	32,127	266,735	265,131⁴	(1,604)
Adjustment of Prior Year Accrual³	0	0	0	(420)	(420)
Total	234,608	32,127	266,735	264,711	(2,024)
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)					
Executive and Support Services	3,103	0	3,103	1,714	(1,389)
Labour	0	173	173	16	(157)
Total	3,103	173	3,276	1,730	(1,546)

¹ Other Authorizations include Supplementary Estimates, Statutory Appropriations and Contingencies. Amounts in this column are not related to the "estimated amount" under sections 5(1) and 6(1) of the Balanced Budget and Ministerial Accountability Act for ministerial accountability for operating expenses under the Act.

Transfer to/from other ministries due to re-organizations (\$2.601M)

Labour \$15.713M

BC Pavilion Corporation (\$9.142M)

BC Innovation Council (\$6.150M)

Research and Innovation (\$2.397M)

Multiculturalism (\$0.625M)

Contingencies access \$34.728M

Tourism Vancouver Operations \$2.376M

Resort Municipalities Initiatives \$10.500M

BC Jobs Plan \$11.170M

India Market Outreach Strategy \$10.509M

Minister of State for Small Business \$0.173M

² Explanations for variances greater than 5%

Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour

Labour Market and Immigration Initiatives: Over expenditure due to Job Match pilot program

Tourism: Over expenditure due to \$3M transfer to Destination BC

Major Investments Office: Under expenditure due to delays in fully implementing program. Savings were used to offset ministry priorities such as Job Match.

Competitiveness and Innovation: Under expenditure due to program savings used to offset ministry priorities.

Labour: Under expenditure due primarily to mandated savings

³ The Adjustment of Prior Year Accrual of \$0.420 million is a reversal of accruals in the previous year.

⁴ The proportion of total resources used to fund service providers is 70% of the ministry's total gross expenditures in 2012/13.

Nechako-Kitamaat Development Fund Society

Organizational Overview

The [Nechako-Kitamaat Development Fund Society](http://www.nkdf.org) (NKDFS) was incorporated on August 18, 1999 to support sustainable economic activity in northern communities affected by the Kemano Completion Project and by the creation of the Nechako Reservoir. The Government of British Columbia provides NKDFS with \$500,000 annually from the Northern Development Fund, a 50-50 cost-sharing partnership fund created by the Province and Alcan.

NKDFS spends the income from its long-term investments on programs and projects that meet each community's goals for economic development and community stability. For more information on the Nechako-Kitamaat Development Fund Society, visit their website at www.nkdf.org.

Corporate Governance

The NKDFS is governed by a government-appointed board of directors who live in the investment area and represent a range of regional interests:

- Dwight Magee, Rio Tinto Alcan Inc.
- Greg Goodwin, Province of B.C.
- Shannon Eakin, Burns Lake (Secretary/Treasurer)
- Janice Baker, Vanderhoof
- John Amos, Kitamaat Village
- Keith Federink, Vanderhoof
- Ray Klingspohn, Vanderhoof
- Mike Robertson, Southside
- Wayne Salewski, Vanderhoof

Biographical information can be located at: nkdf.org/aboutus/board-members.

2012/13 Results

The Society received a total of 18 new applications during the 2012/13 fiscal year and approved 14, totalling \$513,394. Two examples of the approved projects are:

Village of Burns Lake, Downtown Revitalization \$100,000

The proponent of this project, the Village of Burns Lake, is making improvements to its downtown area. Phase One of this project will invigorate and refresh the aesthetics on Highway 16, from the junctions at Centre Street, through to 5th Avenue, using a combination of

features including new pavement, curb bulbs, landscaping and trees, First Nations artwork, and new pedestrian crosswalks the phased revitalization plan. These improvements will complement and support local economic development as part of the response to the Babine Mill tragedy. The Village is sharing project costs with the Ministry of Transportation and Infrastructure, which plans to spend \$14 million on highway improvements in the Lakes District.

Community Futures of Nadina, Enterprising Artisans \$56,250

This project is a partnership led by Community Futures of Nadina (a non-profit organization aimed at community development in the Bulkley Valley and the Lakes District areas) and includes the Cheslatta Carrier Nation and Rio Tinto Alcan. The project will draw on resources from a broader range of stakeholders and serve a broader group of participants, including First Nations groups both in and outside the NKDFS investment area. The purpose of this project is to bring together artisans along the western corridor, create a brand, increase the profile of local artisans, and build a marketing and distribution system, including an online portal.

2012/13 Financial Summary

(\$ in thousands)	Actual 2012/13	Budget 2012/13	Actual 2011/12
REVENUE			
Contribution Agreement Funding - Province of BC	\$500,000	\$500,000	\$500,000
Investment	\$34,514	\$33,970	\$27,581
	\$534,514	\$533,970	\$527,581
EXPENSES			
General	\$85,069	\$96,521	\$81,906
Grant Promotion	\$5,745	\$10,000	\$221
Grant Payments	\$491,151	\$1,041,619	\$392,953
	\$581,965	\$1,148,140	\$475,080
EXCESS (Revenue over Expenses)	\$(47,451)	\$(614,170)	\$52,501
Fund Balance (Beginning of year)	\$1,758,432	\$1,758,432	\$1,705,931
Fund balance (End of year)	\$1,710,981	\$1,144,262	\$1,758,432

Appendix A: Ministry Contact Information

Ministers' Offices

Honourable Shirley Bond
Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour
PO Box 9071
Stn Prov Govt
Victoria B.C. V8W 9E2
Email: JTST.Minister@gov.bc.ca.
Phone: 250 356-2771

Honourable Naomi Yamamoto
Minister of State for Tourism and Small Business
PO Box 9054
Stn Prov Govt
Victoria B.C V8W 9E2
Email: SSB.Minister@gov.bc.ca
Phone: 250 356-0946

Deputy Minister's Office

Dave Byng
Deputy Minister
Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour
PO Box 9846
Stn Prov Govt
Victoria B.C. V8W 9T2
Email: DM.JTST@gov.bc.ca.
Phone: 250 952-0102

To learn more about the numerous programs and services provided by the Ministry of Jobs, Tourism and Skills Training and the Minister Responsible for Labour please visit www.gov.bc.ca/jtst

To find a specific person or program in the Ministry of Jobs, Tourism and Skills Training and the Ministry Responsible for Labour, you can also try the [B.C. Government Directory](#).



GOVERNMENT'S LETTER OF EXPECTATIONS

BETWEEN

**THE MINISTER OF JOBS, TOURISM AND SKILLS TRAINING
AND MINISTER RESPONSIBLE FOR LABOUR
(AS REPRESENTATIVE OF THE GOVERNMENT OF BRITISH COLUMBIA)**

AND

**THE CHAIR OF DESTINATION BC
(AS REPRESENTATIVE OF THE CORPORATION)**

FOR 2014/15

PURPOSE

This Letter of Expectations (the Letter) provides Government's annual direction to Destination BC and is an agreement on the parties' respective accountabilities, roles, and responsibilities. The Letter confirms the Corporation's mandate and priority actions, articulates the key performance expectations as documented in the Government's Expectations Manual for British Columbia Crown Agencies¹, and forms the basis for the development of the Corporation's Service Plan and Annual Service Plan Report. The Letter does not create any legal or binding obligations on the parties. It is intended to create an opportunity for dialogue between the parties and to support an open, positive and co-operative working relationship, resulting in the achievement of government's policy and performance expectations in a transparent and accountable manner.

CORPORATION ACCOUNTABILITIES - MANDATE

Government has provided the following mandate direction to Destination BC under the *Destination BC Corp. Act*:

- Marketing British Columbia domestically, nationally and internationally as a tourist destination;
- Promoting the development and growth of the tourism industry in British Columbia to increase revenue and employment in, and the economic benefits generated by, the industry, including, without limitation, by:

¹ The Province of British Columbia's Crown Agency Accountability System (<http://www.gov.bc.ca/caro/publications/index.html>) establishes guiding principles for the governance of Crown corporations. The *Government's Expectations For British Columbia Crown Agencies* provides for a Government's Letter of Expectations (Letter) to be developed.

- o Providing support for regional, sectoral and community tourism marketing;
 - o Providing industry leadership in tourism marketing;
 - o Promoting training and development in relation to tourism marketing;
 - o Providing support for visitor centres; and,
 - o Conducting tourism-related market research.
- Providing advice and recommendations to the minister on tourism-related matters;
- Enhancing public awareness of tourism and its economic value to British Columbia; and
- Administering and performing agreements assigned to it by the minister.

SPECIFIC CORPORATION ACCOUNTABILITIES

To achieve this mandate, the Corporation is directed to take the following specific actions:

- Undertake marketing and partnership activities to assist the tourism sector to achieve the targets set out in Gaining the Edge – A Five Year Strategy for Tourism in British Columbia, and report progress to the Minister regularly;
- Implement a three-year marketing plan aligned with Gaining the Edge- A Five-year Strategy for Tourism in British Columbia, with a focus on:
 - showcasing and enhancing high potential products where BC has competitive strengths, including the development of Aboriginal cultural tourism,
 - growing priority markets, including consumer and trade campaigns to capitalize on Canada's Approved Destination Status in China, and developing the emerging markets of India and Mexico, and
 - supporting the development of outstanding tourism products in BC communities, through consultation with Destination BC's tourism marketing committee and report progress to the Minister regularly;
- Provide input to, and align activities with, government's strategic priorities and guidance for the tourism sector under the BC Jobs Plan and Gaining the Edge tourism strategy, including any updates to those plans;
- Use key performance measures and indicators developed in 2013/14 to measure Destination BC and tourism industry performance and report these to the Minister regularly;
- Leverage private sector and other government (e.g. federal and local) funds through the use of provincial funds to develop joint marketing campaigns that are co-funded by the private sector and/or other governments;
- Develop and publish contracts with Regional Destination Marketing Organizations that include clearly specified deliverables and performance measures upon which funding is predicated;
- Ensure planning and implementation of the upgrading of the Visitor's Centres is undertaken within Destination BC's approved budget, with implementation beginning in 2015/16;
- Receive corporate and legal services for 2014/15 exclusively from the Ministry responsible, the BC Public Service Agency, Legal Services Branch of the Ministry of Justice and Shared Services BC under Service Level Agreements with the Ministry responsible and Legal Services Branch, unless otherwise directed by the Minister.

GENERAL CORPORATION ACCOUNTABILITIES

Over the past decades, British Columbians have come to expect high quality products and services delivered by their Crown corporations. The Province is well served by our Crown corporations and it is up to the Boards and Senior Management teams of these organizations to manage in the best interests of the Province and our citizens and conduct its affairs with the principles of integrity, efficiency, effectiveness, and customer service.

As a Crown corporation, it is critical that the operations of the entity be done as efficiently as possible, in order to ensure families are provided with services at the lowest cost possible.

Government sets broad policy direction to ensure the Corporation's operation and performance is consistent with the Government's Strategic Plan, found at:

http://www.bcbudget.gov.bc.ca/2013_June_Update/stplan/2013_June_Strategic_Plan.pdf

and as such, the Corporation will:

- Ensure that the Corporation's priorities reflect Government's priorities of:

Strong Economy

A government that supports our economy by controlling spending to balance the budget, keeping taxes and government debt affordable and protecting B.C.'s hard-earned triple-A credit rating.

Jobs

A government that is focused on job creation and investment in the province.

Families

A government that works continuously to improve social programs that support families of every description, and improve the lives of British Columbians.

- Comply with Crown Agency Accountability System guidelines, policy, due dates and best practices, as set out from time to time and as applicable to the Corporation, found at <http://www.gov.bc.ca/caro/publications/index.html> including the Information and Events Calendar for commercial and service delivery Crown corporations, Government's Expectations Manual for British Columbia Crown Agencies and the Best Practices Guideline & Disclosure Requirements for Governing Boards of British Columbia Sector Organizations.
- Comply with all legislation and policies applicable to the Corporation including but not limited to:
 - The executive compensation policies for Crown corporations. Found at: http://www.fin.gov.bc.ca/psec/disclosedocs/crown_corporation_executive_compensation_july_2012.pdf;
 - Ensure Government is advised in advance of the release of any information requests by the Corporation under the *Freedom of Information and Protection of Privacy Act*;
 - Government's requirements to be carbon neutral under the *Greenhouse Gas Reduction Targets Act*.

- Follow the spirit and intent of the financial policy requirements in the Ministry of Finance Core Policy and Procedures Manual found at:
<http://www.fin.gov.bc.ca/ocg/fmb/manuals/CPM/CPMtoc.htm>
- Participate in government's Core and Crown reviews, which may include the review of Crown mandates, and implement the recommendations of these reviews.
- Ensure that any planned deficit spending or use of the retained earnings is approved in advance by Treasury Board.
- Inform Government immediately if the Corporation is unable to meet the performance and financial targets identified in its Service Plan.

GOVERNMENT RESPONSIBILITIES

Specific to the Corporation, Government will:

- Communicate regularly with Destination BC to provide guidance and feedback on initiatives and actions related to tourism;
- Seek input from the Corporation when considering new programs, policies or investments related to tourism;
- Engage with other ministries and local and federal governments to address tourism issues that affect tourism in British Columbia;
- Act as the employer for the purpose of setting terms and conditions of employment, collective bargaining and providing employee programs and benefits.

During the term of this Letter, Government may provide further policy direction to the Ministry of Jobs, Tourism and Skills Training who will communicate any such direction, including implementation expectations, to Destination BC as decisions are made.

AREAS OF SHARED ACCOUNTABILITY

Government and the Corporation are committed to transparency and accountability to the public and have planning, reporting and disclosure requirements in the *Budget Transparency and Accountability Act*, the *Financial Administration Act*, and/or the *Financial Information Act*.

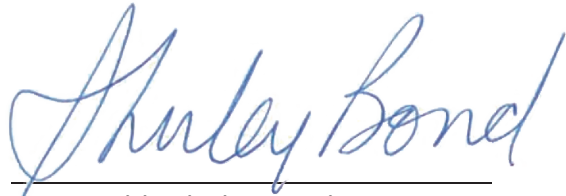
On a quarterly basis, the Minister Responsible Honourable Shirley Bond, the Deputy Minister Dave Byng, the Board Chair Andrea Shaw, and the Chief Executive Officer Marsha Walden, will meet to discuss relevant and current corporation business. The meeting will be to review the achievement of the goals, objectives, performance measures, financial targets and risk assessments identified in the Corporation's Service Plan.

The parties agree that each will advise the other in a timely manner of any issues that may materially affect the business of the Corporation and/or the interests of Government, including information on any risks to achieving financial forecasts and performance targets.

The Corporation and the Crown Agencies Resource Office will post the most recent signed copy of the Government's Letter of Expectations on their respective websites.

REVIEW AND REVISION OF THIS LETTER

The Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour is accountable for undertaking reviews of this Letter and monitoring its implementation. Government and the Corporation may agree to amend this Letter on a more frequent than annual basis.



Honourable Shirley Bond
Minister of Jobs, Tourism and Skills Training
and Minister Responsible for Labour

January 30, 2014

Date



Andrea Shaw
Chair, Destination BC

February 13, 2014

Date

cc. Honourable Christy Clark
Premier

John Dyble
Deputy Minister to the Premier and Cabinet Secretary

Peter Milburn
Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Cheryl Wenezenki-Yolland
Associate Deputy Minister
Ministry of Finance

Dave Byng
Deputy Minister
Ministry of Jobs, Tourism and Skills Training

Marsha Walden
Chief Executive Officer
Destination BC



GOVERNMENT'S LETTER OF EXPECTATIONS

BETWEEN

**THE MINISTER OF JOBS TOURISM AND SKILLS TRAINING AND
THE MINISTER RESPONSIBLE FOR LABOUR
(AS REPRESENTATIVE OF THE GOVERNMENT OF BRITISH COLUMBIA)**

AND

**THE CHAIR OF THE INDUSTRY TRAINING AUTHORITY
(AS REPRESENTATIVE OF THE CORPORATION)**

FOR 2014/ 15

PURPOSE

This Letter of Expectations (the Letter) provides Government's annual direction to the Crown corporation and is an agreement on the parties' respective accountabilities, roles, and responsibilities. The Letter confirms the Corporation's mandate and priority actions, articulates the key performance expectations as documented in the Government's Expectations Manual for British Columbia Crown Agencies¹, and forms the basis for the development of the Corporation's Service Plan and Annual Service Plan Report. The Letter does not create any legal or binding obligations on the parties. It is intended to create an opportunity for dialogue between the parties and to support an open, positive and co-operative working relationship, resulting in the achievement of government's policy and performance expectations in a transparent and accountable manner.

CORPORATION ACCOUNTABILITIES - MANDATE

Government has provided the following mandate direction to the Industry Training Authority (ITA) :

- Through innovation and collaboration, develop training that is relevant and responsive to industry, community and labour market needs;
- Expand access to training in all regions of the province for groups that are traditionally underrepresented or face barriers to labour force participation;

¹ The Province of British Columbia's Crown Agency Accountability System (<http://www.gov.bc.ca/caro/publications/index.html>) establishes guiding principles for the governance of Crown corporations. The *Government's Expectations For British Columbia Crown Agencies* provides for a Government's Letter of Expectations (Letter) to be developed.

- Attract more young people into trades training, particularly in Northern BC, promoting the benefits and rewards of a trades career path, and assist the transition from school to work;
- Demonstrate the link between effective skills training and improved productivity and global competitiveness;
- Create avenues for training delivery and certification processes that are efficient, effective, and flexible;
- Expand opportunities for industry input into BC's industry-led trades training system; and
- Ensure labour mobility under the Agreement on Internal Trade; the Trade, Investment and Labour Mobility Agreement, New West Partnership Agreement; and any other trade agreements to which the government may become a party, to ensure appropriate recognition of worker skills developed elsewhere, and to support multi-lateral and bi-lateral labour mobility initiatives.

SPECIFIC CORPORATION ACCOUNTABILITIES

To achieve this mandate*, the Corporation is directed to take the following specific actions:

1. Continue to work closely with Government, training providers and industry to lead or support the implementation of initiatives identified in the September 2013 Skills and Training Action Plan for British Columbia including:
 - a) expanding opportunities for youth to begin training for trades careers prior to graduation, and increase, by 50%, the number of K-12 graduates proceeding immediately from high school to trades programs by 2015/16;
 - b) increasing the number of apprentices who complete trades training programs, and the number of employers/sponsors who participate in apprenticeship training through improved web portal and services and new coaching supports for apprentices and employers;
 - c) implementing flexible apprenticeship training initiatives (e.g. front-end loaded delivery models) that reduce the amount of time apprentices must spend away from the workplace and/or enhance the productivity of new apprentices as they begin the workplace-based components of their training program, while maintaining the quality, depth of training and certification reputation. The ITA is to work with Industry Training Organizations, public and private training institutions and others to design, implement and evaluate such initiatives;
 - d) developing and implementing "Trades Recognition BC", an initiative to accelerate the development and implementation of competency-based assessment tools and processes for high demand trades between April 2013 and March 2015 to support the domestic and offshore recruitment and certification of semi-skilled trades workers. As part of this initiative, the ITA is also directed to work with Industry Training Organizations and public and private trainers to develop "gap training" initiatives to provide workers participating in Trades Recognition BC assessments with the specific skills they need to gain their trades credentials as quickly as possible.
2. Lead or support the implementation of priority actions, including those reflected in the Minister of Jobs, Tourism and Skills Training's June 2013 mandate letter. Specific actions include:

- a) developing a strategic plan for Liquefied Natural Gas trades training that aligns with regional and sectoral demands, particularly in the North, with a report to be submitted to the Minister by June 30, 2014;
 - b) implementing trades-related elements of a 10-year skills training plan to achieve a seamless path for students from high school through post-secondary education and into the workforce;
 - c) in alignment with ITA's Board-approved youth strategy, expanding existing programs and pilot new programs to increase the number of high school students obtaining trades skills while in high school;
 - d) with industry, training organizations and labour, implementing apprenticeship reforms to increase the number of employer sponsors and improve the completion rates of apprentices; and
 - e) delivering programs to increase the number of British Columbians (targeting youth, aboriginal, women and immigrants) accessing trades training throughout the province.
3. Implement/operationalize approved decisions resulting from the review of the role and function of the ITA.

*The Corporation's accountabilities could change pending the results of the review of the role and function of the ITA.

GENERAL CORPORATION ACCOUNTABILITIES

Over the past decades, British Columbians have come to expect high quality products and services delivered by their Crown corporations. The Province is well served by our Crown corporations and it is up to the Boards and Senior Management teams of these organizations to manage in the best interests of the Province and our citizens and conduct its affairs with the principles of integrity, efficiency, effectiveness, and customer service.

As a Crown corporation, it is critical that the operations of the entity be done as efficiently as possible, in order to ensure families are provided with services at the lowest cost possible.

Government sets broad policy direction to ensure the Corporation's operation and performance is consistent with the Government's Strategic Plan, found at:

http://www.bcbudget.gov.bc.ca/2013_June_Update/stplan/2013_June_Strategic_Plan.pdf

and as such, the Corporation will:

- Ensure that the Corporation's priorities reflect Government's priorities of:

Strong Economy

A government that supports our economy by controlling spending to balance the budget, keeping taxes and government debt affordable and protecting B.C.'s hard-earned triple-A credit rating.

Jobs

A government that is focused on job creation and investment in the province.

Families

A government that works continuously to improve social programs that support families of every description, and improve the lives of British Columbians.

- Comply with Crown Agency Accountability System guidelines, policy, due dates and best practices, as set out from time to time and as applicable to the Corporation, found at <http://www.gov.bc.ca/caro/publications/index.html> including the Information and Events Calendar for commercial and service delivery Crown corporations, Government's Expectations Manual for British Columbia Crown Agencies and the Best Practices Guideline & Disclosure Requirements for Governing Boards of British Columbia Sector Organizations.
- Comply with all legislation and policies applicable to the Corporation including but not limited to:
 - The executive compensation policies for Crown corporations. Found at: http://www.fin.gov.bc.ca/psec/disclosedocs/crown_corporation_executive_compensation_july_2012.pdf;
 - Ensure Government is advised in advance of the release of any information requests by the Corporation under the *Freedom of Information and Protection of Privacy Act*;
 - Government's requirements to be carbon neutral under the *Greenhouse Gas Reduction Targets Act*.
- Follow the spirit and intent of the financial policy requirements in the Ministry of Finance Core Policy and Procedures Manual found at: <http://www.fin.gov.bc.ca/ocg/fmb/manuals/CPM/CPMtoc.htm>
- Participate in government's Core and Crown reviews, which may include the review of Crown mandates, and implement the recommendations of these reviews.
- Ensure that any planned deficit spending or use of the retained earnings is approved in advance by Treasury Board.
- Inform Government immediately if the Corporation is unable to meet the performance and financial targets identified in its Service Plan.

GOVERNMENT RESPONSIBILITIES

Specific to the Corporation, Government will:

- consult with the Corporation in developing the government's annual expenditure and capital plans in order to consider the financial requirements of the Corporation;
- consult with and seek input from the Corporation on relevant programming when considering proposed trades-related expansion at public post-secondary institutions; and
- work with the Corporation, Industry Training Organizations, and the Trades Training Consortium of BC, to assess trades-related supply and demand on a regional basis and will produce, every two years, a regional trades labour market information report to support planning for training delivery.

AREAS OF SHARED ACCOUNTABILITY

Government and the Corporation are committed to transparency and accountability to the public and have planning, reporting and disclosure requirements in the *Budget Transparency and Accountability Act*, the *Financial Administration Act*, and/or the *Financial Information Act*.


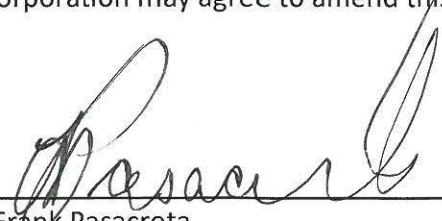
On a quarterly basis, the Minister Responsible Shirley Bond, the Deputy Minister Dave Byng, Board Chair Frank Pasacreta, and the Interim Chief Executive Officer Gary Herman, will meet to discuss relevant and current corporation business. The meeting will be to review the achievement of the goals, objectives, performance measures, financial targets and risk assessments identified in the Corporation's Service Plan.

The parties agree that each will advise the other in a timely manner of any issues that may materially affect the business of the Corporation and/or the interests of Government, including information on any risks to achieving financial forecasts and performance targets.

The Corporation and the Crown Agencies Resource Office will post the most recent signed copy of the Government's Letter of Expectations on their respective websites.

REVIEW AND REVISION OF THIS LETTER

The Minister of Jobs, Tourism and Skills Training is accountable for undertaking reviews of this Letter and monitoring its implementation. Government and the Corporation may agree to amend this Letter on a more frequent than annual basis.


Honourable Shirley Bond
Minister of Jobs, Tourism and Skills Training
Frank Pasacreta
Chair, Industry Training Authority

January 28, 2014

Date

February 13, 2014

Date

cc. Honourable Christy Clark
Premier

John Dyble
Deputy Minister to the Premier and Cabinet Secretary

Peter Milburn
Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Cheryl Wenezenki-Yolland
Associate Deputy Minister
Ministry of Finance

Dave Byng
Deputy Minister
Ministry of Jobs, Tourism and Skills Training

Gary Herman
Interim Chief Executive Officer
Industry Training Authority



GOVERNMENT'S LETTER OF EXPECTATIONS

BETWEEN

**THE MINISTER OF JOBS, TOURISM AND SKILLS TRAINING AND
THE MINISTER RESPONSIBLE FOR LABOUR
(AS REPRESENTATIVE OF THE GOVERNMENT OF BRITISH COLUMBIA)**

AND

**THE CHAIR OF THE TRADES TRAINING CONSORTIUM OF BRITISH COLUMBIA
(AS REPRESENTATIVE OF THE CONSORTIUM)**

FOR 2014/ 15

PURPOSE

This Letter of Expectations (the Letter) provides Government's annual direction to the Crown corporation and is an agreement on the parties' respective accountabilities, roles, and responsibilities. The Letter confirms the Crown's mandate and priority actions, articulates the key performance expectations as documented in the Government's Expectations Manual for British Columbia Crown Agencies¹, and forms the basis for the development of the Consortium's Service Plan and Annual Service Plan Report. The Letter does not create any legal or binding obligations on the parties. It is intended to create an opportunity for dialogue between the parties and to support an open, positive and co-operative working relationship, resulting in the achievement of government's policy and performance expectations in a transparent and accountable manner.

CORPORATION ACCOUNTABILITIES - MANDATE

As defined under the Society's Act, TTCBC's primary purpose is to help coordinate the development of the annual public post-secondary trades training plan for BC, and to serve as a forum by which the training leaders, primarily post-secondary institutional Presidents and Trades Deans, share information on emerging issues or requirements of the public training system. TTCBC also develops

¹ The Province of British Columbia's Crown Agency Accountability System (<http://www.gov.bc.ca/caro/publications/index.html>) establishes guiding principles for the governance of Crown corporations. The *Government's Expectations For British Columbia Crown Agencies* provides for a Government's Letter of Expectations (Letter) to be developed.

strategies that align public post-secondary institutional capacity with the demand for trades training in BC. The strategies include providing advice to the Government and industry on the forecasted skills and trades training required, thereby directly supporting the economic growth of the province.

SPECIFIC CONSORTIUM ACCOUNTABILITIES

The Consortium is directed to take the following specific actions*:

1. Continue to work collaboratively with the Ministry of Jobs, Tourism and Skills Training to clarify the priorities, role, mandate and capacity of the Consortium, based on the outcomes of the Fall 2013 review of the role and function of the Industry Training Authority (ITA).
2. Continue to support Government priorities related to trades training in the province, including actions consistent with the British Columbia Skills and Training Plan and the Minister of Jobs, Tourism and Skills Training's June 2013 Mandate Letter. Specific actions include:
 - a) assisting Government in developing responses to emerging labour market requirements and developing training plans that align with the workforce needs;
 - b) continuing to promote and profile today's training options for tomorrow's careers in skilled trades and technical fields;
 - c) assisting public post-secondary training providers and government to identify and implement trades related actions flowing from the 10-year Skills Training Plan for students from high school through entry into the workforce.

*The Consortium's 2014/15 accountabilities could change pending the results of the review of the role and function of the ITA.

GENERAL CORPORATION ACCOUNTABILITIES

Over the past decades, British Columbians have come to expect high quality products and services delivered by their Crown corporations. The Province is well served by our Crown corporations and it is up to the Boards and Senior Management teams of these organizations to manage in the best interests of the Province and our citizens and conduct its affairs with the principles of integrity, efficiency, effectiveness, and customer service.

As a Crown corporation, it is critical that the operations of the entity be done as efficiently as possible, in order to ensure families are provided with services at the lowest cost possible.

Government sets broad policy direction to ensure the Consortium's operation and performance is consistent with the Government's Strategic Plan, found at:

http://www.bcbudget.gov.bc.ca/2013_June_Update/stplan/2013_June_Strategic_Plan.pdf

and as such, the Consortium will:

- Ensure that the Consortium's priorities reflect Government's priorities of:

Strong Economy

A government that supports our economy by controlling spending to balance the budget, keeping taxes and government debt affordable and protecting B.C.'s hard-earned triple-A credit rating.

Jobs

A government that is focused on job creation and investment in the province.

Families

A government that works continuously to improve social programs that support families of every description, and improve the lives of British Columbians.

- Comply with Crown Agency Accountability System guidelines, policy, due dates and best practices, as set out from time to time and as applicable to the Consortium, found at <http://www.gov.bc.ca/caro/publications/index.html> including the Information and Events Calendar for commercial and service delivery Crown corporations, Government's Expectations Manual for British Columbia Crown Agencies and the Best Practices Guideline & Disclosure Requirements for Governing Boards of British Columbia Sector Organizations.
- Comply with all legislation and policies applicable to the Consortium including but not limited to:
 - The executive compensation policies for Crown corporations. Found at: http://www.fin.gov.bc.ca/psec/disclosedocs/crown_corporation_executive_compensation_july_2012.pdf;
 - Ensure Government is advised in advance of the release of any information requests by the Consortium under the *Freedom of Information and Protection of Privacy Act*;
 - Government's requirements to be carbon neutral under the *Greenhouse Gas Reduction Targets Act*.
- Follow the spirit and intent of the financial policy requirements in the Ministry of Finance Core Policy and Procedures Manual found at: <http://www.fin.gov.bc.ca/ocg/fmb/manuals/CPM/CPMtoc.htm>
- Participate in government's Core and Crown reviews, which may include the review of Crown mandates, and implement the recommendations of these reviews.
- Ensure that any planned deficit spending or use of the retained earnings is approved in advance by Treasury Board.
- Inform Government immediately if the Consortium is unable to meet the performance and financial targets identified in its Service Plan.

GOVERNMENT RESPONSIBILITIES

Specific to the Consortium, Government will:

- consult with and seek input from the Consortium on relevant programming when considering proposed trades-related expansion at public post-secondary institutions;

- work with the Consortium to share provincial and regional trades labour market information to support planning for training delivery.

During the term of this Letter, Government may provide further policy direction to the Ministry of Jobs, Tourism and Skills Training who will communicate any such direction, including implementation expectations, to the Trades Training Consortium of British Columbia as decisions are made.

During the term of this Letter, Government may provide further policy direction to the Ministry of Jobs, Tourism and Skills Training who will communicate any such direction, including implementation expectations, to the Trades Training Consortium of British Columbia as decisions are made.

AREAS OF SHARED ACCOUNTABILITY

Government and the Consortium are committed to transparency and accountability to the public and have planning, reporting and disclosure requirements in the *Budget Transparency and Accountability Act*, the *Financial Administration Act*, and/or the *Financial Information Act*.


On a quarterly basis, the Minister Responsible, Shirley Bond, Deputy Minister Dave Byng, Board Chair Ralph Nilson, and Secretary Jim Reed, will meet to discuss relevant and current corporation business. The meeting will be to review the achievement of the goals, objectives, performance measures, financial targets and risk assessments identified in the Consortium's Service Plan.

The parties agree that each will advise the other in a timely manner of any issues that may materially affect the business of the Consortium and/or the interests of Government, including information on any risks to achieving financial forecasts and performance targets.

The Consortium and the Crown Agencies Resource Office will post the most recent signed copy of the Government's Letter of Expectations on their respective websites.

REVIEW AND REVISION OF THIS LETTER

The Minister of Jobs, Tourism and Skills Training is accountable for undertaking reviews of this Letter and monitoring its implementation. Government and the Consortium may agree to amend this Letter on a more frequent than annual basis.


Honourable Shirley Bond
Minister of Jobs, Tourism and Skills Training

FEB 11, 2014
Date


Ralph Nilson
Chair, Trades Training Consortium of BC

February 4, 2014
Date

cc. Honourable Christy Clark
Premier

John Dyble
Deputy Minister to the Premier and Cabinet Secretary

Peter Milburn
Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Cheryl Wenezenki-Yolland
Associate Deputy Minister
Ministry of Finance

Dave Byng
Deputy Minister
Ministry of Jobs, Tourism and Skills Training

Jim Reed
Secretary
Trades Training Consortium of BC



Industry Training Authority

Annual Service Plan Report 2012/2013



your ticket to
trade skills

Vision

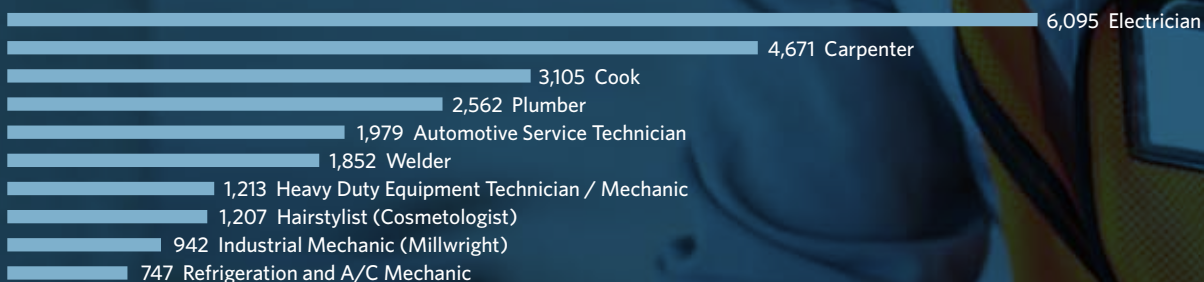
Highly skilled and productive people making British Columbia's industries prosperous and globally competitive

Mission

To lead British Columbia's industry skills training and certification system through collaboration and innovation

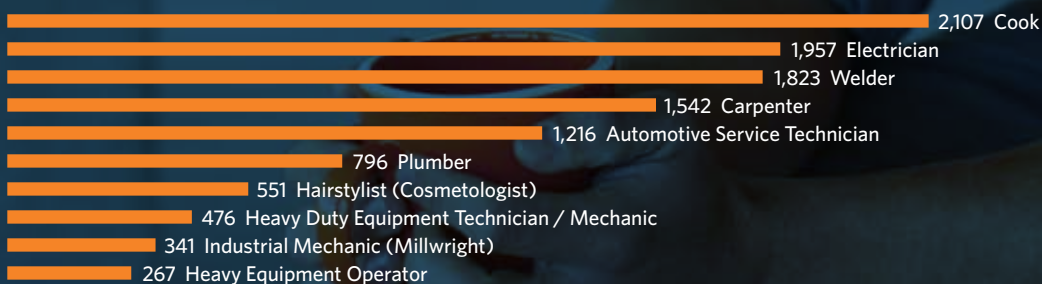
Top Training Programs

Registered Apprentices as of March 31, 2013



All other programs: 10,668 | Total Registered Apprentices: 35,041

Newly Registered Apprentices during 2012/13



All other programs: 4,385 | Total Newly Registered Apprentices: 15,461

Figures include youth participants and exclude foundation program participants

ITA met its targets for all 2012/13 performance measures with the exception of the number of registered sponsors. Economic conditions and hiring caution are believed to have resulted in a continued declining trend, although the rate of year-over-year decrease moderated.

In the case of the index score measures, the 2012/13 target was to establish baseline measures. The two satisfaction index scores are treated as a single performance measure.

Detailed discussion of performance outcomes is found on pages 10-13.

number of new credentials issued to BC workers Target: 7,500

8,042

number of registered sponsors that helped make that happen Target: 9,500*

9,188

dollars ITA invested per credential issued Target: \$14,222

13,190

satisfaction index score for credential holders

86

satisfaction index score for employers of credential holders

78

value index score for sponsors

76

percentage of foundation program participants who continued to apprenticeship Target: 42%

51

percentage of ITA-funded technical training seats used Target: 88.5%

89.6

Index scores out of 100

* only target not met

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- 06 Governance
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MESSAGE FROM THE BOARD CHAIR

To the Honourable Shirley Bond
Minister of Jobs, Tourism and Skills Training
and Minister responsible for Labour

A secondary school student looking for further education and strong career prospects... a single parent needing more rewarding employment... a recent immigrant wanting to receive BC certification for skills acquired offshore... a small employer mapping out a training and human resources strategy... and a BC taxpayer eager to see his province achieve its full potential.

These are just some of the people for whom the work of the Industry Training Authority (ITA) is indeed “their ticket”: A ticket to a better career and life for many, and a ticket for BC as a whole to grow the depth and breadth of skills in the trades that are critical to our economic success.

More specifically, “ticket” is trades lingo for the credentials awarded when people have successfully finished an apprenticeship or an assessment of their existing skills. This is the core outcome of ITA's work, and in 2012/13 — with more than 8,000 such credentials issued — performance was once again strong and above target. ITA continues to manage a system that is producing record numbers of certified skilled tradespersons just when the economy needs them most.

Moving the Levers

The cloud on the horizon continues to be the impact of the recent global recession, and of ongoing economic uncertainty, on employer participation in apprenticeship right across the country. We were challenged for a fourth consecutive year to reach the targeted level of registered apprenticeship sponsors, as we saw a modest decline in this critical form of industry engagement.

While global economic factors are beyond our control, we continued in 2012/13 to focus on local initiatives to accelerate recovery in employer sponsor participation.

This included formal recognition and celebration of the often unsung contributions of employers who continue to provide apprenticeship

training, and profiling their testimonials on the strong business case for hiring apprentices.

We also took a series of additional steps to review and increase the level of support available for sponsors and apprentices as they travel their skills training journey.

This included further expansion of resources and services for employers, accessible in a re-designed and re-structured web site, and planning for the introduction of new field staff in 2013/14 as part of an effort to improve continuation and completion rates.

ITA achieved targeted performance on seven out of eight performance measures during 2012/13, falling three per cent short of the target on total registered sponsors. Consistent with this measure, we took important baseline measures of the value current sponsors derive from apprenticeship. Although rated by sponsors as satisfactory, we are nevertheless committed to continuous improvement that will enhance ITA's value proposition to employers.

Similar baseline research was completed with respect to satisfaction on the part of both current employers of certified tradespeople, and of certificate holders themselves.

Reaching Out

These activities were part of a wider suite of efforts to more actively reach out to, gauge the views of, and leverage the expertise that resides among ITA stakeholders. This included regional community dialogues on which our CEO elaborates below.

In response to objectives identified in the provincial government's *Canada Starts Here: BC Jobs Plan — Skills and Training Plan* — released during 2012/13, and a component of the broader BC Jobs Plan — in September 2012 we also heightened our consultation activities in some specific areas. These include strategic research work undertaken on international best practices to inform the competency based development, province-wide consultation for field staff implementation, promotion of apprenticeship specifically with employers, and a youth strategy review with stakeholders to enhance and strengthen ITA's programs.

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

To our Customers, Partners and Stakeholders

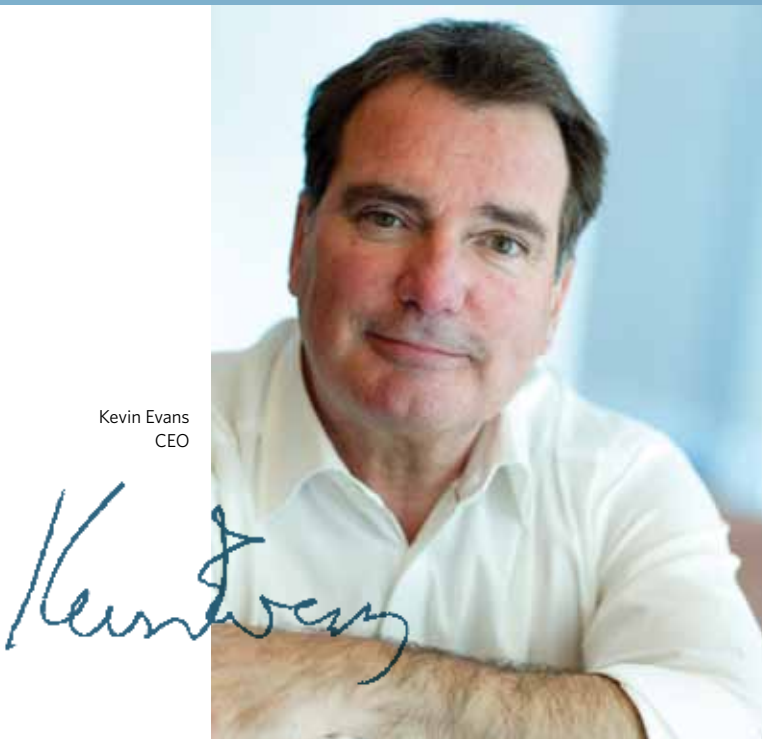
One of the keys to continuous improvement is continuous dialogue — with customers, partners and stakeholders. Our core customers are trainees and employers. Our partners include training providers, Industry Training Organizations, government, industry associations and unions. And our stakeholders, most broadly, are all British Columbians who value the connection between skills training and prosperity.

ITA's dialogue “road show” in 2012/13 focused on two questions: First, how can ITA serve its customers and communities better? And, second, how can we increase the number of employers sponsoring apprentices?

If you want answers, I believe, talk to the people directly affected. And they didn't disappoint. Several key themes emerged from a series of community dialogues in Dawson Creek, Nanaimo and Kamloops, highlighting the importance of:

- Reaching youth earlier in secondary school with our messages, and better equipping parents, teachers and peers with the facts on trades careers
- Considering regional differences and distinctions relating to training needs

Kevin Evans
CEO



This included comprehensive consultations that will guide the deployment in 2013/14 of the new field staff mentioned above, to support both sponsors and apprentices.

With the launch of a new ITA brand, improved web site and broad social media presence, we are now active across more relevant communications platforms than ever, and better positioned to promote trades careers. We have continued to refine core tools such as program profiles to clearly map pathways to certification. And our sustained emphasis on youth, women, immigrants and Aboriginal people is key to increasing both supply and diversity within the skilled trades.

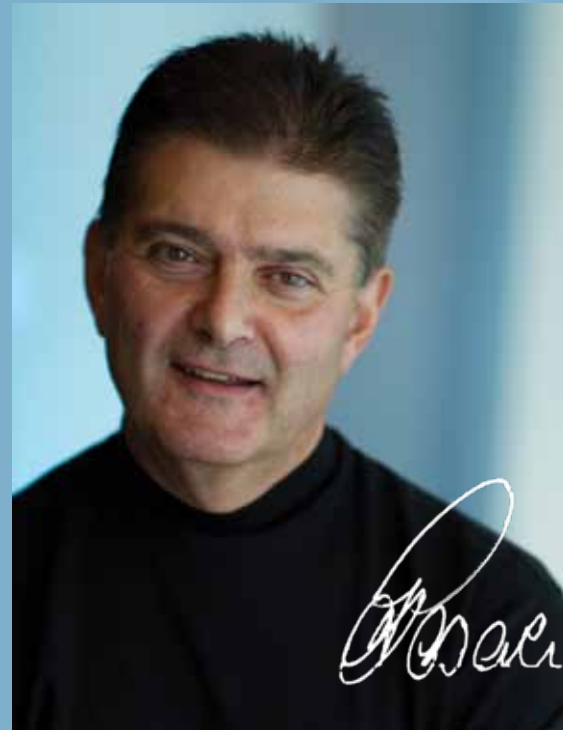
Focusing on Fundamentals

Assessment effectiveness remained an important focal point during the year. We continued to develop and phase in standard level exams, tied to the skill levels needed to move from one level of an apprenticeship to the next. In addition to enhancing instructional quality assurance, in future this will enable us to better assess previous learning and slot people into the appropriate level of the apprenticeship stream. We also made further progress towards broader use of competency-based assessment instead of written exams alone. Much of this work was facilitated through inter-jurisdictional collaboration through the Red Seal Program.

Core funding from the province remained at a consistent level, and we continued to access significant additional funding, originating with the federal government, through the Canada-British Columbia Labour Market Agreement. Expenses were moderated in various categories due to improved returns on investments in Industry Training Organization (ITO) services. Soft training demand resulted in a year-end surplus, but at a lower level than in previous years.

While various factors moderated training demand and participation in 2012/13, baby boomers are continuing to exit the workforce and economic recovery and major project development are expected to pick up pace. This underscores the importance of our efforts in 2012/13 to re-engage employers and maintain training capacity.

This annual report was prepared under the direction of the ITA Board, which is accountable for its content and for the internal controls to ensure its accuracy. In accordance with the *Budget Transparency and Accountability Act* and the BC Reporting Principles, the report reflects performance for the year ended March 31, 2013, with reference to the February 2012 Service Plan. All significant decisions, events and identified risks as of May 31, 2013, have been considered.



Frank Pasacreta
Chair

- Not assuming prospective apprentice sponsors have the information and resources to do what we're asking of them
- The impact that financial barriers can have on apprenticeship completion, especially Employment Insurance rules
- The need for more flexible delivery models and enhanced field support

You can expect to see improvements to our already extensive and successful youth programs in 2013/14 as a result of a thorough check-in with teachers, parents, students and career counselors in the fall of 2012/13.

With only about one in five employers who could sponsor an apprentice currently doing so, the continued need to focus on increasing employer engagement is vital.

We heard apprenticeship testimonials from employers at sponsor recognition events in Terrace, Fort St. John, Kelowna and Victoria. Bob Lenarduzzi of the Vancouver Whitecaps was there with inspiring messages about leadership and mentorship in the workplace. We presented certificates of recognition to hundreds of apprenticeship sponsors, who also provided input on how we can tweak the system to increase the value proposition for employers and attract more

apprenticeship sponsors. In April 2013, certificates of recognition were mailed out to all of ITA's 9,000 plus registered sponsors.

We heard dozens of moving testimonials from employers, apprentices and parents encouraging employers to participate in the apprenticeship movement. You can view many of them on our web site.

A sincere thank-you to all of our partners, customers and stakeholders for passionate and vital contributions towards our 2012/13 successes and our ongoing pursuit of improvement. I look forward to picking up the pace of dialogue using every means available. And I look forward, with you, to reviewing a year from now the improvements directly attributable to those conversations.

ITA AND INDUSTRY TRAINING OVERVIEW

ITA IS TASKED WITH ENSURING AVAILABILITY OF HIGHLY VALUED CREDENTIALS, AND EFFECTIVE AND EFFICIENT DELIVERY OF TRAINING ALONG THE APPRENTICESHIP TRAINING PATHWAY, IN APPROXIMATELY 100 DISTINCT OCCUPATIONS COLLECTIVELY REFERRED TO AS THE TRADES.

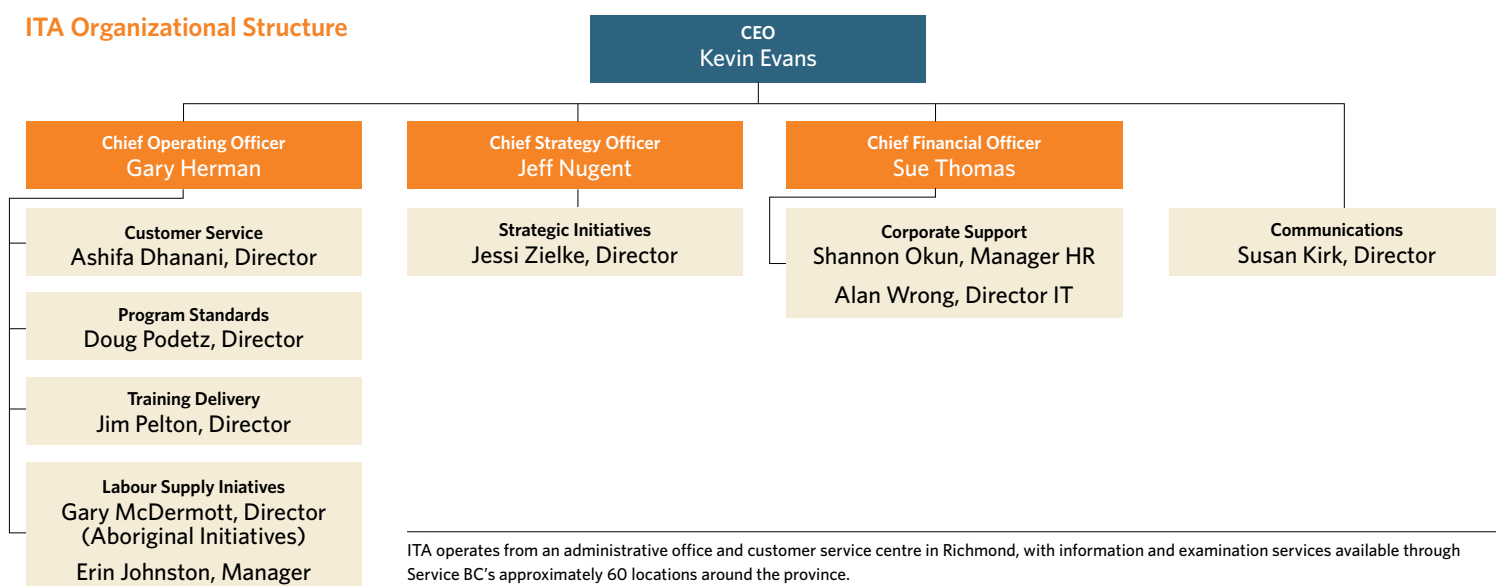
ITA enables individuals to acquire and verify workplace relevant skills, thus improving their employment and career options. Industry training in BC is industry driven. ITA works with industry to align training with current and anticipated labour market needs, thereby giving employers access to the skills they need to operate effectively and to pursue growth.

Public Interests Served



ITA's legislative mandate (the *Industry Training Authority Act*) encompasses training program designation, program standards, assessment standards and procedures, issuance of credentials (based on completing training programs or demonstrating equivalent skills), and setting requirements relating to the training delivery it funds.

ITA Organizational Structure



ITA operates from an administrative office and customer service centre in Richmond, with information and examination services available through Service BC's approximately 60 locations around the province.

ITA Core Business Areas

Department	Responsibilities
Customer Service	Frontline services to current and prospective apprentices, other trainees and sponsors; maintenance of records; administration of exams; and first point-of-contact for other stakeholders
Program Standards	Development and maintenance of BC training program standards, and integration of national Red Seal Program requirements as appropriate, in coordination with industry, training providers and other stakeholders
Training Delivery	Management of foundation programs and apprenticeship technical training, in coordination with the public and private trainers contracted to provide these services
Labour Supply Initiatives	Expansion of means of accessing and participating in industry training, with a particular focus on target groups including Aboriginal people, foreign-trained workers, women and youth
Strategic Initiatives	Identification and management of strategic innovation opportunities and special projects aligned with ITA's strategic direction
Corporate Support	Corporate financial management, procurement, human resources management and IT support
Communications	Promotion of skilled trades careers and provision of information to employers, apprentices and challengers to enable them to access training and certification

Training System and Participants

Service Delivery Partners Customers

ITA Governance Funding System Management >\$100 million budget	Six Sector-Based Industry Training Organizations (ITOs)				
	Automotive Training Standards Organization				
	Transportation Career Development Association of BC				
	Construction Industry Training Organization				
	Go2: The Resource for People in Tourism				
	HortEducationBC				
	Resource Training Organization				
	9,188 Sponsors Providing Work-Based Training*				
	Technical Training Providers (funded by ITA 2012/13)		31,703 Registered Apprenticeship Program Participants*	3,338 Youth Program Participants*	1,229 Participants in Programs for Women, Immigrants & Aboriginal People 2012/13**
	16 Public Post-Secondary Institutions				
	28 Designated Private Trainers				
	53 School Districts				
	25,097 Training Seats Purchased				
	6,620 Completing Apprentices Awarded Credentials (2012/13)				
	1,422 "Challengers" Awarded Credentials Based on Existing Skills (2012/13)				

*year end **targeted numbers

Employer sponsors' provide the work-based training that makes up most of an apprenticeship program.

Non-profit ITOs provide input on training plans and programs, and deliver assessments and other services under agreements with ITA.

Technical training providers deliver the institution-based training that makes up the balance of apprenticeship, under agreements with ITA.

Foundation programs provide a non-employment-based entry point to and partial credit towards completion of apprenticeship.

Various targeted programs are designed specifically to recruit youth and members of target groups (women, immigrants, Aboriginal people) into industry training; they often provide credit towards apprenticeship completion.

Credentials verify that the people holding them possess the industry-defined skills needed to succeed in a specific occupation, and are nationally recognized in the case of Red Seal trades.

MORE SUPPORT FOR CONTINUATION AND COMPLETION

Among a variety of consultation and outreach efforts in 2012/13 was one aimed at determining how regionally dispersed apprenticeship field staff can best support improved continuation and completion rates. This important form of additional support for both apprentices and sponsors was committed to in the provincial government's Canada Starts Here: BC Jobs Plan — Skills and Training Plan.

This consultation was informed by extensive background research, and involved public meetings around the province, on-campus outreach to apprentices, and online input opportunities (including webinars specifically seeking Aboriginal perspectives).

Participants were asked their views on how to improve apprenticeship continuation and completion — two outcomes that the work of the field staff is particularly intended to support. Findings will inform the job descriptions and other aspects of their deployment, which will begin in 2013.

DIRECT ACCESS TO SERVICES AND INFORMATION

The Direct Access online information management system is a crucial connection point between ITA and participants in the training system, and work is ongoing to improve the ease and efficiency with which it can be used.

Among other 2012/13 improvements: it became easier to record apprentices' work-based hours (with options tailored to employers' level of technology use), self-serve access was provided to the information employers need to claim training tax credits, and a sponsor dashboard was added to help facilitate smooth progression and completion.

Direct Access is also an important performance management tool for ITA. Work during 2012/13 enabled tracking through this system of participants in ITA programs targeting women, immigrants and Aboriginal people. This will improve the efficiency and reliability with which these labour supply initiatives are managed and assessed.

YOUR TICKET...



"Teaching young apprentices is very rewarding. You can watch them mature in your classroom throughout the year. I enjoy working with the kids because they are surprised at what they can do."

Gary Regan, Red Seal Carpenter and Secondary School Carpentry Teacher

GOVERNANCE

THE NINE MEMBERS OF ITA'S BOARD OF DIRECTORS ARE APPOINTED BY THE MINISTER OF JOBS, TOURISM AND SKILLS TRAINING AND MINISTER RESPONSIBLE FOR LABOUR, AND ACCOUNTABLE TO THE PROVINCIAL GOVERNMENT THROUGH THE MINISTER RESPONSIBLE FOR THE PERFORMANCE EXPECTATIONS DEFINED IN ITA'S SERVICE PLAN AND IN LETTERS OF EXPECTATION AND SERVICE LEVEL AGREEMENTS FROM GOVERNMENT.

Directors have a fiduciary responsibility to act in the interests of the organization as a whole, rather than representing constituencies or interests.

Directors are appointed for varying terms, based on principles and processes established by the provincial government's Board Resourcing and Development Office (BRDO). Allan Cullen was appointed to the Board during 2012/13, while Jack Carthy completed his term.

Selection criteria and ongoing director development ensure the Board has an appropriate mix of subject-matter expertise and geographic and sectoral diversity, and that it is well equipped to provide high-level oversight of ITA's pursuit of its mandate.

High-level governance related disclosure is provided on the ITA web site at www.itabc.ca/leadership/board-directors. Additional documentation, including materials meeting BRDO disclosure recommendations, is available upon request.



Board of Directors

Members	Key Roles	Principles and Key Practices
Frank Pasacreta (Board Chair and ex officio member of all committees) Allan Bruce Allan Cullen Jack Davidson David Fehr Tom Kirk Kurt Krامل Patty Sahota Laura Stanton	<ul style="list-style-type: none"> Accountable to the provincial government through the designated Minister responsible for ITA Set vision and strategic direction in alignment with government priorities for senior management execution Ensure risk-management measures are in place Ensure effective use of resources Hold management accountable for defined performance results Report to government, stakeholders and the public 	<ul style="list-style-type: none"> Directorial independence Meaningful management oversight through close working relationship with CEO Adherence to Code of Conduct and Conflict of Interest Policy Continual improvement through annual governance assessment and best practices monitoring Clarity and transparency regarding governance practices

Committee: Finance (Audit)

Members
L. Stanton (Chair), J. Davidson, P. Sahota
Mandate
Oversight re financial systems, funding and budget allocations, risk and internal controls, external audit and compliance

Committee: Governance

Members
K. Krامل (Chair), A. Bruce, T. Kirk
Mandate
Governance policy, Board effectiveness, director development and appointment criteria

Committee: Human Resources

Members
T. Kirk (Chair), A. Bruce, D. Fehr, K. Krامل, A. Cullen
Mandate
Human resources and compensation policy

"I truly think that the opportunities to get into the trades — and not just to always be a tradesman but to have your own business, to be able to be that next generation of business owners — this is where the future success for a lot of people is going to lie."

Margot Middleton, Middleton Petroleum Services, Employer Sponsor



ITOS: BUILDING TRAINING, SECTOR-BY-SECTOR

ITA WORKS IN CLOSE PARTNERSHIP WITH SIX INDEPENDENT AND SECTOR-SPECIFIC INDUSTRY TRAINING ORGANIZATIONS. THEY PLAY A KEY ROLE IN IDENTIFYING TRAINING NEEDS, AND IN DELIVERING THE SERVICES AND STRATEGIES REQUIRED TO MEET THEM. WITH BASIC TOOLS SUCH AS UP-TO-DATE PROGRAM STANDARDS NOW IN PLACE, ITOS ARE INCREASINGLY FOCUSING ON PROACTIVE ACTIVITIES ON BEHALF OF THEIR INDUSTRIES. A FEW EXAMPLES FROM 2012/13 ARE DESCRIBED BELOW.

Automotive Training Standards Organization — Engaging Youth

ATSO held a two-day workshop for instructors who teach automotive programs to students earning dual secondary-school and apprenticeship credit through ITA's ACE-IT program. Experts provided insights on industry trends and evolving needs, which set the stage for discussion of how to better engage youth and prepare them for opportunities in this industry. Best practices that have led to strong academic results in specific ACE-IT programs were also highlighted. This interactive event was held in part at an industry training facility and is expected to become an annual forum for industry-educator dialogue.

go2: The Resource for People in Tourism — Recruiting Sponsors

While overall numbers of registered sponsors dropped further in 2012/13, go2 achieved 10 per cent growth in the number of registered sponsors of apprentices in the professional cook trade — one of the province's top three trades by number of participants. go2 actively promotes sponsorship in its trades, and assists sponsors with tasks such as getting set up on ITA's information management system, and with advice on issues such as apprentice supervision and sign-off on

training completion. This is part of the supplemental trade-specific services go2 provides to sponsors, apprentices and challengers in the tourism industry, which in 2012/13 involved some 2,000 email and 800 telephone interactions.

Resource Training Organization — Meeting Broader Training Needs

RTO worked with ITA to develop a pilot provincial certification program through which the skills of more than 50 experienced shipyard labourers were assessed, using a combination of written assessment, technical conversation and practical evaluation. The occupational standards developed through the pilot provide a defined basis for verifying whether an applicant has the required skills to do this job, and should streamline recruitment and retention. They also provide a basis for the development of specialized training programs to address skill gaps. This initiative meets a certification need in an important economic sector — and relating to an occupation outside the traditional trades — and further advances the use of competency-based assessment.



REPORT ON PERFORMANCE

IN 2012/13 ITA PURSUED TWO PRIMARY GOALS THAT ARE CLOSELY ALIGNED WITH THE ORGANIZATION'S MANDATE AND WITH THE CUSTOMER AND BROADER PUBLIC INTERESTS IT IS MEANT TO SERVE. THESE GOALS WERE ESTABLISHED THROUGH AN ITA BOARD-LED STRATEGIC PLANNING EXERCISE IN 2011/12, TO GUIDE ITA ACTIVITIES OVER A THREE-YEAR PERIOD.

The ITA Board selected several performance measures which meaningfully indicate achievement of these goals. Rationales for each measure, and the basis for associated targets, are discussed on pages 10 to 13. The key strategies by which each goal is pursued are determined annually. ITA made some adjustment in its strategies during 2012/13 to more fully align with priorities and objectives in the provincial government's *Skills and Training Plan*, released in September 2012.

ITA achieved targeted performance on seven of eight performance measures during 2012/13. It fell three per cent short of target on total registered sponsors. A variety of operating-environment conditions and issues influenced these and other aspects of performance in 2012/13.

Goal	Critical Importance
ITA credentials are valued by a broad range of industries and individuals, and align with the economic needs of BC	Credentials are the core outcome of ITA's work. More than a simple marker of the acquisition of defined knowledge and skills, they are intended to improve the employment and career prospects of the people holding them, and to ensure current and emerging labour-market/employer needs are met. The extent to which they are valued and aligned reflects the extent to which these criteria are being met — with benefits relating to individual opportunity and quality-of-life, and the economic performance of the province as a whole.
Employment-based apprenticeship is viable, efficient and effective in producing credentialed workers	Apprenticeship training is the most common means by which people earn ITA credentials, and ITA is directly responsible for its management and improvement. The efficiency and effectiveness of this training pathway influences the degree to which both apprentices and sponsors are likely to register to participate and the speed and frequency with which participation results in a credential. It also influences the level of public investment in apprenticeship delivery.

Issue: Continued weak recovery from the global recession and volatility in key export markets impacted economic performance and outlooks within BC.

Impact	Actions
This is likely the primary factor behind a multi-year declining trend in total registered sponsors, which was once again below target in 2012/13	<ul style="list-style-type: none"> Continued to actively promote sponsorship by all available communication channels Instituted employer recognition events and certificates Took baseline sponsor value and employer satisfaction measures Expanded and improved informational resources and services available to sponsors Prepared for deployment of field staff

Issue: Despite a softening in current training participation, strengthening of BC's economy has the potential to drive increased mid-and long-term labour demand in the skilled trades

Impact	Actions
In combination with currently reduced sponsorship opportunities, and in light of the multi-year nature of apprenticeship training, this creates a skills shortage risk	<ul style="list-style-type: none"> Took range of actions to increase availability of sponsorship (see immediately above) Moderated current targets for utilization of technical training seats, so as to maintain capacity to meet anticipated future demand Maintained relatively high investment in foundation programs (which do not require sponsorship) to create a cohort able to advance to certification once they are connected to an employer Maintained programs to foster increased trades participation by target groups (women, immigrants and Aboriginal people) Undertook review of youth strategy, drawing on perspectives of key influencers such as parents and teachers Advanced assessment improvement initiatives, which will support speed and effectiveness of credential acquisition

Issue: The scope and quality of career opportunities associated with trades training continued to be under-appreciated by many, and some demographic groups remained under-represented in the trades

Impact	Actions
These awareness and perception issues impair recruitment and compound the challenge of ensuring sufficient supply to meet mid- and long-term labour demand	<ul style="list-style-type: none"> Expanded communications/promotional efforts through launch of a new brand, improved web site and social media presence Maintained programs to foster increased trades participation by target groups (women, immigrants and Aboriginal people) Undertook review of youth strategy, drawing on perspectives of key influencers such as parents and teachers Actively participated in and leveraged external opportunities such as career fairs Sought input via community dialogues Employer engagement with recognition events, certificates, video profiles and promotion of apprenticeship as part of BC Jobs Plan – Skills and Training Plan

Issue: The importance of effective and efficient skills assessment — including skills attained informally and/or outside BC — continues to increase

Impact	Actions
Accurate assessment of skill levels that partially meet occupation-specific requirements avoids unnecessary re-training, and is particularly important in the context of integrating foreign-trained workers; competency-based assessment also offers advantages over purely exam-based assessment	<ul style="list-style-type: none"> Began phased implementation of standard level exams, providing both quality-assurance benefits and a means of scheduling people into advanced levels of apprenticeship based on existing skills Continued to contribute to and leverage efforts to improve occupational standards, and enable use of additional forms of assessment in Red Seal trades Applied competency-based assessment in context of piloted certification for non-apprenticeship training programs (municipal worker and shipyard labourer)

Issue: Stakeholder input underscored the importance of providing appropriate types and levels of support to apprentices and sponsors

Impact	Actions
The degree of support available likely influences both training participant and sponsor numbers, as well as the speed and efficiency with which participants are likely to proceed towards certification	<ul style="list-style-type: none"> Made ongoing customer and online service improvements, including enhanced training and coaching resources for customer service staff, additional quality benchmarking for calls handled, and multiple service-enhancing upgrades to Direct Access Took baseline sponsor value, and credential-holder and employer satisfaction measures Updated ITA's web site with enhanced structure, tools and content Completed consultations that will inform detailed planning for deployment of new field staff

ITA's staffing, budget and other aspects of internal and system-wide capacity did not create significant constraints on performance in 2012/13, particularly since demand for technical training remained soft.

“A lot of what we do we learn — we don’t just get taught it, we learn by doing and we learn it over the years. And we have to impart that information and knowledge onto the young people. So I’ve taken it as a personal obligation to young people to allow them to undergo apprenticeship.” **Thom Meier, 101 Industries**



ITA PERFORMANCE RESULTS

GOAL 1 >

ITA CREDENTIALS ARE VALUED BY A BROAD RANGE OF INDUSTRIES AND INDIVIDUALS, AND ALIGN WITH THE ECONOMIC NEEDS OF BC.

Strategies

Expand credentialing framework to meet industry and occupational needs that do not lend themselves to the apprenticeship training model

Use marketing to raise brand awareness of the value of ITA credentials

Strengthen the rigour of assessment used for credentialing

Collaborate with Canadian Council of Directors of Apprenticeship on evolving a more robust occupational standard format for National Occupational Analyses

Measure: Number of Credentials Issued

Credentials issued upon successful completion of an apprenticeship, or based on assessment of existing skills (the "challenge" process).

2010 - 2011		7,318
2011 - 2012		8,750
2012 - 2013	Actual	8,042
2012 - 2013	Target	7,500
2013 - 2014		8,000
2014 - 2015		8,250
2015 - 2016		8,500

■ Past Performance ■ 2012-13 Performance ■ Targets

2012-2013
8,042
7,500

Importance: Credentials issued represent an increase in the supply of people with job-ready and verified skills available to BC employers, and reduce the potential for skills shortages. The number of credentials issued depends on the efficient functioning of the training system as a whole: from recruitment into apprenticeship, to availability of work-based and technical training, to progression towards program completion, to effective assessment tools. This is therefore the most encompassing and fundamental of ITA performance measures, although it is also strongly influenced by external factors. Targets are set to align with projected mid-term labour demand while also considering recent participation trends.

Outcomes: ITA exceeded the target for credentials issued in 2012/13. The number was down from a significantly above-target level in 2011/12, the first such decline since ITA's inception. ITA made various efforts in recent years to maintain a high output of credentialed workers, despite reduced training participation and availability due to the economic downturn, and the impact of these efforts is believed to have peaked in 2011/12¹. Targets for 2013/14 and 2014/15 were, however, increased in light of the high baseline established in 2011/12.

¹ Key among these efforts was an increased investment in upper levels of training, to encourage apprenticeship completion by those who had already met most requirements.

YOUR TICKET...



"Being an electrician is my ticket to freedom because once I have my ticket it is mine and you can do what you want with it and I can go wherever I want with it."

Allanah Hjerpe,
Electrician Apprentice

Measure: Investment per Credential Issued

Total annual ITA operating expenses divided by credentials issued during the fiscal year.



Importance: The ratio of operating expenses to the number of credentials issued (ITA's most fundamental performance measure) indicates how efficiently ITA is allocating resources and managing expenses, and speaks to its success in maximizing the impact of the public investment in industry training. Targets are a function of targeted credentials and forecast expenditures in the years ahead. Higher costs per credential in some periods can reflect investments with longer-term benefits and/or a decrease in the number of credentials.

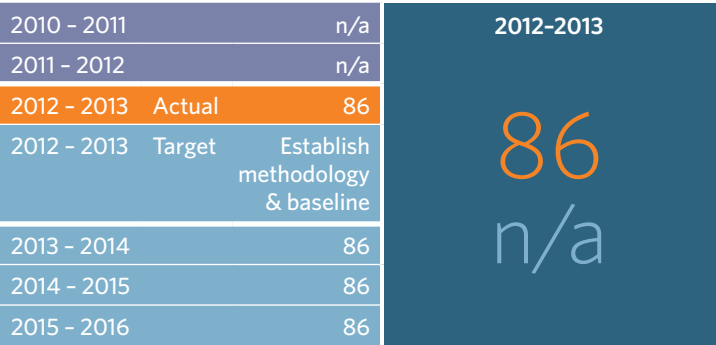
Outcomes: ITA out-performed on this measure, with the investment required for each credential issued in 2012/13 coming in at a lower amount than targeted. This was a result of issuing more credentials than targeted during a year when soft training demand resulted in a lower training spend. Reductions in Labour Supply Initiatives and Training Delivery in 14/15 and 15/16 reflect an end to the current Canada BC Labour Market Agreement, which expires in March 2014. The Province is actively pursuing discussions with the Federal Government regarding LMA funding beyond March 2014.



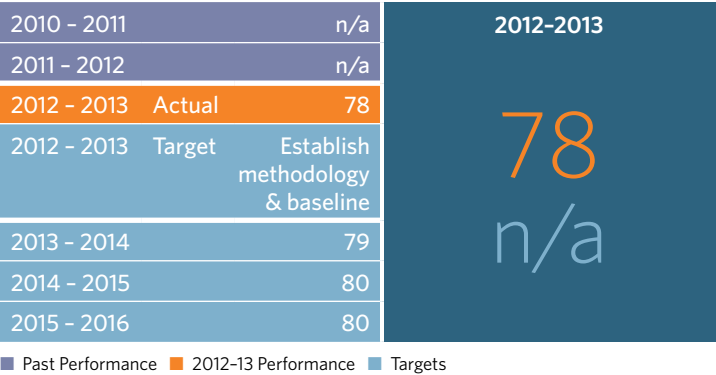
Measure: Satisfaction with ITA Credentials

Survey-based measurements on a 100-point index (see details page 17).

Credential Holders



Employers



Importance: While it is important to issue a sufficient volume of credentials, it is equally important that they deliver the intended value to the people holding them and to the employers relying on them. As customers, their satisfaction is inherently important, and also indicates the extent to which ITA is contributing to career advancement opportunity and economic development, and otherwise carrying out its public interest mandate.

Outcomes: As targeted, ITA commissioned customer surveys in 2012/13, involving one sample of approximately 575 tradespeople that had been certified within a recent four-year period, and one of approximately 700 current employers of certified tradespeople. The results are a composite measure reflecting weighted reactions to several statements. The go-forward target is to maintain the high satisfaction found among credential holders, while increasing employer satisfaction over the next two years.



GOAL 2 >
EMPLOYMENT-BASED APPRENTICESHIP IS VIABLE, EFFICIENT AND EFFECTIVE IN PRODUCING CREDENTIALLED WORKERS

Strategies

Strengthen alignment between employers and pre-apprenticeship and apprenticeship training programs

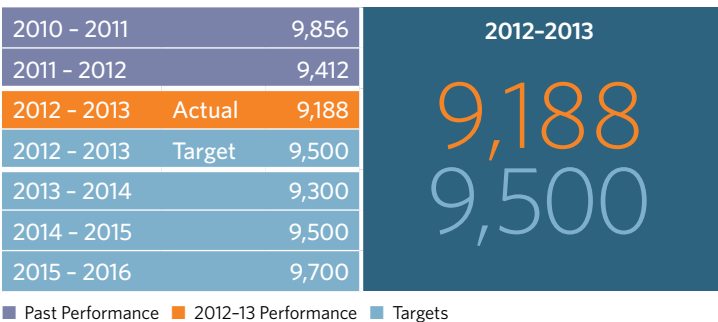
In collaboration with ITOs, continue fostering strong employer engagement, particularly with regard to sponsorship

Introduce continuous technical training improvement mechanisms such as standard level exams

Attract and maintain targeted support for groups facing barriers to participation in apprenticeship, and continue to promote industry training among youth

Measure: Total Registered Sponsors

Number of employers (as well as associations, unions and joint training boards in some cases) registered as the sponsor of one or more active apprentices at year end.



Importance: Registered sponsors provide the work-based training which makes up the bulk of apprenticeship. Work-based training availability determines how many people can pursue apprenticeship at a given time and how quickly they can complete it. While essential to apprenticeship, sponsorship is also voluntary and highly susceptible to variation as a result of economic conditions. Targets are set with reference to identified levels of training availability and participation levels that align with projected mid-term labour demand. Targets also take industry hiring capacity into account.

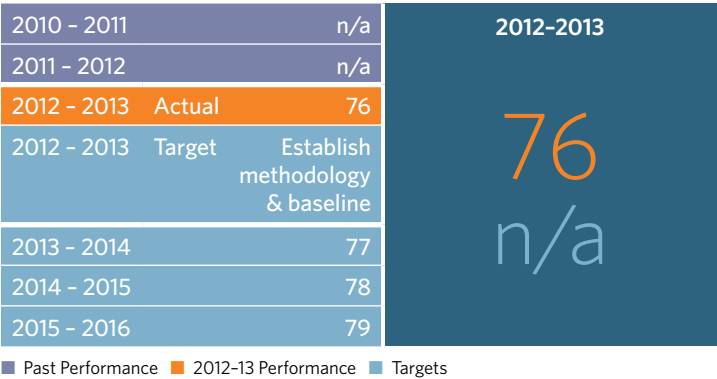
Outcomes: ITA did not meet the target of reversing the declining trend in registered sponsor numbers, despite further expanded efforts to recruit, recognize and support this key constituency. Continued hiring caution under what remain uncertain economic conditions is believed to be the primary factor. ITA ended 2012/13 three per cent below target and 16 per cent below the peak number of sponsors achieved in 2008/09. The rate of year-over-year decrease has, however, moderated in each of the last two years. Resumed growth continues to be targeted in the next three years, although at a level reduced to reflect recent performance.

"The apprentices bring in new ideas. They're on the latest technology. They're able to take us in to new markets. We've branched out into fibre optics, data, wireless because of the skill set of the young people we've brought in."

Dan Mott, Mott Electric, Employer Sponser

Measure: Sponsor Value Index

Survey-based measurements on a 100-point index (see details page 17).

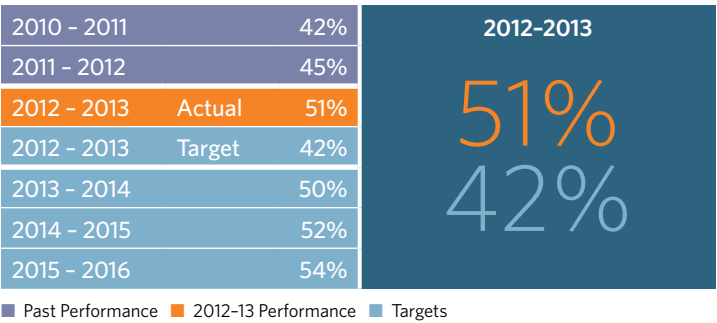


Importance: Sponsors will continue to take on apprentices, and will encourage other employers to do the same, only if the experience delivers business value for them and does not result in too high an administrative burden. This value measure reflects the return-on-investment employers receive from apprenticeship involvement, and is a potential source of insight to guide improved program delivery and training outcomes.

Outcomes: As targeted, ITA commissioned a sponsor survey in 2012/13 — involving a sample of approximately 400 currently registered sponsors. The results are a composite measure reflecting weighted reactions to several statements. The target is to continuously increase results on this measure over the next three years.

Measure: Continuation from Foundation Programs to Apprenticeship

Per cent of successful completers of a foundation program who register as an apprentice within 12 months; in 2013/14 this measure will be expanded to include participants in other ITA pre-apprenticeship programs designed to increase participation by target groups, performance and targets below pertain to foundation program participants only.

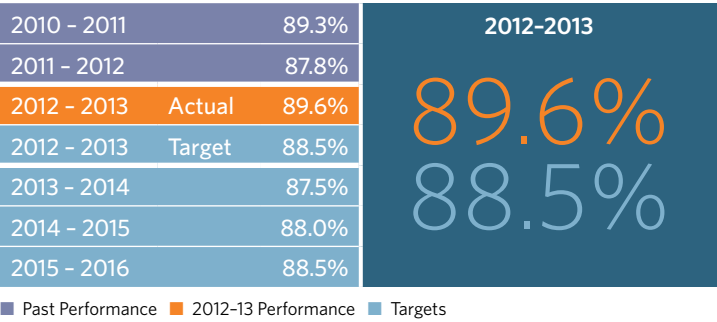


Importance: Institution-based programs providing foundational skills and credit towards apprenticeship completion are a feasible entry point to industry training for many, particularly when sponsorship opportunities are limited. While some foundation program participants may use the training as a basis for direct workforce entry or the pursuit of other career paths, the ITA's primary purpose for these programs is to stream participants into apprenticeships and towards credentials. The continuation rate is a direct measure of the achievement of this purpose, and targets reflect achievable and meaningful levels of continuous improvement.

Outcomes: When the continuation target for 2012/13 was set, 2011/12 performance was forecast to be much lower than was achieved. 2012/13 performance exceeded what was therefore a comparatively low target, and also exceeded actual performance in the preceding year. Targets for 2013/14 and 2014/15 were increased in light of improvement on this measure, and will be re-assessed in light of 2012/13 performance. ITA anticipates undertaking further foundation program re-design — to strengthen job readiness — however, this work was deferred to allocate resources to initiatives outlined in the provincial government's *Canada Starts Here: BC Jobs Plan — Skills and Training Plan*.

Measure: Capacity Utilization

Per cent of ITA-funded technical training seats filled by registered participants; a weighted average of both apprenticeship and foundation program training seats.



Importance: Capacity utilization is in part an efficiency measure, with a higher percentage indicating fewer unused training seats and greater return on each dollar spent. At the same time, utilization targets are set to accommodate the need, during periods such as 2012/13, to maintain sufficient training capacity to meet the resumed growth in training demand that is forecast. Current targets therefore allow for significantly more unused training seats than was typical prior to the impact of the recession (the 2008/09 utilization rate, for example, was 92.7%).

Outcomes: The utilization rate was above target in 2012/13. This reflects a reasonable balance between the utilization-efficiency and capacity-maintenance objectives.

YOUR TICKET...



"To be able to break negative stereotypes of Aboriginal people in this day and age — for me it's getting up every morning and getting to work, it shatters those stereotypes and for me it's a great thing."

Rivers Stonechild,
Metal Fabrication Apprentice



SECONDARY SCHOOL > TRADES TRAINING

Encouraging youth to proceed from secondary school to trades training is a long-standing ITA focal point and a provincial-government priority defined in the *Canada Starts Here: BC Jobs Plan — Skills and Training Plan*. In 2012/13 ITA reviewed its successful dual-credit youth programs, with a view to increasing the number of youth that continue along the apprenticeship pathway after secondary school graduation.

This process included a best practices review and consultations with over 1,000 stakeholders, including a survey, focus groups around the province, and targeted interviews. Several themes emerged, and are reflected in a renewed youth strategy endorsed by the ITA Board in 2012/13. It recognizes the importance of:

- Awakening interest in the trades at an earlier age, as young as elementary school
- Providing hands-on experience for secondary school students in multiple trades
- Beginning technical training while earning secondary school credits
- Supporting work-based training opportunities and the transition to the labour force after secondary school graduation

Innovative recommendations to further advance these objectives have also been identified, and their implementation potential was being assessed at year-end.

The renewed strategy will build on ITA's three existing youth trades programs:

- **Accelerated Credit Enrolment in Industry Training (ACE IT)** is a dual credit program that allows youth to take the first level of technical training toward an apprenticeship and earn secondary school credits at the same time.
- **Secondary School Apprenticeship (SSA)** is a dual credit program that allows students to begin work-based training towards an apprenticeship program while in secondary school. Students “earn while they learn”, receiving credit toward both a secondary school diploma and an apprenticeship.
- **Youth Exploring Skills to Industry Training (YES 2 IT)** is designed to increase awareness of the trades by providing funding for projects that target younger students (typically in grades 6-9) as well as their parents, educators and communities.

YOUR TICKET...



“After high school I decided to get into the trades because I was looking for a job that would give me good pay as well as good experience. I was only a journeyman for a year before I got promoted to be foreman.”

Alex Hansen,
Electrician and Foreman

DATA SOURCES AND BENCHMARKING

Data Sources

Performance Measures	Data Source	Commentary
<ul style="list-style-type: none"> • Credentials Issued • ITA Investment Per Credential • Total Registered Sponsors • Continuation from Pre-Apprenticeship 	ITA Direct Access	<p>This information management system was designed to meet ITA's specific operational and performance management requirements, and is subject to clear data-entry procedures and business rules. Management is therefore fully confident in the resulting data.</p> <p>Data from Direct Access is combined with expense data from audited financial statements to calculate ITA investment per credential.</p>
<ul style="list-style-type: none"> • Capacity Utilization 	ITA Databases, Training-Provider Data	ITA maintains databases specifically to track and manage its purchase of training seats. Data from this source is combined with usage data from training providers to arrive at this measure. Given established procedures and the lack of complexity in tracking such data, management is confident in its reliability.
<ul style="list-style-type: none"> • Satisfaction with ITA Credentials • Sponsor Value Index 	Professional Opinion Research Providers	Results on these measures were obtained through combined telephone and online surveys conducted by Sentis Market Research Inc. and applying industry best practices and quality assurance methodologies. ITA management is confident in its reliability, subject to the margins of error defined by the research provider.

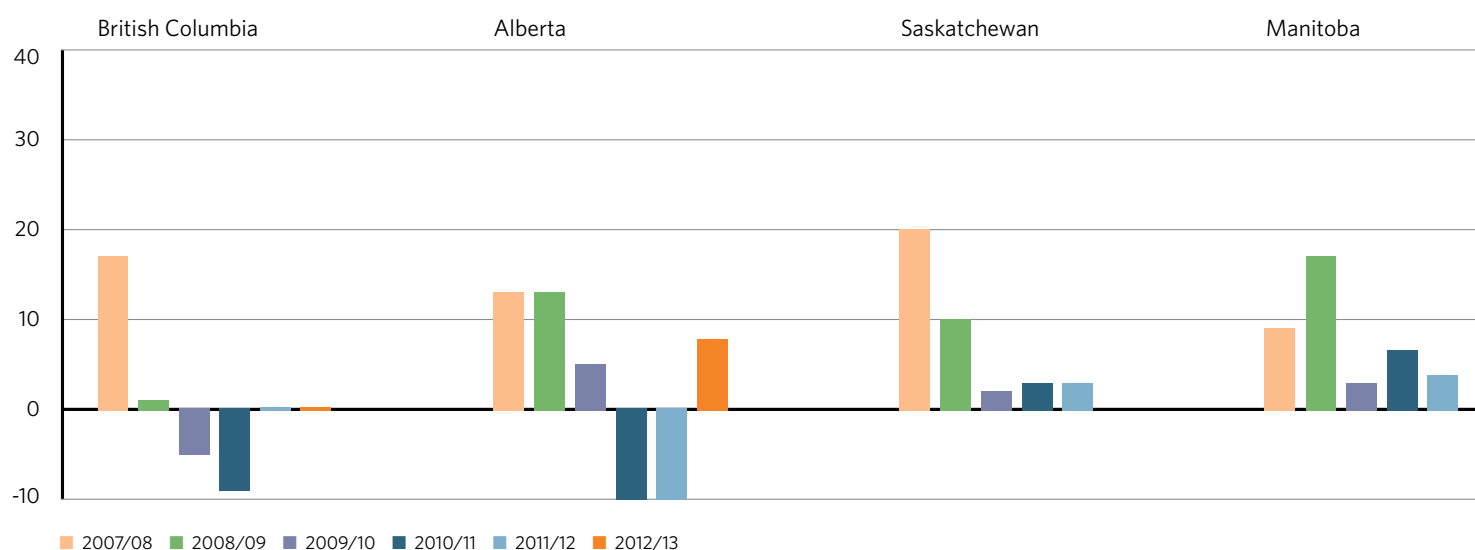
Benchmarking

Multi-jurisdiction benchmark comparisons for credentials issued and for registered training participants appear below. The first is the most fundamental of ITA performance measures, while the second (although not a Service Plan measure) is tracked as an indicator of recruitment success and of the number of credentials likely to be issued in future years.

Comparisons of BC and national pass rates on certification exams for major Red Seal trades appear on page 38-39. While also not a Service Plan measure, this is an important indicator of the relative degree of success in preparing candidates to meet the final credentialing requirement for this inter-jurisdictional endorsement. BC had 49 designated Red Seal trades in 2012, and at least 80 per cent of completing apprentices passed the exams in 24 of them.

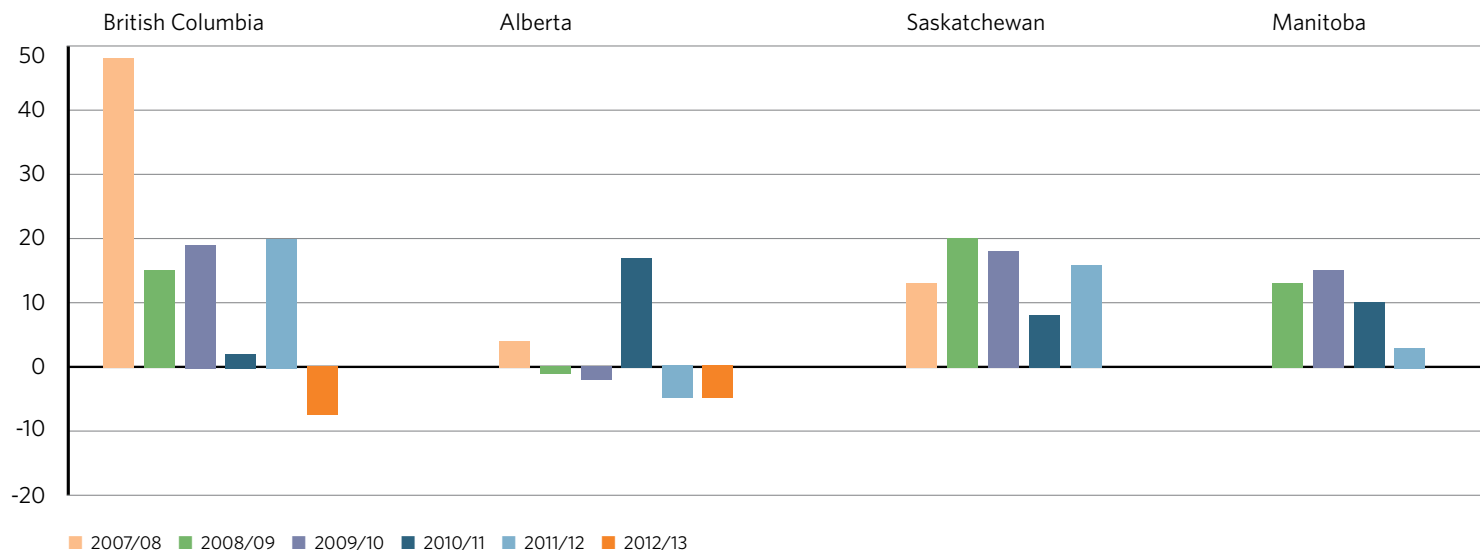
Total Participation

(% change from previous period)



Credentials

(% change from previous period)



Alberta reports on a calendar-year basis. 2007/08 equates to 2007, and so on.

Sources and Measures Cited

Alberta Apprenticeship and Industry Training Board Annual Report	<ul style="list-style-type: none"> Total Apprentices Registered (all trades) Total Number of Completed Apprentices, and Individuals Issued Occupation and Qualification Certificates
Saskatchewan Apprenticeship and Trade Certification Commission Annual Report	<ul style="list-style-type: none"> Total Registered Apprentices at Year End Number of Completions During Year
Manitoba Entrepreneurship, Training and Trade Annual Report	<ul style="list-style-type: none"> Active Apprentices Registered at Year End People Receiving Certificates of Qualification at Completion of Apprenticeship or Through Trades Qualification Process

YOUR TICKET...



"What I love about my job is it's very passionate, it's hands-on and you want to make guests feel really happy."

Quang Dang, Executive Chef

SATISFIED CUSTOMERS AND HIGH-VALUE SPONSORSHIP

ONE ITA PERFORMANCE TARGET FOR 2012/13 WAS TO TAKE BASELINE MEASURES OF SATISFACTION ON THE PART OF BOTH CREDENTIAL HOLDERS AND EMPLOYERS OF TRADESPEOPLE (SEE PAGE 11). HIGH AGREEMENT WITH THE STATEMENTS BELOW IS HOW SATISFACTION IS DEFINED.

Credential Holders

An ITA credential:

- signals to employers that I can meet their skill needs
- gives me a competitive advantage for employment or promotion
- improves my earning potential
- allows me to work in other parts of Canada or abroad

Employers of Tradespeople

An ITA credential:

- signals that the holder is able to meet the skill needs of my company
- signals that the holder will increase my company's profitability
- is valued and requested by my customers

Similarly, ITA targeted a baseline measure of the benefits employers gain from sponsoring apprentices (see page 13).

Here, agreement is measured with these statements:

The training my apprentices receive aligns with the skill needs of my company.

Apprentices increase my company's profitability.

Apprentice training provides my company with a recruiting and retention advantage.

The administrative requirements of sponsoring apprentices are manageable.



NATIONAL COLLABORATION ON ASSESSMENT

ITA CARRIED FORWARD IN 2012/13 WITH LONG-STANDING EFFORTS TO MAKE BROADER USE OF VARIOUS FORMS OF PRACTICAL ASSESSMENTS, RATHER THAN WRITTEN EXAMS ALONE. COMPETENCY-BASED ASSESSMENT IS WIDELY SEEN AS A MORE EFFECTIVE WAY OF DETERMINING SKILL LEVELS IN THE CONTEXT OF THE HANDS-ON WORK THAT IS TYPICAL OF TRADE OCCUPATIONS.

BC has already piloted practical assessment in specific programs, and much of the effort in 2012/13 focused on leveraging national interest in developing more robust occupational standards in the Red Seal trades.

The Canadian Council of Directors of Apprenticeship approved a new format for Red Seal occupational standards in 2012/13, with enhancements that will provide the necessary basis for competency-based assessment, as well as greater harmonization of technical training content. This next generation of standards also has the potential to eliminate the need for separate program outlines and assessment guides, and to reduce duplication of effort across jurisdictions. Piloting of them will begin in 2013/14.

In a further pilot initiative of its own, ITA incorporated competency-based assessment into the design of certification for two non-apprenticeship training programs in 2012/13 — one for municipal workers and one for shipyard labourers. The first certifications in both of these occupations will be issued in 2013/14 and additional pilots — to further test the demand for ITA certification outside the apprenticeship context — are likely to be conducted in 2013/14.

"A lot of employers focus on the cost of apprenticeship, they say 'look at what it's going to cost me to get him up to speed'. You have to stop thinking that way. You have to start thinking 'I'm investing in my company and I'm going to get great dividends in the future'. And that future is not far off." Robert Lashin, Houle Electric, Employer Sponsor

EMPOWERING GROWTH AND DIVERSITY

ITA CONTINUED TO DELIVER PROGRAMS FOR THREE TARGET GROUPS USING FUNDS MADE AVAILABLE THROUGH THE CANADA-BRITISH COLUMBIA LABOUR MARKET AGREEMENT. SINCE 2008/09, THESE PROGRAMS HAVE ASSISTED MORE THAN 5,300 UNEMPLOYED OR LOW-SKILLED PEOPLE TO EXPLORE AND PURSUE TRADES CAREERS.

	Women in Trades Training	Immigrants in Trades Training	Aboriginal Initiatives
The Opportunity	Only 10% of apprentices are women, and while that's up from 8% in 2009 the female labour force is still under-utilized.	New immigrants make up 20% of the Canadian population but only 3-5% of apprentices; many already have valuable trades skills but may face language barriers and other challenges in getting certified.	The Aboriginal population is younger and faster growing than the general population, and many communities are located close to major projects with major trade-skills needs.
The Response	ITA partners with post-secondary institutions, industry and labour organizations, and employment agencies and community groups. The programs offered are designed to enable the target groups to explore trades careers, and to develop and certify trades skills. Assistance with essential skills like numeracy and literacy, help covering costs such as child care and transportation, and mentorship and peer support are also available.		
2012/13 Approved Funding and Target Participant Numbers	<div>\$3.4 million</div> <div>507</div> <div>people</div>	<div>\$1.8 million</div> <div>408</div> <div>people</div>	<div>\$3.8 million</div> <div>468</div> <div>people</div>

It was a milestone year for ITA's Aboriginal Initiatives, with release of a new research report on barriers to Aboriginal trades training and participation, and on successful approaches to overcoming them. This was accompanied by a review of the implementation of ITA's 2009 Aboriginal strategy, and an overview of future directions.

Outreach to immigrant communities was expanded through a series of online and print advertising in targeting media outlets in late 2012/13, appearing in English, Punjabi and Chinese and with an audience reach of more than 1.8 million.

GOVERNMENT/SHAREHOLDER EXPECTATIONS

The following table links ITA strategies and related actions during 2012/13 to directions provided by government in the Shareholder's Letter of Expectations for that year. That document is executed by the Minister of Jobs, Tourism and Skills Training and by the Chair of ITA's Board. ITA responses are further discussed throughout this report.

Government Direction	ITA Response
Implement a strategy, approved by government in the fourth quarter of 2011/12, to maximize ITA's contribution to the industry training system, and the system's effectiveness in meeting industry needs and objectives of the Canada Starts Here: BC Jobs Plan	<p>This strategy was defined in ITA's 2012/13 Service Plan, released in February 2012. Key elements included strengthening existing apprenticeship programs where required, developing program standards beyond traditional apprenticeship, enhanced assessment tools and processes, and a heightened focus on youth programs.</p> <p>Work proceeded in all of these areas in 2012/13, and is reflected in the performance results discussed in preceding sections. Adjustments were made to align with the provincial government's <i>Skills and Training Plan</i>, released in September 2012. This included expanded support for apprentices and sponsors (most notably through the pending addition of field staff), and preparation for expanded availability of competency-based assessment on a defined scope in 2013/14.</p>
Collaborate with the Ministry on a review of client/beneficiary satisfaction with ITA activities	Various steps were taken to improve service delivery to and satisfaction on the part of employers and apprentices, including satisfaction and sponsor value research.
Participate in a government-led review to assess the adequacy of training equipment for ITA-funded programs	ITA participated in this review, which resulted in an investment of an additional \$17 million by the Ministry of Advanced Education, Innovation and Technology in training equipment for use in ITA-funded technical training programs at public post-secondary institutions.
Expand employer participation in industry training and provide a progress report by October 2012	<ul style="list-style-type: none"> • Implemented employer recognition events and certificates • Updated ITA web site with enhanced structure, tools and information • Made ongoing customer and online service improvements • Consulted with industry to maximize value of new field staff • Initiated ongoing employer satisfaction and sponsor value research • Sought input on further improvement opportunities through community dialogues
Address customer service gaps, in collaboration with ITOs and training providers	<ul style="list-style-type: none"> • Updated ITA web site with enhanced structure, tools and content • Made ongoing customer and online service improvements, including enhanced training and coaching resources for customer service staff, quality benchmarking for calls handled, and multiple service-enhancing upgrades to Direct Access • Consulted with all customers to maximize value of new field staff • Sought input on further improvement opportunities through community dialogues
Support carbon neutrality	<ul style="list-style-type: none"> • Maintained use of 100% recycled paper and lower-carbon IT technology, while reducing travel requirements through use of audio and video conferencing

MANAGEMENT'S DISCUSSION AND ANALYSIS

ITA POSTED A SURPLUS AGAIN IN 2012/13, ALTHOUGH AS A RESULT OF CLOSER ALIGNMENT BETWEEN PROJECTED AND ACTUAL TRAINING DEMAND IT CONTINUED TO TREND DOWN AS A PER CENT OF TOTAL BUDGET. DEMAND SOFTENED FURTHER DURING THE YEAR, CONSISTENT WITH WHAT IN THE PAST HAS BEEN A DECADE-LONG IMPACT ON APPRENTICESHIP PARTICIPATION FOLLOWING A RECESSION.

ITA maintained a level of training investment consistent with anticipated mid-term labour market needs, including a relatively high investment in foundation programs, which provide a pre-employment based entry point to apprenticeship.

ITA's investment strategy is also aimed at maintaining technical training capacity, in anticipation of projected mid- and longer-term labour market needs. Current levels of training demand are resulting in a large number of unused training seats relative to earlier years, which translates into a larger than desired annual operating surplus.

Revenues and Expenditures

ITA revenues consist mainly of core funding from the provincial government, which held steady at \$94.44 million. Additional funding continued to be received (included in "provincial grants and others") through the Canada-British Columbia Labour Market Agreement (LMA).

ITA fully utilized the \$12.4 million available under the LMA in 2012/13, primarily for labour-supply initiatives targeting women, immigrants and Aboriginal people.

Training delivery represents by far the largest category of expenses and declined moderately in light of soft apprenticeship training demand. Labour supply initiatives are the next largest expense and, as noted, are largely funded using LMA revenues.

Several other categories of expenses — including standards development and industry engagement — include payments to ITOs for contracted services. Improved returns on investments in ITO activities were achieved in 2012/13, thus moderating expenses in these categories. ITA has invested over \$30 million in program standards development, industry engagement and other services through ITOs since 2005/06 — focus on the outputs versus supporting the organizations.

Assessment and certification expenses included ongoing work relating to standard level exams and competency-based assessment, while standards development expenses included modest investment in credentials for non-apprenticeship training programs. Expenses specific to credential awareness supported brand-focused efforts to foster greater understanding of the value of ITA credentials.

Expenditures in 2012/13 included a one-time transfer, under BC's *Skills and Training Plan*, of \$1.7 million to the Kamloops School District to expand the Norkam trades training facility, and a restricted transfer of \$1.2 million from the Ministry of Jobs, Tourism and Skills Training, to the Career Education Society to be used for youth-related activities in 2013/14.

As a crown agency, ITA is precluded from incurring debt, and annual operating surpluses are transferred to accumulated surplus, which is restricted to expenditures for capital assets. Accumulated surplus will continue to be used primarily to enhance the customer-service functionality of the Direct Access information management system.

Future Financial Outlook

With the completion of efforts to address a backlog of program standards related work, investment in services delivered by ITOs will increasingly shift to industry engagement — a high priority in light of the continued decline in numbers of registered sponsors.

Reductions in labour supply initiatives and training delivery in 2014/15 and 2015/16 reflect the expiry of the current LMA in March 2014. The Province is actively pursuing discussions with the federal government regarding LMA funding beyond March 2014.

ITA will continue to work with the government to optimize the public investment in skills training, in alignment with government policy and the projected mid-term requirements of the labour market.

Further discussion of risks and opportunities impacting operational and financial performance in 2012/13 is found in the "Report on Performance" section on pages 8-9.

Summary of Financial Results

for the Years Ending March 31, 2008 to 2013 and Financial Forecast 2014 to 2016

Statement of Operations (in \$ thousands)	2008* Actual	2009* Actual	2010* Actual	2011 Actual	2012 Actual	2013 Actual	2013 Budget	Variance Budget	Variance Prior Year	2014 Forecast	2015 Forecast	2016 Forecast
Revenues												
Provincial general funding	96,938	100,538	94,444	94,444	94,444	94,444	94,444	-	-	94,444	94,444	94,444
Provincial grants and other	236	2,693	17,230	17,152	8,303	13,979	11,685	2,294	5,676	14,466	-	-
Provincial crowns	-	-	-	-	4,250	-	-	-	(4,250)	-	-	-
Federal funding received	30	-	97	634	192	98	-	98	(94)	-	-	-
Operating	-	-	433	452	383	404	-	404	21	-	-	-
Fees	237	314	309	341	383	391	300	91	8	300	300	300
Investment income	981	541	121	243	294	351	180	171	57	305	305	305
Deferred revenue province	482	196	1,140	-	-	-	-	-	-	100	-	-
Other	-	-	-	-	40	62	53	9	22	403	403	403
	98,904	104,282	113,774	113,266	108,289	109,729	106,662	3,067	1,440	110,018	95,452	95,452
Expenses												
Standards development	2,756	3,339	1,574	2,608	2,437	2,887	3,227	(340)	450	2,370	2,320	2,320
Industry engagement (non standards work)	1,935	2,477	3,403	3,621	3,382	2,036	2,199	(163)	(1,346)	2,949	2,949	2,949
Credential awareness	-	-	-	-	-	505	300	205	505	350	100	100
Assessment and certification	271	748	1,448	1,833	1,067	579	1,028	(449)	(488)	678	678	678
Training delivery ¹	79,180	79,456	82,272	79,349	74,781	72,532	77,370	(4,838)	(2,249)	77,720	74,220	74,220
Labour supply initiatives	5,859	8,097	13,511	14,068	12,537	18,767	13,110	5,657	6,230	15,047	5,160	5,160
Administration	7,972	8,608	9,424	8,417	9,082	8,847	9,428	(581)	(235)	10,904	10,025	10,025
	97,973	102,725	111,632	109,896	103,286	106,153	106,662	(509)	2,867	110,018	95,452	95,452
Annual surplus	931	1,557	2,142	3,370	5,003	3,576	-	3,576	(1,427)	-	-	-
Accumulated surplus ²	4,501	6,058	8,200	12,383	17,386	20,962	17,386	3,576	3,576	20,962	20,962	20,962
Purchase of capital assets	1,153	1,160	1,190	1,118	1,585	393	603	(210)	(1,192)	2,000	2,000	2,000

* 2008-2010 was prepared based on Not for Profit Canadian Generally Accepted Accounting Principles.

2011-2016, including forecast information, was prepared based on current Canadian Generally Accepted Accounting Principles (GAAP - PSAB).

Notes

1 Includes apprenticeship and foundation programs and Queen's Printer Curriculum Development.

2 Due to the nature of the ITA operations there is no total debt.

MANAGEMENT'S REPORT

Management's Responsibility for the Financial Statements

THE FINANCIAL STATEMENTS HAVE BEEN PREPARED BY MANAGEMENT IN ACCORDANCE WITH CANADIAN PUBLIC SECTOR ACCOUNTING STANDARDS AND THE INTEGRITY AND OBJECTIVITY OF THESE STATEMENTS ARE MANAGEMENT'S RESPONSIBILITY.

Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. A summary of the significant accounting policies are described in Note 2 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements at every meeting and external audited financial statements yearly. The Board also discusses any significant financial reporting or internal control matters prior to their approval of the financial statements.

The external auditors, BDO Canada LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of Industry Training Authority and meet when required. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of Industry Training Authority



Kevin Evans
Chief Executive Officer



Sue Thomas, CA
Chief Financial Officer

May 13, 2013

INDEPENDENT AUDITOR'S REPORT



Tel: 604 688 5421
Fax: 604 688 5132
vancouver@bdo.ca
www.bdo.ca

BDO Canada LLP
600 Cathedral Place
925 West Georgia Street
Vancouver BC V6C 3L2 Canada

Independent Auditor's Report

To the Board of Directors of the Industry Training Authority

We have audited the accompanying financial statements of the Industry Training Authority, which comprise the Statement of Financial Position as at March 31, 2013 and the Statement of Operations and Changes in Accumulated Surplus, Changes in Net Financial Assets and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly in all material respects, the financial position of the Industry Training Authority as at March 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matter

The financial statements of the Industry Training Authority for the year ended March 31, 2012 were audited by the Auditor General of British Columbia who expressed an unmodified opinion on those financial statements on May 15, 2012.

Chartered Accountants

Vancouver, British Columbia
May 13, 2013

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Industry Training Authority

STATEMENT OF FINANCIAL POSITION

As at March 31, 2013 (in thousands of dollars)

	Note	March 31, 2013	March 31, 2012
Financial assets			
Cash	3	15,502	15,292
Accounts receivable	4	37	26
Due from government/other government organizations	5	7,856	3,859
		23,395	19,177
Liabilities			
Accounts payable and accrued liabilities	6	3,681	4,914
Employee future benefits	7	6	3
Due to government/other government organizations	8	2,657	1,521
Deferred revenue	9	615	555
		6,959	6,993
Net financial assets		16,436	12,184
Non-financial assets			
Tangible capital assets	12	4,155	4,610
Prepaid expenses		371	592
		4,526	5,202
Accumulated surplus		20,962	17,386
Contingent liabilities	11		
Contractual obligations	13		

The accompanying notes are an integral part of these financial statements.



Frank Pasacreta
Board Chair



Laura Stanton
Audit Committee Chair

STATEMENT OF OPERATIONS AND CHANGES IN ACCUMULATED SURPLUS

For the Year Ended March 31, 2013 (in thousands of dollars)

	Note	Budget (Note 17)	March 31, 2013	March 31, 2012
Revenues				
Provincial general funding		94,444	94,444	94,444
Provincial grants and other		11,685	13,979	8,303
Provincial crowns		-	-	4,250
Federal funding received		-	98	192
Operating		-	404	383
Fees		300	391	383
Investment income		180	351	294
Other		53	62	40
		106,662	109,729	108,289
Expenses	14			
Standards development		3,227	2,887	2,437
Industry engagement (non standards work)		2,199	2,036	3,382
Credential awareness		300	505	-
Assessment and certification		1,028	579	1,067
Training delivery		77,370	72,532	74,781
Labour supply initiatives		13,110	18,767	12,537
Administration		9,428	8,847	9,082
		106,662	106,153	103,286
Annual surplus		-	3,576	5,003
Accumulated surplus at the beginning of year			17,386	12,383
Accumulated surplus at end of year			20,962	17,386

The accompanying notes are an integral part of these financial statements.

Industry Training Authority

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For the Year Ended March 31, 2013 (in thousands of dollars)

	Budget (Note 17)	March 31, 2013	March 31, 2012
Annual operating surplus	-	3,576	5,003
Acquisition of tangible capital assets	(542)	(393)	(1,585)
Amortization of tangible capital assets	722	772	716
Loss on sale of tangible capital assets	-	-	10
Write-downs on tangible capital assets	-	76	-
	180	455	(859)
(Acquisition)/use of prepaid expense	-	221	(2)
Increase in net financial assets	180	4,252	4,142
Net financial assets at beginning of year	12,184	12,184	8,042
Net financial assets at end of year	12,364	16,436	12,184

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

(in thousands of dollars)

	March 31, 2013	March 31, 2012
Operating transactions		
Annual surplus	3,576	5,003
Non-cash items included in annual surplus increase/(decrease):		
Amortization	772	716
Change in prepaid expenses	221	(2)
Change in receivables	(4,008)	509
Change in payables and accrued liabilities	(94)	1,190
Change in deferred revenue	60	555
Cash provided by operating transactions	527	7,971
Capital transactions		
Proceeds on sale/writedown of tangible capital assets	76	10
Cash used to acquire tangible capital assets	(393)	(1,585)
Cash applied to capital transactions	(317)	(1,575)
Increase in cash	210	6,396
Cash at beginning of year	15,292	8,896
Cash at end of year	15,502	15,292

The accompanying notes are an integral part of these financial statements.

Industry Training Authority

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2013

1. Nature of Operations

Industry Training Authority (ITA) is a Crown agency established on January 2, 2004 and operates under the authority of the *Industry Training Authority Act*. ITA reports to the Legislative Assembly through the Ministry of Jobs, Tourism and Skills Training. The mandate of the ITA is to oversee occupational standards, credentialing, and apprenticeship for skilled trades and occupations in demand by industry and the BC labour market. It serves the public interest ensuring industry standards and credentials are in place for skilled trades and occupations, while providing individuals with accessible technical apprenticeship training opportunities that are closely linked to workplace opportunities. These services are grouped into the following key areas: standards, industry engagement, credential awareness, assessment and certification, training delivery and labour supply initiatives.

ITA is exempt from income taxes under the *Income Tax Act*.

2. Summary of Significant Accounting Policies**a) Basis of accounting**

The financial statements are prepared by management in accordance with Canadian public sector accounting standards for provincial reporting entities established by the Canadian Public Sector Accounting Board.

b) Tangible capital assets

Tangible capital assets are recorded at cost, which included amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of assets.

The cost, less residual value, of the tangible capital assets, is amortized on a straight-line basis over their estimated useful lives as follows:

Furniture and equipment	5 years
Computer hardware and software	3-10 years
Leasehold improvements	10 years

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets are written down when conditions indicate that they no longer contribute to ITA's ability to provide credentials and services. The net write-downs are accounted for as expenses in the statement of operations.

Transfers of capital assets from related parties are recorded at carrying value. ITA has recorded additions relating to computer software for apprenticeship records at carrying value.

c) Employee future benefits

i. The employees of ITA belong to the Public Service Pension Plan, which is a multi-employer joint trustee plan. This plan is a defined benefit plan, providing a pension on retirement based on the member's age at retirement, length of service and highest earnings averaged over five years. Inflation adjustments are contingent upon available funding.

The joint trustee board of the plan determines the required plan contributions annually.

The contribution of ITA to the plan is recorded as an expense for the year.

ii. The costs of insured benefits reflected in these financial statements are the employer's portion of the insurance premiums owed for the coverage of employees during the period.

d) Prepaid expenses

Prepaid expenses include payments to private trainers for classes spanning the fiscal year end as well as other operational expenses and are charged to expense over the periods expected to benefit from the prepaid.

NOTES TO FINANCIAL STATEMENTS CONTINUED

for the year ended March 31, 2013

e) Revenue recognition

Revenues are recognized in the period when the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impractical.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability and are taken into revenue in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue in the period when they are used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

f) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Grants and transfers are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

g) Foreign currency translation

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions and there are no foreign denominated assets or liabilities existing at year end.

h) Financial instruments

ITA has the following financial instruments:

i. Cash

Cash includes cash held in a high yield account at a Canadian bank and is subject to an insignificant risk of change in value.

ii. Accounts receivables

Accounts receivables are primarily from the province or the federal government. They are subject to an insignificant risk of change in value.

iii. Accounts payables

Accounts payables are to trade and to the province and government related entities that are due within 30 days.

All financial assets and financial liabilities are measured at cost which approximates fair value due to the short term nature of these accounts.

i) Measurement uncertainty

The preparation of financial statements is in conformity with Canadian public sector accounting standards for provincial reporting entities. These standards require management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include: the useful life of tangible capital assets and rates for amortization.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

Industry Training Authority

NOTES TO FINANCIAL STATEMENTS CONTINUED

for the year ended March 31, 2013

3. Cash

(in \$ thousands)	Mar 31, 2013	Mar 31, 2012
Unrestricted cash	15,502	15,292

4. Accounts Receivables

(in \$ thousands)	Mar 31, 2013	Mar 31, 2012
Revenues receivable	12	4
Accrued interest	25	22
	37	26

5. Due from Government and Other Government Organizations

(in \$ thousands)	Mar 31, 2013	Mar 31, 2012
Provincial government	6,756	3,512
Federal government	351	345
Other government organizations	749	2
	7,856	3,859

6. Accounts Payable and Accrued Liabilities

(in \$ thousands)	Mar 31, 2013	Mar 31, 2012
Accounts payable and accrued liabilities	3,136	4,346
Salaries and benefits payable	455	505
Accrued vacation pay	90	63
	3,681	4,914

7. Employee Future Benefits

ITA and its employees contribute to the Public Service Pension Plan in accordance with the *Public Sector Pensions Act*. BC Pension Corporation administers the plan, including payment of pension benefits to employees to whom the Act applies. The Public Service Pension Plan is a multi-employer, defined benefit plan.

Information about obligations for retirement benefits and other employee future benefits is as follows:

a) Retirement and other employee future benefits — pension plan

ITA and its employees contribute to the Public Service Pension Plan in accordance with the *Public Sector Pensions Act*. The plan provides defined pension benefits to employees based on their length of service and rates of pay. The maximum contribution rate for eligible employees was 9.43% (2012: 9.28%). ITA's maximum contribution rate is 10.93% (2012: 10.28%). During the year ended March 31, 2013, ITA contributed \$338 thousand (2012: \$319 thousand) to the plan. These contributions are ITA's pension benefit expense. No pension liability for this type of plan is included in the financial statements.

An actuarial valuation is conducted every three years to assess the financial position of the Public Service Pension Plan's (PSPP's) pension fund. The most recent valuation was conducted as at March 31, 2011, and the results showed that the PSPP's basic account had a deficit of \$275,401 million. The contribution rate increase effective April 1, 2012 to the basic account is relatively small, which is in part due to the 2010 rebound in the plan's investments. The actuary does not attribute portions of the unfunded liability to individual employers.

NOTES TO FINANCIAL STATEMENTS CONTINUED

for the year ended March 31, 2013

b) Long-term disability life insurance and health care benefits

ITA provides life insurance, dental and health care benefits to employees on long-term disability leave for a period of two years after the date of disability. The insurance carrier waives the life insurance premium for employees on long-term disability; however, ITA is responsible for the payment of the premium costs of medical, dental and Medical Services Plan under this plan. The costs of salary compensation paid to employees on long-term disability leave are fully insured through employee paid contributions and are not included in this plan.

The accrued benefit obligations for employee future benefit plans as at March 31, 2013 is \$6 thousand (2012: \$3 thousand).

8. Due to Government and Other Government Organizations

(in \$ thousands)	Mar 31, 2013	Mar 31, 2012
Federal government	4	11
Provincial government	391	288
Other government organizations	2,262	1,222
	2,657	1,521

ITA's liabilities to government and other government organizations are all amounts payable on demand and within a year. Other government organizations includes: colleges, universities and school districts.

9. Deferred Revenue

(in \$ thousands)	Balance April 1, 2012	Receipts (repayments) during year	Transferred to revenue	Balance Mar 31, 2013
Tenant inducement Richmond office	500	-	53	447
BC Trades Awareness Campaign - province	-	400	232	168
Aboriginal research - province	55	(25)	30	-
	555	375	315	615

ITA received \$530 thousand in tenant inducements for leasehold improvements to the Richmond office in fiscal 2012. This revenue is being deferred and recognized over the term of the lease.

ITA entered into an agreement with the province's Ministry of Advanced Education, Innovation and Technology for a BC Trades Awareness Campaign for \$400 thousand.

ITA entered into an agreement with the province's employment and labour market services for a Labour Market Project for Aboriginal research for \$170 thousand. \$105 thousand was advanced to the ITA and the unspent funds were returned as of March 31, 2013.

Industry Training Authority

NOTES TO FINANCIAL STATEMENTS CONTINUED

for the year ended March 31, 2013

10. Fiscal Risk Management

ITA's financial instruments are not exposed to significant risk. They are measured at cost and include: cash; trade receivables and trade payables.

a) Cash

ITAs cash is made up of cash held in bank accounts in demand deposits.

- i. Cash is not exposed to significant liquidity risk or market risk which includes currency risk and interest rate risk.
- ii. ITA's objectives in managing these risks are to significantly minimize risk by:
 - (1) Holding cash in a chequing and a deposit account at a Canadian bank,
 - (2) In Canadian currency, and
 - (3) In interest bearing bank accounts.
- iii. There have been no changes in the fiscal risks or ITA's objectives, policies or process, from the previous period.

b) Accounts receivables and due from government/other government organizations

Accounts receivables and due from government/other government organizations are primarily from the provincial and federal governments with less than 1% from trade receivables.

- i. ITA's accounts receivables do not have significant credit, liquidity or market risk.
- ii. ITA's objective is to keep all receivables current. Trade receivables that are past due are not impaired.
- iii. There have been no changes in the fiscal risks or ITA's objective, policies or process, from the previous period.

c) Accounts payables

Accounts payables are to trade and to the province and government related entities and are due within 30 days.

- i. ITA's accounts payables do not have significant credit, liquidity or market risk.
- ii. ITA's objective is to keep all payables current.
- iii. There have been no changes in the fiscal risks or ITA's objective, policies or process, from the previous period.

11. Contingent Liabilities — Pension

ITA has an accrual for an obligation arising from employees' potential voluntary purchase of past service in the Public Service Pension Plan of \$50 thousand (2012: \$53 thousand). Changes in the accrual are reflected in the Statement of Operations.

NOTES TO FINANCIAL STATEMENTS CONTINUED

for the year ended March 31, 2013

12. Tangible Capital Assets

2013 (in \$ thousands)	Furniture and equipment	Computer hardware and software	Leasehold improvements	March 31, 2013 Total
Cost				
Opening Balance	481	6,298	600	7,379
Additions	-	393	-	393
Disposals	-	(146)	-	(146)
Closing Balance	481	6,545	600	7,626
Accumulated Amortization				
Opening Balance	271	2,464	34	2,769
Additions	78	634	60	772
Disposals	-	(70)	-	(70)
Closing Balance	349	3,028	94	3,471
Net book value	132	3,517	506	4,155

2012 (in \$ thousands)	Furniture and equipment	Computer hardware and software	Leasehold improvements	March 31, 2012 Total
Cost				
Opening Balance	308	5,533	280	6,121
Additions	225	767	593	1,585
Disposals	(52)	(2)	(273)	(327)
Closing Balance	481	6,298	600	7,379
Accumulated Amortization				
Opening Balance	281	1,835	254	2,370
Additions	32	631	53	716
Disposals	(42)	(2)	(273)	(317)
Closing Balance	271	2,464	34	2,769
Net book value	210	3,834	566	4,610

Industry Training Authority

NOTES TO FINANCIAL STATEMENTS CONTINUED

for the year ended March 31, 2013

13. Contractual Obligations

ITA has entered into a number of multiple-year contracts for the delivery of services for operating leases for premises and equipment. The lease commitments are for space costs and exclude operating costs. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

Contractual obligations (in \$ thousands)	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017	March 31, 2018	There-after
Future operating lease payments — office	195	195	195	202	206	704
Future operating lease payments — copiers	12	8	-	-	-	-
	207	203	195	202	206	704

14. Expenses by Object

The following is a summary of expenses by object:

(in \$ thousands)	Mar 31, 2013	Mar 31, 2012
ITO-delivered services	4,660	5,683
Training provider services (including Youth)	82,280	78,653
LMA contractor services (Women, Aboriginal & Immigrant)	8,493	8,040
Other operating costs	1,297	1,852
Compensation and staff development	4,900	4,842
Information systems/telecommunications	1,237	1,309
Communications and credential awareness	790	555
Building occupancy and other	361	512
Amortization	772	716
Loss on disposal/writeoff	76	10
Other administrative costs	1,287	1,114
	106,153	103,286

Compensation and staff development costs for all ITA employees are included in Administration in the Statement of Operations as all program delivery and employee activity is in support of ITA's single product Certificates of Qualification.

Building occupancy and other includes the moving costs related to the new consolidated offices on August 29, 2011.

NOTES TO FINANCIAL STATEMENTS CONTINUED

for the year ended March 31, 2013

15. Related Party Transactions**a) Board and Employees**

An ITA director, appointed February 12, 2013, was also the Board Chair of Transportation Career Development Association of BC (transCDA) until his resignation from that position on April 8, 2013. ITA made payments of \$844,736 to transCDA in 2012/13 (\$785,460 in 2011/12). An ITA employee and an ITA director are directors of Skills Canada BC. ITA made a payment of \$50,000 to Skills BC in 2012/13 (\$0 in 2011/12). A senior manager of an ITA contractor is also an ITA director. ITA made payments of \$550 to the contractor in 2012/13 (\$0 in 2011/12). The Board members and employee did not take part in approval of the payments.

b) Province

ITA has the following transactions with the government and other government controlled organizations.

(in \$ thousands)	Mar 31, 2013	Mar 31, 2012
Provincial general funding — Ministry of Jobs, Tourism and Skills Training	94,444	94,444
Provincial other funding/grants		
— Ministry of Jobs, Tourism and Skills Training	13,746	8,303
— Ministry of Advanced Education, Innovation and Technology	232	-
Crown — Trades Training Consortium BC	-	4,250
Operating — Queens Printer	404	383
	108,826	107,380
Transfers to :		
Post secondary institutions	70,890	70,159
School districts	6,329	4,088
Ministry of Education	226	165
Ministry of Citizen's Services — Accommodation and Real Estate Services	(6)	216
Queen's Printer & BC Mail Plus	467	711
Public Service Pension Plan	338	319
Service BC	337	332
Other government related entities	4	42
	78,585	76,032

16. Comparative Figures

Certain comparative figures have been restated to conform to current year's presentation.

17. Budgeted Figures

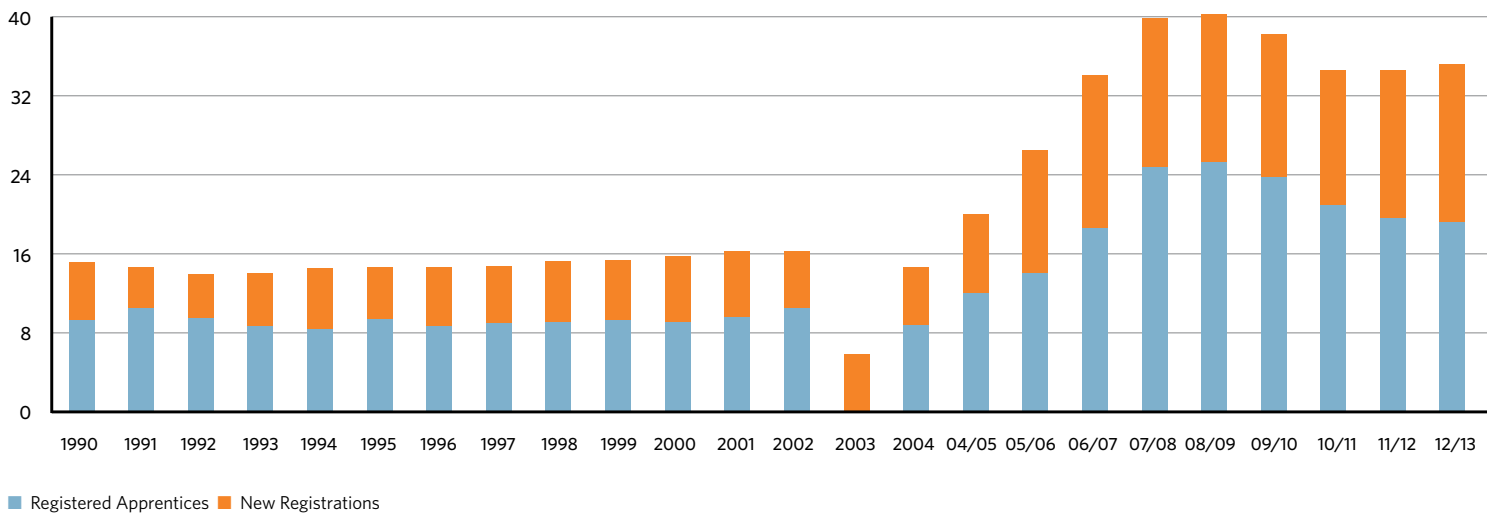
Budgeted figures as approved by the Board of Directors have been provided for comparison purposes.

KEY STATISTICS

The full bars in these graphs represent the total number of registered apprentices at the end of the relevant time period. The orange sections of the bars represent the proportion of that total made up of new registrations during the period. Registered apprentice figures from 1990–2002 and those from 2004 onward are not precisely comparable — as a result of the implementation of refined classification and tracking procedures — but provide an indication of relative participation levels over time. Sufficiently comparable numbers are not available for the 2003 transitional period immediately prior to when ITA was formed and only the new registration figure is shown for that time period.

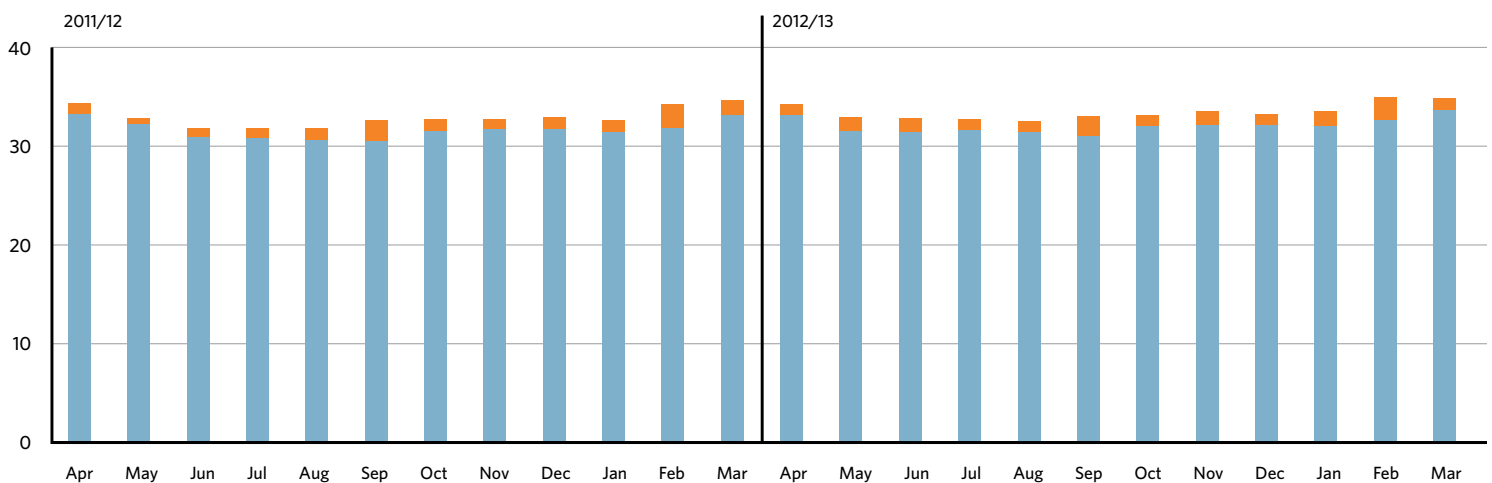
Historic Performance: Registered Apprentices and New Registrations

(in thousands)



Recent Performance: Registered Apprentices and New Registrations

(in thousands)



Figures include youth participants and exclude foundation program participants

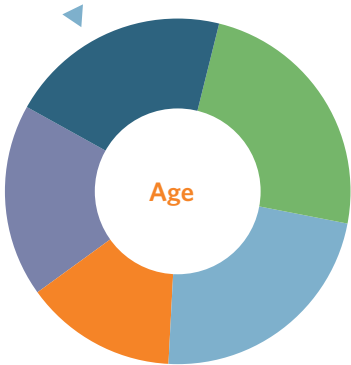
Registered Apprentices (Blue), New Registrations (Orange)

Training Participants

(all registered apprentices as of March 31, 2013)

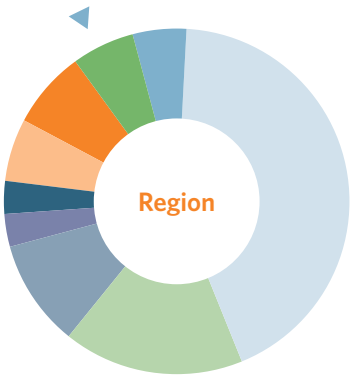
Clockwise from marked :

19 & Under	21%
20 - 24	24%
25 - 29	23%
30 - 34	14%
35 & Above	18%



Clockwise from marked :

Kamloops-Cariboo	6%
Kootenays	5%
Lower Mainland	43%
Vancouver Island	17%
Okanagan	10%
Northwest	3%
Northeast	3%
Prince George	6%
Fraser Valley	7%



Operating Industry Training Organizations: Scope of Responsibilities

Total Apprenticeships Registered

as of March 31, 2013

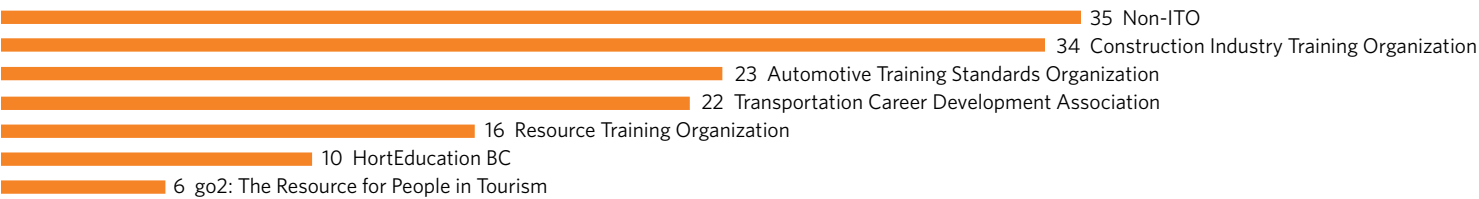


Total Apprenticeships Registered: 35,041

Number of Programs

Figures include youth participants and exclude foundation program participants

as of March 31, 2013

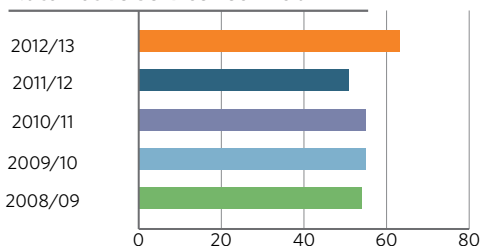


Total Programs: 146

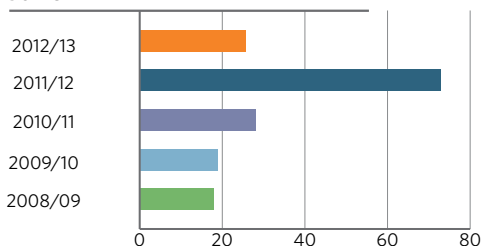
Completion Rates, Major Red Seal Trades

(average in percentage)

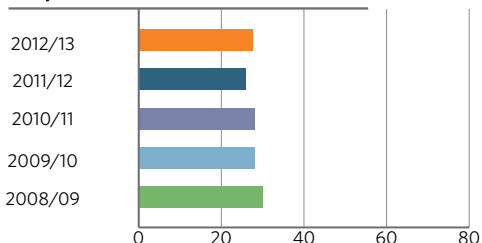
Automotive Service Technician



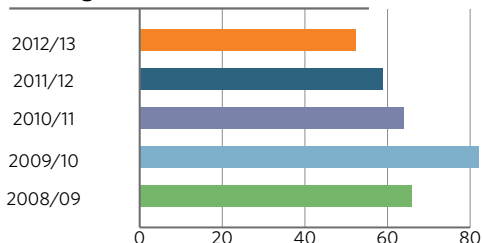
Joiner



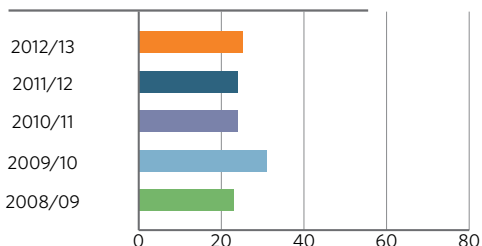
Carpenter



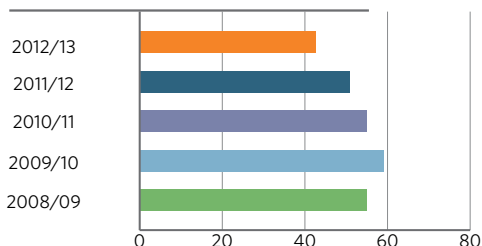
Millwright



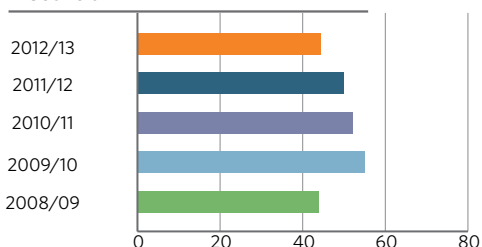
Cook



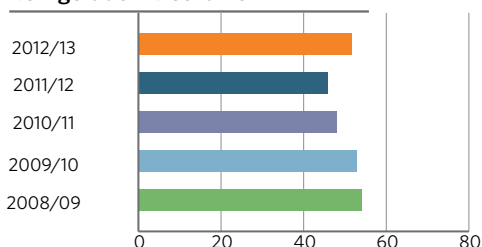
Plumber



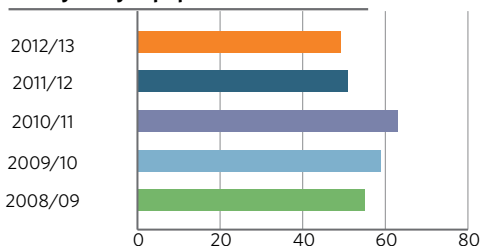
Electrician



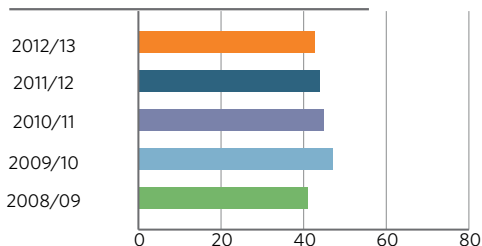
Refrigeration Mechanic



Heavy Duty Equipment Mechanic



Sheet Metal Worker

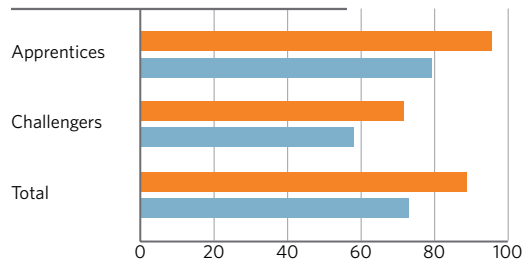


■ 2012/13 - 06/07 cohort
 ■ 2011/12 - 05/06 cohort
 ■ 2010/11 - 04/05 cohort
 ■ 2009/10 - 03/04 cohort
 ■ 2008/2009 - 02/03 cohort

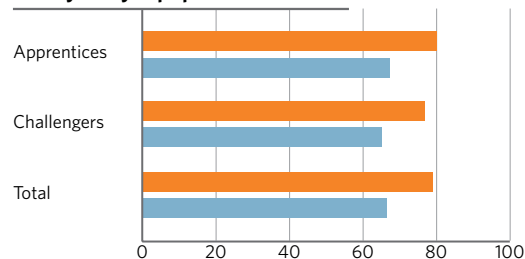
BC and National Examination Pass Rates, Major Red Seal Trades, 2012

Based on number of exams written (in percentage)

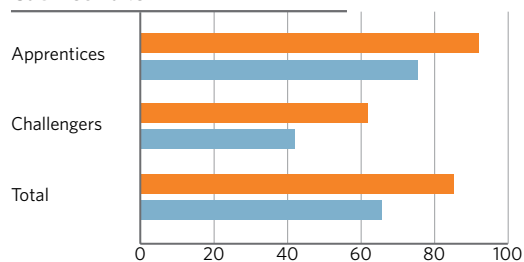
Automotive Service Technician



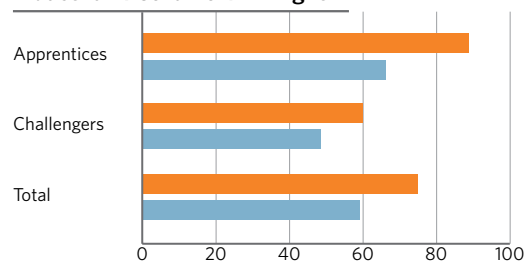
Heavy Duty Equipment Mechanic



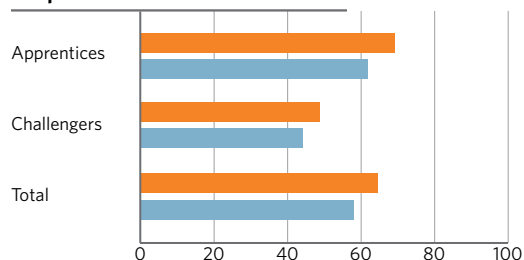
Cabinetmaker



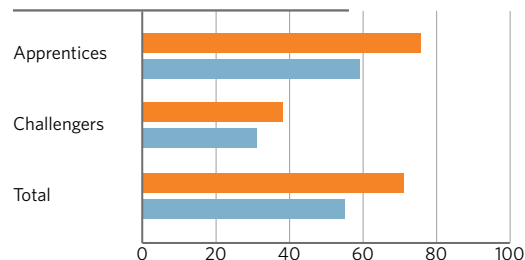
Industrial Mechanic Millwright



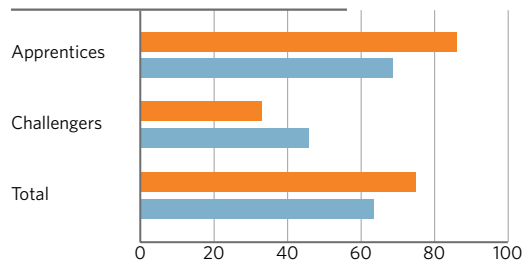
Carpenter



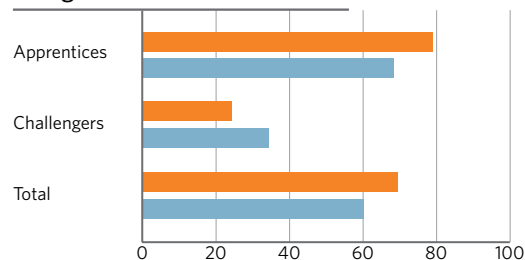
Plumber



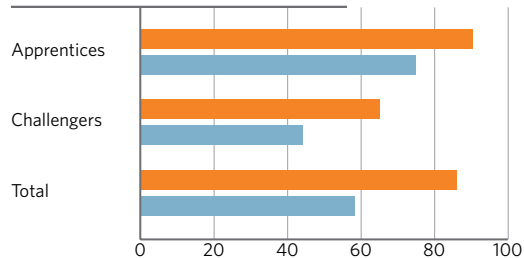
Construction Electrician



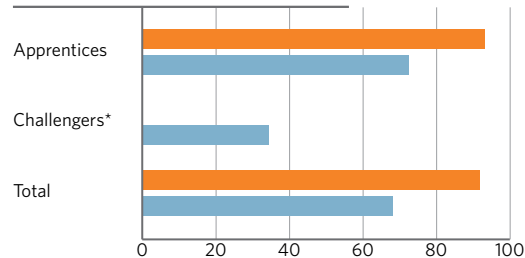
Refrigeration Mechanic



Cook



Sheet Metal Worker



British Columbia National

*Suppressed due to small numbers of challengers

Apprentice

A person who registers with the Industry Training Authority and pursues an industry training program — combining work-based training with technical or institution-based training — with the intent of obtaining an industry training credential.

Challengers/Challenge Process

Individuals who have not participated in a formal apprenticeship program in Canada, but who have been assessed and approved to undergo final certification assessment requirements based on their prior experience and existing skills.

Credential/Certification

Recognition that an individual has met the requirements of an industry training program either through participation in a formal apprenticeship program or through a challenge process. In BC, credentials take the form of provincial Certificates of Qualification (often issued with inter-provincial or Red Seal endorsements), Certificates of Apprenticeship, and Certificates of Completion (foundation programs).

Direct Access

An information management system designed to track system-wide performance, and provide apprentices and sponsors with the ability to register, access program information, check transcripts, enter training hours and trigger recommendation letters.

Competency-Based Assessment

Any of a range of standards-based means of assessing competency — such as interviews and observation of the practical application of defined skills — that are alternatives to written examinations.

Foundation Programs

Pre-apprenticeship and primarily school-based programs (including those formerly known as Entry Level Trades Training Programs) directly aligned with apprenticeship programs, and providing an entry point by which participants can earn credit for Level 1 technical training without the need for a sponsor who has committed to provide work-based training.

Industry Training Organization

An industry-directed, not-for-profit legal entity with responsibility for developing and managing industry training programs province-wide within a particular economic sector (e.g. automotive repair, horticulture, ICI Construction, transportation).

Industry Training Program

Any of a number of occupation-specific programs involving defined competencies and standards, assessment tools and a credential to be awarded upon successful completion. Includes both apprenticeship and foundation programs.

Labour Market Agreement

Bilateral agreements under which the federal government provides funding for specific labour market initiatives for which the province then assumes responsibility to design and deliver.

Occupational Performance Standards

Precise documentation of the level of workplace performance, based on defined criteria, expected by industry of a competent individual within a particular occupation.

Red Seal

A national program providing a standardized endorsement for specific occupations/trades and allowing for greater labour mobility across provincial/territorial boundaries. Upon successful completion of a Red Seal exam, a Red Seal endorsement is added to the provincial credential.

Sponsor

A qualified individual or other legal entity (often, but not necessarily, an employer) that commits to ensuring that an apprentice receives work-based training relevant to his or her industry training program, and under the direction of one or more qualified individuals.

Standard Level Exams

Examinations developed by ITA for standardized use by training providers in determining successful completion of a specific level of a multi-year apprenticeship program.

Technical Training

The institution-based (in-class or distance education) component of an industry training program that provides a combination of theoretical knowledge and practical skills to complement work-based training.

Utilization Rates

The proportion of available spaces within ITA-funded technical training programs that were actually filled by training participants (including programs offered at public post-secondary institutions, by private trainers, and as part of pilot programs).



INDUSTRY TRAINING AUTHORITY

800 - 8100 Granville Avenue,
Richmond, BC V6Y 3T6

Telephone 778.328.8700

Toll Free (within BC) 1.866.660.6011

Fax 778.328.8701 **Email** customerservice@itabc.ca

www.itabc.ca

